



# ANNUAL REPORT

2016/2017

Promoting Excellence in  
the Teaching Profession







**South African Council for Educators**  
**ANNUAL REPORT**  
**2016/2017**

## Contents

<b>PART A: GENERAL INFORMATION</b>	<b>1</b>
1. PUBLIC ENTITY'S GENERAL INFORMATION	2
2. LIST OF ABBREVIATIONS/ACRONYMS	3
3. FOREWORD BY THE CHAIRPERSON	5
4. CHIEF EXECUTIVE OFFICER'S OVERVIEW	7
5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT	9
6. STRATEGIC OVERVIEW	10
6.1. Vision	10
6.2. Mission	10
6.3. Values	10
7. LEGISLATIVE AND OTHER MANDATES	10
8. ORGANISATIONAL STRUCTURE	11
<b>PART B: PERFORMANCE INFORMATION</b>	<b>13</b>
1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES	14
2. SITUATIONAL ANALYSIS	15
2.1. Service Delivery Environment	15
2.2. Organisational environment	15
2.3. Key policy developments and legislative changes	15
2.4. Strategic Outcome Oriented Goals	15
3. PERFORMANCE INFORMATION BY PROGRAMME/ACTIVITY/OBJECTIVE	16
3.1. Programme/objective: Registration	16
3.2. Programme/objective: Code of Ethics	18
3.3. Programme/objective: Professional Development	27
3.4. Programme/objective: Policy & Research	50
4. Revenue collection	57
5. Capital investment	57
6. Cost Containment measure	57
<b>PART C: GOVERNANCE</b>	<b>63</b>
1. INTRODUCTION	64
2. PORTFOLIO COMMITTEES	64
3. EXECUTIVE AUTHORITY	64
4. THE ACCOUNTING AUTHORITY	64
5. RISK MANAGEMENT	74
6. INTERNAL CONTROL	74

7.	INTERNAL AUDIT AND AUDIT COMMITTEES . . . . .	75
8.	COMPLIANCE WITH LAWS AND REGULATIONS . . . . .	77
9.	FRAUD AND CORRUPTION . . . . .	77
10.	MINIMISING CONFLICT OF INTEREST . . . . .	77
11.	CODE OF CONDUCT. . . . .	77
12.	HEALTH SAFETY AND ENVIRONMENTAL ISSUES . . . . .	77
	<b>PART D: HUMAN RESOURCE MANAGEMENT . . . . .</b>	<b>79</b>
1.	INTRODUCTION . . . . .	80
2.	HUMAN RESOURCE OVERSIGHT STATISTICS . . . . .	81
	<b>PART E: FINANCIAL INFORMATION . . . . .</b>	<b>87</b>





---

**PART A:  
GENERAL INFORMATION**

## 1. PUBLIC ENTITY'S GENERAL INFORMATION

<b>REGISTERED NAME:</b>	South African Council for Educators
<b>PHYSICAL ADDRESS:</b>	Crossway Office Park, Block 1 240 Lenchen Avenue Centurion
<b>POSTAL ADDRESS:</b>	Private Bag x 127 Centurion 0046
<b>TELEPHONE NUMBER/S:</b>	012 663 9517
<b>FAX NUMBER:</b>	012 663 9238
<b>EMAIL ADDRESS:</b>	info@sace.org.za/pr@sace.org.za
<b>WEBSITE ADDRESS:</b>	www.sace.org.za
<b>EXTERNAL AUDITORS:</b>	Nexia SAB&T
<b>BANKERS:</b>	Nedbank Limited Reserve Bank
<b>COMPANY/ BOARD SECRETARY</b>	Ms Ella Mokgalane (Acting CEO)



## 2. LIST OF ABBREVIATIONS/ACRONYMS

ACSI	Association of Christian Schools International
AET	Adult Education and Training
AFTRA	African Forum of Teaching Regulatory Authorities
AU	African Union
B Ed	Bachelor of Education
CAPS	Curriculum and Assessment Policy Statement
CEPD	Centre for Education Policy Development
CHE	Council on Higher Education
CPTD	Continuing Professional Teacher Development
CSVR	Centre for the Study of Violence and Reconciliation
CUT, FS	Central University of Technology, Free State
DBE	Department of Basic Education
ECD	Early Childhood Development
EI	Education International
ELRC	Education Labour Relations Council
ETDP-SETA	Education and Training Development Practices Sector Education & Training Authority
FET	Further Education and Training
GCIS	Government Communication and Information Systems
HEDCOM	Heads of Education Departments Committee
HIV	Human Immunodeficiency Virus
HOD	Head of Department
HPCSA	Health Professions Council of South Africa
HSRC	Human Sciences Research Council
IFTRA	International Forum of Teaching Regulatory Authorities
JPTD	Junior Primary Teachers Diploma
NAISA	National Alliance of Independent Schools Association
NAPTOSA	National Professional Teachers Organisation of South Africa
NASGB	National Association of School Governing Bodies
NATU	National Teachers Union
NWU	North-West University
PEDs	Provincial Education Departments
PEU	Professional Educators Union
PFMA	Public Finance Management Act
PGCE	Postgraduate Certificate in Education
PTC	Primary Teachers Certificate

PTD	Primary Teachers Diploma
SACE	South African Council for Educators
SADC	Southern Africa Development Community
SADTU	South African Democratic Teachers Union
SAOU	Suid-Afrikaanse Onderwysunie/South African Teachers' Union
SAPA	South African Principals' Association
SAQA	South African Qualifications Authority
SNAT	Swaziland National Association of Teachers
STD	Secondary Teachers Diploma
TB	Tuberculosis
TUT	Tshwane University of Technology
UKZN	University of KwaZulu-Natal
VVOB	The Flemish Association for Development Cooperation & Teacher Assistance
WTD	World Teachers' Day

### 3. FOREWORD BY THE CHAIRPERSON



**MS VERONICA HOFMEESTER**  
**CHAIRPERSON**

I am honoured and privileged to present to you the 2016/17 Annual Report. This is the year that the South African Council for Educators (SACE) registered some success on its programmes, despite the institutional challenges experienced during the last quarter of the financial year. Our stakeholders, partners, and the Department of Basic Education should be recognised for playing a significant role in ensuring that Council achieves on its legislated mandate.

SACE has the mandate to register all educators, manage a system for Continuing Professional Development for educators in schools, and set and maintain ethical and professional standards. Additionally, SACE has a responsibility to support the delivery of the country's outcome number 1: Quality Education, by being a key delivery partner in achieving the goals of the National Development Plan (Vision 2030), National Policy Framework on Teacher Education and Development and the Department of Basic Education's Action Plan 2019. The Council further want to ensure that it aligns itself with the Sustainable Development Goals and its targets moving to 2030. It is, therefore, important to understand that SACE regulates the teaching profession within this policy environment and context.

In realising its mandate, SACE has five key programmes that focus on the Registration of Educators, Ethics, Continuing Professional Teacher Development (CPTD) Management System, Professional Standards and Research. In terms of the Registration of Educators, a total of 37 977 new registrations was achieved. In this context this refers to all new or first-time transactions that were entered into, including the student teachers, practising unregistered teachers, newly qualified teachers who did not register as student teachers and foreign educators.

In addition, this report's performance information indicates that the organisation has vetting and verification as one of its performance indicators. While the set target has been achieved, Council has taken stock and reflected on this matter given its mandate and capacity in implementing these two processes – vetting and verification. In line with the reflection process, a rethinking and reconceptualization process is underway to redefine SACE's distinct role in the registration of educators and the establishment of institutional networks and arrangements for purposes of collaborating to implement the professional registration of teachers and address the issue of fitness-to-practice. These strategic networks and relations will go a long way in ensuring that SACE has seamless professional registration processes that determine clearly who may enter and remain in the teaching profession. This registration reconceptualization process will inform the 2018/19 SACE Annual Performance Plan, especially in terms of the Registration Programme.

Furthermore, the late transfer of the entire CPTD system funds in February 2017, and related under-funding for the management of the CPTD system had a direct bearing on the adequate delivery of the CPTD Management System effectively. It is for this reason that, there was some under-achievement in certain performance indicators. The teacher professionalization process that includes the development of the professional standards has managed, for the first time, to determine a professionalization path for the teaching profession that will be moved forward in terms of its operationalization in the new-year. Similarly, the process of writing the actual professional practice standards commenced. The teacher professionalization and professional standards, strategic relations held with the Departments of Basic Education and Higher Education and Training, JET Education Services, Zenex Foundation, Teacher Unions and Education Deans Forum. SACE's mandate is dependent, to a larger extent, on this collaboration and cooperation.

It is also important to note that Council was taken to the Public Protector in the last quarter of the period under review and has since responded accordingly to the allegations made against it. Council is still awaiting a response on this matter. It was also during this quarter that the organisation's CEO, Mr Rej Brijraj, retired by the 31st January 2017 after serving Council for 22 years under all the four Ministers of Education. I want to take this opportunity to appreciate his contribution and laying the good foundation for SACE. Similarly, Council welcomed, Ms Ella Mokgalane, as the Acting CEO.

In looking ahead, Council will be revamping and strengthening its e-administration processes in terms of the development of the online SACE Registration system, upgrading of the CPTD Information System (CPTD-IS) and its related Business Intelligence Tool, enhancement of the online payment by the teachers, upgrading of the electronic Misconduct Case Management system, the integration of all SACE ICT systems, and possible data sharing with other relevant public entities in the education sector. Council is also looking at expanding in terms of opening additional three offices in the Limpopo, Eastern Cape and Western Cape provinces. As indicated earlier on, the registration processes will also be reconceptualised and reconstructed with the purpose of enhancing their effectiveness and SACE repositioning itself in the teaching profession.

It gives me a great pleasure to acknowledge the immense role played by my fellow Council members in steering the SACE ship in the right direction, despite some few challenges experienced along the way. The 31st July 2017, will denote the end of the four-year term of office for this Council.



**Veronica Hofmeester**

**Chairperson**

**25 July 2017**

## 4. CHIEF EXECUTIVE OFFICER'S OVERVIEW



**MS ELLA MOKGALANE**  
**ACTING CEO**

I am pleased to present the South African Council for Educators (SACE) Annual Report for 2016/2017 financial year. In doing so, it is equally vital to highlight that, SACE has a responsibility to register all educators, manage a system for the promotion of their continuing professional development and set and maintain the ethical and professional practice standards. In realising this mandate, educators have been the epicentre of SACE's main source of funding, with the Department of Basic Education (DBE) providing a certain percentage specifically for resourcing the management of the Continuing Professional Teacher Development (CPTD) System. It is for this reason that the revenue collected remained at R70.7million for both 2016 and 2017 with the reduction of expenditure of R1million in 2017. Cost cutting measures have been implemented effectively. Of the total revenue collected R7, 3 million instead of the projected R11, 7 million was received from the Department of Basic Education as subsidy for the Management of the Continuing Professional Teacher Development System.

It also important to highlight the fact that Council received the 2016/17 transfer for Programme 3: CPTD system in mid-February 2017, a month prior to the closure of the financial year. This had a direct bearing of the performance of the programme overall. Council is grateful that this recurring challenge has now been addressed through approved direct funding for the CPTD system with effect from the 1<sup>st</sup> April 2017 as follows: 2018 (R9, 7million); 2019 (R16 million) and 2020 (R20million).

Additionally, Council finalised the process of conceptualising the professionalising the teaching profession during the period under review. Part of this involves the process of developing the professional practice standards across the teacher education and development continuum. The professionalisation of teaching profession will play a pivotal role in repositioning SACE to lead and take charge of the teaching profession as its custodian and regulatory authority. Thus, it will be prudent that additional resources be allocated in this area with an ultimate goal of turning around the teaching profession and building institutional capacity too. In enhancing the delivery of its mandate, Council is also engaged in a process of expanding SACE through opening different models of additional offices in the remaining six provinces – Eastern Cape, Limpopo, Western Cape, North West, Mpumalanga and Northern Cape. This will certainly, require more resources. In line with this, Council is finalising the process of increasing the levy paid by educators, which will commence in the new financial year.

Once again, Council has received another unqualified clean audit. Our appreciation goes to our accounting authority and its committees, finance and internal audit teams in ensuring that this clean audit is achieved. While this is commendable, we would like to bring it to your attention that there were matters of emphasis pertaining to the identified material misstatements in the annual performance report submitted for auditing. These were on the reported performance information of Programme 3: Continuing Professional Development Management System. Since the management subsequently corrected only some of the misstatements, the auditors raised material findings on the usefulness and reliability of the reported performance information. Afterward the performance indicators have been reviewed with the accompanying technical indicator descriptions to ensure clearly defined source of information and appropriate method of calculation. The performance reporting for the first quarter in the 2017/18 will be done in line with this review.

Additionally, Council has sound Supply Chain Management (SCM) systems in place, and the management makes every effort to follow them accordingly. We are reporting that, there were no unsolicited bid proposals for the year under review. In the year under review, the Council's Internal Audit Unit has been able to develop SACE's risk management plan. This process has been useful in identifying risks with related control measures in order to assist the organisation to mitigate the risks that might affect the operations and delivery of SACE's mandate.

In conclusion, I would like to acknowledge the role played by my predecessor, Mr Brijraj, in leading SACE for the past 22 years. As an organisation we are grateful to our outgoing Council for steering the SACE ship in the right direction through good and bad times. Your invaluable guidance and support, especially when the organisation was going through some rough patches during the last quarter of this financial year, is highly appreciated. The mandate of SACE would not be realised without the selfless efforts of our senior management, extended management team, and all our staff members in the national and provincial offices. Our collaboration with our oversight Department (DBE), and stakeholders and partners in implementing various SACE programmes, have gone a long way in ensuring that the SACE mandate is achieved for purposes of turning the teaching profession around, and most importantly, improving the quality of education in the country.



**Ella Mokgalane**  
**Acting Chief Executive Officer**  
**25 July 2017**

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

To the best of our knowledge and belief, we confirm the following:

All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by Nexia SAB&T.

The annual report is complete, accurate and free from any omissions.

The annual report has been prepared in accordance with the Annual Report Guide issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the General Accepted Accounting Principles applicable to the public entity.

The accounting authority is responsible for the preparation of the annual financial statements and the judgements made in this information.

The accounting authority is responsible for establishing, and implementing a system of internal control which has been designed to provide reasonable assurance regarding the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2017.

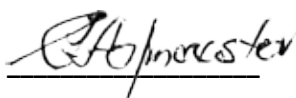
Yours faithfully



**Acting Chief Executive Officer**

**Name: Ella Mokgalane**

**Date: 25 July 2017**



**Chairperson of the Council**

**Name: Veronica Hofmeester**

**Date: 25 July 2017**

## 6. STRATEGIC OVERVIEW

### 6.1. Vision

Our vision is to promote professionalism amongst all educators in South Africa, by ensuring that our services are easily accessible, continuously empowering through development, ensuring commitment to the profession and adherence to the ethos of education as enshrined in the South African Constitution.

### 6.2. Mission

SACE shall strive to ensure that the education system is enriched, by providing properly registered and professionally developed educators that would display professionalism.

### 6.3. Values

Core Values/Principles of the South African Council for Educators	
Service-oriented	Ensure that the teaching profession in general and educators in particular are serviced satisfactorily at all times. Servicing educators is priority number one for all SACE employees.
Quality	Provide quality and excellent service to educators and the profession as a whole.
Openness and transparency	All SACE matters should be treated with honesty and sincerity. SACE will strive to engage and consult with its stakeholders on various matters regularly.
Professionalism	Display a high level of professionalism at all times.

## 7. Legislative mandates

***The South African Council for Educators Act (Act No 31 of 2000) is formulated:***

To provide for the continued existence of the South African Council for Educators, to provide for composition of Council; to provide for the functions of the said Council; to register educators; to promote professional development and to enforce compliance with the Code of Professional Ethics, and the rules and the regulations for incidental matters thereto.

***The Basic Education Laws Amendment Act (BELA) (Act No 15 of 2011): is formulated:***

- To provide for the management of Continuing Professional Teacher Development (CPTD) system; and
- To enable State funds as an additional revenue source.

***The Employment of Educators Act (1998)***

The Employment of Educators Act 1998 Section 15 (2) directs that if the name of an Educator is struck off the register of educators kept by The South African Council for Educators (SACE), the Educator shall, notwithstanding anything to the contrary contained in this Act, be deemed to have resigned with effect from the day following immediately after the day on which the Educator's name was struck off the register.

Section 26(2) directs that in each case where steps were taken against any educator under Section 24 (2), other than the cautioning or reprimanding of the Educator, the Employer shall furnish the South African Council for Educators with the record of the proceedings at the inquiry and all other documents relating thereto.

#### **Policy Mandates**

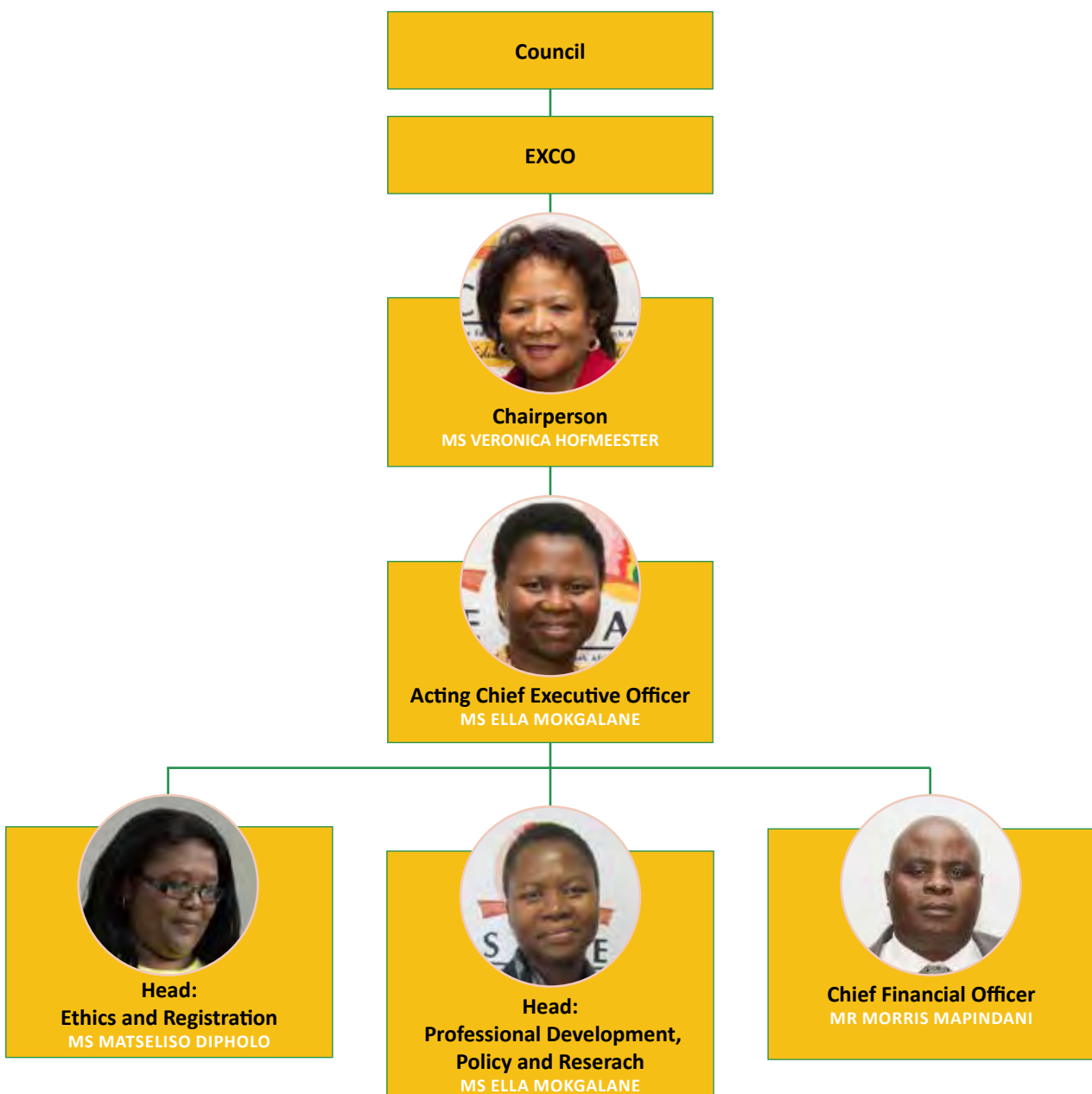
- Section 5(b) of the SACE Act No.31 of 2000 as amended by the BELA Act 15 (2011) affirms SACE's functions as:
  - Promoting the image and status of the teaching profession;




- Managing a system for Continuing Professional Development for all teachers in schools;
- Developing Professional Development Policy;
- Producing a professional journal;
- Playing an advisory role.

The South African Council for Educators is accountable to the Department of Basic Education (DBE) and fits into the sub-output number one of DBE Delivery Agreement and Action Plan 2019, which speaks to “improving the quality of teaching and learning” through the improvement of teacher capacity and practices.

## 8. ORGANISATIONAL STRUCTURE







**PART B:  
PERFORMANCE  
INFORMATION**

## 1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

### Introduction and scope

Nexia SAB&T 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 material findings being reported under Report on the audit of the annual performance report heading of the auditor's report. Refer to the Auditors Report, published as Part E: Financial Information.

## 2. SITUATIONAL ANALYSIS

### 2.1. Service Delivery Environment

Teachers are the prime beneficiaries of SACE services. The secondary beneficiaries are members of the public, who want to see the teaching profession serving the best interests of the learners.

The teaching fraternity and the public at large continue to welcome all SACE interventions and services. There is a demand for more outreach. The teacher unions, Ministry, departments and other educational stakeholders and entities have received service and supported SACE well, again.

SACE has not experienced any hostility from any quarter. SACE is constrained by its revenue base and will have to review its funding model if it is to deliver as per demand and in accordance with its mandate. However, there is more pressure regarding SACE's visibility and impact. There is a growing opinion that SACE must take charge of the profession.

### 2.2. Organisational environment

SACE has put several strategies in place to fast-track the turnaround time on educator misconduct cases received from various complaints. A more streamlined approach towards resolution of complaints against educators is being implemented, ensuring timeous closure, correction, rehabilitation, and remedy where appropriate. Communication and outreach have expanded.

The Council is now forging good relations nationally and internationally. It has set a pattern of dialogues with national stakeholder groupings, viz. teacher unions, the Department of Basic Education, statutory organs, media groupings and providers. On the international front, the Council chaired the Steering Committee for African Teaching Regulatory Authorities (AFTRA). An International Federation of Teaching Regulatory Authorities (IFTRA) conference took place in November 2016 in Cardiff. The Council continues to forge relationships with other Southern African stakeholders to influence the establishment of similar professional councils and has succeeded in Namibia and Botswana.

### 2.3. Key policy developments and legislative changes

During the year under review, no legislation or policy change which might have resulted in a significant shift in the operation of Council was made.

### 2.4. Strategic Outcome Oriented Goals

SACE lagged behind in fulfilling its Strategic objectives in the Annual Performance Plan targets in certain areas. Council did not complete processing an adequate number of cases. This created the need to carry forward a substantial number of cases to the next financial period. The budget difficulties hampering the process is being reviewed.

Council research initiatives were inward looking. Council has agreed to re-prioritise more relevant research informing the specific status *quo* of teachers in schools in particular and the profession in general. Recommendations regarding the needs of the profession are to be formulated, based on an analysis of the credentials and deployment of all practising educators.

### 3. PERFORMANCE INFORMATION BY PROGRAMMES

#### 3.1 Registration

##### Purpose:

The purpose of the programme is to register educators who satisfy registration requirements, compile, and maintain a sub-register of educators who are provisionally registered and maintain and sustain the credibility of the educator database.

##### Strategic Objectives

##### A. To register all qualified educators

- The registration mandate was performed with vigour in this financial year. Qualified educators who applied and met requirements were registered speedily.
- The division saw a substantial increase in the number of educators coming to register for the first time. While the anticipated number was **20 000**; the actual came to **37 977** of which **6 757** were fully registered, and **1 203** were Foreign registrations. New educators include Foreign Nationals and educators who only have an academic qualification but were employed by the schools for specific reasons.
- A large percentage of the newly registered are registered provisionally. This is because they do not qualify for full registration.

##### B. To update Registration status of educators

- Regarding educators that were to update their registration status for the financial year we anticipated **40 000** but had to deal with **46 088** educators, of which **9 658** were foreign educators.
- A total of **242** Pre-accredited members were attended to and issued with reference numbers as they could not be registered because they did not comply with minimum registration criteria. SACE awaits those applicants to send outstanding documents so that they can be added to the register. A total number of **84 065** documents were internally and partially vetted.

##### Annual Target and Actual Achievements -2016-2017

Key performance indicator	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
Number of new registered educators	35 262	20 000	37 977	17 977	Staff commitment and hard work coupled with educators seeking registration
Number of registration documents updated	48 140	40 000	46 088	6 088	More updates done as per educator requests
Vetting and verification (new applicants)	64 243	60 000	84 065	24 065	Internally and partially vetted and verified documents as received at the office for registration

## OUTREACH PROGRAMMES 2016-2017

SACE Registration had embarked on outreach programmes in various places, where various teacher unions were holding conferences and workshops. Registration had also embarked on outreach programs with universities to register 4<sup>th</sup>-year student educators

Below is a schedule of the outreach programmes 2016-2017

Date	Place	Stats
20-22 July 2016	Giyani and Tzaneen (Limpopo)	80
22-26 August 2016	Elliotdale, Idutywa, Peddie, and Port Elizabeth (EC)	541
26-30 September 2016	Kuruman, Upington and Kimberly (NC)	515
28 January 2017	Western Cape (Bellville)	350
03-05 March 2017	Western Cape (George)	432
24-26 March 2017	Cape Town (Heideveld Primary School)	249
25 March 2017	Kwaggafontein	17

## Universities

Name of institution	No of Applications
University of Fort Hare	133
Wits University	119
University of Zululand	695
Curro Nelspruit	25
Limpopo University	420
North-West University	190
TOTAL	1582

## SCHOOL FOR THE DEAF AND BLIND

During August 2016 SACE met the Development Institute for the Deaf and Blind. The focus was on development around SASL (South African Sign Language) which is now integrated as a subject in schools for the Deaf. Their plea was to have their educators, who will only offer SASL and be co-teachers, to be registered as they will be with the learners. SACE undertook this responsibility and after a discussion on the number of schools, a plan was derived to visit the schools to enable the facilitation of a smooth progress. The biggest number of schools are in KwaZulu-Natal followed by Gauteng.

The following provinces have been visited thus far, Gauteng Province, Mpumalanga Province, Eastern Cape Province, and Limpopo Province.

## FRAUDULENT QUALIFICATIONS

The 2016 - 2017 financial year has once more seen a steep rise in educators bringing fraudulent qualifications to the Head office and KZN provincial office. SACE still continues to receive fraudulent qualifications. We however working on curbing this practice with the assistance of the South African Police Service to address the incidences.

## Financial performance

Programme/Activity/ Objective	2015/16			2016/17		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Registration	1,500	659	841	1,000	939	61
<b>Total</b>	<b>1,500</b>	<b>659</b>	<b>841</b>	<b>1,000</b>	<b>939</b>	<b>61</b>

### STRATEGY TO OVERCOME AREAS OF UNDER PERFORMANCE

The South African Council for Educators will be embarking on a deeper review of the vetting and verification process with the aim of strengthening such, and have also developed plans to meet Higher Education Institutions to strictly facilitate the process of avoiding the issue of people presenting fraudulent qualifications from their respective institutions.

## 3.2 PROFESSIONAL ETHICS

### A) Purpose:

The aim of the programme is to Promote ethical conduct among educators and stakeholders through workshops, seminars, imbizo's and the distribution of material that sets the standard of professional conduct and to render support to schools ,educators and stakeholders on ethical matters.

### B) Strategic objectives

#### CASE MANAGEMENT

Every complaint that the Council receives is investigated either telephonically, by written correspondence or by conducting a physical investigation at a school. As soon as an investigation is completed, a report with recommendations is then presented to the Ethics Committee for its consideration and direction on how such a complaint should be dealt with. The committee may recommend that an educator be charged, that a complaint be referred to a relevant authority, that a matter be mediated upon, or that an advisory letter be forwarded to an alleged perpetrator. Should the Ethics committee recommend that charges be leveled against an educator, summonses are issued against the educator and a hearing gets scheduled to take place, at least within a three months cycle.

Most of SACE's disciplinary hearings take the form of peer adjudication. This means that other educators serve as presiding officers and panelists and pass judgment on their fellow educators accused of breaching the Code of Professional Ethics. Our panel members are trained on issues of law, disciplinary procedures and various other legal processes to enable them to effectively carry out these duties. SACE endeavors to up skill them on an annual basis.

A total number of 593 complaints were received for the year as compared to 600 that the division had anticipated to process for the year. We have however noted that the trends still remain the same. This year has not been different from the past financial year as there appeared to be a **slight increase in the number of corporal punishment cases, sexual abuse** of both male and female learners in school and outside of the school premises, assault of colleagues within the school environment, submission of fraudulent qualifications and other forms of unprofessional conduct by educators.

Owing to the increase in the number of cases involving submission of fraudulent cases, the division was left with no other option but to lay criminal charges against the perpetrators and in some instances, the assistance of the Hawks was sought and they are currently investigating other reported cases. There has been other interventions which shall be reported upon in the registration section relating to fraudulent qualifications.



Although a lot of good work was done in the past financial year, more could still have been done but for the constraints within the division. Where possible and with parties willing; the division had to find creative ways of engaging with complainants and alleged perpetrators and try to mediate disputes among them while some cases warranted that disciplinary measures be taken.

The SACE Act, Act number 31 of 2000 demands that the division should review the SACE code of professional ethics for educators on an annual basis. This was accordingly done. It also reviewed its disciplinary procedures in an attempt to close loopholes that previously existed and to shorten the time frame allocated to deal with and finalise cases.

#### **WORKSHOPS ON THE SACE INCLUDING THE CODE OF PROFESSIONAL ETHICS**

As with the previous years, the division has conducted several workshops for educators in an attempt to conscientise them on the South African Council for Educators (SACE) and the Code of professional ethics. It further went on to ensure that the educators received individual codes by distributing them, through the use of circuit offices, presentation to educators at the SACE offices when they come to register, leaving copies of the in schools when conducting physical investigation and at union or departmental gatherings when invited to make presentations.

**In an attempt to further reduce the level of misconduct we were invited by the KZN Education Department to train all their circuit managers. The purpose of the training was to capacitate the circuit managers to enable them to train their principals, who intern had to cascade to their educators in schools.**

Workshops were conducted for final year and PGCE students at the following universities:

**University of KwaZulu Natal, University of Zululand, Tshwane University of Technology and the Central University of Technology (Bloemfontein Campus); and although addressed on the SACE and its mandates, more emphasis was on the code of professional ethics**

Despite the amount of advocacy having been carried out, it is evident that many educators are still applying corporal punishment and some still abuse learners sexually. Saddening is still the physical assault between colleagues.

#### **REPORTING OF NAMES OF EDUCATORS STRUCK OFF FROM THE ROLL TO PROVINCIAL DEPARTMENTS**

Having struck off some educators from the roll of educators indefinitely or for a period for a host of serious misconduct, their names were submitted to their respective provincial departments for processing in terms of section 26 (2) of the SACE Act; 2000. We hope to receive updates from the relevant provincial departments as to what had been done with the SACE requests to remove the educators from employment in compliance with section 15 (2) of the Employment of Educators Act, 1998

C) PERFORMANCE INFORMATION

Programme Name ETHICS						
Key Performance indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations	
NUMBER OF CONCLUDED CASES AS MEASURED AGAINST THE NUMBER OF CASES RECEIVED FOR THE YEAR.	Actual number of cases finalised including those carried over from 2014 550	Expected number of cases including the 191 cases carried over from 2015 784	Actual number of cases finalised including those carried over from 2015 536	While it was expected that a total of 784 cases would be finalised, a total of 536 cases could only be finalised including those carried over from 2015	A total of 151 cases were investigated physically and are in the process of being finalised  A total of 248 cases could not be finalised and are being processed	
EDUCATORS AND STAKEHOLDERS TO BE WORK-SHOPPED ON THE CODE OF PROFESSIONAL ETHICS	Actual number of educators and stakeholders workshoped on the code of professional ethics: Physical interaction 5351 Individual Codes distributed to educators 26600 Charts relating to the Codes distributed 1300	Expected number of educators and stakeholders to be workshoped on the code of professional ethics:  15 000	Actual number of educators and stakeholders workshoped on the code of professional ethics: Physical interaction 11 922 Individual Codes distributed to educators 11 922 Charts relating to the Codes distributed 33 660	Not enough educators and stake holders could be workshoped physically as anticipated, however; many radio presentations and interviews were conducted across the various radio stations to concertise them on the code.  A total of 11 922 codes of professional ethics were distributed to educators during workshops throughout the year, visits to schools during investigations, through the use of the district offices, presentation to educators at the SACE offices when they come to register leaving copies at schools when conducting physical investigation and at union or departmental gatherings when invited to make presentations.  A total of 33 660 charts relating to the codes of professional ethics were distributed to schools during school visits, workshops, through the use of the district offices and during union gatherings.		

**COMPLAINS/ CASES RECEIVED FROM 01 APRIL 2016 TO 31 MARCH 2017**

Total number of complaint files opened from 1 April 2016 to 31 March 2017

593

Province	KZN	N.Cape	E.Cape	NP/Limpopo	MP	NW	GP	FS	WC	Total
	89	5	29	25	48	14	70	27	286	593

**Types of incidences reported = 678 (please note that one complaint may have more than one incident in it, hence the higher number of incidences hereunder)**

Verbal Abuse, Victimization, Harassment, Defamation.	Sexual Misconduct / Rape	Fraud, Theft, Fin.Misman	Racism	Corporal Punishment, Assault.	Unpro. Conduct, Use of improper language, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Threatening to kill/Murder	No. Juris
113	99	52	4	265	122	12	05	06

**BREAKDOWN OF COMPLAINTS (INCIDENCES) RECEIVED PER PROVINCE**

1. Kwazulu Natal = 105

Verbal Abuse, Victimization, Harassment, Defamation.	Sexual Misconduct / (sexual relations/ rape/love relations with learners)	Fraud, Theft, Financial mismanagement	Racism	Corporal Punishment, Assault.	Unprofessional Conduct, Use of improper language, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	No. Jurisdiction
30	18	12	2	25	15	0	2	1

2. Northern Cape = 5

Verbal Abuse, Victimization, Harassment, Defamation.	Sexual Misconduct / (sexual relations/ rape/love relations with learners)	Fraud, Theft, Financial mismanagement	Racism	Corporal Punishment, Assault.	Unprofessional Conduct, Use of improper language, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	No. Jurisdiction
1	1			3				

3. Eastern Cape = 30

Verbal Abuse, Victimization, Harassment, Defamation.	Sexual Misconduct / (sexual relations/ rape/love relations with learners)	Fraud, Theft, Financial mismanagement	Racism	Corporal Punishment, Assault.	Unprofessional Conduct, Use of improper language, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	No. Jurisdiction
10	5	3		6	4	1		1

4. Limpopo = 28

Verbal Abuse, Victimization, Harassment, Defamation.	Sexual Misconduct / (sexual relations/ rape/love relations with learners)	Fraud, Theft, Financial mismanagement	Racism	Corporal Punishment, Assault.	Unprofessional Conduct, Use of improper language, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	No. Jurisdiction
8	8	2		4	6			

5. Mpumalanga = 56

Verbal Abuse, Victimization, Harassment, Defamation.	Sexual Misconduct / Rape	Fraud, Theft, Fin.Misman	Racism	Corporal Punishment, Assault.	Unpro. Conduct, Use of improper language, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	No. Juris
2	25	5		19	4		1	

6. North West = 30

Verbal Abuse, Victimization, Harassment, Defamation.	Sexual Misconduct / (sexual relations/rape/love relations with learners)	Fraud, Theft, Financial mismanagement	Racism	Corporal Punishment, Assault.	Unprofessional Conduct, Use of improper language, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	No. Jurisdiction
6	3	6		10	3	2		

**7. Gauteng = 71**

Verbal Abuse, Victimization, Harassment, Defamation.	Sexual Misconduct / (sexual relations/ rape/love relations with learners)	Fraud, Theft, Financial mismanagement	Racism	Corporal Punishment, Assault.	Unprofessional Conduct, Use of improper language, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	No. Jurisdiction
20	9	3		23	11	1	2	2

**8. Free State = 33**

Verbal Abuse, Victimization, Harassment, Defamation.	Sexual Misconduct / (sexual relations/ rape/love relations with learners)	Fraud, Theft, Financial mismanagement	Racism	Corporal Punishment, Assault.	Unprofessional Conduct, Use of improper language, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	No. Jurisdiction
3	13	1	1	7	8			

**9. Western Cape = 320**

Verbal Abuse, Victimization, Harassment, Defamation.	Sexual Misconduct / (sexual relations/rape/love relations with learners)	Fraud, Theft, Financial mismanagement	Racism	Corporal Punishment, Assault.	Unprofessional Conduct, Use of improper language, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	No. Jurisdiction
33	17	20	1	168	71	8		2

## **CASES FINALIZED IN OTHER FORMS, OTHER THAN DISCIPLINARY HEARINGS**

These are cases where educators have been reprimanded or given advice by Council instead of disciplinary charges being instituted against them, the files are then closed

**Total number of advisory letters issued: 312**

These are cases where council sought it fit that advisory letters be forwarded to the accused educators instead disciplinary hearings being conducted against them

**Total number of cases mediated upon: 15**

Mediations are conducted where council has observed that relationships between educators have broken down and rifts have to be healed.

**Total number of cases withdrawn before a hearing could be conducted: 06**

These are cases which have merit in them but were withdrawn owing to lack of cooperation by parents or legal guardians or parents refusing SACE access to their children

### **REFERRALS TO OTHER INSTITUTIONS:**

**Cases referred to the ELRC: 09**

These are labour related cases referred to us instead of the referral to the ELRC. The cases related to promotions of educators or unfair dismissals

**Cases referred to the DBE and Schools: 134**

These cases related to condition of service, for example, high enrolment rolls in classes, other educators being given preferences above others by the principals, etc

**Case referred to the SAPS: 06**

### **TOTAL NUMBER OF CASES CLOSED/FINALISED IN OTHER FORMS other than a disciplinary**

**Hearing: 482**

### **TOTAL NUMBER OF DISCIPLINARY HEARINGS CONDUCTED AND FINALISED =**

Educators found guilty: 52

Educators found not guilty: 02

### **BREAKDOWN OF SANCTIONS METED OUT TO EDUCATORS FOUND GUILTY**

Educators struck off indefinitely: 21

Educators struck off but may re-apply after a certain period: 05

Educators struck off but striking off suspended for a certain period, including fines: 26

**TOTAL NUMBER OF CASES FINALISED BETWEEN 01 APRIL 2016 AND 31 MARCH 2017 INCLUDING DISCIPLINARY HEARINGS 536**

**TOTAL NUMBER OF CASES CARRIED OVER INTO THE NEXT FINANCIAL YEAR: 248**

## **Commentary on performance for objectives**

Among other things, SACE is tasked with the duty of upholding the image of the teaching profession and through this division, the aim is to see to it that all educators behave ethically and in manner that upholds the ethos of the profession and that does not bring the profession into disrepute.

This is done by conducting workshops for educators, investigating complaints, conducting disciplinary hearings where necessary, mediating over disputes where necessary and intervening in schools to bring peace and stability in a schooling environment

## **Strategy to overcome areas of underperformance**

For the period under review (2016 only); a total of 593 cases were received by the Council, of which only 359 (2016 cases only) could be finalised.

While it was expected that the division would attend to and finalise all complaints received, they could not be finalised owing to a number of reasons such as lack of sufficient personnel. The division has only has three people to investigate and prosecute complaints nationally and an additional 2 to do only investigations too.

A total of 248 cases have been carried over into the next financial year. Of these; 151 cases have already been investigated and 97 are being processed.

The division intends on giving priority to cases that were reported in the past financial year and to seeing to it that they are finalised while also giving attention to high priority cases such as sexual abuse cases and corporal punishment which is still being applied in schools.

To achieve this goal, it sought it fit to employ the following strategy to minimize backlog:

Making use of retired educators in all provinces to investigate complaints and where possible, mediate over disputes on behalf of the Council;

Making use of panelists trained by SACE in all provinces to investigate complaints and where possible, mediate over disputes on behalf of the Council;

Making use of panelists trained by SACE in all provinces to conduct workshops and conscientise educators on the code of professional ethics on behalf of the Council;

Making use of labour relations officials within the DBE to prosecute cases on behalf of Council within provinces;

Making use of seasoned or experienced labour relations officials within the DBE to preside over disciplinary hearings, etc

## **CHANGES TO PLANNED TARGETS**

No changes were effected to the planned targets

## **CHALLENGES**

There are many hurdles ahead of the division at the moment, one of the biggest challenges at the moment; and which is too rife and never cease to rear its ugly head when coming to the finalisation or non-finalisation of cases is the lack of co-operation by the parents of abused learners. The interference by other educators with the witnesses as learners are usually, if not always stuck with an accused educator during a pending investigation or the educator's colleagues during and after an investigation. Some educators are sent to a learner's family to negotiate with the parents in order to derail our investigations and or disciplinary hearings

It has happened on many occasions that, while cases have been reported to SACE and in some cases by parents, the very same parents would be the first ones to refuse SACE access to the abused learner/s, especially at disciplinary hearings. They come to the hearing, if at all with statements denying the abuse on their children or claiming that the child was abused by another person other than the accused educator. In some cases, the abusers would end up being referred to as sons in law. SACE will then be forced to withdraw many serious cases against perpetrators owing to the lack of cooperation by parents and the same abusers end up being recycled back in to the system and the abuse never gets to stop.

This practice has impacted negatively on our operations, such that each year we have a lot of sexual abuse cases that are being carried over into the next financial year, not because they could not be closed, but because we always live with the hope that the parent will one day come to his or her senses. Some get withdrawn, not because they could not be finalised but because parents chose to stifle and ultimately fail the system and by so doing, allowing an abuser to roam the school premises freely and continue to prey on other vulnerable learners. The battle against the abuse of learners is not about to be won until such time that those parents come to the party and take the responsibility to protect their children and to support the SACE cause.

The other challenge that still prevails is that, while it is a statutory requirement that all disciplinary matters that have been reported to provincial departments be brought to the attention of SACE, such still remain a challenge as many provincial departments still fail to report matters that have been received, processed and finalised by them. We will however, continue to engage with provincial departments of Education to realise this purpose.

#### Financial performance

Programme/Activity/ Objective	2015/16			2016/17		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Code of Ethics	2,000	1,632	368	2,000	1,647	353
<b>Total</b>	<b>2,000</b>	<b>1,632</b>	<b>368</b>	<b>2,000</b>	<b>1,647</b>	<b>353</b>



### 3.3 PROFESSIONAL DEVELOPMENT

#### CONTINUING PROFESSIONAL TEACHERS DEVELOPMENT

##### CPTD- PROVINCES AND MEMBERS

#### 1. INTRODUCTION

This annual report accounts for activities implemented in the period between 1<sup>st</sup> April 2016 to 31 March 2017 (four quarters of the financial year 2016/2017), and it is in compliance with the Public Financial Management Act (PFMA) no. 1 of 1999 and the National Treasury Regulations as mandated by the Constitution of South Africa (chapter 13).

The report aims to present the performance of the council in implementing the Continuing Professional Teacher Development Management System (CPTD MS) as found in South African Council for Educators (SACE) Annual Performance Plan (APP) 2016/17. As such the focus is on the analysis of progress made in orientating and signing up Post Level 1 (PL1) teachers in Primary and Special schools, and further look at their participation in the Professional Development (PD) activities; recording in the Professional Development Portfolio (PDP) and reporting their professional development (PD) activities to SACE in order to accumulate PD points. It further provides an update with regard to the signing up, participation, recording and reporting of principals, deputy principals, school based heads of departments, PL1 teachers in secondary and combined schools. It highlights the participation and reporting on the three types of activities i.e. Teacher initiated (Type 1), school initiated (Type 2) and externally/ provider initiated (Type 3).

The structure of the report provides details in terms of achievement made against the key performance indicators, challenges experienced that affected the pace of delivery, and present measures and recommendations on how to manage the challenges going forward.

**2. THE OVERALL STATUS REPORT (01 APRIL TO MARCH 2017) IN THE IMPLEMENTATION OF CONTINUING PROFESSIONAL TEACHER DEVELOPMENT MANAGEMENT SYSTEM (CPTD MS)**

Performance Indicators	Actual Achievement for 2015/2016	Target for 2016/2017 as per APP (31 March 2017)	Annual actual output validated	Deviation of planned targets	Status
Number of educators orientated and signed-up for participation in the CPTD system.	56 679 PL 1 teachers were orientated and signed up.	160 000 PL 1 Primary and Special schools.	87 702	<p>The 72 298 variance indicates partial achievement. The partial achievement can be attributed to:</p> <ul style="list-style-type: none"> <li>- The non – submission of sign up forms by some provinces due to lack of budget.</li> <li>- The end of the contract of the experienced interns and the appointment of the new interns which required some orientation and induction, and in the process the capturing was slowed down.</li> <li>- Lack of support interventions to provinces like KZN, Eastern Cape, and Limpopo, Due to lack of resources because of funding that was not coming through until February 2017.</li> </ul>	
Orientate final year student teachers	2 263 final year students	7 500 final year student teachers being orientated	4 790	<p>The 2 710 final year student teachers variance indicates partial achievement. Challenges were experienced due to the fact that student teachers could not be accessed because they either were doing their practical lessons or disrupted by the #feesmustfall campaign, which saw most universities closing down. There other contributing factor is that student needs to be provisionally registered with SACE in order to be signed up. as such SACE is working on the programme that will align CPTD processes and that of registration. This will guarantee that all fourth year student are both registered and signed up.</p>	

Performance Indicators	Actual Achievement for 2015/2016	Target for 2016/2017 as per APP (31 March 2017)	Annual actual output validated	Deviation of planned targets	Status
Percentage of SACE registered Educators, <b>NOT signed</b> up for the CPTD System	38.02 signed up principals, deputy, HoDs, have undertaken PD activities and programmes	8% Principals and Deputy Principals (2781)	0,89% (311 Principals and D. Principals)	<p>The variance of <b>7,11%</b> (156) indicates overachievement of Principals and D. Principals. The variance as reflected above can be accounted to by the revived concerted effort displayed by the provincial training teams, which includes the support provided, to schools and teachers, by provincial education departments, teacher unions and teacher associations.</p> <p>The improvement in signing and reporting by teachers, can also be attributed to the communication interventions with principals and deputy principals which were aimed at encouraging them to report their participation in the CPTD MS: SMSs were sent to all of them giving them an update on their PD accounts, letters were sent to reminding about their obligation to report to SACE their participation. Meetings were held with the eight provincial senior managers and provincial training teams and the key issues were: stakeholder mobilisation, provincial and district support in the implementation of the system.</p>	
		20% HODs(9 088)	19,90% (9 043 HODs)	<p>The variance of <b>0,1%</b> (156) indicates achievement of school based Heads of Departments. The variance as reflected above can be accounted to by the revived concerted effort displayed by the provincial training teams, which includes but not limited to, the support provided, to schools and teachers, by provincial education departments, teacher unions and teacher associations</p>	
		50% PL 1 Secondary and Combined schools teachers(55 000)	30,31% (15 346)	<p>The variance <b>19,69%</b> (39 654) indicates achievement. From the analysis it is clear that this cohort finds it easier to use the self-service portal, as such the large number of them had sign up. Equally the same attributes in the</p>	
		50% PL 1 Primary and Special Education Needs Schools teachers (80 000)	45,16% (22 862)	<p>The variance <b>4,84%</b> (57 138) indicates achievement. From the analysis it is clear that this cohort finds it easier to use the self-service portal, as such the large number of them had sign up</p>	

Performance Indicators	Actual Achievement for 2015/2016	Target for 2016/2017 as per APP (31 March 2017)	Annual actual output validated	Deviation of planned targets	Status
<p>Percentage of signed up teachers who engage in three types of Professional Development (PD) Activities:</p> <p><b>Type 1:</b> Self-Initiated PD Activity</p> <p><b>Type 2:</b> School Initiated PD Activity</p> <p><b>Type 3:</b> Externally Initiated</p>		<p><b>Type 1:</b> 55%</p> <p><b>Type 2:</b> 50%</p> <p><b>Type 3:</b> 35%</p>	<p><b>Type1:</b> 61%</p> <p><b>Type2:</b> 29%</p> <p><b>Type3:</b> 10%</p>	<p>T1 = 6%, T2 = -21%, T3 = -25%</p> <p>The analysis in this regard indicates that there is an overachievement of 6% in the sign up of teachers who are participating in type 1 activities, however there is still a challenge in reporting participation in type 2 and type 3 activities, which is below by 21% and 25% respectively. The delay in capturing provincial submission due to limited capacity and lack of funding which led to sign forms not being able to be couriered from provinces to SACE office for capturing presents a results into under reporting.</p> <p>SACE is in the process of revamping the CPTD IS and is looking at the possibility of allowing provinces to report the PD activities that were attended by educators, in their respective provinces.</p>	
<p>Percentage of signed-up educators that use the CPTD-IS to electronically:</p> <ul style="list-style-type: none"> <li>• Sign-up</li> <li>• Upload participation in Type 1 Professional Development activities and the PD Points earned</li> <li>• Develop online professional development portfolio</li> </ul>	0%	<p>Sign-up: 55%</p> <p>Upload participation in Type 1 Professional Development activities and the PD Points earned: 40%</p> <p>Develop online professional development portfolio (PDP): 35%</p>	46,5% (35 913) educators signed up electronically on the CPTD – IS system	<p>There is a variance of 9.5% which indicates <b>progress</b>. Common challenges which are being experienced range from, -the unavailability of connectivity in most schools and District Teacher Development Centers; - computer illiteracy on the part of most of our teachers; -as well as challenges brought about by the system</p> <p>The revamping of the BI Tool and CPTD IS did not continue as per plan, the lack of budget affected the pace at which this work had to be concluded, as the results the indicators on sign up could only be drawn in the last quarter from the system as the developers has addressed part of the challenges, as minimal budget was made available in February 2017. However the allocation could not cover for Uploading participation in type 1 PD activities and development of the PDP.</p>	
<p>Percentage of signed-up schools that use the CPTD-IS annually to electronically:</p> <p>Upload teachers' participation in Type 2 Professional Development activities and the PD Points earned.</p>	0%	<b>30%</b>	0%	<p>The business intelligence tool and CPTD IS in its current form is not able to draw statistical report on this indicator. A plan was put in place to allow the BI Tool and CPTD IS developers to adapt the system accordingly, unfortunately due to delay in the transfer of the budget and ultimately the budget cut in February 2017, the plan could not be executed.</p>	

Performance Indicators	Actual Achievement for 2015/2016	Target for 2016/2017 as per APP (31 March 2017)	Annual actual output validated	Deviation of planned targets	Status
Number of new Professional Development Providers Processed in the quarter of submission (in terms of approved status, not approved status, rejected and in process)	113	100	169 Processed= 172 Approved= 169 Rejected= 03	69 There was a deviation of 69 as a result of sustained advocacy and communication through the different stakeholder platforms.	
Number of new Professional Development Activities Processed in the quarter of submission (in terms of endorsed status, not-endorsed status, rejected and in process)	(1109) 1091	550	1938 + 10 Renewals = 1948 Processed = 2082 Pending in process =103 Not endorsed = 25 Rejected = 06	The was a deviation of 1398. This was influenced by the training initiatives that we implemented. We supported the Provincial Education Department in material development and programme writing. The advocacy around the provider community also helped.	
Number of Approved Professional Development Providers subjected to quality assurance by SACE in a financial year	Not part of APP NB: This was not part of the APP 2015/16 and was introduced in 2016/17	100	04 Providers were subjected to quality assurance.	There was a deviation of 96 as we could not access all training schedules. This indicator is standing as biannual reporting intervals as per the APP.	
Search for approved providers and endorsed professional development activities	Search for approved providers and endorsed professional development activities	30%	The online catalogue has been developed and the hosting issues are still being sorted out as the review of the self-service portal is underway with the service provider ACCTECH.	The search engine has been incorporated in the online catalogue that is currently not hosted by SACE. We have not gone live as this is still work in progress.	

### 3. NARRATIVE ON CPTD PROVINCES AND MEMBERS

#### 3.1. ANALYSIS OF THE PERFORMANCE

The focus of the annual report is to present and analyse the performance in the implementation of the CPTD MS in the country. It further suggests how to sustain the good practices. The focus areas of the report are as follows:

- a) Number of educators orientated and signed-up for participation in the CPTD system.
- b) The final year student teachers who have signed up.
- c) Percentage of SACE registered teachers, but **NOT signed** up for the CPTD System.
- d) Tracking teachers who are participating in the PD activities, and are recording in the PDP and are reporting to SACE.
- e) Readiness to issue certificates to principals and deputy principals.

#### a) Number of educators orientated and signed-up for participation in the CPTD system

The table above shows a variance of 109 368 teachers below the annual target, i.e. teachers who have been signed up and orientated. This scenario shows partial achievement as against the target in the Annual Performance Plan. This achievement has been recorded despite various challenges facing the implementation of the system. Some of these challenges will be outlined below.

The following factors need to be considered when analysing the performance:

- Most provincial stakeholders, do not have a seamless, coherent integrated plan on the implementation, monitoring and reporting of PD activities, a gap leading to under reporting and skewed presentation of statistics on signed up numbers of teachers, especially those who are signed up manually., (*because of the slow pace in manual capturing*). The system will reflect largely on numbers from electronic sign ups. Key to these challenges is the inability to capture the sign up forms at the desired pace.
- There has been a delay in the capturing of sign up forms that were done manually. The delay was compounded by the end of contracts of the interns who were assisting with capturing. New interns were appointed in November 2016, who needed to be inducted first, this led to the pace of capturing has been reduced.
- The slow speed in the transportation of stacks of the sign up forms from various provinces is one of the main reasons that resulted in low numbers of signing up.
- The data still needs to be quality assured, and the ICT specialist is in the process of validating the data with Department of Basic Education for those educators who have either retired or resigned, and also the Department of Home Affairs for the teachers who have passed on. If capturing and data cleaning had been completed, the picture painted above would reflect a huge improvement.

The above factors, also, explain the underachievement with regard to teachers who registered with SACE but who have not signed up, refer to (c) above.

#### b) The final year student teachers who have signed up for the CPTD MS.

In terms of the APP 2016/2017 the target of 7 500 student teachers is projected to be achieved in the fourth quarter (January to March 2017). However, SACE provincial coordinators had been directed to use all opportunities available to orientate and sign up this group. The statistics in the table reflects the work done by coordinators in signing up student teachers and is a build-up in order to avoid pressure in the fourth quarter. Despite the challenges experienced in accessing these student teachers, e.g. student teachers who were still in recess, feesmustfall campaign, coordinators were able to increase the number of signed up final year student teachers to 3 435.

The numbers could have been higher, had there be no disturbances in enabling coordinators to access Higher Education Institutions.

A meeting was scheduled with the management of the University of South Africa, (UNISA), (which currently has around 8 000 registered final year student teachers). Jointly, SACE and UNISA are looking at the possible ways of ensuring that the students are taken on board with regard to signing up on CPTD MS. The same meetings have been reported by coordinators to have taken place in all provinces except Northern Cape (NC). There seems to be a communication breakdown in NC between the coordinator and the HEI. However, the support interventions will also look at possible ways to unblock such a breakdown.

It is worth mentioning that the Education Deans Forum committed to work with SACE in ensuring that this programme does not fail. What still has to happen is to established systems with individual HEIs, by meeting with relevant officials.

### **c) Percentage of SACE registered Educators, *NOT signed up for the CPTD System***

The lack of capacity of the district training teams and school management teams (SMTs) also contributes to some of the teachers who are registered with SACE but not signed up. This can be attributed to the fact that the initial training focused more on orientation and sign up for (SMTs) and less emphasis on their management role in supporting the school based implementation, which led to unintended consequences, wherein monitoring and support processes became blurry thus affecting implementation.

The issue of age is still playing a negative role, older teachers especially those in the exit point are reluctant to sign up and actively participate in the CPTD processes. This situation is further complicated by the lack of consequences for non-participation. Also the computer literacy levels have an adverse impact as it slows down the sign up numbers and reporting. The other challenge is that documents have to be captured manually; a process which unfolds slowly due to reasons alluded to above.

The process of institutionalising of the CPTD MS has not started within the line functions of the provincial education departments, with the exception of Western Cape which is in the process of having designated persons within the provincial office to support the implementation CPTD MS. The lack of institutionalising the system leaves the implementation plan in provinces hanging as it is regarded as an add-on function. The planned provincial meetings were aimed at, among others, to explore means on how provinces can manage the institutionalisation of the system without compromising individual mandates (SACE and PEDs mandates).

The insufficient budget and the inconsistent release of CPTD MS budget grossly affected the plans and interventions that SACE is putting in place. This can be demonstrated by the quarterly reports where recommendations were put in place to improve performance. Recommendations that needed finance could not be executed as per plan because the CPTD allocation has not been transferred to SACE on time. The council had to intervene by releasing R3 million as a loan to the unit responsible. The loan was very minimal, as it included salaries and maintenance fees of the CPTD information system and the balance had to be divided to the two units, i.e. *Evaluation and Endorsement* and *CPTD Provinces and Members*.

There is an urgent need to revisit and implement roles and responsibilities given to SACE and HEDCOM in line with the spirit National Policy Framework on Teacher Education and Development (NPFTED) in South Africa, April 2007, Section 5, which states that “.....the South African Council for Educators (SACE), as the professional body for professional educators, will have the overall responsibility for the implementation, management and quality assurance of the CPTD System. SACE will be provided with the necessary resources and support to undertake that role “. Until this commitment is met based on the emerging needs, SACE is likely to fail to reach as per the Medium Term Expenditure Framework and could be pushed to review the plans as per available budget instead of being informed by the needs. This will affect negatively the quality and pace of delivery, which is in line with the National Development Plan to 2030.

It needs to be noted that teacher unions are very active in the most provincial core training teams (PCTTs) and also on their own. They are engaged in the training of their members. This is demonstrated by the statistics which show that they are leading providers to endorsed activities but furthermore they are leading with reporting the participation of their members on PD activities.

d) Tracking teachers who are participating in the PD activities, and are recording in the PDP and reporting to SACE

	Deputy Principal	HOD	Principal	Teacher	Student	Total
EC	50	64	115	230		459
FS	46	125	90	292	13	566
GP	251	535	230	1342	24	2382
KZN	111	292	166	622	11	1202
LP	47	95	144	211	2	499
MP	128	207	209	1106	10	1660
NC	30	41	93	83		247
NW	127	179	142	954	6	1408
WC	104	160	174	388	1	827
<b>Total</b>	<b>894</b>	<b>1698</b>	<b>1363</b>	<b>5228</b>	<b>67</b>	<b>9250</b>

**Table 2: Reflection of reporting to SACE per position**

The table above reflects reporting to SACE based on positions held by teachers. It reflects that at the end of March 2017, 9 250 teachers had reported their participation in their PD activities. The highest number being PL1 teachers while the least was that of Deputy Principals followed by principals then HODs.

The lower numbers from the first cohort (principals and deputies) are a possible indication that, they are a lesser population, approximately 34 000 as compared to teachers, who are approximately 350 000.

However, the low numbers of reporting from this cohort indicates the challenge that will be faced when certificates of achievements are to be issued. A letter has been written to this cohort in order to sensitise them about the importance of reporting. Prior to the issuing of the said letters, SMSs were sent to this cohort giving an update on their PD point account. The SMSs were congratulating those who have reached the minimum of 150 PD points and encouraging those who are below to continue reporting. In view of the slow pace of reporting from the 1<sup>st</sup> cohort, a decision was arrived at, by the council, to extend the reporting period of outstanding PD Points to June 2017. N.B. This does not extend the 2014-16 CPTD cycle for the 1<sup>st</sup> Cohort.

	Teacher Initiated	School Initiated	Externally Initiated	
EC	1725	619	154	
FS	1977	1022	357	
GP	8483	2927	817	
KZN	4542	1787	579	
LP	1576	252	95	
MP	7792	4699	897	
NC	816	173	81	
NW	2952	699	415	
WC	4004	1207	303	
<b>Grand Total</b>	<b>33867</b>	<b>13385</b>	<b>3698</b>	<b>50950</b>

**Table 3: Reflection on reporting to SACE per type of activity**



Table 3 depicts that the reported activities to SACE through CPTD IS are 50 950. This means that, the 9 250 teachers have been participating largely in teacher initiated activities (33 867), followed by school initiated activities (13 385) and lastly externally initiated (3 698).

The table above should also be able to assist in understanding that teachers are trying their best to report, however schools and providers are compromising them by not reporting on their behalf. This will have a direct bearing on the planned deliverables of SACE, in this Medium Term Expenditure Framework (MTEF). The evaluation and endorsement unit working with VVOB are engaged in an intensive programme to assist provinces in endorsing their programmes. The Evaluation and Endorsement unit is in the process of regulating reporting by providers in order to persuade them to report the educators' participation in PD activities.

**e) Readiness to issue certificates to principals and deputy principals.**

In the division meeting of the Professional Development and Research (PD and Research) held on the 13 and 14 December 2016, a programme of action was agreed upon:

ACTIVITY	DATES	RESPONSIBILITY
1. SMSs sent out to principals and deputy principals providing with their latest PD points account.	By end of October 2016	SACE ICT specialist and CPTD manager
2. A letter reminding principals and deputy principals that they need to update their PD point account in order to be awarded with the Certificates of Achievement, should be ready on/before 13 <sup>th</sup> January 2017.	By 08 <sup>th</sup> December 2016	SACE and PEDs coordinators
3. A specimen of the three different certificates had been constructed, and is waiting for the printing of the individual certificates.	Before end of January 2017	SACE ICT specialist and CPTD manager
4. Issuing of the Certificates to 7 provinces, and to Limpopo and Eastern Cape will be profiled within the provincial conference of the Teacher Professionalization programme.	Work in progress, as an extension has been granted until June 2017, However SACE will issue the certificates to the deserving members of the 1 <sup>st</sup> cohort.	SACE ICT specialist and CPTD manager

**N.B. It needs to be mentioned that, if the funding remains unavailable, it will affect the delivery of the projections above.**

**3.2. INTERVENTIONS FOR IMPROVEMENTS**

In the meantime, SACE is planning the following intervention to turn the tide. These interventions will rely heavily on the availability of resources and support.

- The Senior Manager (Ella Mokgalane), CPTD coordinator (Theo Toolo) and CPTD manager (Richard Thwala) are lining up meetings with provincial senior managers, who are involved in supporting the implementation of CPTD, in order to sensitise them on the issues of coordination, institutionalisation and ensuring that CPTD becomes part of provincial annual performance plans and provincial performance measurement indicators. The manager is currently on the mission to ensure that the provincial core training teams are functional and leave up to their mandate. The meetings have already been held with Northern Cape, Limpopo, Western Cape, Gauteng, North West, Mpumalanga, Eastern Cape and Free State, all provinces committed to join hands with SACE in order to improve the implementation of the system. They have also agreed on having quarterly tracking meetings, which will critically interrogate the progress made in supporting the implementation.

- A correspondence has been written to all provincial heads of departments, highlighting the need for subject advisors to understand their roles in monitoring and supporting schools in the implementation of the system, furthermore in ensuring that they report all PD activities that educators participate to SACE. Currently support is given to Northern Cape and Eastern Cape, based on their quarterly reports, which demonstrate lack of reporting. The letter also requests a review of departmental monitoring and support tools to accommodate CPTD related issues, and this matter is also part of the provincial meeting agenda. The response from provinces is encouraging. Gauteng has formalised this request and most districts are inviting SACE, in their strategic sessions, in order to assist them to review their tools to accommodate CPTD MS issues. The same with most provinces who committed to invite SACE in their district Lekgotla.
- The *SACE three hour sessions with principals and deputy principals* will be arranged in order to discuss their management roles in supporting the implementation of CPTD and to advise them on their final year of their three year cycle. The planned output will encourage and motivate them to take charge of setting up school based management system, to report their PD activities as first cohort and to also ensure that type 2 activities are reported. They will also be encouraged to identify school based CPTD lead person, and engaged them on the possible criteria that can be used to select them.
- The revamp of the CPTD IS, is almost in completion. The revamp is aimed at ensuring that the information system is user friendly and encourages educators and providers to report. The first phase of the revamp process is envisaged to be concluded on the 31<sup>st</sup> of March 2017, where the system will have to be tested first before going live.
- To improve the credibility and quality of reports, SACE will henceforth be using the Business Intelligent tool (BI Tool) which is able to provide accurate data that can inform planning and decision making processes. The development is almost at the end, the delays to finalise development are due to financial constraints.
- Advocacy and Education Strategy have been put in place, aimed at increasing the level of awareness by teachers, and to highlight responses on frequently and dominantly asked queries.
- A three years business process has been presented to different structures for consideration. The process reflects two stages toward 2020: first stage, is *on boarding* aimed at making educators to feel comfortable in using the system, which is currently taking place, second stage will be *institutionalisation* of the system, into the broader education system. Intense discussions and the management of the process will be done between 2017 and should be concluded by 2020. The third stage will look at the *sustainability* of the implementation, which will be beyond 2020.
- One of the deliverables in the APP is to sign up teachers from Special Education Needs schools. This prompted SACE to embark on some ground work in order to ensure that enough information is available to guide the process. The CPTD MS in its current form needs to be adapted to respond to special schools CPD issues. A national advisory committee has been established and had their first meeting on the 2<sup>nd</sup> August 2016: the meeting agreed to host a seminar which was to bring together specialists in this sector, in order to share experiences and expertise, with a view to present issues to be considered by SACE in this mission. A seminar was held on the 27 September 2016. It was clear from the seminar that more time for engagement was needed because of the complexity of the sector and issues to be considered and resolve, before changes can be effected by SACE. Around the table discussions were scheduled for the 5<sup>th</sup> of December 2016 and that had to be rescheduled due to non-availability of the invited guests to the 24<sup>th</sup> January 2017. It was again postponed due to lack of budget and the non-availability of the invited guests.
- A draft document outlining standard operating procedures that will structure the implementation of the CPTD system is being finalised and will be circulated to all stakeholders who will be affected, as part of consultation.

### 3.3. THE RISK FACTORS EXPERIENCED WITHIN THE CURRENT YEAR AND MEASURES TO MANAGE THE RISKS

RISKS	MEASURES TO MANAGE THE RISKS
<ul style="list-style-type: none"> <li>• <b>Lack of resources due to insufficient Budget</b></li> </ul>	<ul style="list-style-type: none"> <li>- To persuade HEDCOM to accelerate the inclusion of the system into provincial APP and PPM.</li> <li>- The TUC budget to accommodate planned union activities for CPTD.</li> <li>- The council to commit budget for the delivery.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Uncoordinated CPTD MS activities at all levels, which might lead to duplication, confusion, teacher fatigue and in some instances waste of the limited resources</b></li> </ul>	<ul style="list-style-type: none"> <li>- All levels should have integrated plan for the delivery of the activities and NCTT members to lead, monitor and support such programmes.</li> <li>- Improve line of communication across stakeholders</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Dysfunctionality of the envisaged structures for delivery.</b></li> </ul>	<ul style="list-style-type: none"> <li>- To work closely PED coordinators to ensure that the school based structures are functional i.e. SMT and CPTD lead persons.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Non – commitment and/ or competing for space among role players, which might lead to negative attitude and not to buy- in from affected constituencies</b></li> </ul>	<ul style="list-style-type: none"> <li>- All role players to commit and follow through the adopted integrated plans.</li> <li>- Communication strategies and grievance procedure will have to be explored.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Delay in the transfer of funds limited the operations and reduced the pace as per plans.</b></li> </ul>	<ul style="list-style-type: none"> <li>- To always put pressure for the transfer of funds before the end of the financial year.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Limited accessibility of the CPTD – IS to provinces and members.</b></li> </ul>	<ul style="list-style-type: none"> <li>- The revamp of the system is under way which aims at ensuring that the system is user-friendly.</li> <li>- Electronic reporting of Type 3 activities and security implications.</li> <li>- Review of the PD point schedules to accommodate emerging PD activities.</li> </ul>

## 4. CONCLUSION

The feedback presented in this report clearly demonstrates the amount of work that has been done and still to be done. It also illustrates the type of support that SACE needs to accomplish its annual target, and it is quite clear that if such support is not provided, the risk of not reaching the target maximised. The availability of resources will have far reaching implications.

### PROVIDER AND ENDORSEMENT

#### 1. Provider Applications processed

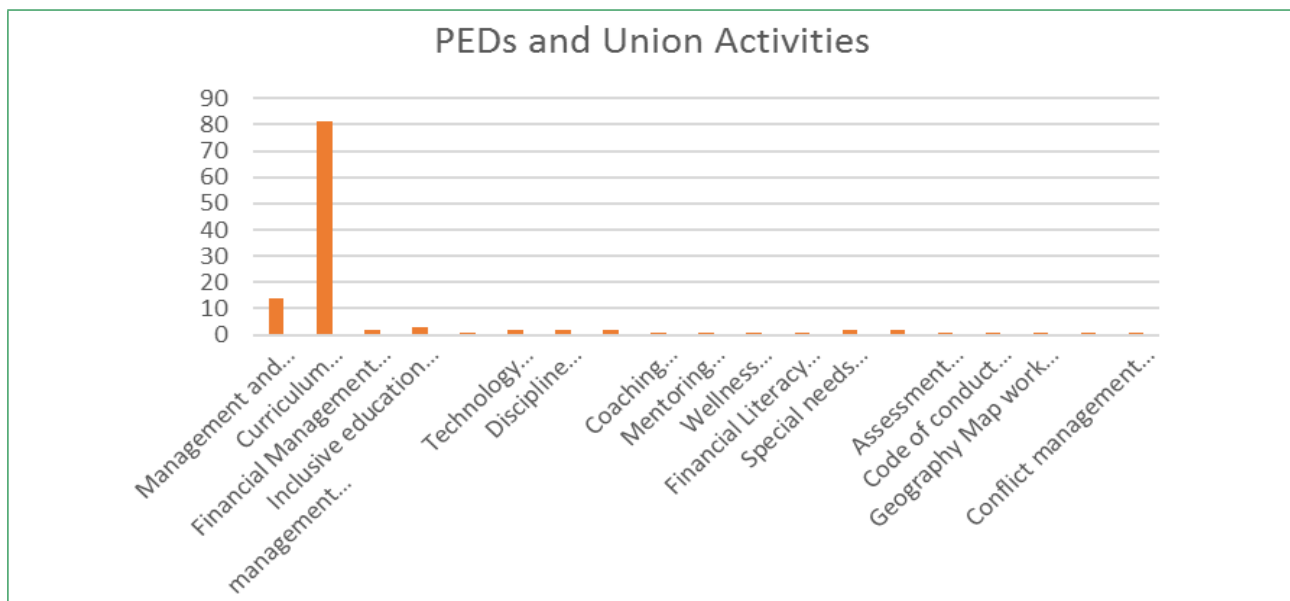
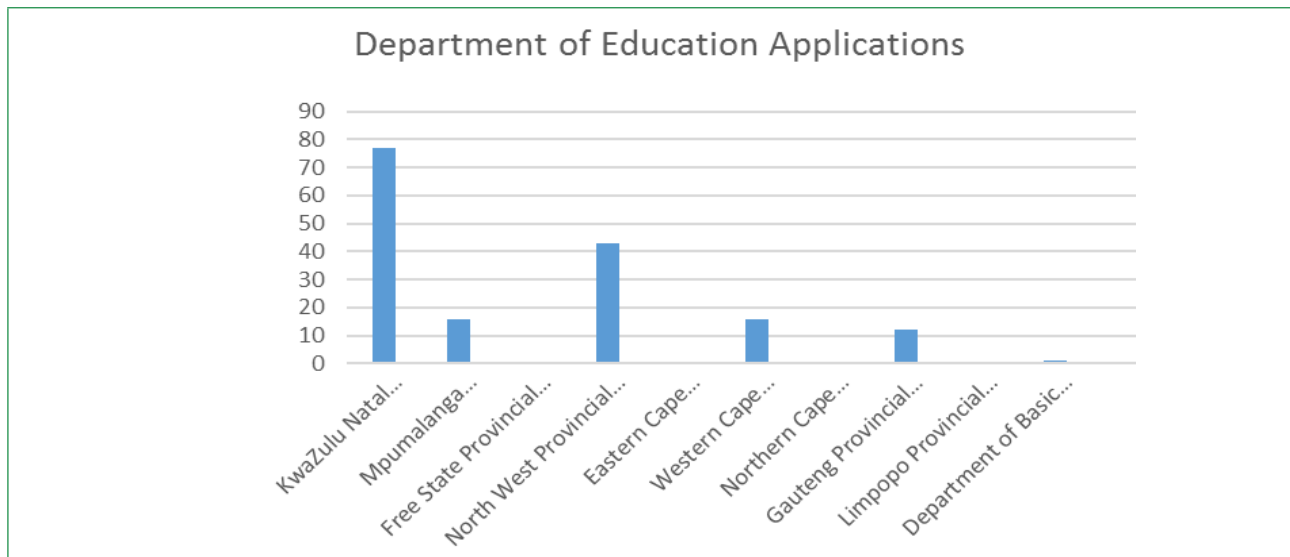
The division convened several endorsement committee meetings on the following dates April, 12 July, 11 August and 08 September 2016. These meetings were preceded by evaluation sessions that were convened on the 02 – 04 June 2016, 19-23 May, 21-23 June, 14-16 September 2016 and 27-29 March 2017. The total number of processed provider applications were 308 and out of these number 166 providers were approved. For this period of reporting there were no provider applications that were not approved or rejected.

There has been an improvement in the number of new provider applications received by the office. This was as a result of sustained communication and advocacy drives. This has prompted the office to look at new ways of mobilising the provider community. We have opted to use the social media, facebook, twitter and the websites. The response we got was more on the inquiry side as to how the submission has to be done. During this quarter, we also put up an invitation for submission of applications whose closing date was on the 23 September 2016.

**Provider Applications PEDs and Teacher Unions**

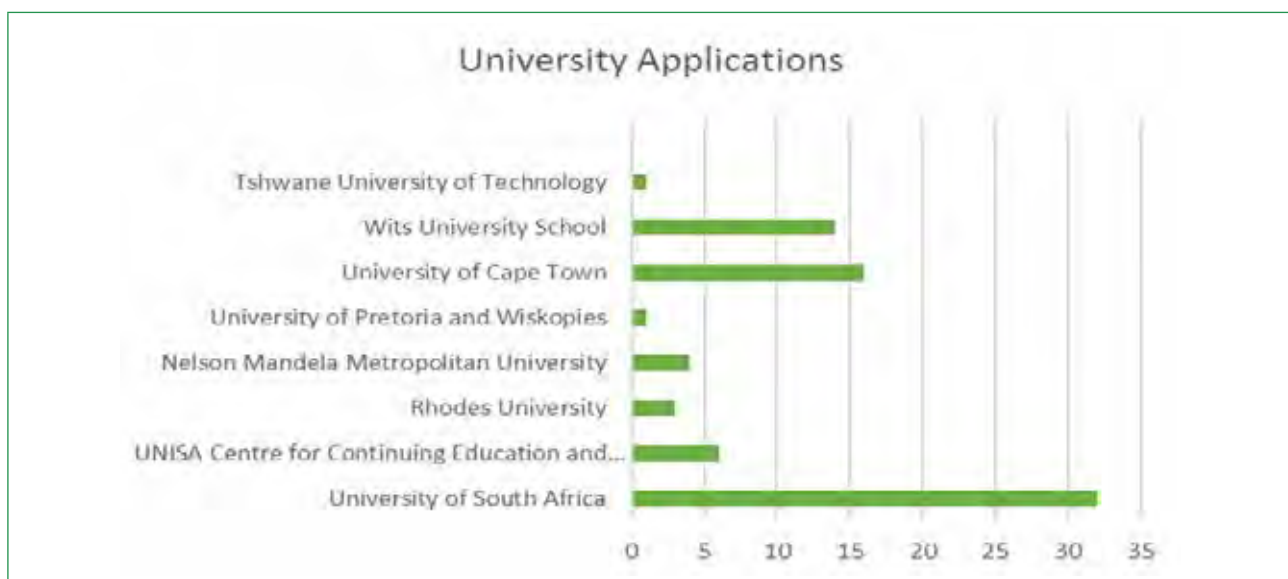
Name of Provider	Number of Activities	Number Endorsed
SADTU-Curtis Nkondo Professional Development Institute	01	01
SUID – Afrikaanse Ondewyser (SAOU)	03	03
NAPTOSA Western Cape and NAPTOSA National	35	35
KwaZulu Natal PED	77	77
North West PED	43	43
Department of Basic Education	01	01
Mpumalanga PED	16	16
Gauteng PED	12	12
Western Cape PED	16	16
Private Providers	1669	25 Not endorsed 6 Irrelevant

Table 1



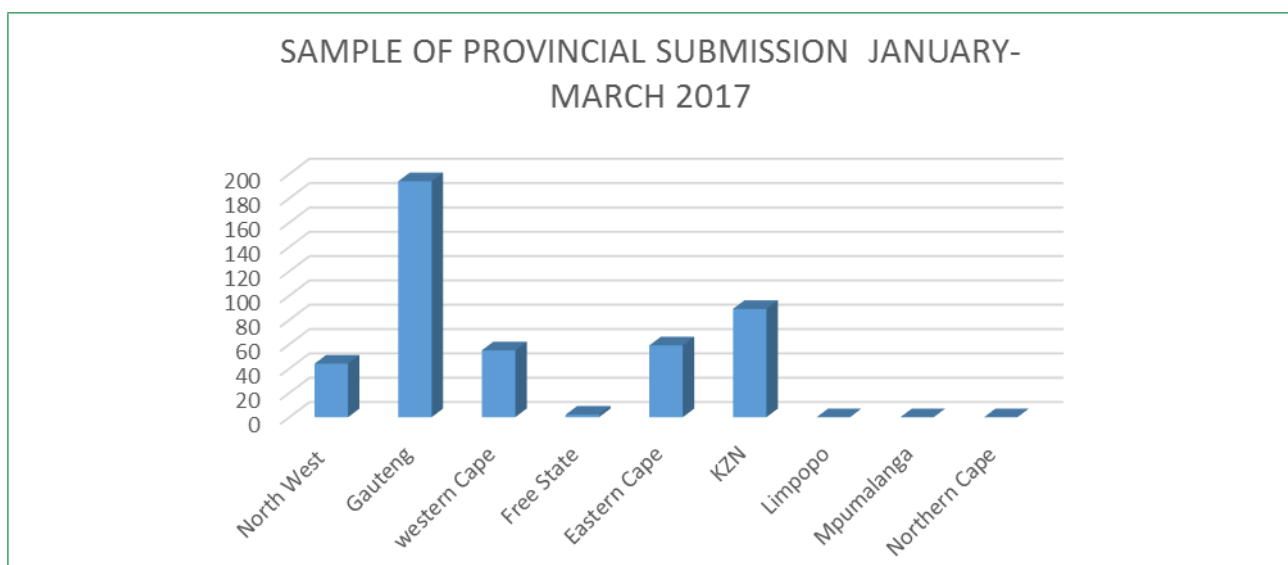
## Universities

Name of Provider	Number of Activities	Number Endorsed
• University of South Africa	32	32
• Rhodes university	03	03
• UNISA Centre for Continuing Education and Training	06	06
• Nelson Mandela Metropolitan University 04	04	04
• University of Pretoria (together with Weskopies)	01	01
• University of Cape Town (School Development Unit)	16	16
• Wits university school	14	14
• Tshwane University of Technology	01	01



## 2. The spread of provider submission

This is the sample of the spread of the provider submission from one quarter and it depicts the trends in terms of provider applications received and processed during the period of reporting.

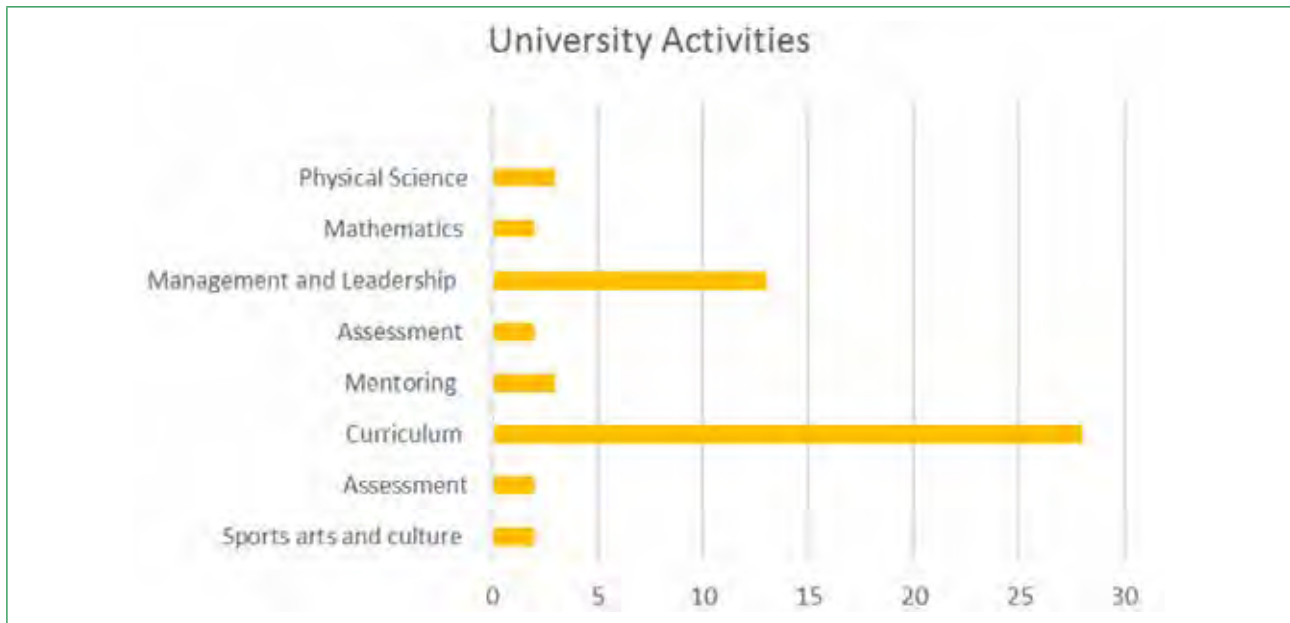


### 3. Professional Development Activities processed

There were 2035 activity applications received and processed. Out of these activities there were 1948 endorsed with 10 renewals and 25 activities were not endorsed, 6 activities were irrelevant and 56 were pending. We have been to provinces to support them on the application process and development of materials. (This was done in collaboration with VVOB). We have been to the North-West Province (30 Feb-03 March 17) where we interacted with 43 delegates from the different training directorates within the education department. The through this training 43 professional development activities were developed, evaluated and endorsed. The province has requested that a follow up training session to be conducted in May 2017. The other leg of training was in KZN province in which we conducted 2 training sessions one in Ulundi and Newcastle. These sessions delivered 77 professional development activities that were developed, evaluated and endorsed. Through these three training sessions we observed an undying commitment from the delegates as they worked beyond the agreed upon time frames. SACE is very impressed and grateful by a display of such professionalism and commitment.

Target Audience for submitted activities	Target Audience for submitted activities
Primary school Teachers	Grade 10-12 educators
Principals	Gr 4-7 novice teachers
Deputy principals	Foundation phase novice teachers
HODs	Grade R practitioners
Qualified secondary school mathematics teachers	Grade 4-7 history teachers
Foundation learners who have work with sphere 2 and documents camera	All educators at all levels
Grade 12 mathematics Teachers	Newly appointed principals in primary and secondary schools
SMT Members	Senior phase language teachers
School psychologists	Teachers using Ace it! Study guides
Guidance counsellors	Digital technology teachers
Senior phase creative art and culture teachers	Intermediate Phase teachers
Foundation Phase teachers	Experienced newly promoted
Guidance teachers	Senior phase teachers - teaching technology as a subject
Sports teachers	Intermediate teachers – teaching mathematics as a subject
Coaches and coordinators	Digital technology teachers
Physical education teachers	School governing bodies
Special needs coordinators	School based support teams
Paediatric speech and language therapists	Life orientation teachers all phases and grades
Psychiatrists(School-based)	Teachers using the ACE it! Study guides

## Target audience for endorsed activities



### 4. Number of Approved Professional Development Providers subjected to quality assurance by SACE in a financial year

The sampling of SACE approved providers was done and a communique was dispatched to the SACE approved providers to submit their training schedules, province, districts and venues. During this period, we evaluated the responses and rescheduled the site visits. These visits were to be conducted in line with the approved instruments and sample. From the four site visits conducted it prompted us to revisit some of the instruments.

Provider Name	Activity	Province	Date
Bizskills	Marketing	KZN	27-07-16
Think Ahead	Ipad training	GP	07-09-16
ORT SA	Microsoft Excel	GP	17-09-16
Fundisa for Change	Natural Science	KZN	09-09-16

### 5. Provider and Endorsement outreach initiatives

We have embarked on visits to four provinces through a joint venture with the Members and Provinces sub-division. During these visits, we interacted with different delegates from the different training directorates within the education departments and also met with the Senior Managers. The meetings were very fruitful as a lot of issues pertaining to provisioning and the role of SACE in approving providers including the PEDs and endorsing their professional development activities was clarified. The Limpopo, North West, Western Cape and Kwa Zulu Natal provincial education departments requested that a follow up training session on programme writing be conducted in January to March 2017. We have the Limpopo and the EC Provincial Education Departments training planned to take place in the latter part of the first quarter of the new financial year 2017/18.

There is an emerging trend that is developing of some providers who submit the professional development activities that fall outside the scope and target audience of the Council. In some instances, we received about 6 activities whose main target audience was the youth from 18 years to 21 years. In such cases, we advised the provider accordingly and explained our role and scope in the continuing professional development of teachers. The number of providers who submit irrelevant professional development activities is still very low and irregular.

## 6. The Kwa-Zulu Natal Provincial Education Department Programme Writing

Programme writing has been a serious challenge for KZN province for quite some time and it really painted a skewed picture about continuing professional development in the province because a lot of professional development training was going on for teachers across the province however most of the programmes that teachers were trained on never accrued any professional development points for them.

No.	Directorate/Division	Number of Officials
1.	ICT	11
2.	ELITS	05
3.	Curriculum	15
4.	Teacher Development	06
5.	Inclusive Education	05
6.	District Techer Centres	15
7.	Labour Relations	03

### ***KZNPED delegates***

In October 2016 officials gathered in Ulundi to attend a programme writing workshop. The process was a collaboration effort between the Teacher Development Directorate KZN, facilitated by the South African Council of Educators (SACE) and the VVOB. The session involved both practical session and a presentation on the SACE rubric, provider guidelines and how programmes should be written and are assed to qualify for professional development points. The session allowed officials an opportunity to use Departmental policies like White paper 6, SIAS to write teacher development programs that will enable differentiation to enable teachers to cater for all learners.

Departmental officials were assisted to align and prepare teacher development programmes with SACE standards. Issues relating to gender equality in teacher development material were addressed with rigour and the Province acknowledged the need to intensify the process of ensuring that all teacher development materials are gender sensitive. SACE brought evaluators on board to allow evaluation to happen in-house. By the end of 5 days 60 officials submitted 40 programmes that were evaluated and send over to SACE head office in Pretoria to be endorsed. By the end of 2016 KZN had 40 evaluated and endorsed teacher development programmes.

### **KZNPED programme writing training**

From zero to forty gave the Province a motivation to work even harder, at the dawn of 2017 the province engaged again in the second session of programme writing which involved 40 officials form different directorates. Officials were committed to the process to the extent that they were forced to go out and have lunch and they continued working until 11:00 pm. The process ended up with 37 programmes evaluated on sire and send over to SACE head office in Pretoria to be endorsed. Today KZN province is having 77 endorsed teacher development programmes that were written by departmental officials and the province is planning to write more programmes going forward.

## 7. The North West Provincial Education Department Programme Writing

The programme writing capacity building initiative went on to the North-West province in an endeavour to build capacity within the provincial department. The advocacy session on programme writing in Vryburg confirmed that the officials needed assistance to align their training programmes/materials, with SACE endorsement standards. Officials had been invited to attend the session in Zeerust and the desired outcome of the session was a good number of evaluated programmes/materials. The attendance was as reflected on the table below.



Directorate/Division		Number of Officials
1	E - Learning	03
2	Institutional Governance Support Services	02
3	District Teacher Centres	08
4	School Safety	03
5	Curriculum	15
6	Rural & Farm Schools	01
7	Employee Health & Wellness	03
8	Library Services	03
9	Employee Labour Relation Services (ELRS)	03
10	Inclusive Education	04
11	Human Resource Directorate (HRD)	01
12	Teacher Development	03
13	Education Development Support Centre (EDSC)	01

### **NWPED attendance**

One of the challenges to be addressed by the session was a concern that teacher development training was taking place provincially however teachers were not receiving their professional development points because the materials used for training were not evaluated and endorsed by SACE.

NW DOE did not have endorsed programmes at the time of training and as a result the process painted a skewed picture on PDP reports because according to reports it was as if there was no professional teacher development going on in the province even though there was a lot of training taking place. This session helped the province to move from zero to forty SACE endorsed activities and this gave the Province a motivation to work even harder, at the dawn of 2017 financial year the province will host the second session of programme writing which will involve 50 officials from different directorates.

### **8. The CPTD Provider and Activities Catalogue search engine development update**

Our partnership with the VVOB has paid very good dividends. We have engaged in the development and revamping of the SACE catalogue through a service provider that has been appointed by VVOB. The catalogue is being uploaded with all the relevant information for testing and finalisation. The initial training and support has been provided to SACE staff. The development and completion of such an engine will help educators in searching for an appropriate activity delivered by a credible SACE approved provider. The catalogue will enable teachers to search for SACE endorsed activities by name, provider, province and district or city in which the said activity is being delivered. This process will enhance the search for teacher who would have identified their professional development needs and are now looking for an activity to address the identified need. We will be embarking on a process of mapping in order to gauge if the endorsed activities do address the emerging system needs.

### **PROFESSIONAL STANDARDS**

#### **Programme Objective:**

- Working collaboratively with stakeholders and partners in setting, upholding and monitoring professional standards to enhance teacher professionalization.

**Key functions:**

- Develop standards in the following areas:
  - entry into the teaching profession from admission to full registration,
  - IPET and CPTD programme content, and
  - professional practice
- Awarding Teacher Designation

**Strategic Objectives, Performance Indicators Planned Targets and Actual Achievements**

**Strategic Objectives**

<b>Programme/activity/objective: To enhance teacher preparation and professional practice</b>					
<b>Strategic objectives</b>	<b>Actual Achievement 2015/2016</b>	<b>Planned Target 2016/2017</b>	<b>Actual Achievement 2016/2017</b>	<b>Deviation from planned target to Actual Achievement for 2016/2017</b>	<b>Comment on deviations</b>
To enhance teacher preparation and professional practice	Research Report on teacher professionalisation that defined the teacher professionalisation path for the teaching profession across the teacher education and development continuum. The research report also informed the process of starting the setting of the professional practice standards and teacher designation.	Draft Professional Designation for principals, deputy principals HODs finalised for the consultation processes with employers  Draft Professional Designation for principals, deputy principals HODs finalised for the consultation processes with employers	Professional Standards and Professional Designation Conceptual Framework to guide and inform the actual writing process	Producing the actual draft Professional Standards and Professional Designation documents.	International professional standards research findings that indicated that the consultation and writing process should not be rushed.  Secondly alignment of the SACE professional standards and designation processes with the standards initiatives in the DBE and DHET.

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

Programme/activity/objective: To enhance teacher preparation and professional practice							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Set and implement professional standards	-	-	Research Report on the professional standards and implementation plan are approved	Draft Professional standards completed for consultation and public comments processes with stakeholders	Partly Achieved: Refer to the Narrative below	Producing the actual Draft Professional Standards	<p>The original completion date and target of end March 2016/2017 has been extended in consultation with the stakeholders and partners, in consideration of the following factors:</p> <p>The international professional standards research findings have shown that the consultative process should not be rushed; and more specifically, that the envisaged 12-month period was not sufficient.</p> <p>Additionally, the development of the DBE's professional practice standards for inclusive education, and also the development of subject standards through the DHET's Primary Teacher Education process, provide the opportunity for a broader national collaboration.</p>

## NARRATIVE

### Introduction

The professional standards programme is located within a broader context of SACE's process of professionalising the teaching profession since the 2015/16 fiscal year. This process commenced with research on teacher professionalisation. The purpose of the research was to start mapping a clear teacher professionalisation path by SACE, as a professional, statutory body mandated by the SACE Act No 31 of 2000 as amended to provide for:

- the **registration** of educators
- promote the **professional development** of educators
- manage a system for Continuing Professional Development of educators and set, maintain and protect **ethical** and **professional standards** for educators.

SACE has, over the years, focused on the ethical standards. Therefore, the main part of the professionalisation process includes the process of developing the professional practice standards and recognition of SACE as a professional body by SAQA in terms of the NQF Act. Against this background, the review of this programme focuses on two indicators – set and implement professional standards; and develop and register professional designation for teachers. It is also important to highlight that the original Draft Professional standards and Teacher Professional Designations completion date and target of end March 2016/2017 has been extended in consultation with the stakeholders and partners, in consideration of the following factors:

- The international professional standards research findings have shown that the consultative process should not be rushed; and more specifically, that the envisaged 12-month period was not sufficient.
- Additionally, the development of the DBE's professional practice standards for inclusive education, and the development of subject standards through the DHET's Primary Teacher Education process, provide the opportunity for a broader national collaboration.

An extensive consultation process and buy-in at national level was necessary and time-consuming. Consequently, the narrative below provides progress on the extensive work done on both performance indicators:

#### 1. **Set and Implement Professional Standards**

SACE is supported by the JET Education Services and Zenex Foundation in the process of developing the professional practice standards. In 2016/17, this process of developing the professional standards focused on the following:

##### **(a) *Establishment of the Multi-Stakeholder Structures***

In terms of the oversight and management mechanisms the **Professional Standards Steering Committee**, consisting of SACE, Department of Basic Education and JET representatives has been established and meets every second month to track the professional practice standards progress continually. This ensures ongoing capacity building and skills transfer process on teacher professionalisation matters and professional practice standards in particular.

A **Professional Standards National Advisory Group**, consisting of various stakeholders, was established in December 2015 for one year. As a result, it was disbanded in December 2016 and served a purpose of advising SACE several areas on the professional practice standards. It met five times and managed to produce the Theory of Change, for the professional standards development process, through a Professional Standards Theory of Change workshop sessions held in July 2016. This laid the foundation for a finalised professional practice standards logic framework.

The **Standards Development Working Group (SDWG)**, consisting of experts from various stakeholders, was established in December 2016, after the launch of the professional standards process. It met twice during the period under review and finally established the following six sub-groupings to do some additional work between their meetings:

- (a) **Purposes & Uses of Professional Standards:** This is important for the professional standards' primary reader
- (b) **Professional Standards Domains and Levels:** This was informed by the international professional research study with case studies in the six countries. It also looked at the knowledge types, relationships with other professional standards in the system, catering for high flyers and entry level and new and current teachers.
- (c) **Communication and Consultation:** This is essential for a common discourse, trust, buy-in, and surveys of what teachers think. In line with this a Professional Standards Advocacy and Communication strategy has been produced, and its implementation will commence in the new financial year.
- (d) **Implementation and Capacity:** Planning; Independence of the SDWG; Other SACE initiatives
- (e) **Monitoring and Evaluation:** Improved learner achievement is the goal, and therefore a research-based process was followed.
- (f) **Standards Development Process:** Practitioner involvement is key here, including backwards mapping and sense of South African landscape.

The SDWG's second session registered good progress towards finalising the conceptual basis for the Teaching Professional Practice Standards. A key outcome of the session was to commence the drafting of the *Standards Discussion Document* that captures the key developments to date and provide the conceptual basis for the Teaching Professional Standards.

**(b) Consultation Process**

Stakeholders are at the centre of ensuring that the teacher professionalisation process and professional standards programme, in particular, are well received in the teaching profession. Therefore, engaging them and acquiring buy-in from the beginning is pivotal to the successful standards development and implementation process in a collaborative way. In line with this the stakeholder engagements and consultation took place with the following:

- Relevant sections in the Departments of Basic Education and Higher Education and Training;
- National Teacher Unions;
- Education Deans Forum;
- Quality Councils – UMALUSI and CHE;
- Available Provincial Heads of Departments in four provinces;
- Teacher Conference in the Northwest Province; and
- Education Labour Relations Council (ELRC)

Generally, the stakeholders and various organisations welcome the teacher professionalisation programme broadly and the professional standards process.

Common issues raised consistently are as follows:

- SACE's institutional capacity to develop, plan and implement teacher professionalisation is limited, and therefore Council should enhance it accordingly. This is aggravated by its inadequate capacity to deal effectively and efficiently with its functions during the last 22 years,
- The implementation of the entire teacher professionalisation should not be rushed, rather have a phased-in approach, with pilot studies along the way,
- Clear teacher professionalisation path implementation strategy with various institutions/policy actors' roles and responsibilities should be developed with various stakeholders,
- Establishing teacher professionalisation multi-stakeholder team to focus on the broader implementation strategy,

- SACE to ensure that there is a separation of professional matters from the employment and conditions of service matters during the teacher professionalisation and professional practice standards,
- The implementation should articulate the processes and consequences between induction and full registration/ professional designation, and three-year CPTD cycle and retention of the SACE certificate,
- Fast track the SAQA recognition status to play a more meaningful role in the Initial Teacher Education space,
- Teacher professionalisation process to consider the quality of initial teacher education and issues of teaching practice by student teachers,
- SACE to oversee the student teachers from year one. This will also assist in tracking them and linking their initial teacher education, teaching practice, induction, and full registration; and
- SACE to organise dedicated follow-up workshop sessions on the practical implementation issues and broader implications for SACE.

In the New Year, the engagements and consultation process will continue at the provincial level hand-in-hand with follow-ups for national stakeholders.

### **(c) Professional Standards Process Launch**

The Professional Practice Standards Process was launched on 1 December 2016 in Pretoria, by the Minister of Basic Education's office, to mark the significance of the process in the history of the teaching profession in South Africa. The launch was attended by SACE, Department of Higher Education and Training, Department of Basic Education, Teacher Unions, Independent Schools Associations, School Governing Bodies Associations, Higher Education Institutions and other. In the interest of learning from other African countries, Dr Steve Nwokeocha, a former Director at the Teaching Registration Council of Nigeria was invited to share experiences and provide some advice in the standards development process and the teacher professionalisation path. One of the main achievements of the launch was the production of a well-researched paper on, *Professional Practice Standards: African and Global Experiences*, and this contributed largely to the SACE professional standards conceptualisation process. This was followed by the establishment of and the first meeting of the multi-stakeholder Standards Development Working Group.

### **(d) Conceptual Process**

**Comparative Process with other national councils:** SACE engagement in a comparative process with other national professional councils in the health, finance, built environment and social sciences has been completed. This was preceded by a round table about learning from the standards setting processes and actual standards from other professional councils, such as the Pharmacy Council, Nursing Council, Council for the Built Environment and National Treasury regarding its process of professionalising the Public Finance Management sector. This work fed into the professional practice standards writing process and teacher professionalisation broadly.

Collaboration and Learning from other Processes: The Department of Basic Education has been engaged on its:

- o Professional Development Framework for Digital Learning with an ultimate goal of sharing standards, writing experiences and information;
- o The inclusive Education Standards with the purpose of bringing this process closer to that of SACE

Additionally, the Department of Higher Education and Training and Education Deans Forum's Content Standards development process on Primary Teachers Education (PrimTED) is working closely with that of SACE to share information. It is also important to note that a joint meeting between the SACE's SDWG, the DHET's PrimTED content standards working groups, the DBE's inclusive education standards working group, and potentially also people from the Physical Education Institute of South Africa (PEISA), has been confirmed for the second part of the 2017/18 financial year. This will not only be an important opportunity to ensure that the synergies between the different processes are consolidated, but also to develop a shared conceptual basis. The Professional Standards programme is gaining traction and has acted

as a catalyst to the various national initiatives that are underway, and are being considered. The extended timeframe to end 2017/18 is well within the international norm for similar efforts.

**International Research on Professional Standards:** In addition to its conceptualisation and research process on professional standards and teacher designations, SACE is collaborating with various stakeholders, partners, higher education institutions and research organisations in these processes. In line with this, the Centre for the Development Enterprises (CDE) conducted International Research on *Towards Teacher Professional Knowledge and Practice Standards* in South Africa that has been released and shared with SACE for purposes of informing the Professional Practice Standards. This research report is accompanied by a Country Case Study Report that focuses on the following countries for the insights they offer for South Africa's Teaching Professional Standards Development Process: USA, England, Australia, Namibia, Chile, and Jamaica. Both reports went a long way in informing the SACE standards conceptualisation process. Additionally, the literature review Project on the Standards Development Process has been finalised with the support of the JET Education Services.

### **Strategy to overcome areas of under performance**

The following activities and processes have been put in place to ensure the following:

- The Standards Development Working Group is in place and has concluded its research conceptualisation work on the professional standards;
- The national consultation and engagement process has been completed. More consultation will be happening at provincial level between June and November 2017
- The actual process of writing the professional standards will commence in the second quarter of the 2017/18 financial year, with a timeline of March 2018.
- Establishment of the Multiple Stakeholder Teacher Professionalisation implementation teams and Technical Support to focus on specific projects as follows:
  - Criteria for Entry into Initial Teacher Education
  - Provisional Registration
  - Professional Practice Standards – SDWG Existing
  - Teacher Induction
  - Professional Designation and Revoking of the Designation
  - Relationship between Teacher Induction and Full Registration, and the awarding of the Professional Designation
  - CPTD system
  - Relationship between the CPTD system and re-registration / registration retention

## **2. Develop and register professional designation for teachers**

### **Introduction**

SACE made a professional body recognition application to SAQA in the last financial year. This application will not be finalised by SAQA until such time that the required teacher professional designation is developed, approved by Council and submitted accordingly to SAQA. In responding to this, Council decided to develop the teacher professional designations in terms of two components – Management in Schools and Teachers. As a result, the process of developing teacher professional designations commenced with the conceptualisation and methodology that should be followed in delivering the designations themselves. The work is moving slower than anticipated due to the number of stakeholders that need to be involved and the ongoing consultations with and buy-in from the stakeholders.

It is also important to note that the process of developing the professional standards is closely related to that of the professional designation process.

The initial draft professional designation for the School Management Teams (Principals, Deputy Principals and HODs) has been conceptualised and various nuances have been developed for the national consultation process that has been happening alongside the professional standards consultation process. We initiated a process of developing the teacher designation in line with the teacher positions (Teacher and SMT positions). However, the conceptualisation and research processes of the professional standards has redirected the process to having one professional designation – the Certified Teacher Designation as a start. Because of this, the professional designation timelines have been shifted to March 2018 due to the extended consultation process, stakeholder buy-in and tweaking of the reconceptualisation process in line with the feedback received.

### Financial performance

Programme/Activity/ Objective	2015/16			2016/17		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Budget	(Over)/Under Expenditure
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Professional Development	10,700	8,437	2,263	8,347	7,239	1,108
<b>Total</b>	<b>10,700</b>	<b>8,437</b>	<b>2,263</b>	<b>8,437</b>	<b>7,239</b>	<b>1,108</b>

## 3.4 POLICY & RESEARCH

### STRATEGIC OBJECTIVE 4: PROFESSIONAL RESEARCH

#### Programme Purpose:

- To enhance policy and research coordination within SACE.
- To strengthen the SACE advisory role and services that is informed by policy, research, and consultative processes.
- To promote research on professional matters and any other educational matter relevant to SACE.

#### Key Functions:

- Advising the Minister of Basic and Higher Education, Council and the public on professional development matters;
- Develop and implement professional standards and designations including an induction methodology;
- Provide ongoing support to all the SACE Divisions and Committees in terms of policy and research matters;
- Conceptualize and undertake research on professional matters for purposes of informing SACE programmes, Council decisions, educational policy, advising the Minister of Education, Council and the profession;
- Produce policy and research publications/ reports and disseminate research findings through various communications channels

Establish and manage the SACE resource center



Programme/activity/objective: Improved research production to advise and inform the teaching profession							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
The number of research reports produced.	4	5	5	6	7	1	SACE collaborated with various organisations for more research outputs.
Number of professional magazines/journals produced.	-	-	2	2	1	1	The second one was awaiting printing at the end of the financial year.

## **NARRATIVE**

Firstly, the research sub-division focused largely on research for self-renewal, as part of the SACE's research policy and agenda, during the period under review. In line with this, some of the research for self-renewal included the following:

- Review of the SACE provincial offices in terms of their mandate and operations; and
- SACE independence, autonomy, control and accountability

Secondly, as part on monitoring the implementation of the CPTD system, the policy and research sub-division conducted an evaluation of the accessibility and quality of the Professional Development Portfolios (PDPs) of educators in 20 rural schools in Kwazulu-Natal (KZN) and the Free State (FS) provinces. This monitoring and evaluation data aims to assist in understanding the strategic importance of the PDP processes in schools, as well as an understanding of some of the Provincial Education Departments, Districts and schools systems and processes in place to support this as part of the CPTD system implementation. The findings in this report aims to provide a better understanding of the successes and areas of improvement in the PDP process, as well as informing a standardised monitoring and evaluation approach that SACE may replicate through SACE's nation and provincial offices.

Thirdly, following an analysis of the professional development uptake by educators and participation in the CPTD Management system, a trend of low uptake by the School Management Teams (SMTs) has been noticed. In the light of this, a research project has been commenced to understand the SMTs' attitudes and experiences in professional development.

Lastly, the teaching profession continues to experience sexual relationships between learners and educators despite the fact this constitutes misconduct and gender-based violence. A qualitative study on factors and conditions facilitating and contributing to this kind of misconduct will be looked into.

Report on the six projects is as follows:

RESEARCH PROJECT	SUMMARY	PROGRESS AS AT 31 <sup>st</sup> March 2017
<p>(a) Review of the status of the SACE provincial offices.</p>	<p>SACE has established two provincial offices in the Free State and Kwazulu-Natal provinces, in 2015, with the aim of bringing the SACE mandate closer to the teachers. The two provinces were used as a pilot so that they can inform Council in terms of opening additional SACE offices in the remaining seven provinces.</p> <p>A year later, the SACE council took a resolution that seeks to review the functioning of the two provincial offices (Free State and Kwa Zulu Natal). This review focuses on the effectiveness of these offices in terms of operationalising the SACE mandate. The main aim is to learn best practices from these operations in order that such may set a spring board for opening up offices on other provinces in the country. In doing so, the views of teacher unions, provincial education departments and other stakeholders are being solicited.</p> <p>Additionally, stakeholders such as the ELRC and the ETDP-SETA are also being involved with special focus on their learning experiences.</p>	<ul style="list-style-type: none"> <li>• The SACE Provincial Review research report has been finalised and presented to the relevant council structures for adoption.</li> <li>• The SACE Finance and Executive Committees have adopted the report and subsequently established the internal Task Team to engage on the recommendations with the view of informing the establishment of additional SACE provincial offices.</li> </ul>
<p>(b) SACE independence, autonomy, control and accountability</p>	<p>The subject of SACE autonomy, independence, control and accountability has been a point of discussion for quite some. Stakeholders across the profession argue that SACE Council is dominated by teacher unions and therefore not independent and this impacts on its service delivery and impact in the teaching profession. Similarly other stakeholders argue that SACE is not independent and autonomous due to its control by the Minister and accountability to Parliament.</p> <p>In the light of this, the research project is looking at SACE's independence and autonomy on the one hand and control and accountability on the other; and the extent at which the implementation of these concepts have a bearing on the delivery of the organisation's mandate and contribution in the social and economic development of the country.</p>	<p>The research report is available and has been concluded and submitted to EXCO and Council for further discussion.</p>

RESEARCH PROJECT	SUMMARY	PROGRESS AS AT 31 <sup>st</sup> March 2017
<p>(c) Evaluation of the Accessibility and Quality of the Professional Development Portfolios in the rural schools in Kwazulu-Natal and Free State Provinces</p>	<p>In Implementing the CPTD Management system, educators sign-up for participation in the three year CPTD cycle and participate through three types of professional development activities (teacher initiated, school initiated and externally initiated). Subsequently, they record and reflect on their participation in professional development activities through the online or manual Professional Development Portfolios (PDPs). Ultimately they report their participation to SACE manually or online.</p> <p>The principals and deputy principals started recording and reflecting on their participation in professional development, in the PDPs, from the beginning of 2014 and HODs in 2015. In line with this, this small evaluation study is looking at the accessibility and quality of the PDPs in the 20 schools in the two provinces where SACE has its presence (KZN and Free State).</p> <p>The evaluation aims to assist in understanding the strategic importance of the PDP processes, as well as an understanding of some of the systems and processes in place to support this. The findings will provide a better understanding of the successes and areas of improvement in the PDP process, as well as informing a standardised monitoring approach that SACE may replicate through its national and provincial offices.</p>	<p>The following has been achieved during the period under review:</p> <ul style="list-style-type: none"> <li>• Sampling of schools in consultation with the relevant Provincial Education Department and Districts</li> <li>• Literature Review</li> <li>• Document Analysis at SACE in terms of <ul style="list-style-type: none"> <li>- CPTD progress reports</li> <li>- CPTD tools (PD points schedule, PDP templates) and PDP guidelines</li> <li>- CPTD statistical reports (sign up, PD activities reported on, PD points allocated per activity)</li> <li>- School visit reports from schools in KZN and FS</li> </ul> </li> </ul> <p><b>Review of Existing CPTD Systems Data</b></p> <p>A review of CPTD reports and existing CPTD systems data on reporting on PD activities by educators was undertaken. A detailed analysis of the raw data on sign up and reporting on PD activities from the CPTD management system for the KZN and the Free State province was undertaken.</p> <p>High-level analysis of sign up and educators reporting on PD activities was undertaken for an additional two provinces, Mpumalanga (MP) and Western Cape (WC).</p> <p>Interviews with the SACE staff, Provincial Education Departments and Districts officials</p> <p>Interviews with the principals, deputy principals and HODs in the schools.</p> <p>The final report has been presented to the Professional Development Committee, EXCO and Council for adoption and further dissemination.</p>
<p>(d) The experiences / attitudes of educators in Professional Development</p>	<ul style="list-style-type: none"> <li>• The Principals, deputy principals, HODs and teachers are now in the CPTD Management system. As indicated earlier on they are supposed to report their participation to SACE. The current professional development reporting trends indicate low professional development uptake by teachers. This has an impact on participation in the CPTD system as a whole.</li> <li>• In the light of this, this research project is examining educators' attitudes and experiences in professional development.</li> </ul>	<p>The research project has just been conceptualised and the actual work will start from the next quarter onwards.</p> <p>Literature review has been completed.</p> <p>Data collection was underway, at the end of the 2016/17 financial year.</p>

RESEARCH PROJECT	SUMMARY	PROGRESS AS AT 31 <sup>st</sup> March 2017
(e) Factors and environment facilitating/enhancing sexual-related misdemeanour between teachers and learners	During the 2015/16 financial year we reported that we conduct a five year analysis on the educator misconduct cases reported to SACE. Subsequently, Council EXCO requested that a follow-up study be done specifically on the factors and conditions that facilitate or contribute to the sexual relationship misconduct cases between the learners and teachers.	<p>The preliminary report has been produced and a final report is expected to be released in the first of the 2017/18 financial year.</p> <p>Some of the conditions contributing to sexual misconduct cases between learners and teachers were highlighted as follows:</p> <ul style="list-style-type: none"> <li>• Classrooms (after school)</li> <li>• School halls (after school)</li> <li>• School offices (after school)</li> <li>• Staff rooms (after school)</li> <li>• School trips/excursions</li> <li>• Sports activities</li> <li>• Coaching sessions</li> <li>• Teachers' homes/houses</li> </ul> <p>The final report will be released publicly after approval by Council.</p>
(f) Professional Practice Standards: African and Global Experiences.	As part of the teacher professionalization process as a whole and professional standards development process in particular, specifically, there was a need to learn from other African and Commonwealth Countries in particular. In line with this, a research project was conceptualised.	The research report has been completed and presented at the Professional Standards Launch on 1 <sup>st</sup> December 2016. It will be peer reviewed for publication later in the year with other with other teaching professional standards research work.

RESEARCH PROJECT	SUMMARY	PROGRESS AS AT 31 <sup>st</sup> March 2017
<p>(g) Teacher Education Qualification Verification Research Project</p>	<p>In recent years, the SACE Registration division has been inundated with fraudulent or suspected to be fraudulent teaching qualification and since SACE cannot, by law, verify qualifications, its staff usually rely on their knowledge and experience pertaining to types of qualifications from various universities and colleges. There are instances where once the perpetrators are told that “we are still confirming something with your qualification”, they runaway and this makes it easy for staff to notice that the qualification is a fraud. The SACE Registration division states that they receive an average of 2 fraudulent or suspected to be fraudulent qualifications in a day, and these are those which they can clearly identified, which could mean that there are many more which filter through the system without being noticed.</p> <p>The prevalence of fraudulent qualifications is so serious that the Department of Higher Education has requested the South African Qualifications Authority (SAQA) to establish “a national fraud register and the proposed strengthening of key pieces of legislation to address this fraudulent activity that bring the profession into disrepute.</p> <p>On the basis of the information above, SACE is conducting a small scale research on the verification of teacher qualifications in collaboration with the South African Qualifications Authority. The focus of this verification will be on both the Initial Teacher Qualifications and Post-Graduate Qualifications.</p> <p>This is an important project to SACE, especially because, through its findings, the Department of Higher Education (DHET), the Department of Basic Education (DBE), South African Qualifications Authority (SAQA), The Umalusi, the Quality Council for Trades and Occupations, the public and private employers will be able to understand the seriousness and the extent of the problem and thus, put stringent measures to deal with such. Most importantly, it will also inform us if there is a need for a full research in the teaching profession.</p>	<p>Research project scoping and conceptualisation process has been completed in collaboration with SAQA.</p> <p>SACE has identified the sample data from its Registration and CPTD system databases as test cases.</p> <p>The data analysis has been completed by SAQA and feedback provided to SACE.</p>

## Financial performance

Programme/ Activity/Objective	2015/16			2016/17		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Policy and Research	2,000	1,132	868	1,000	495	505
<b>Total</b>	<b>2,000</b>	<b>1,132</b>	<b>868</b>	<b>1,000</b>	<b>495</b>	<b>505</b>

## 4. REVENUE COLLECTION

The Council managed to collect 99% of the budgeted revenue. Of the total revenue collected R7,3 million, instead of the projected, R11,7 million was received from the Department of Basic Education as a subsidy for the Management of the Continuous Professional Teacher Development. The Council spent 98,5% of the R7,3 million received as CPTD subsidy, and the unspent 1,5% has been deferred to the following financial year. Treasury has now approved direct funding for CPTD for the next three years starting 1<sup>st</sup> April 2017 which will alleviate the uncertainty and late availability of funds.

Council is mainly funded by its membership through determined subscription fees which remained at R120-00 collectable from each active member. Registration administration fee is also collected from registering members at R400-00 for foreign educators and R200-00 for South African educators.

## 5. Capital investment

The Council owns an administrative building located at No 240 Lenchen Avenue, Centurion, for the value as disclosed in the financial statements.

The property was purchased in the previous financial year, and the registration process was concluded in the current reporting period.

## 6. Cost Containment Measure

The Council has undertaken the following teacher conferences or events as tabled below:

1.

<b>CONFERENCE NAME:</b>		<b>SACE Outreach Conference</b>			
<b>PURPOSE:</b>		To enhance policy and research coordination within SACE. To promote research on professional matters and any other educational matter relevant to SACE. To promote research on professional matters and any other educational matter relevant to SACE.			
<b>DIVISION</b>	<b>DATE</b>	<b>VENUE</b>	<b>NO OF PARTICIPANTS</b>	<b>CONTRACTING PROCEDURE</b>	<b>EXPENSES</b>
Research	18 March 2017	Rustenburg High School in Rustenburg	629	Only catering and equipment hire was outsourced using standard procurement procedures of requesting three quotation and taking the lowest.	a) Venue hire R 0,00 b) Catering: R 46 400,00 c) Speaker: R 0,00 d) Equipment Hire: R 20 982,00 <b>TOTAL</b> <b>R 67 382,00</b>

2.

<b>CONFERENCE NAME:</b>		<b>Teacher Induction Seminar</b>			
<b>PURPOSE:</b>		To enhance policy and research coordination within SACE. To strengthen the SACE advisory role and services that is informed by policy, research, and consultative processes. To promote research on professional matters and any other educational matter relevant to SACE.			
<b>DIVISION</b>	<b>DATE</b>	<b>VENUE</b>	<b>NO OF PARTICIPANTS</b>	<b>CONTRACTING PROCEDURE</b>	<b>EXPENSES</b>
Research	13 October 2016	Bloemfontein (Motheo TVET College)	55	Only equipment hire was outsourced using standard procurement procedures of requesting three quotation and taking the lowest.	a) Venue hire R 0,00 b) Catering R 0,00 c) Speaker R 0,00 d) Equipment Hire R 4 297,00 <b>TOTAL</b> <b>R 4 297,00</b>



3.

<b>CONFERENCE NAME:</b>	<b>CPTD National Core Training Team</b>		
<b>PURPOSE:</b>	The refresher session was aimed at exposing the national core training team into the new training material. The material was designed to change the focus from signing up in the CPTD MS to participation in the professional development activities and subsequently recording to the professional development portfolio and reporting.		

DIVISION	DATE	VENUE	NO OF PARTICIPANTS	CONTRACTING PROCEDURE	EXPENSES
Professional Development	06 & 07/05/2016	SACE conference room	85	Only catering and accommodation was outsourced using standard procurement procedures of requesting three quotation and taking the lowest based on value for money.	a) Venue hire R 0,00
					b) Catering R 19 763,36
					c) Speaker R 0,00
					d) Equipment Hire R 0,00
					e) Accommodation R 144 630,22
				<b>TOTAL</b>	<b>R 164 393,58</b>

4.

<b>CONFERENCE NAME:</b>	<b>Inclusive Education Seminar</b>		
<b>PURPOSE:</b>	SACE is implementing the Continuing Professional Teacher Development Management System (CPTD MS), and one of the target group to participate in the system are the teachers in the Special Need Education including school based psychologists and therapists. The seminar was aimed at providing a platform for practitioners in the SEN sector to reflect and guide SACE on the process to be followed when adapting the system to accommodate them. Given that psychologist and therapists are already participating in the health professional council.		

DIVISION	DATE	VENUE	NO OF PARTICIPANTS	CONTRACTING PROCEDURE	EXPENSES
Professional Development	02/08/2016	SACE conference room	120	Only catering was outsourced using standard procurement procedures of requesting three quotation and taking the lowest based on value for money.	a) Venue hire R 0,00
					b) Catering R 1 999,56
					c) Speaker R 0,00
					d) Equipment Hire R 0,00
				<b>TOTAL</b>	<b>R 1 999,56</b>

5.

<b>CONFERENCE NAME:</b>	<b>SACE Fun Walk</b>	
<b>PURPOSE:</b>	<b>Improving SACE visibility, encouraging healthy lifestyle amongst educators and enhancing their morale</b>	

<b>DIVISION</b>	<b>DATE</b>	<b>VENUE</b>	<b>NO OF PARTICIPANTS</b>	<b>CONTRACTING PROCEDURE</b>	<b>EXPENSES</b>
Communications	17/09/2016	Addington Primary School-Durban	506	Requested free venue from different schools around the area.	R 0,00
				Secured a sponsor	R 0,00
				-	R 0,00
				Standard Procurement procedures	R 13 805,40
				<b>TOTAL</b>	<b>R 13 805,40</b>

6.

<b>CONFERENCE NAME:</b>	<b>SACE Fun Walk</b>	
<b>PURPOSE:</b>	<b>Improving SACE visibility, encouraging healthy lifestyle amongst educators and enhancing their morale</b>	

<b>DIVISION</b>	<b>DATE</b>	<b>VENUE</b>	<b>NO OF PARTICIPANTS</b>	<b>CONTRACTING PROCEDURE</b>	<b>EXPENSES</b>
Communications	01/10 2016	Grey College-Bloemfontein	318	Requested free venue from different schools around the area.	R 0,00
				Standard Procurement procedures	R 1 999,56
				-	R 0,00
				Standard Procurement procedures	R 18 205,40
				<b>TOTAL</b>	<b>R 20 204,96</b>

6.

<b>CONFERENCE NAME:</b>	SACE Fun Walk				
<b>PURPOSE:</b>	Improving SACE visibility, encouraging healthy lifestyle amongst educators and enhancing their morale				
<b>DIVISION</b>	<b>DATE</b>	<b>VENUE</b>	<b>NO OF PARTICIPANTS</b>	<b>CONTRACTING PROCEDURE</b>	<b>EXPENSES</b>
Communications	15/10/ 2016	Fountains Valley	641	Using standard procurement procedures of requesting three quotation and taking the lowest based on value for money.	a) Venue hire R 13 405,00
				Standard Procurement procedures	b) Catering R 9 532,91
				-	c) Speaker R 0,00
				Standard Procurement procedures	d) Equipment Hire R 12 768,00
				<b>TOTAL</b>	<b>R 35 705,91</b>

7.

<b>CONFERENCE NAME:</b>	World Teachers Day				
<b>PURPOSE:</b>	World Teachers month - Acknowledging and Appreciating Teachers				
<b>DIVISION</b>	<b>DATE</b>	<b>VENUE</b>	<b>NO OF PARTICIPANTS</b>	<b>CONTRACTING PROCEDURE</b>	<b>EXPENSES</b>
Communications	031/10/2016	SACE conference room	150	Only catering was outsourced using standard procurement procedures of requesting three quotation and taking the lowest based on value for money.	a) Venue hire R 0,00
					b) Catering R 32 500
					c) Speaker R 0,00
					d) Equipment Hire R 43 700
				<b>TOTAL</b>	<b>R 76 200</b>





**PART C:  
GOVERNANCE**

## 1. INTRODUCTION

The South African Council for Educators SACE operates under the auspices of the SACE Act (No. 31 of 2000) as amended by Basic Education Laws Amendment Act (No15 of 2011). It operates within the confines of Treasury regulations and the prescriptions of the Public Finance Management Act as it pertains to schedule 3A entities.

Council abides by principles contained in the King's report on Corporate Governance.

The Council is accountable to the Minister for Basic Education.

## 2. PORTFOLIO COMMITTEES

The Council had interactions with the Basic Education Portfolio Committee regarding its 2016/17 budget on 7 April 2016 and 12 October 2016 and the 2015/16 Annual report.

The committee appreciated the progress the Council has made in the delivery of its Mandatory functions. The Portfolio Committee emphasised the need for provincial service points in all provinces; vigorous interventions regarding professionalism and greater visibility of SACE.

## 3. EXECUTIVE AUTHORITY

Council submitted quarterly reports to the Minister of Basic Education at the end of each quarter on **31 July 2016, 31 October 2016, 31 January 2017, and 30 April 2017.**

## 4. THE ACCOUNTING AUTHORITY / COUNCIL

### Introduction

SACE is a professional council for educators that aims to enhance the status of the teaching profession and promote the development of educators and their professional conduct.

### The role of the Council is as follows:

- (a) regarding **the registration** of educators
- must determine minimum criteria and procedures for registration or provisional registration;
  - must consider and decide on any application for registration or provisional registration;
  - must keep a register of the names of all persons who are registered or provisionally registered;
  - must determine the form and contents of the registers and certificates to be kept, maintained, or issued regarding this Act.
- (b) regarding the promotion and development of the education and training profession
- must promote, develop, and maintain a professional image;
  - must advise the Minister on matters relating to the education and training of educators,
  - must research and develop a **professional development** policy;
  - must promote h-service training of all educators;
  - may develop resource materials to initiate and run, in consultation with an employer, training programmes, workshops, seminars and short courses that are designed to enhance the profession; and
  - must manage a system for the promotion of the continuing professional development of educators (as amended by Basic Education Laws Amendment Act 15 of 2011).

- (c) regarding **professional ethics**
- must compile, maintain and from time to time review a code of professional ethics for educators who are registered or provisionally registered with the council;
  - must determine a fair hearing procedure;
  - subject to sub-paragraph (ii), may:
    - (aa) caution or reprimand;
    - (bb) impose a fine not exceeding one month's salary on; or
    - (cc) remove from the register for a specified period or indefinitely, or subject to specific conditions, the name of an educator found guilty of a breach of the code of professional ethics; and
- (d) may suspend a sanction imposed under sub-paragraph (iii) (bb) or (cc) for a period and on conditions determined by the council:
- (e) in general -
- must advise the Minister on any educational aspect.

### **The Council**

The term of the current Council which began on 1 August 2013 ends on 31 July 2017. The following table depicts the composition of the Council and attendance for the year under review.

Composition of the Council for the term 1 April 2016 to 31 March 2017

Name	Designation (regarding the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit committee/ Ministerial task team)	No. of Meetings attended
Ms Veronica Hofmeester - Chairperson	Chairperson	1 Aug. 2013	-	BA – University of Western Cape; B. ED - University of Western Cape; M. ED – University of Stellenbosch (Inc.)	Education and Organised Labour	None	Professional Development Committee	4/4
Dr Louis H Swanepoel		1 Aug. 2013	-	B. Comm, HED, B. Comm (Honours - Economics), M. Comm (Economics), Ph. D, (Educational Management)	Education and School Leadership	None	Advocacy and Communication Committee	3/4
Dr Brahm Fleisch		1 Aug. 2013		BA cum laude (Hobart College); MA (Teachers College – Columbia University); PhD (Columbia University)		None	Professional Development Committee	3/4
Mr Elphus Maseko		1 Aug. 2013	-	BSc	Strategic Management	None	Registration Committee	4/4
Dr Hendrik J Deacon		1 Aug. 2013	-	LLB (University of Orange Free State); LLM (University of Orange Free State); LLD (University of Orange Free State)	Education & Labour law	None	Ethics Committee	3/4



Name	Designation (regarding the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit committee/ Ministerial task team)	No. of Meetings attended
Mr John William Bester	None	1 Aug. 2013	-	Higher Diploma in Education	School Management	Michael Mount Waldorf School Southern African Federation of Waldorf Schools Bryanston Organic and Natural Market European Council of Waldorf Schools South African Council of Educators National Alliance of Independent Schools	Registration Committee	3/4
Dr Josef Adriaan Breed	None	1 Aug. 2009	-	B.Sc.; B.Ed. (Hons); M.Ed; Ph.D; THED.	Education and Leadership	South African Education Foundation; SAOS Pension Fund; Edupen Pension Fund; Transvaal Onderwysersvereniging Onderlinge Maatskappy	Finance Committee and Executive Committee	3/4
Ms Gugulethu Mbele	None	1 Sept. 2015	-	Hon B.ED (UNISA); FDE. (UNISA); PTD (EZAKHENI COL)	Education School Leadership and Management	ETDP – SETA SACE Endorsement Com; CPTD Orientation and sign-up	Advocacy and Communication Committee	2/4
Ms Gaylin Wendy Bowles	None	1 Aug. 2013	-	H.Dip Ed – JCE 1989 Bachelor of Arts – UNISA 11198 FDE – CAE – University of Pretoria Advanced Certificate in Education – Leadership and Management - WITS	Education and School Leadership	Provincial Vice President – Naptosa Gauteng Member of the National Executive Committee - Naptosa	Registration Committee and Executive Committee	4/4

Name	Designation (regarding the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit committee/ Ministerial task team)	No. of Meetings attended
Mr Geoffrey Harrison	None	1 Aug. 2013	-	BSc UED Bed (Hon) FDE(Comp) Certificate Labour Law Diploma Management Development	Education and Management	None	Professional Development Committee	2/4
Mr Ntjhojho Adam Mosia	None	1 Nov. 2013	-	PTC (Mphohadi Teachers College); SEC (Vista Vudec); SED (Vista Vudec); BA (Unisa); B Ed (PU CHE) PDE (Unisa)		None	Professional Development Committee	1/4
Mr Mxolisi Bornvana	None	1 Mar. 2015			Education and Organised Labour	None	Finance Committee	4/4
Mr Magope Lucas Maphila	None	1 Aug. 2013	-	Higher Education Diploma	Education and Organised Labour	Old Mutual Education Trust; ETDP Seta Board Member	Advocacy and Communications Committee; and Executive Committee	4/4
Mr Tseliso Ledimo	None	1 Aug. 2013	-		Education and Organised Labour	None	Professional Development Committee	2/4
Mr Thabile Kunene	None	1 May 2014			Education and Organised Labour	None	Advocacy and Communications Committee	1/4
Ms L Motshwane	None	1 May 2014			Education and Organised Labour	None	Professional Development Committee	2/4

Name	Designation (regarding the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit committee/ Ministerial task team)	No. of Meetings attended
Mr Ronald Moroatshehla	None	1 Aug. 2013	-		Education and Organised Labour	None	Ethics Committee	3/4
Ms Nomarashiya Caluza	None	1 May 2014			Education and Organised Labour	None	Advocacy and Communications Committee	1/4
Mr Sipho Mayongo	None	1 Aug. 2013	-			None	Staffing Committee	3/4
Mr Lucky Goodman Mabuho Cele	None	1 Aug. 2013	-	Secondary Teacher's Diploma, Diploma in Labour Law, Certificate in Project Management, Advance Certificate in Education - Professional Development and Bed. Honours - Education Management. Currently reading for a Master's Degree at UKZN.	Education and Organised Labour	None	Ethics Committee	1/3
Mr Mkhholoane Samuel Moloji	None	1 Aug. 2013	-	STD(Tech); FDE	Education and Organised Labour	None	Ethics Committee	3/4
Mr Walter Hlaise	None	1 Aug. 2013	-			None	Staffing Committee and Executive Committee	4/4
Mr Jonovan Rustin	None	1 Aug. 2013	-	Senior Primary Teachers Diploma Further Diploma in Education – School Management	Education and Organised Labour	None	Staffing Committee	3/4

Name	Designation (regarding the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit committee/ Ministerial task team)	No. of Meetings attended
Ms Marie Schoeman	None	1 Aug. 2013	-	BA BA (Hons) Higher Education Diploma (HED) MA		None	Staffing Committee and Registration Committee	3/4
Mr K. Geza	None	1 Aug. 2013		B Juris; MBA –General Post Graduate Diploma in Labour Law		None	Ethics Committee	3/4
Dr Nonhlanhla Nduna-Watson	None	1 Aug. 2013	-	Doctor of Philosophy Degree Masters of Arts in Teaching BED in Education Higher Education Diploma	Education Management	None	Professional Development Committee and Executive Committee	4/4
Prof. Pinkie Mabunda	None	1 Aug. 2013	-	Doctor of Philosophy Degree Master's in Education Practitioners Course Certificate in ABE		None	Ethics Committee and Advocacy and Communications Committee	0/4
Mr Enoch T Rabotapi	None	1 Aug. 2013	-	BED (HONS): Assessment & Quality Assurance Advanced Diploma in Labour Law Bachelor of Science in Education		None	Professional Development Committee and Finance Committee	4/4
Mr Hangwani Neil Makhaga	None	1 Nov. 2014		SPTD B ED HONS – University of Pretoria ACE – University of Pretoria M ED – University of Pretoria (Inc.)	Education Leadership	None	Professional Development Committee	3/4

Name	Designation (regarding the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit committee/ Ministerial task team)	No. of Meetings attended
Mr Rej Brijraj	Chief Executive Officer	1 Aug. 2009	31 Jan. 2017	B.A. (Hons) M.Phil (Inc.)	Ethics	None	All Committees	3/4
Ms ME Mokgalane	Acting Chief Executive Officer	01 Feb. 2017				None	All Committees	

- **Mr E. Themba replaced by Mr M. Bomvana**

- **Mr R. Brijraj retired on 31 January 2017**

## Committees

Committee	No. of meetings held	No. of members	Name of members
The Executive Committee	4	8	Ms Veronica Hofmeester Chairperson Dr Louis H Swanepoel Deputy Chairperson Mr Walter Hlaise Dr Nonhlanhla Nduna-Watson Mr Magope Maphila Dr Jopie Breed Ms Gaylin Bowles Mr Rej Brijraj ( <b>retired 31-01-2017</b> ) Ms M.E. Mokgalane (from 01-02-2017)
Professional Development Committee	4	8	Dr N. Nduna-Watson- Chairperson Mr G. Harrison Mr E. Rabotapi Mr N.A. Mosia Mr T. Ledimo Mr H. Makhaga Dr B. Fleisch Ms V. Hofmeester - <i>ex officio</i> Mr R. Brijraj ( <b>retired 31-01-2017</b> ) Ms M.E. Mokgalane ( <b>from 01-02-2017</b> )
Registration Committee	3	7	Ms G Bowles - Chairperson Mr Bester Mr E. Maseko Ms R. Du Toit Ms M. Schoeman Mr T. Kunene Mr R. Brijraj ( <b>retired 31-01-2017</b> ) Ms M.E. Mokgalane ( <b>from 01-02-2017</b> )
Ethics Committee	3	8	Dr Louis H. Swanepoel - Chairperson Dr H.J. Deacon Mr R. Moroatshehla Mr T.K. Geza Mr M. Cele Prof. P. Mabunda Mr J. Eastes Mr M. Moloji Mr R. Brijraj ( <b>retired 31-01-2017</b> ) Ms M.E. Mokgalane ( <b>from 01-02-2017</b> )

Committee	No. of meetings held	No. of members	Name of members
Finance Committee	3	8	Dr J. Breed - Chairperson Mr G. Bengell Mr L. Maphila Mr E.T. Rabotapi Mr G. Clark Mr R. Brijraj (retired 31-01-2017) Ms M.E. Mokgalane <b>(from 01-02-2017)</b>
Staffing Committee	3	6	Mr W. Hlaise - Chairperson Mr J. Rustin Mr S. Mayongo Mr C. Nel Ms M. Schoeman Mr R. Brijraj (retired 31-01-2017) Ms M.E. Mokgalane <b>(from 01-02-2017)</b>
Advocacy and Communications	3	6	Mr M. Maphila – Chairperson Mr M. Mafunda Ms N. Caluza Dr L.H. Swanepoel Ms G.E. Mbele Mr R. du Toit Mr R. Brijraj (retired 31-01-2017) Ms M.E. Mokgalane (from 01-02-2017)
Endorsement Committee	2	4	Prof. N. Magi Chairperson Mr G. Harrison Mr T. Ledimo Ms G. Mbele Mr Rej Brijraj <b>(retired 31-01-2017)</b> Ms M.E. Mokgalane <b>(from 01-02-2017)</b>
Audit Committee	2	5	Mr B. Snayer Mr J. Rustin Mr G. Bengel Mr K. Karim Mr P. White

#### **Remuneration of board members**

- No Councillors were remunerated in the year under review.

## 5. RISK MANAGEMENT

Risk management is recognised as an integral part of sound organisational management. Risk management in the South African Council for Educators (SACE) derives its mandate from the Public Finance Management Act (PFMA). The Public Finance Management Act stipulates in section 51 that:

“An accounting authority for a public entity— (a) must ensure that public entity has and maintains—

- (i) Effective, efficient, and transparent systems of financial and risk management and internal control;
- (ii) A system of internal audit under the control and direction of an audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77.”

In line with best practices, the governance structures are in place to ensure effective management of risk at both strategic and operational level.

Management has designed and implemented a risk management system. The system is documented in the SACE Risk Management Policy. The policy has been developed to achieve maximum integration of the risk management process in standard business processes.

Risk management has been incorporated into the performance management system of the Council, as well as quarterly reporting to the Audit Committee.

During the period under review, a detailed strategic and operational risk assessment for the organisation was conducted. The purpose of the risk assessment was to identify business risks related to SACE. The risks were measured and rated on impact and the likelihood of occurrence.

The top risks as identified by Risk Owners are prioritised in terms of their importance and are being managed and reported on accordingly.

Key controls and mitigation strategies/plans have been identified and are being implemented for both strategic and operational risks to ensure that risks are kept within Council’s acceptable levels.

## 6. INTERNAL CONTROL

Internal Control is a process, effected by the Council, management, and other personnel, designed to provide reasonable assurance regarding the achievement of strategic objectives and operational control.

The Council is responsible for establishing a system of internal control and regularly reviewing its effectiveness and relevance. The control environment enhances the tone of risk management and provides the necessary discipline and structure. It is the foundation for all other components of risk management. The control environment includes factors, such as the integrity, ethical values, organisational culture, competence of people, management’s philosophy and operating style, delegation of authority and responsibility, the way in which people are organised and developed as well as the intention and direction provided by the Council.

These controls are designed to manage the risk profile and provide reasonable assurance that there is an adequate system of internal controls in place.

Management is further responsible for the establishment and maintenance of an effective system of internal control. The objectives of the system of internal control are, inter alia, to provide management with reasonable, but not absolute, assurance that:

- Risks are properly managed;



- Assets are safeguarded;
- Financial and operational information is reliable;
- Operations are effective and efficient; and
- Laws, regulations, policies, procedures, and contracts are complied with.

## 7. INTERNAL AUDIT AND AUDIT COMMITTEE

### Internal Audit

The internal audit operates within the framework of the Institute of Internal Auditors (IIA) under the direction of the Audit Committee, which approved the Internal Audit Charter, Three-year Internal Audit Rolling Plan, and Annual Internal Audit Plan. The Internal Audit Plan was informed by strategy and key risks that may impair the realisation of strategic objectives and goals. The operational plan is updated annually and as and when the need arises to ensure that it is responsive to changes in the business.

The internal audit functionally reports to the Audit Committee and administratively to the Chief Executive Officer. Internal audit is responsible for the overall preparation and execution of the risk-based audit plan and for coordinating the internal audit service. It, therefore, evaluates and contributes to the improvement of risk management, internal control, and governance systems.

The SACE Management is ultimately accountable for the Council's systems of internal controls. These controls are designed to provide reasonable assurance regarding the achievement of the Council's objectives concerning the effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulation. Findings of internal audit are reported to the Audit Committee at each scheduled meeting. In addition, follow-up audits are conducted in areas where significant control weaknesses are found to ensure that mitigating strategies are adequately and effectively implemented by management.

During the financial year, internal audit performed several engagements from the internal audit plan and various weakness or findings were identified for correction and implementation of corrective action by management. The activities for the function were based on the results of risk assessment, which are continuously updated to identify not only residual or existing risks, but also emerging risks. The internal audit reviews conducted focused on internal control design, internal financial control and operating effectiveness of the specific focus areas reviewed.

### Audit Committee

The Audit Committee of the SACE is independent and fulfils a vital role in corporate governance by, amongst others, ensuring the integrity of integrated reporting and internal financial controls and the management of risk.

The Committee has adopted appropriate formal terms of reference as its Audit Committee Charter, which have been approved by the Council. The Committee has also regulated its affairs in compliance with the Charter and has discharged its responsibilities as contained therein. The Audit Committee is an advisory committee of the Council operating with an independent and objective stance.

The Audit Committee reports that it has conducted and performed its oversight responsibilities independently and objectively in compliance with section 51(1) (a) (ii) of the PFMA and Treasury Regulations Part 3

The system of internal control applied by the Council over financial and risk management is effective. In line with the PFMA and the King IV Report on corporate governance requirements, internal audit provides the Audit Committee and management with assurance on the appropriateness and effectiveness of the internal controls. This is achieved using the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes.

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

Name	Qualifications	Internal or external	If internal, position in the public entity	Date appointed	Date Resigned	No. of Meetings attended
B Snayer	BCom Administration Education	External	N/A	August 2013	-	3/3
K Karim	BA Degree Education Diploma National Teachers Snr Certificate	Extended	N/A	August 2013	-	3/3
P White	Grade 12	External	N/A	August 2013	-	3/3
J Rustin	BA (UWC) HDE (UWC) BED Honours (UWC) Financial Management for Non-Financial Managers (UNISA) Labour (NMMU)	Councillor	N/A	August 2013	-	3/3
G Bengell	PTD 3	External	N/A	November 2013	-	3/3

## 8. COMPLIANCE WITH LAWS AND REGULATIONS

The Council has established sub-committees to oversee the delivery of mandatory functions within the relevant legislations and regulations. The committees are:

- Executive Committee (EXCO); Finance Committee (FINCO); Registration Committee (REGCO); Professional Development Committee (PRODCO); Ethics Committee (ETHCO); Advocacy Committee and Audit Committee (AUDCO).

These committees formulate policies which guide the operations and aid the oversight roles of Council and report progress to the Executive Committee on a quarterly basis. The policies of Council are reviewed annually to ensure consistency with current legislations and regulations.

## 9. FRAUD AND CORRUPTION

In line with its zero-tolerance approach towards fraud, corruption, and other economic crimes, SACE has recognised that managing fraud risk is imperative to the business, and if sustained, effective fraud risk management will improve the control environment and enhance SACE's operational performance and reputation.

A fraud-free environment is important to SACE's efforts for the continued delivery of mandatory functions.

As required by Regulation 29.1.1 of the Treasury Regulations prescribed under the Public Finance Management Act, 1999 (Act No. 1 of 1999). During the year under review, SACE had developed the Fraud Prevention and Detection Policy and corruption management plan. The key focus of the plan is to identify fraud risk areas within the ambit of SACE together with the related key controls identified to prevent the risks of fraud.

The Council through FINCO recommended and approved the Fraud Prevention Management Plan and the Fraud Prevention and Detection Policy for the financial year under review.

## 10. MINIMISING CONFLICT OF INTEREST

All Council members are required to declare any possible conflict of interest in each meeting as an agenda item. All staff members have to complete declaration of interest forms annually to manage possible conflict. Any conflicted member is recused from the discussion of the conflicted agenda item.

The Council has a Supply Chain Management Policy and guideline which guides the procurement of goods and services. A Supply Chain unit under the control of the CFO exists as a central point to process all requisitions of Council. Proper segregation of responsibilities amongst officers and structures as well as delegation of powers is implemented according to the Supply Chain Management Policy. Members who declare interest are recused from the relevant discussion. For the year under review, there was no violation identified in this regard.

## 11. CODE OF CONDUCT

The Code of Conduct for staff has been reviewed in line with the best practices. The need for a review was identified after the realisation that the previous Code was constructed along the lines of professional ethics, and as such, poses some challenges regarding implementation. The new Code will endeavour to cover appeal procedures in some detail, not catered for in the previous version. Distinction between serious violations and minor infringements will be expanded upon, providing clarity on misconducts and penalties. The principles of corrective action, fairness and consistency will be given the necessary attention.

## 12. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The building is a smoke-free zone, and designated areas have been identified for smokers. The safety equipment is checked and serviced twice a year. The Council takes issues of health and safety in the workplace seriously to this end continuous safety training is scheduled to be conducted for safety marshals. The areas on which capacity building was identified are first aid, emergency training and health and safety management.



The background of the slide features a grayscale image of a globe with a hand-drawn map. A series of black silhouettes of people are arranged in a circle, holding hands, symbolizing global unity and human resources. A green rectangular box with a yellow border is centered over the globe, containing the text.

**PART D:  
HUMAN RESOURCE  
MANAGEMENT**

# 1. INTRODUCTION

## Overview of HR matters at the public entity

The HR unit is located under Corporate Services Department, which is supervised by the Chief Financial Officer. All HR related functions take place in this unit and are performed by the HR Officer, with the exception of leave administration which is recorded in Finance Department and verified by human resource function.

The following are some of the activities and programmes that take place in HR.

- Review of HR policies;
- Employee relations; support;
- Recruitment, selection and placement;
- Compensation and benefit matters;
- Facilitation of relevant workplace solutions in support of business;
- HR administrative support in respect of all employee related matters;
- Staff attendance and leave administration;
- Learning and development services; etc

The Staffing Committee (STAFFCO) is entrusted with oversight on all human resource related matters on behalf of the Council. Conditions of service matters and matters of mutual benefit are a subject of bargaining processes between the Employer (Council represented by STAFFCO) and Employee (organised labour formation) parties. A number of staff members have been appointed to act in vacant positions, however, there are dedicated efforts to fill all vacant posts that have been identified.

## Workforce planning framework and key strategies to attract and recruit workforce

The Council geared itself to improve service delivery while creating opportunities for experiential learning at the same time, to this end 25 internship positions were created. This exercise, it is hoped, will assist the Council to assess and determine the staffing requirements and the creation of permanent positions. Training and development continue to be implemented successfully. The Council continues to experience shortage of staff in the following areas: Registration, on vetting of qualifications and approvals and finalisation of provincial and head office applications, and more personnel will be required in order for the Council to make a significant impact and in-roads in rolling out CPTD programmes. In some instances the Council had to re-advertise to ensure that skilled and capable workforce were recruited. The Council's drive to ensure more accessibility and visibility will bring with it the need to recruit more personnel especially, on the SACE ICT infrastructure.

## Employee performance management framework

The council has a performance policy in place to evaluate the performance of staff. The performance assessment were done after year end.

## Highlights achievements;

The council managed to conclude salary negotiations without difficulties. The council also reviewed its human resource policies to ensure relevance and efficiency.

## Challenges faced by the public entity

- Understaffing in the Human Resource and Teacher Professionalization sections

**Future HR plans /goals**

- Building capacity within Human Resource Unit.
- Implementing all other general training programs to enhance capacities and improve performances;
- Recruitment and retention of top talent.
- Conduct job evaluation and skills audit.

## 2. HUMAN RESOURCE OVERVIEW STATISTICS

### Personnel Cost by programme/activity/objective

Programme/activity/objective	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp. (R'000)	No. of employees	Average personnel cost per employee (R'000)
Total number of employees	58 632	34 349	58.58%	122	282

### Personnel cost by salary band

Level	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost (R'000)	No. of employees	Average personnel cost per employee (R'000)
Top Management	5 941	17.29	4	1485
Senior Management	7 727	22.49	9	859
Professional qualified	4 138	12.05	10	414
Skilled	7 648	22.27	25	306
Semi-skilled	7 198	20.96	33	218
Unskilled	1 697	4.94	31	55
TOTAL	34 349	100	122	282



### Performance Rewards

Programme//activity/objective	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	0	5 941	0%
Senior Management	0	7 727	0%
Professional qualified	0	4 138	0%
Skilled	0	7 648	0%
Semi-skilled	0	7 198	0%
Unskilled	0	1 697	0%
<b>TOTAL</b>	<b>0</b>	<b>34 349</b>	<b>0%</b>

### Training Costs

Programme//activity/objective	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Average training cost per employee (R'000)
Finance	4 328	R20	0.46%	5	4
PD and Research	2 728	R7	0.26%	1	7
Communications	4 209	R28	0.67%	2	14
Executive	5 941	R73	1.29%	1	73
Corporate Services	7 831	R73	0.93%	15	5
Registration	4 320	0	0	0	0
Free State SACE Provincial Office	2 496	0	0	0	0
KZN SACE Provincial Office	2 496	0	0	0	0
<b>TOTAL</b>	<b>34 349</b>	<b>R201</b>	<b>0.6%</b>	<b>24</b>	<b>8</b>

## Employment and vacancies

Programme/activity/objective	2015/2016 No. of Employees	2016/2017 Approved Posts	2015/2016 No. of Employees	2016/2017 Vacancies	% of vacancies
	118	123	122	1	
Programme/activity/objective	2015/2016 No. of Employees	2016/2017 Approved Posts	2016/2017 No. of Employees	2016/2017 Vacancies	% of vacancies
Top Management	4	4	3	1	25%
Senior Management	9	9	8	1	11.11%
Professional qualified	17	20	18	nil	0%
Skilled	18	21	25	nil	0%
Semi-skilled	36	40	33	1	
Unskilled	6	8	31	nil	0%
TOTAL	90	123	122	1	1%

\*No vacancies of senior management positions.

## Employment changes

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	4	0	1	3
Senior Management	9	0	1	8
Professional qualified	17	1	2	16
Skilled	21	4	2	23
Semi-skilled	31	2	1	32
Unskilled	6	25	1	30
Total	88	32	8	112

## Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	-	-
Resignation	8	9%
Dismissal	-	-
Retirement	1	1%
Ill-health	-	-
Expiry of contract	-	-
Other	-	-
Total	9	10%

\*Explanations: Seeking greener pastures

## Labour Relations: Misconduct and disciplinary action


Nature of disciplinary Action	Number
Verbal Warning	-
Written Warning	-
Final Written warning	-
Dismissal	-
Suspension Without Pay	-

## Equity Target and Employment Equity Status

Explanations: Provide explanations for major variances between target and current and attempts made by the public entity to address the variances.

Levels	MALE							
	African		Coloured		Indian		White	
Top Management	1	0	0	0	1	0	0	0
Senior Management	10	0	0	0	0	0	0	0
Professional qualified	11	0	0	0	0	0		0
Skilled	11	0	0	0	0	0	0	0
Semi-skilled	7	0	0	0	0	0	0	0
Unskilled	6	0	1	0	0	0	0	0
TOTAL	46	0	1	0	1	0	0	0

Levels	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	2	0	0	0	0	0	0	0
Senior Management	1	0	0	0	0	0	0	0
Professional qualified	7	0	0	0	0	0	1	0
Skilled	12	0	1	0	1	0	1	0
Semi-skilled	24	0		0	0	0	1	0
Unskilled	23	0		0	0	0	0	0
TOTAL	69	0	1	0	1	0	3	0



**PART E:  
FINANCIAL  
INFORMATION**



SOUTH AFRICAN COUNCIL FOR EDUCATORS  
Annual Financial Statements  
for the year ended 31 March 2017

These annual financial statements were prepared by:  
Ndwambi C  
Finance Manager

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## General Information

---

<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Registration of educators, promotion of professional development of educators and the establishment, maintenance and protection of ethical and professional standards for educators.
<b>Members</b>	Ms V. Hofmeester (Chairperson) Dr H.L. Swanepoel (Deputy chairperson) Ms E Mokgalane (Acting Chief Executive officer) Mr W. Hlaise Mr M. Molo Mr S. Mayongo Mr T. Ledimo Mr J. Rustin Mr M. Cele Mr R. Moroatshehla Dr J.A. Breed Mr G. Harrison Mrs G.W. Bowles Mr N.A. Mosia Mr M.E. Maseko Dr H.J. Deacon Mrs M. Schoeman Dr N. Nduna-Watson Mr E.T. Rabotapi Prof P. Mabunda Mr J.W. Bester Dr B. Fleisch Ms L. Motshwane Ms N. Caluza Ms G. Mbele Mr M. Bomvana Mr K. Geza Mr H. Makhaga Mr T. Kunene Mr M. Maphila Mr R Brijraj - (Retired 31-01-2017)
<b>Registered office</b>	Block 1, Crossway Office Park 240 Lenchen Avenue Centurion 0046
<b>Postal address</b>	Private Bag X127 Centurion 0046
<b>Bankers</b>	Nedbank Limited Reserve Bank
<b>Auditors</b>	Nexia SAB&T

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Index

---

The reports and statements set out below comprise the annual financial statements presented to the parliament:

<b>Index</b>	<b>Page</b>
Council's Responsibilities and Approval	3
Audit Committee Report	4
Independent Auditor's Report	5 - 9
Council's Report	10 - 11
Statement of Financial Position	12
Statement of Financial Performance	13
Statement of Changes in Net Assets	14
Cash Flow Statement	15
Statement of Comparison of Budget and Actual Amounts	16
Accounting Policies	17 - 23
Notes to the Annual Financial Statements	24 - 33

### Abbreviations

COID	Compensation for Occupational Injuries and Diseases
CRR	Capital Replacement Reserve
SAICA	South African Institute of Chartered Accountants
SA GAAP	South African Statements of Generally Accepted Accounting Practice
GRAP	Generally Recognised Accounting Practice
SAQA	South African Qualification Authority
SACE	South African Council for Educators
ASB	Accounting Standards Board
PFMA	Public Finance Management Act



# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Council's Responsibilities and Approval

---

The council is required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the council to ensure that the annual financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with South African Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The council members acknowledge that they are ultimately responsible for the system of internal financial control established by the council and place considerable importance on maintaining a strong control environment. To enable the council members to meet these responsibilities, the council sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the council and all employees are required to maintain the highest ethical standards in ensuring the council's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the council is on identifying, assessing, managing and monitoring all known forms of risk across the council. While operating risk cannot be fully eliminated, the council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.


The council members have reviewed the council's cash flow forecast for the year to 31 March 2018 and, in the light of this review and the current financial position, they are satisfied that the council has or has access to adequate resources to continue in operational existence for the foreseeable future.

The council is wholly dependent on the members (educators) for continued funding of operations. The annual financial statements are prepared on the basis that the council is a going concern and that the members (educators) has neither the intention nor the need to liquidate or curtail materially the scale of the council.

The external auditors are responsible for independently reviewing and reporting on the council's annual financial statements. The annual financial statements have been examined by the council's external auditors and their report is presented on page 5 to 9.

The annual financial statements set out on pages 10 to 33, which have been prepared on the going concern basis, were approved by the members on 25 July 2017 and were signed on its behalf by:

  
\_\_\_\_\_  
Ms V. Hofmeester (Chairperson)

  
\_\_\_\_\_  
Ms E Mokgalane (Acting Chief Executive officer)

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Audit Committee Report

---

We are pleased to present our report for the financial year ended 31 March 2017.

### Audit committee members and attendance

The audit committee consists of the members listed hereunder and should meet 3 times per annum as per its approved terms of reference. During the current year 3 meetings were held.

### Audit committee responsibility

The audit committee reports that it has complied with its responsibilities arising from section 77 of the PFMA and Treasury Regulation 3.1.

The audit committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

### The effectiveness of internal control

The system of internal controls applied by the council over financial and risk management is effective, efficient and transparent. In line with the PFMA and the King III Report on Corporate Governance requirements, Internal Audit provides the audit committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, the Audit Report on the annual financial statements, and the management report of the External Auditors, it was noted that no matters were reported that indicate any material deficiencies in the system of internal control or any deviations therefrom. Accordingly, we can report that the system of internal control over financial reporting for the period under review was efficient and effective.

The quality of the quarterly management reports were submitted in terms of the PFMA.

The audit committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the members of the council during the year under review.

### Evaluation of annual financial statements

The audit committee has:

- reviewed and discussed the audited annual financial statements to be included in the annual report, with the External Auditors and the council members;
- reviewed the External Auditors' management report and management's response thereto;
- reviewed the entities compliance with legal and regulatory provisions;
- reviewed significant adjustments resulting from the audit.

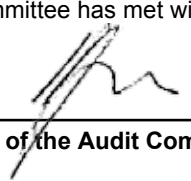
The audit committee concur with and accept the External Auditors' report on the annual financial statements, and are of the opinion that the audited annual financial statements should be accepted and read together with the report of the External Auditors.

### Internal audit

The audit committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the entity and its audits.

### External Auditors

The audit committee has met with the External Auditors to ensure that there are no unresolved issues.

  
\_\_\_\_\_  
**Chairperson of the Audit Committee**

Date: 2017.07.25

## Independent auditor's report to Parliament on South African Council for Educators

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of the South African Council for Educators set out on pages 12 to 33, which comprise the statement of financial position as at 31 March 2017, and the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the South African Council for Educators as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

#### Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the entity in accordance with the Independent Regulatory Board for Auditors' Code of professional conduct for registered auditors (IRBA code) and other independence requirements applicable to performing audits of the financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA code is consistent with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (parts A and B).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter

We draw attention to the matter below. Our opinion is not modified in respect of this matter.

#### Restatement of corresponding figures

As disclosed in note 22 to the financial statements, the corresponding figures for 31 March 2016 have been restated as a result of an error in the financial statements of the entity at, and for the year ended, 31 March 2017.

#### Responsibilities of accounting authority for the financial statements

The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with SA Standards of GRAP and the requirements of the PFMA 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.

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

## Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

## Report on the audit of the annual performance report

### Introduction and scope

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 we have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. We performed procedures to identify findings but not to gather evidence to express assurance.

Our procedures address the reported performance information which must be based on the approved performance planning documents of the entity. We have not evaluated the completeness and appropriateness of the performance indicators/measures established and included in the planning documents. Our procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information relating to future periods that may be included as part of the reported performance information. Accordingly our findings do not extend to these matters.

We evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the Performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the entity for the year ended 31 March 2017:

Programmes	Pages in the annual performance report
Programme 1 – Registrations of Educators	16
Programme 3 – Continuing Professional Development Management System	27-31

We performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. We performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

The material findings in respect of the usefulness and reliability of the selected programmes are as follows:

### Programme 3 - Continuing Professional Development Management System

When the indicators listed below were planned, it was not determined how the achievements would be measured and monitored as the source information and method of calculation of the achievements was not predetermined, as required by the Framework for managing programme performance information (FMPPI). Due to the lack of technical indicator descriptions that could clearly define the source information and method of calculation, we were unable to obtain sufficient appropriate audit evidence to verify the reliability of the reported achievements. We were unable to confirm whether the reported achievements of these indicators were reliable by alternative means. Consequently, we were unable to determine whether any adjustments were required to the reported achievements.

Indicators	Planned targets	Reported achievements
Percentage of SACE registered Educators, NOT signed up for the CPTD System	8% Principals and Deputy Principals (2781)	0,89% (311 Principals and D. principals)
	20% HODs(9 088)	19.90% (9 043 HODs)

Indicators	Planned targets	Reported achievements
	50% PL 1 Secondary and Combined schools teachers(55 000)	30,31% (15 346)
	50% PL1 Primary and Special Education Needs Schools teachers (80 000)	45,16% (22 862)
Percentage of signed up teachers who engage in three types of Professional Development (PD) Activities	Type 1: 55% (83 208) Type 2: 50% (75 928) Type 3: 35% (63 650)	Type1: 61% (50756) Type2: 29% (37 964) Type3:10% (6 365)
Percentage of schools that use the CPTD-IS	Sign up = 55% Sign-up <ul style="list-style-type: none"> <li>Upload participation in Type 1 Professional Development activities and the PD Points earned</li> <li>Develop online professional development portfolio</li> </ul>	46,5% (35 913) PL1 Primary and Special Education Needs teachers
	<ul style="list-style-type: none"> <li>Upload teachers' participation in Type 2 Professional Development activities and the PD Points earned</li> </ul>	30%
	Upload teachers' participation in Type 3 Professional Development activities and the PD Points earned	40%

We did not identify any material findings on the usefulness and reliability of the reported performance information for the following programme:

- Programme 1 - Registration of Educators

#### Other matters

We draw attention to the matters below.

#### Achievement of planned targets

Refer to the annual performance report on pages 16 to 61 for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a significant number of targets.

#### Adjustment of material misstatements

We identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of Programme 3: Continuing Professional Development Management System. As management subsequently corrected only some of the misstatements, we raised material findings on the usefulness and reliability of the reported performance information.

### Report on the audit of compliance with legislation

#### Introduction and scope

In accordance with the PAA and the general notice issued in terms thereof we have a responsibility to report material findings on the compliance of the entity with specific matters in key legislation. We performed procedures to identify findings but not to gather evidence to express assurance.

The material finding in respect of the compliance criteria for the applicable subject matters is as follows:

## Financial statements

The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required section 55(1) (b) of the PFMA. Material misstatements of non-current assets, expenditure and disclosure items identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified audit opinion.

## Other information

The South African Council for Educators accounting authority is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report thereon and those selected programmes presented in the annual performance report that have been specifically reported on in the auditor's report.

Our opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact.

## Internal control deficiencies

We considered internal control relevant to our audit of the financial statements, annual performance report and compliance with legislation, however the objective is not to express any form of assurance thereon. The matter reported below is limited to the significant internal control deficiencies that resulted in the basis for opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

## Financial and performance management

Although management reviewed the financial statements and annual performance report for completeness and accuracy prior to its submission for audit purposes, certain misstatements and non-compliance matters were identified.

## Other reports

We draw attention to the following engagements conducted by the Public Protector that have or could potentially have an impact on the matters reported on the entity's financial, performance and compliance related matters. The engagement noted do not form part of our opinion on the financial statements or our findings on the reported performance information or compliance with legislation.

Public Protector is investigating an allegation of possible irregular appointment of employees and irregular procurement at the request of the public, which covers the period 2006 to 2013. The investigation is currently in progress.

## Auditor tenure

In terms of the IRBA rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Nexia SAB&T has been the auditor of South African Council for Educators for 3 years.



Nexia SAB&T  
Per: N.C Soopal  
Director  
Registered auditor  
28 July 2017

## **Annexure – Auditor’s responsibility for the audit**

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

### **Financial statements**

In addition to our responsibility for the audit of the financial statements as described in the auditor’s report, we also:

- identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal controls relevant to the audit 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 controls.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting authority.
- conclude on the appropriateness of the accounting authority’s use of the going concern basis of accounting in the preparation of the financial statements. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the South African Council for Educators’ ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. Our conclusions are based on the information available to me at the date of the auditor’s report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

### **Communication with those charged with governance**

We communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also confirm to the accounting authority that we have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on our independence, and where applicable, related safeguards.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Council's Report

---

The members submit their report for the year ended 31 March 2017.

### 1. Review of activities

#### Main business and operations

The council is engaged in registration of educators, promotion of professional development of educators and the establishment, maintenance and protection of ethical and professional standards for educators. and operates principally in South Africa.

The operating results and state of affairs of the council are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

Net surplus of the entity was R 10,731,267 (2016: surplus R 9,460,177).

### 2. Going concern

We draw attention to the fact that at 31 March 2017, the council had accumulated surplus of R 107,432,001 and that the council's total assets exceed its liabilities by R 107,432,001.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the council to continue as a going concern is dependent on a number of factors. The most significant of these is that the members continue to secure funding for the ongoing operations for the council.

### 3. Subsequent events

The council members are not aware of any matter or circumstance arising since the end of the financial year.

### 4. Accounting policies

The annual financial statements have been prepared in accordance with the South African Statements of Generally Recognised Accounting Practice (GRAP), including any interpretations of such Statements issued by the Accounting Practices Board, as the prescribed framework by National Treasury.

### 5. Corporate governance

#### General

The council members are committed to business integrity, transparency and professionalism in all its activities. As part of this commitment, the council members support the highest standards of corporate governance and the ongoing development of best practice.

The council confirms and acknowledges its responsibility to total compliance with the Code of Corporate Practices and Conduct ("the Code") laid out in the King III Report on Corporate Governance for South Africa 2002. The council members discuss the responsibilities of management in this respect, at Board meetings and monitor the council's compliance with the code on a three monthly basis.

#### Executive committee

The committee:

- retains full control over the council, its plans and strategy;
- acknowledges its responsibilities as to strategy, compliance with internal policies, external laws and regulations, effective risk management and performance measurement, transparency and effective communication both internally and externally by the council;
- is of a unitary structure comprising:
  - Council members
  - Chief executive officer.



# **SOUTH AFRICAN COUNCIL FOR EDUCATORS**

Annual Financial Statements for the year ended 31 March 2017

## **Council's Report**

---

### **Council meetings**

The council members have met on 4 separate occasions during the financial year. The council members must meet at least 2 times per annum as per section 16(1) of the SACE act.

Executive committee members have access to all members of management of the council.

### **Internal audit**

The council has established the internal audit function internally. This is in line with section 51 of the PFMA.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Statement of Financial Position as at 31 March 2017

Figures in Rand	Note(s)	2017	2016
<b>Assets</b>			
<b>Current Assets</b>			
Other financial assets	4	-	60,978,738
Receivables from exchange transactions	5	1,576,999	1,609,344
Cash and cash equivalents	6	45,631,089	35,484,465
		<b>47,208,088</b>	<b>98,072,547</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	2	64,171,080	3,329,154
Intangible assets	3	1,717,176	2,072,056
		<b>65,888,256</b>	<b>5,401,210</b>
<b>Total Assets</b>		<b>113,096,344</b>	<b>103,473,757</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables from exchange transactions	10	1,927,030	1,381,664
Unspent conditional grants and receipts	7	107,766	2,346,893
Provisions	8	3,473,987	3,044,470
Other liability	9	155,560	-
		<b>5,664,343</b>	<b>6,773,027</b>
<b>Total Liabilities</b>		<b>5,664,343</b>	<b>6,773,027</b>
<b>Net Assets</b>		<b>107,432,001</b>	<b>96,700,730</b>
<b>Reserves</b>			
Building reserve fund		-	63,702,019
Accumulated surplus		107,432,001	32,998,711
<b>Total Net Assets</b>		<b>107,432,001</b>	<b>96,700,730</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Statement of Financial Performance

Figures in Rand	Note(s)	2017	2016
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Revenue		60,831,018	59,624,290
Other income		417,755	300,680
Interest received	13	2,280,056	1,591,378
<b>Total revenue from exchange transactions</b>		<b>63,528,829</b>	<b>61,516,348</b>
<b>Revenue from non-exchange transactions</b>			
<b>Transfer revenue</b>			
Government grants	14	7,239,127	9,210,470
<b>Total revenue</b>	11	<b>70,767,956</b>	<b>70,726,818</b>
<b>Expenditure</b>			
Employee benefit costs	15	(34,456,252)	(31,932,095)
Depreciation and amortisation		(2,032,953)	(1,717,394)
Lease rentals on operating lease		(559,723)	(2,010,285)
Debt Impairment		(398,283)	(13,840)
Operating Expenses	16	(22,597,546)	(25,525,498)
<b>Total expenditure</b>		<b>(60,044,757)</b>	<b>(61,199,112)</b>
Gain/ (loss) on disposal of assets		8,068	(67,529)
<b>Surplus for the year</b>		<b>10,731,267</b>	<b>9,460,177</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Statement of Changes in Net Assets

Figures in Rand	Building Reserve	Accumulated surplus	Total net assets
Opening balance as previously reported	63,702,019	21,700,652	85,402,671
Adjustments			
Correction of errors	-	1,837,882	1,837,882
<b>Balance at 01 April 2015 as restated (refer to note 22)</b>	<b>63,702,019</b>	<b>23,538,534</b>	<b>87,240,553</b>
Changes in net assets			
Surplus for the year	-	9,460,177	9,460,177
Total changes	-	9,460,177	9,460,177
<b>Balance at 01 April 2016</b>	<b>63,702,019</b>	<b>32,998,715</b>	<b>96,700,734</b>
Changes in net assets			
Transfer between reserves	(63,702,019)	63,702,019	-
Total transfers	(63,702,019)	63,702,019	-
Surplus for the year	-	10,731,267	10,731,267
Total recognised income and expenses for the year	(63,702,019)	74,433,286	10,731,267
Total changes	(63,702,019)	74,433,286	10,731,267
<b>Balance at 31 March 2017</b>	<b>-</b>	<b>107,432,001</b>	<b>107,432,001</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Cash Flow Statement

Figures in Rand	Note(s)	2017	2016
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Membership, registration, reprints and other receipts		61,254,895	59,984,046
Grants		7,239,127	9,210,470
Interest income		2,280,056	1,586,354
		<b>70,774,078</b>	<b>70,780,870</b>
<b>Payments</b>			
Employee costs		(34,364,909)	(31,243,952)
Payment suppliers and others		(24,884,916)	(21,690,316)
		<b>(59,249,825)</b>	<b>(52,934,268)</b>
<b>Net cash flows from operating activities</b>	19	<b>11,524,253</b>	<b>17,846,602</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(62,201,205)	(2,446,468)
Proceeds from sale of property, plant and equipment	2	9,747	(28)
Purchase of other intangible assets	3	(320,469)	(352,626)
Proceeds from sale of other intangible assets	3	-	9
Movement in deposits held in trust		60,978,738	(60,978,738)
<b>Net cash flows used in investing activities</b>		<b>(1,533,189)</b>	<b>(63,777,851)</b>
<b>Cash flows from financing activities</b>			
Movement in AFTRA deposits		155,560	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>10,146,624</b>	<b>(45,931,249)</b>
Cash and cash equivalents at the beginning of the year		35,484,465	81,415,714
<b>Cash and cash equivalents at the end of the year</b>	6	<b>45,631,089</b>	<b>35,484,465</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
--	-----------------	-------------	--------------	------------------------------------	--	-----------

Figures in Rand

### Statement of Financial Performance

#### Revenue

##### Revenue from exchange transactions

Revenue	57,200,000	800,000	<b>58,000,000</b>	60,831,018	<b>2,831,018</b>	24
Other income	300,000	-	<b>300,000</b>	417,755	<b>117,755</b>	
Interest received	1,400,000	-	<b>1,400,000</b>	2,280,056	<b>880,056</b>	24
<b>Total revenue from exchange transactions</b>	<b>58,900,000</b>	<b>800,000</b>	<b>59,700,000</b>	<b>63,528,829</b>	<b>3,828,829</b>	

##### Revenue from non-exchange transactions

##### Transfer revenue

Government grants & subsidies	9,345,000	2,346,893	<b>11,691,893</b>	7,239,127	<b>(4,452,766)</b>	24
<b>Total revenue</b>	<b>68,245,000</b>	<b>3,146,893</b>	<b>71,391,893</b>	<b>70,767,956</b>	<b>(623,937)</b>	

#### Expenditure

Personnel	(34,434,740)	(1,000,000)	<b>(35,434,740)</b>	(34,456,252)	<b>978,488</b>	
Depreciation and amortisation	(1,800,000)	-	<b>(1,800,000)</b>	(2,032,953)	<b>(232,953)</b>	
Lease rentals on operating lease	(1,300,000)	700,000	<b>(600,000)</b>	(559,723)	<b>40,277</b>	
Bad debts written off	-	-	-	(398,283)	<b>(398,283)</b>	
General Expenses	(30,710,260)	(2,846,893)	<b>(33,557,153)</b>	(22,597,546)	<b>10,959,607</b>	
<b>Total expenditure</b>	<b>(68,245,000)</b>	<b>(3,146,893)</b>	<b>(71,391,893)</b>	<b>(60,044,757)</b>	<b>11,347,136</b>	
<b>Operating surplus</b>	-	-	-	<b>10,723,199</b>	<b>10,723,199</b>	
Gain on disposal of assets	-	-	-	8,068	<b>8,068</b>	
<b>Surplus before taxation</b>	-	-	-	<b>10,731,267</b>	<b>10,731,267</b>	
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	-	-	-	<b>10,731,267</b>	<b>10,731,267</b>	

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Accounting Policies

---

### 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with section 55 of the Public Finance Management Act (Act 1 of 1999).

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

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous year's financial statements.

#### 1.1 Presentation currency

These annual financial statements are presented in South African Rand and are not rounded off.

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

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

##### Trade receivables

The council assesses its trade 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 assets.

##### Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the key assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of intangible and tangible assets.

The council reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets.

##### Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 8 - Provisions.

##### Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Accounting Policies

---

### 1.2 Significant judgements and sources of estimation uncertainty (continued)

#### Membership fees

The South African Council for Educators maintains a database of registered members and removes members from the database only upon request of the individual member.

Membership fees are received from the Provincial and National Departments of education from members employed by them. Certain private schools also deduct levies from their employees and pay the amounts deducted to the South African Council for Educators

For the educators that have not paid the membership levies in full, it is not possible to assess whether this is as a result of deliberate non-payment or due to unemployment. In the absence of the forthcoming information from the members themselves, a reliable estimate of educators that should have paid levies during the year cannot be made however membership is re-assessed annually and consequently, revenue is recognised as it is received.

#### Depreciation

During each financial year, management reviews the assets within property, plant and equipments to assess whether the useful lives and residual values applicable to each asset are appropriate.

### 1.3 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value

The useful lives of items of property, plant and equipment have been assessed as follows:

---

Item	Depreciation method	Average useful life
Land	Straight line	Indefinite
Buildings	Straight line	40 years
Motor vehicles	Straight line	5-10 years
Office equipment	Straight line	10-20 years
IT equipment	Straight line	3 to 8 years
Leasehold improvements	Straight line	lease term

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.



# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Accounting Policies

---

### 1.3 Property, plant and equipment (continued)

Reviewing the useful life of an asset on an annual basis does not require the entity to amend the previous estimate unless expectations differ from the previous estimate.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

### 1.4 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the council; and
- the cost or fair value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

<b>Item</b>	<b>Useful life</b>
Computer software, internally generated	5-10 years
Computer software, other	5-10 years

### 1.5 Financial instruments

#### Classification

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

<b>Class</b>	<b>Category</b>
Trade and other receivables	Financial asset measured at amortised cost
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>
Trade and other payables	Financial liability measured at amortised cost

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Accounting Policies

---

### 1.5 Financial instruments (continued)

#### Initial recognition

The council recognises a financial asset or a financial liability in its statement of financial position when the council becomes a party to the contractual provisions of the instrument.

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

The council measures a financial asset and financial liability 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 council measures a financial asset and financial liability initially at its fair value.

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

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

#### Impairment and uncollectibility of financial assets

The council assess at the end of each financial year whether there is any objective evidence that a financial asset or group of financial assets is impaired.

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 directly or 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 directly or 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.

### 1.6 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

#### Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

### 1.7 Provisions

Provisions are recognised when:

- the council has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Accounting Policies

---

### 1.7 Provisions (continued)

Provisions are not recognised for future operating deficits.

### 1.8 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

### 1.9 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets.

An exchange transaction is one in which the council receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

#### Measurement

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

#### Revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting year. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the council;
- the stage of completion of the transaction at the year end can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### Interest received

Revenue arising from the use by others of entity assets yielding interest or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the council, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit..

### 1.10 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an council, which represents an increase in net assets, other than increases relating to contributions from owners.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Accounting Policies

---

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

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an council either receives value from another council without directly giving approximately equal value in exchange, or gives value to another council without directly receiving approximately equal value in exchange.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

#### 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 council 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.

#### Measurement

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

When, as a result of a non-exchange transaction, the council 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.

#### Transfers

Apart from Services in kind, which are not recognised, the council recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The council recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

### 1.11 Contingent liabilities

Contingent liabilities are possible obligation that arose from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of the council; or a present obligation that arises from past events, a present obligation that is not recognised because, the outflow of economic benefits or service potential is not probable

A real present obligation, that may not be recognised, either because the "when" (timing) or because the how much (measurement) is not known.

### 1.12 Related parties

The council operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

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

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Accounting Policies

---

### 1.13 New Standards approved and not yet effective

The Accounting Standards Boards (ASB) has issued the following additional Standards of GRAP for which effective dates have not yet been gazetted by the minister of Finance:

1. GRAP 20: Related party disclosure
2. GRAP 32: Service Concession Arrangements: Grantor
3. GRAP 108: Statutory Receivables
4. GRAP 109: Accounting by Principals and Agents

### 1.14 Government grants

Government grants are recognised when there is reasonable assurance that:

1. the entity will comply with the conditions attaching to them; and
2. the grants will be received

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Government grant related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grants as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Grants related to income are presented as a credit in the surplus or deficit (separately).

Repayment of a grant related to income is applied first against any un-amortised deferred credit set up in respect of the grant. To the extent that the repayment exceeds any such deferred credit, or where no deferred credit exists, the repayment is recognised immediately as an expense.

Repayment of a grant related to an asset is recorded by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable. The cumulative additional depreciation that would have been recognised to date as an expense in the absence of the grant is recognised immediately as an expense.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Notes to the Annual Financial Statements

Figures in Rand

2017

2016

### 2. Property, plant and equipment

	2017			2016		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Buildings	61,110,937	(735,661)	60,375,276	-	-	-
Motor vehicles	138,000	(135,700)	2,300	138,000	(108,100)	29,900
Office equipment	3,929,584	(1,616,929)	2,312,655	3,078,392	(1,318,475)	1,759,917
IT equipment	3,934,290	(2,863,483)	1,070,807	3,857,437	(2,656,812)	1,200,625
Leasehold improvements	1,386,022	(975,980)	410,042	1,409,972	(1,071,260)	338,712
<b>Total</b>	<b>70,498,833</b>	<b>(6,327,753)</b>	<b>64,171,080</b>	<b>8,483,801</b>	<b>(5,154,647)</b>	<b>3,329,154</b>

#### Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Disposals	Depreciation	Total
Buildings	-	61,110,937	-	(735,661)	60,375,276
Motor vehicles	29,900	-	-	(27,600)	2,300
Office equipment	1,759,917	889,265	(38)	(336,489)	2,312,655
IT equipment	1,200,625	201,003	(1,641)	(329,180)	1,070,807
Leasehold improvements	338,712	-	-	71,330	410,042
	<b>3,329,154</b>	<b>62,201,205</b>	<b>(1,679)</b>	<b>(1,357,600)</b>	<b>64,171,080</b>

#### Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Disposals	Depreciation	Total
Motor vehicles	57,500	-	-	(27,600)	29,900
Office equipment	1,433,134	661,271	(65,867)	(268,621)	1,759,917
IT equipment	478,530	1,118,079	(1,634)	(394,350)	1,200,625
Leasehold improvements	86,179	667,118	-	(414,585)	338,712
	<b>2,055,343</b>	<b>2,446,468</b>	<b>(67,501)</b>	<b>(1,105,156)</b>	<b>3,329,154</b>

#### Pledged as security

The entity has no assets classified under property, plant and equipment pledged as security for liabilities and no restrictions have been imposed on any of the assets.

### 3. Intangible assets

	2017			2016		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Registration and CPTD database	4,435,991	(3,170,223)	1,265,768	4,199,347	(2,666,733)	1,532,614
Computer software, other	1,408,759	(957,351)	451,408	1,324,934	(785,492)	539,442
<b>Total</b>	<b>5,844,750</b>	<b>(4,127,574)</b>	<b>1,717,176</b>	<b>5,524,281</b>	<b>(3,452,225)</b>	<b>2,072,056</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Notes to the Annual Financial Statements

Figures in Rand 2017 2016

### 3. Intangible assets (continued)

#### Reconciliation of intangible assets - 2017

	Opening balance	Additions	Amortisation	Total
Registration and CPTD database	1,532,614	236,644	(503,490)	1,265,768
Computer software, other	539,442	83,825	(171,859)	451,408
	<b>2,072,056</b>	<b>320,469</b>	<b>(675,349)</b>	<b>1,717,176</b>

#### Reconciliation of intangible assets - 2016

	Opening balance	Additions	Disposals	Amortisation	Total
Registration and CPTD database	1,988,776	-	-	(456,162)	1,532,614
Computer software, other	342,899	352,626	(9)	(156,074)	539,442
	<b>2,331,675</b>	<b>352,626</b>	<b>(9)</b>	<b>(612,236)</b>	<b>2,072,056</b>

### 4. Other financial assets

#### At amortised cost

Deposit held in trust	-	60,978,738
-----------------------	---	------------

#### Current assets

At amortised cost	-	60,978,738
-------------------	---	------------

### 5. Receivables from exchange transactions

Trade debtors	1,084,109	1,090,577
Deposits	75,873	75,473
Staff loans	415,436	441,713
Other receivables	1,581	1,581
	<b>1,576,999</b>	<b>1,609,344</b>

#### Trade and other receivables impaired

As of 31 March 2017, trade and other receivables of R 831,904 (2016: R 551,008) were impaired and provided for.

The amount of the provision was R 831,904 as of 31 March 2017 (2016: R 551,008).

The entity considers the carrying amounts of receivables to approximate their fair value.

#### Reconciliation of provision for impairment of trade and other receivables

Opening balance	551,008	537,168
Provision for impairment	398,283	13,840
Amounts written off as uncollectible	(117,387)	-
	<b>831,904</b>	<b>551,008</b>

The creation and release of provision for impaired receivables have been included in operating expenses in surplus or deficit (note 18).

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Notes to the Annual Financial Statements

Figures in Rand	2017	2016		
<b>6. Cash and cash equivalents</b>				
Cash and cash equivalents consist of:				
Bank balances	30,382,047	21,313,356		
Cash on hand	3,760	4,340		
Short-term deposits	15,245,282	14,166,769		
	<b>45,631,089</b>	<b>35,484,465</b>		
<b>7. Unspent conditional grants and receipts</b>				
<b>Movement during the year</b>				
Balance at the beginning of the year	2,346,893	2,657,363		
Additions during the year	5,000,000	8,900,000		
Income recognition during the year	(7,239,127)	(9,210,470)		
	<b>107,766</b>	<b>2,346,893</b>		
<b>8. Provisions</b>				
<b>Reconciliation of provisions - 2017</b>				
	Opening Balance	Additions	Utilised during the year	Total
Provision for annual bonus	374,383	1,201,147	(1,163,558)	411,972
Provision for leave	2,670,087	2,175,430	(1,783,502)	3,062,015
	<b>3,044,470</b>	<b>3,376,577</b>	<b>(2,947,060)</b>	<b>3,473,987</b>
<b>Reconciliation of provisions - 2016</b>				
	Opening Balance	Additions	Utilised during the year	Total
Provision for annual bonus	310,236	64,147	-	374,383
Provision for leave	2,125,829	2,051,682	(1,507,424)	2,670,087
	<b>2,436,065</b>	<b>2,115,829</b>	<b>(1,507,424)</b>	<b>3,044,470</b>
Employees entitlement to annual leave is recognised when it accrues. A provision is made on the estimated liability for annual leave as a result of services rendered by employees up to the amount of the obligation.				
Provision is an option available to all employees to structure their total salary package to include a "13th cheque" (deferred salary), instead of 12 payments.				
<b>9. Other liability</b>				
As at 31 March 2017, the council held deposits for AFTRA affiliations. Deposits to the amount of R 155 560 are due to AFTRA and are classified under current liabilities.				
<b>10. Payables from exchange transactions</b>				
Trade payables	881,559			998,849
Payments received in advanced	594,902			339,970
Other payables	386,031			42,845
Accrued expense	64,538			-
	<b>1,927,030</b>			<b>1,381,664</b>



# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Notes to the Annual Financial Statements

Figures in Rand	2017	2016
<b>11. Revenue</b>		
Membership, registration and reprint of certificate	60,831,018	59,624,290
Other income	417,755	300,680
Interest received	2,280,056	1,591,378
Government grants	7,239,127	9,210,470
	<b>70,767,956</b>	<b>70,726,818</b>
<b>The amount included in revenue arising from exchanges of goods or services are as follows:</b>		
Membership, registration and reprint of certificate	60,831,018	59,624,290
Other income	417,755	300,680
Interest received	2,280,056	1,591,378
	<b>63,528,829</b>	<b>61,516,348</b>
<b>The amount included in revenue arising from non-exchange transactions is as follows:</b>		
<b>Transfer revenue</b>		
Government grants	7,239,127	9,210,470
<b>12. Other revenue</b>		
Other income	417,755	300,680
<b>13. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	2,062,668	1,543,285
Interest received - other	217,388	48,093
	<b>2,280,056</b>	<b>1,591,378</b>
<b>14. Government grants</b>		
<b>Operating grants</b>		
Government grant	7,239,127	9,210,470
<b>Conditional</b>		
Included in above are the following grants and subsidies received:		
Conditional grants received	5,000,000	8,900,000

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Notes to the Annual Financial Statements

Figures in Rand	2017	2016
<b>15. Employee benefit costs</b>		
Basic	28,325,617	26,793,175
COVID	91,343	79,738
Leave payments	391,928	544,258
	<b>28,808,888</b>	<b>27,417,171</b>
<b>Remuneration of chief executive officer (retired 31-01-2017)</b>		
Annual Remuneration	885,963	997,331
Fringe Benefits	150,613	169,546
Other	473,979	493,559
	<b>1,510,555</b>	<b>1,660,436</b>
<b>Remuneration of chief finance officer</b>		
Annual Remuneration	813,887	763,496
Fringe benefit	138,361	129,794
Annual bonus (13th cheque)	67,824	63,625
Other	503,003	671,042
	<b>1,523,075</b>	<b>1,627,957</b>
<b>Remuneration of chief operations officer</b>		
Annual Remuneration	785,630	736,990
Fringe benefit	154,486	125,288
Annual bonus (13th cheque)	65,469	61,416
Other	302,014	302,837
	<b>1,307,599</b>	<b>1,226,531</b>
<b>Remuneration of acting chief executive officer</b>		
Annual Remuneration	729,278	-
Fringe benefit	144,618	-
Annual bonus (13th cheque)	60,773	-
Other	278,722	-
Acting allowance	92,744	-
	<b>1,306,135</b>	-

Appointments made in an acting capacity occur when an employee acts in a position at a higher level than his or her own.

The acting allowance shall be calculated at the difference between the current total remuneration package of the acting employee and the total remuneration package of the position at a higher level (the allowance is a fixed amount and is non-pensionable).

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Notes to the Annual Financial Statements

Figures in Rand	2017	2016
<b>16. Operating expenses</b>		
Advertising	106,210	171,313
Auditors remuneration	334,349	323,532
Bank charges	321,914	226,999
Cleaning	112,980	84,959
Consulting and professional fees	361,024	450,944
Hire	51,542	118,001
Insurance	344,229	280,658
Motor vehicle expenses	16,716	23,573
Postage and courier	23,728	14,203
Printing and stationery	458,700	474,418
Project maintenance costs	1,280,135	1,323,849
Security	145,558	21,556
Staff welfare	158,510	186,245
Subscriptions and membership fees	749,640	619,715
Telephone and fax	648,964	609,172
Training	198,117	100,954
Travel - local	2,968,304	3,496,238
Utilities	2,192,677	2,967,025
Registration costs	939,408	659,125
Professional development	7,239,127	8,437,455
Code of conduct	1,646,704	1,631,990
Communications	1,753,593	1,987,729
Research	494,925	1,131,971
Leasehold improvements	50,492	183,874
	<b>22,597,546</b>	<b>25,525,498</b>
<b>17. Auditors' remuneration</b>		
Fees	334,349	323,532
<b>18. Operating surplus</b>		
Operating surplus for the year is stated after accounting for the following:		
<b>Operating lease charges</b>		
Premises		
• Contractual amounts	559,723	2,010,285
Gain (loss) on sale of property, plant and equipment	8,068	(67,529)
Amortisation on intangible assets	675,350	612,237
Depreciation on property, plant and equipment	1,357,603	1,105,157
Employee costs	34,456,252	31,932,095

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Notes to the Annual Financial Statements

Figures in Rand	2017	2016
<b>19. Cash generated from operations</b>		
Surplus	10,731,267	9,460,177
<b>Adjustments for:</b>		
Depreciation and amortisation	2,032,953	1,717,394
Gain on sale of assets	(8,068)	67,529
Debt impairment	398,283	13,840
Movements in provisions	429,517	608,405
<b>Changes in working capital:</b>		
Receivables from exchange transactions	32,345	6,457,296
Consumer debtors	(398,283)	(13,840)
Payables from exchange transactions	545,366	(153,729)
Unspent conditional grants and receipts	(2,239,127)	(310,470)
	<b>11,524,253</b>	<b>17,846,602</b>

## 20. Financial instruments disclosure

### Categories of financial instruments

#### 2017

#### Financial assets

	At amortised cost	Total
Trade and other receivables from exchange transactions	1,576,999	1,576,999
Cash and cash equivalents	45,631,089	45,631,089
	<b>47,208,088</b>	<b>47,208,088</b>

#### Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	1,332,128	1,332,128

#### 2016

#### Financial assets

	At amortised cost	Total
Other financial assets	60,978,738	60,978,738
Trade and other receivables from exchange transactions	1,609,344	1,609,344
Cash and cash equivalents	35,484,465	35,484,465
	<b>98,072,547</b>	<b>98,072,547</b>

#### Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	1,041,694	1,041,694

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Notes to the Annual Financial Statements

Figures in Rand	2017	2016
<b>21. Commitments</b>		
<b>Operating leases - as lessee (expense)</b>		
<b>Minimum lease payments due</b>		
- within one year	275,880	566,823
- in second to fifth year inclusive	579,348	-
	<b>855,228</b>	<b>566,823</b>

Operating lease payments represent rentals payable by the council for certain of its office properties. Leases are negotiated for an average term of seven years and rentals are fixed for an average of three years. No contingent rent is payable.

## 22. Prior period errors and adjustments

During an assessment of useful lives of non-current assets for the year ended 31 March 2016, the useful life of furniture, office equipment and intangible assets were omitted in error. The result of the error was an understatement of the carrying amount of the property, plant and equipment and an understatement of the net surplus for 2015/16. The effect of the correction of the prior year error on the council's financial results is also shown below.

The correction of the error(s) results in adjustments as follows:

### Statement of Financial Performance 2015/16

Surplus as previously stated	-	9,841,141
Amortisation expense	-	(368,692)
Depreciation expense	-	(17,296)
Interest income	-	5,024
<b>Net surplus (restated)</b>	-	<b>9,460,177</b>

### Statement of Financial Position

	Previously reported	Prior period adjustment	Restated balance
Property, plant and equipment	3,238,496	90,660	3,329,156
Intangible assets	710,822	1,361,232	2,072,054
Accumulated Surplus or Deficit	(31,541,795)	(1,456,916)	(32,998,711)
Interest income	1,586,354	5,024	1,591,378
	<b>(26,006,123)</b>	-	<b>(26,006,123)</b>

## 23. Risk management

### Financial risk management

The council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the council's financial performance.

### Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Notes to the Annual Financial Statements

Figures in Rand

### 23. Risk management (continued)

#### Credit risk

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

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the council.

Financial instrument	2017	2016
Cash and cash equivalents	45,627,329	35,480,705
Deposits	-	60,978,738
Trade and other receivables	1,576,999	1,609,344

#### Market risk

##### Interest rate risk

As the council has no significant interest-bearing assets, the council's income and operating cash flows are substantially independent of changes in market interest rates.

### 24. Going concern

The Council is largely dependent on fees received from Educators for continued funding of operations.

The accounting authority considers that the Council has adequate resources to continue operating for the foreseeable future and that it is therefore appropriate to adopt the going concern basis in preparing council's Annual Financial Statements.

The accounting authority has satisfied itself that the Council is in a sound financial position and that it has access to sufficient cash resources to meet its foreseeable cash requirements. These Annual Financial Statements have been prepared based on the expectation that the council will continue to operate as a going concern in the year(s) ahead.

### 25. Contingent liabilities

Cash and cash equivalents	45,631,089	-
Add: Receivables	1,576,999	-
Less: Current liabilities	(5,664,343)	-
Less: Commitments	(855,228)	-
<b>Surplus</b>	<b>40,688,517</b>	<b>-</b>

In terms of PFMA Section 53 (3) entities are not allowed to accumulate surpluses unless approved by National Treasury.

The council is obliged to repay to National Treasury any amount of the surplus not granted for retention.

The surplus of R 40,688,517 has been classified as a contingent liability at 31 March 2017 as there is no approval received as yet to retain the surplus funds.

Contingent liabilities are possible obligation that arose from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of the council; or a present obligation that arises from past events but is not recognised because:

The council at the end of the 2016/17 financial year had a commitment in the form of legal fees. This liability is not recognised because the amount of the obligation cannot be measured with sufficient reliability.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2017

## Notes to the Annual Financial Statements

Figures in Rand 2017 2016

### 26. Material differences between budget and actual amounts

The council budget is approved on a cash basis by functional classification. The approved budget covers the period from 1 April to 31 March each year.

Financial Statements and budget documents are prepared for the same period. For the Financial Year ended 31 March 2017, there is a basis difference: the budget is prepared on a cash basis and the Annual Financial Statements are prepared on the accrual basis.

The council is not allowed to budget for a surplus; however, for the Financial Year ended 31 March 2017, revenue collected exceeded the expenditure incurred resulting in a net surplus of R 10,731,267.

This under-spending is as a result of a CPTD grant reduction, by R 4, 452 766 below its budget as well as underspending on particular projects due to delay in the in the start of those projects, council will continue with those projects and have started a process of engaging National Treasury to retain the funds saved for this purpose.

After taking into account the restated accumulated surplus of R 32,998,711, this resulted in the increase in the accumulated surplus to R 107,432,001 at the end of the Financial Year.

Revenue is over the budget due to over collection.

Government grant is below the budget due to the council receiving less funding for CPTD and the project had a late start due to funds arriving late.

Personnel cost is below the budget due to some staff resignation during the financial year.

General expenses are below the budget due to the late allocation of funds for projects like CPTD.

### 27. Related parties

#### Amounts owing from related parties

South African Post Office	848,297	458,505
SAQA	-	5,000
Umalusi	-	5,000
National credit regulator	-	5,000
Education labour relations council	1,581	1,581
	-	-

#### Amounts owing to related parties

State Information Technology Agency Proprietary Limited	-	(230,701)
South African Post Office	(7,050)	(10,717)
	<b>842,828</b>	<b>233,668</b>

All national departments of government are regarded to be related parties in accordance with Circular 4 of 2006: Guidance in terms of "State Controlled. Entities" in the context of IAS 24 (AC 126) - Related Parties, issued by the South African Institute of Chartered Accountants. No transaction is implicated simply by the nature or existence of relationships between these entities, however the balances above were recorded relating to transactions with related parties.

### 28. Review of useful lives and residual values

In terms of the requirements of GRAP 17 Property, Plant and Equipment which states that the useful lives of assets must be reviewed at each balance sheet date, management revised the estimated useful lives of computer equipment, office equipment and furniture and fittings.

In prior periods, management had estimated the useful lives of computer equipment to be 3-8 years, furniture to be 20 years, office equipments to be 20 years and software to be 10 years. These assets were assessed with specific reference to each asset and the condition of the asset.

The effect of this revision has reduced the depreciation and amortization charges for the current and future periods by R 152,885. The effect of this revision has increased surplus for the year by R 152,885.







### **National Office**

Crossway Office Park Block1  
240 Lenchen Avenue,  
Centurion,  
0046

### **Provincial Offices**

#### **Kwa-Zulu Natal**

21 Joe Slovo Street  
Zumaya Building  
Durban  
4001

#### **Free State**

33 Reid street, Suite 2 & 4  
Westdene  
Bloemfontein  
9301

**RP300/2017**

**ISBN: 978-0-621-45839-8**

#### **South African Council for Educators (SACE)**

Private Bag x 127,  
Centurion,  
0046

Tel: 012 663 9517

Fax: 012 663 9238

Email: [info@sace.org.za](mailto:info@sace.org.za)

Website: [www.sace.org.za](http://www.sace.org.za)

