



*PROMOTING EXCELLENCE IN THE TEACHING PROFESSION*



# ANNUAL REPORT

2015/2016







**SOUTH AFRICAN COUNCIL FOR EDUCATORS**

**ANNUAL REPORT**

**2015/2016 FINANCIAL YEAR**

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**MS VERONICA HOFMEESTER**

CHAIRPERSON



**MR REJ BRIJRAJ**

CHIEF EXECUTIVE OFFICER



**MS MATSELISO DIPHOLO**

CHIEF OPERATIONS OFFICER



**MS ELLA MOKGALANE**

SENIOR MANAGER:  
PROFESSIONAL DEVELOPMENT,  
POLICY AND RESEARCH



**MR MORRIS MAPINDANI**

CHIEF FINANCIAL OFFICER



# **PART A:** **GENERAL INFORMATION**

## 1. PUBLIC ENTITY'S GENERAL INFORMATION

<b>REGISTERED NAME:</b>	South African Council for Educators
<b>REGISTRATION NUMBER:</b>	Act 31 of 2000
<b>PHYSICAL ADDRESS:</b>	Crossway Office Park, Block 1 240 Lenchen Avenue Centurion 0046
<b>POSTAL ADDRESS:</b>	Private Bag x 127 Centurion 0046
<b>TELEPHONE NUMBER/S:</b>	012 663 9517
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<b>WEBSITE ADDRESS:</b>	www.sace.org.za
<b>EXTERNAL AUDITORS:</b>	Nexia SAB&T 119 Witch-Hazel Avenue, Highveld Technopark, Centurion, 0157
<b>BANKERS:</b>	Nedbank Limited
<b>COMPANY/ BOARD SECRETARY</b>	Mr R. Brijraj



## 2. LIST OF 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
CSVSR	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 Organization of South Africa
NASGB	National Association of School Governing Bodies
NATU	National Teachers Union
NPFTED	National Policy Framework on Teachers Education and Development
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
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

The South African Council for Educators (SACE) has just completed three years of its four-year term of office which expires on 31 July 2017. The period under review, the 2015/16 fiscal year, has been significant for many reasons.

Under the supervision of Council, SACE satisfactorily delivered on all of its mandates. It will be observed that some significant output deviations from targets were realised. It is still difficult to scientifically predict prospective registrations, professional development specifics and Code violation complaints. The fluidity of the educational environment and the complexity of factors impacting on this terrain, account for the deviations. Resource within Council constraints further complicate predicted outputs.

The accompanying narratives will give clarity. SACE has at long last established its presence as a key educational entity.

SACE leads the Africa Federation of Teacher Regulatory Authorities (AFTRA), which now has 20 members and 15 associate members. The CEO of SACE is the President of AFTRA. SACE needs to be commended on taking the initiative in spreading professionalism in Africa. SACE is also a founding member of the International Forum of Teacher Regulatory Authorities (IFTRA) which meets tri-annually.

Council and the SACE staff, under the leadership of the CEO have done good work in carrying forward the legal and additional mandates of SACE. The time has now come for reflection, enhancement and hard decisions.

The second area for consideration is the enhancement of SACE. SACE Council must conclude and pronounce on issues of its autonomy and independence before it concludes its term of office. The Ministerial Task Team (MTT) Report of May 2016 on “selling of posts” alleges that SACE is partial to and dominated by one union which is affiliated to one political party. Its strong recommendation is that SACE needs to be “re- conceptualised”. This gauntlet must be taken up and given the serious attention it deserves. In my view, this could constitute the main business of Council this year.

Most importantly, SACE must take control of teacher professionalism issues and holistic education. SACE must claim the rights to quality assure Initial Teacher Education (ITE) programmes, oversee and grant different levels and categories of registration and set standards that are adhered to. SACE must have a role to play in teacher promotion. The professional development of teachers must lead to:

- improved learner output;
- total development of learners, including arts and sports skills;
- promotion of values and attitudes consistent with the South African Constitution; and
- inculcation of patriotism to South Africa and Africa.

For, after all, developing teacher professionalism is key to nation building.

I therefore urge Council to give the matters raised above the attention and resources required.

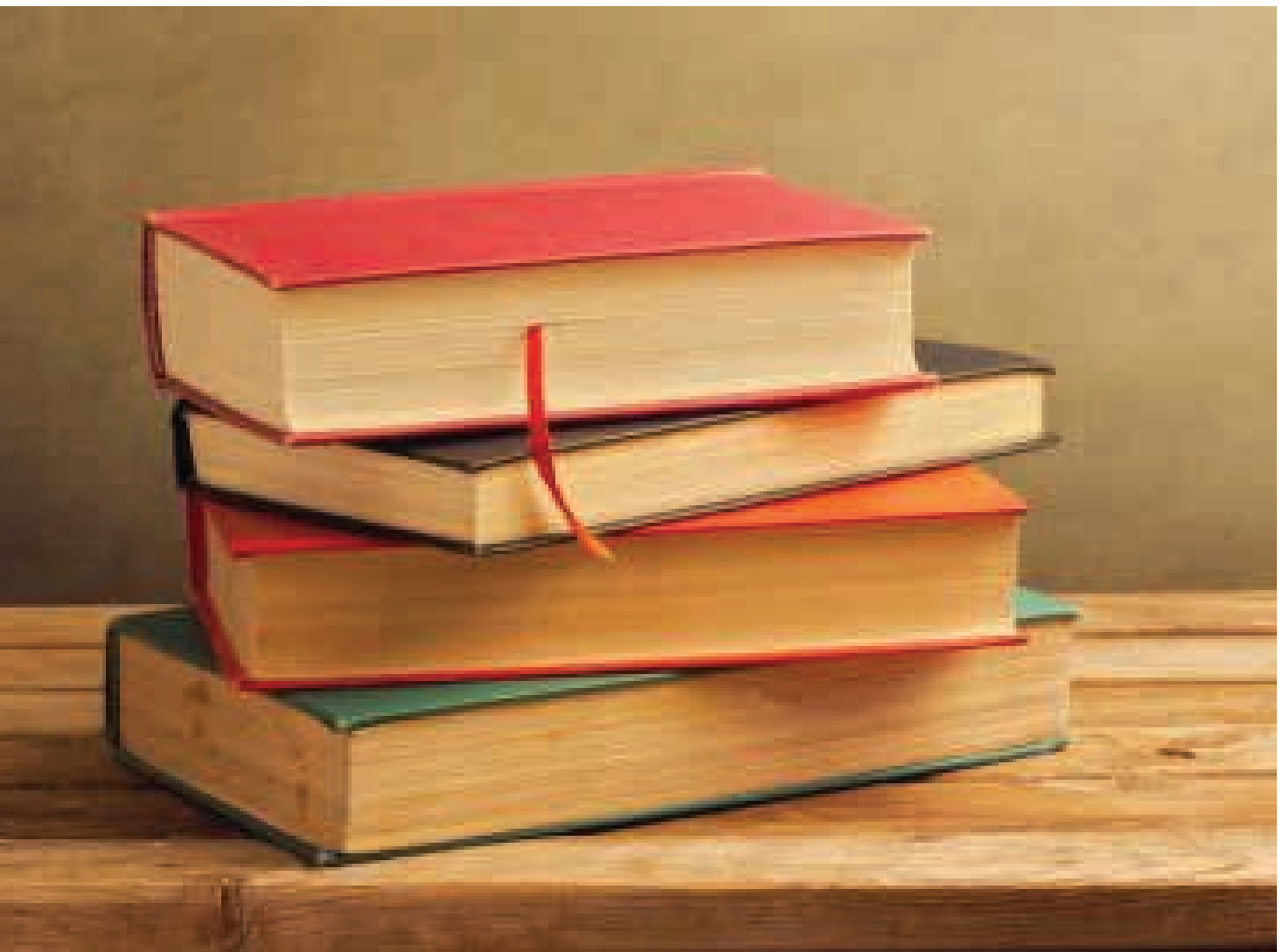
My special thanks go to Council and Committee members, stakeholders and SACE staff for the good work done.



Ms. Veronica Hofmeester

SACE Chairperson

31 March 2016



## 4. CHIEF EXECUTIVE OFFICER'S OVERVIEW



**MR REJ BRIJRAJ**

CHIEF EXECUTIVE OFFICER

### Background

The South African Council for Educators (SACE) turns 20 this year. It was conceived in 1994 by consensus of educational stakeholders, launched in 1995, by the then Minister of Education, Professor Bhengu and began its construction in 1996 under the auspices of the Education Labour Relations Council (ELRC). SACE was resourced by the Department of Education (DBE) and the ELRC in its early years.

The SACE Act (No 31 of 2000) granted the Council its statutory status to implement its mandates of compulsory registration, promotion of professional development and implementation of the Code of Ethics.

The Basic Laws Amendment Act (BELA – No15 of 2011) further empowered SACE to manage the Continuing Professional Teacher Development (CPTD) system.

SACE has come a long way. Today SACE has about 100 staff members and approximately 100 professional volunteers assisting SACE with specific functions. It has its own four-storey building in Centurion, Pretoria and rents provincial offices in Durban and Bloemfontein.

### Achievements

The following achievements have been attained during the financial year under review:

- Most teachers are registered and are practising lawfully.
- Over 90% of senior staff at schools have signed-on into the CPTD system.
- Teachers largely abide by the SACE Code of Ethics. The number of Code of Ethics violations have stabilised.
- SACE's Research Department now produces research to inform the development of SACE specifically and teacher professionalism generally.
- The Advocacy effort has ensured that SACE has more visibility in the country, in Africa and on the international stage.
- The Department of Basic Education (DBE) Funds SACE to the tune of R9 million per annum, while teachers pay a levy of R10.00 each per month. These in the main, contribute approximately R60 million into the revenue base of SACE.
- The two provincial offices are now fully operational, offering services closer to educators. SACE has done progressively well in its 20 years of existence and its performance for the year under review is reflected in the foregoing pages.

### Challenges

A number of challenges were experienced during the year of reporting and they include the following:

- Pockets of educators in parts of the country remain unregistered. SACE is working with employers to ensure all practising educators are registered.

- SACE’s vetting and verification processes require further sophistication. Currently, new registrations are vetted and new qualifications verified. SACE is refining a methodology, working with the South African Qualifications Authority (SAQA), the universities, Departments of Social Development and Justice, to double-check the standing and qualifications of all practising educators. This is a mammoth undertaking. Presently SACE works closely with the Department Basic Education (DBE) to check cohorts of teachers and will immediately re-screen educators if there is doubt about their qualifications or standing. SACE conducts “fit to teach” hearings and reports criminality to the South African Police Service (SAPS).
- While the sign-on process for CPTD is progressing very satisfactorily, the reported percentage of uptake of CPTD programmes and activities is very low. The Departments have agreed to ensure that all programmes and activities offered are endorsed by SACE and uptake reported. An all-out advocacy campaign needs to be devised and rolled out. The system needs to focus on professional development needs.
- The number of Code Violations have stabilised. However, there is room for much more advocacy, to and enlightenment of, our school communities regarding professional ethics. Departments and SACE still need to enhance case management collaboration. The Council is still lagging behind in training and re-training of panellists, prosecutors, investigators and presiding officers. The practice of having only one presiding officer (instead of a presiding panel and one investigator instead of an investigating team), needs to be revisited.
- SACE’s Research Department needs to be radically enlarged if it is to produce the volume of research required for the profession.
- The budget for SACE’s Advocacy and Outreach is inadequate. SACE’s commitment to spread professionalism throughout the country, continent and internationally requires more funding. The Teacher Appreciation and Support Programme, which is co-managed by SACE and DBE, needs a specialised budget.
- SACE has fallen back on its promise to open more provincial offices. Hopefully the feasibility study under way gives impetus to this process.

## Conclusion

SACE has established itself as “the conscience of the teaching profession.” It has come of age and is now poised to “take charge of the teaching profession.” It is a call that SACE must respond to. Council now faces the onerous challenge of scrutinising its revenue stream so as to address the challenges outlined above.

## Appreciation

My sincere appreciation goes to the Chairperson, Executive and Council as well as Committees for their wisdom, guidance and support. Heartfelt gratitude to senior managers and loyal staff for taking forward this sacred task.



Mr. Rej Brijraj  
Chief Executive Officer

SACE

31 March 2016

## 5. APPENDIX TO CEO OVERVIEW

### SACE Public Relations Engagement – 2015/16

#### 5.1. Stakeholder Interactions

##### International Stakeholders

###### AFTRA Executive Board and Round Table

The Africa Forum for Teaching Regulatory Authorities (AFTRA) hosted a successful Roundtable including the Teaching and Learning conference in Namibia. As part of reviewing the last conference and starting with the initial planning for the 2016 academic year, the following meetings were undertaken:

- Zambian Council delegation visited SACE on study tour: 12 - 14 October 2015;
- AFTRA Executive board meeting held in Zambia: 23 - 27 November 2015;
- AFTRA Executive board meeting held in Zambia: 15 - 19 February 2016.

##### National Stakeholders

In our endeavour to reach out to the profession SACE managed to interact with the following stakeholders:

Stakeholder	Target Audience	Date
SADTU KwaZulu-Natal	Branch Conference	30 April 2015
Department of Education – KwaZulu-Natal	Provincial Conference	24 - 25 April 2015
University of Free State	4 <sup>th</sup> year B.Ed. students	13 May 2015
University of Venda	4 <sup>th</sup> year B.Ed. students	22 May 2015
SADTU Eastern Cape	Provincial Conference	28 - 30 June 2015
SADTU Eastern Gauteng	Branch Conference	8 - 10 July 2015
NATU - KwaZulu-Natal	Provincial Conference	22 July 2015
NATU - Kokstad	Provincial Conference	28 July 2015
NATU - North-West	Provincial Conference	4 August 2015
NAPTOSA Northern Cape	Provincial Conference	31 July 2015
NAPTOSA Mpumalanga	Provincial Conference	14 August 2015
NAPTOSA Limpopo	Provincial Conference	15 August 2015
SADTU Mpumalanga, South Region Highveld	Regional Conference	14 – 15 August 2015
PEU Gauteng	Provincial Conference	14 – 15 August 2015
KwaZulu-Natal Provincial Stakeholders	Briefing on SACE provincial offices	10 September 2015
University of Limpopo	4 <sup>th</sup> year B.Ed. students	11 September 2015
PEU Limpopo	Provincial conference	18 September 2015
National stakeholders – SACE offices	Quarterly meeting	21 September 2015
NWU – Mafikeng Campus	4 <sup>th</sup> year B.Ed. students	23 September 2015
Free State Provincial stakeholder	Briefing on SACE provincial offices	28 September 2015
Durban University of Technology	4 <sup>th</sup> year B.Ed. students	2 October 2015

## SACE 1<sup>st</sup> Annual fun walk

SACE, through the Communication division, hosted its 1<sup>st</sup> Fun Walk on Saturday, 19 September 2015. The Fun Walk was aimed at encouraging healthy lifestyles amongst educators. The fun walk took place in Centurion with the SACE teams visiting schools around Tshwane as a build-up to the actual event.

In order to assist SACE to carry out this initiative, we realised that getting sponsors/partners to come on board would be beneficial not only for the organisation but also for educators. The overarching aim of organising more similar programmes is that it would make a positive impact in the lives of educators. Our fundraising efforts began as early as April 2015. Sponsorship request letters were sent to the following companies: Innermation-Kia on Tour, Old Mutual, Metropolitan, GEMS, Financial Services Board, NCR and SACE service providers.

We received positive responses from the following companies:

- **Innermation-Kia on Tour** - which was our main sponsor – contributed with for catering, Public Address system, stage and entertainment for the day
- **Old Mutual:** t-shirts and water bottles
- **UNISA:** string bags
- **Mathew Goniwe:** fruits
- **Double Option** banners and marshal clothing

Considering that this was our first fun walk, we were expecting not more than 1 000 participants. A total of 698 pre-participation forms were received by the office and 830 educators participated.

## 5.2. Publications Development

For the period under review, the Communication Section has produced several publications which have been used to promote SACE. The publications included:

- 20 000 Information Packs
- 30 000 General Brochures
- 38 000 Newsletters
- 500 Annual Reports

## 5.3. Media Liaison

During the period under review, SACE convened three media briefings. The briefings were aimed at updating the stakeholders and the media about SACE progress. More than 15 journalists from different media houses attended the SACE briefings. Even though the briefings were on the three mandates of SACE, the coverage thereof was more on blacklisting of teachers who violated the SACE Code of Professional Ethics. Interviews were facilitated with the following radio and TV stations:

- Power FM
- Energy FM
- Metro FM
- Motsweding FM
- Lesedi FM
- Kaya FM
- Ligwalagwala FM
- Umhlobo Wenene FM
- Ukhozi FM
- Radio 2000
- East Coast Radio
- Sekhukhune Community Radio
- Ikwewezi FM
- ANN7
- ENCA
- SABC TV

In addition, 15 media enquiries from different newspapers were received and responded to.



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

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

All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by the External Auditor.

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

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

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

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

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

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 2016.

Yours faithfully



Mr. Rej Brijraj

Chief Executive Officer

Date: 31 March 2016



Ms. Veronica Hofmeester

Chairperson of the Council

Date: 31 March 2016

## 7. STRATEGIC OVERVIEW

### 7.1. 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.

### 7.2. Mission

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

### 7.3. 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 high level of professionalism at all times.

## 8. LEGISLATIVE AND OTHER MANDATES

### 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 and
  - Playing an advisory role.

The South African Council for Educators is accountable to the Department of Basic Education (DBE) and fits into sub-output number one of DBE Delivery Agreement and Action Plan 2014, which speaks to "improving the quality of teaching and learning" through the improvement of teacher capacity and practices.

## 9. ORGANISATIONAL STRUCTURE





## **PART B:** **PERFORMANCE INFORMATION**

# 1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

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

## **Predetermined objectives**

We performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the entity for the year ended 31 March 2016:

- Programme 1: Registration of educators on pages 25 to 27
- Programme 2: Professional development of educators on pages 37 to 59
- Programme 3: Professional ethics on pages 27 to 37

We evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. We further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPI).

We assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

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

- Programme 1: Registration of educators on pages 25 to 27
- Programme 2: Professional development of educators on pages 37 to 59
- Programme 3: Professional ethics on pages 27 to 37

## **Additional matter**

Although we identified no material findings on the usefulness and reliability of the reported performance information for the selected programmes, we draw attention to the following matter:

## **Achievement of planned targets**

Refer to the annual performance report on pages 25 to 59 for information on the achievement of the planned targets for the year.

## **Compliance with legislation**

We performed procedures to obtain evidence that the entity had complied with applicable legislation regarding financial matters, financial management and other related matters. Our material findings on compliance with specific matters in keys legislation, as set out in the general notice issued in terms of the PAA, are as follows:

### **Procurement and contract management**

Quotations were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, which is prescribed in order to comply with Treasury regulation 16A8.3.

### **Internal control**

We considered internal control relevant to our audit of the financial statements, annual performance report and compliance with legislation. The matters reported bellow are limited to the significant internal control deficiencies that resulted in our opinion, the findings on the annual performance report and the findings on the non-compliance with legislation included in this report.

### **Financial and performance management**

Although management implemented controls to ensure compliance with Treasury Regulations, certain matter of noncompliance were identified.



---

**Nexia SAB&T Per:**

**Niren Soopal**

**Director**

**Registered Auditor**

**29 July 2016**

## 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 growing opinion that SACE must take charge of the profession.

### 2.2. Organisational environment

SACE has put in place various strategies to fast-track the turnaround time on educator misconduct cases received from various complainants. 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, namely, teacher unions, Department of Basic Education, statutory organs, media groupings and providers. On the international front, Council Chaired the Steering Committee for African Teaching Regulatory Authorities (AFTRA). An International Federation of Teaching Regulatory Authorities (IFTRA) conference took place in November 2014 in Toronto. 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 had a major change in the operation of Council, has taken place.

### 2.4. Strategic Outcome Oriented Goals

SACE lagged behind in fulfilling its Strategic objectives in the Annual Performance Plan targets in areas. Council did not complete processing a satisfactory number of cases as indicated in the CEO's overview. 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 generally. Recommendations regarding the needs of the profession are to be formulated, based on an analysis of the credentials and deployment of all practicing 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 huge increase in the number of educators coming to register for the first time. Whilst the anticipated number was **20 000**, the actual number that came was **35 262** of which **7 262** were fully registered and **550** were Foreign Nationals.
- A large percentage of the newly registered are registered provisionally. This is due to the fact that they do not qualify for full registration.

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

- With regard to those educators that were to update their registration status for the financial year, we anticipated **30 000** but had to deal with **48 140** educators, of which **12 283** were foreign educators and **19 679** received their full status.
- A total of **3 287** pre-accredited members were attended to and issued with reference numbers as they could not be registered due to the fact that 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.

##### Annual Target and Actual Achievements -2015-2016

Key performance indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation form planned target to actual achievement 2015/2016	Comment on deviations
Number of registered educators	29 483	20 000	35 262	15 262	Staff commitment and hard work coupled with educators seeking registration
Number of registration documents updated	39 296	30 000	48 140	18 140	More updates done as per educator requests
Vetting and verification (new applicants)		50 000	64 243	14 243	Internally and Partially vetted and verified documents due to lack of resources.

Vetting and Verification is a new mandate and was introduced on the 2<sup>nd</sup> quarter. However, proper processes to conduct this new mandate are not yet in place. The figure reported above is an internal process which is done by visually inspecting the documents and qualifications. This is however, flawed and there is a serious need for external process of vetting and verification. SACE is working on bringing on board departments and institutions that will assist in making this new mandate a reality.

#### TOTAL DATA AS ON 03 MAY 2016 - 688 913

<b>Full registration</b>	552 263
<b>Provisional</b>	103 706 (included is 21 473 foreign nationals educators)
<b>PAM</b>	32 944
<b>Total</b>	688 913

#### OUTREACH PROGRAMMES 2015 - 2016

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 programmes with universities to register 4<sup>th</sup> year student educators.

Below is a schedule of the outreach programmes 2015 - 2016

23 - 25 July 2015	Durban Hluhluwe and Tongaat	162	295	54	14	146	671
27 - 29 July 2015	Durban - Amanzimtoti and Pietermaritzburg	126	282	52	0	72	532
07-07 Aug 2015	Ermelo	8	0	2	0	0	10
21 - 22 August 2015	Western Cape	32	0	0	0	0	32
27 - 29 August 2015	East London	91	13	2	1	13	120
4 - 7 October 2015	Cape Town	39	316	84	8	228	675
<b>TOTAL</b>		<b>458</b>	<b>906</b>	<b>194</b>	<b>23</b>	<b>459</b>	<b>2 040</b>

#### Universities

14 May 2015	University of Venda	459
1 June 2015	University of Cape Town	162
5 June 2015	Durban University of Technology	227
21 July /2015	Durban University of Technology	149
22 July /2015	University of Free State	334
17 September 2015	University of Limpopo	452
3 October 2015	University of Zululand	674
5 October 2015	North-West University	30
12 October 2015	University of KwaZulu-Natal	300
10 November 2015	University of Fort Hare	252
<b>Total</b>		<b>3 039</b>

## FRAUDULENT QUALIFICATIONS

There is a tendency of people bringing fraudulent qualifications for SACE registration. The office has received 20 fraudulent qualifications for 2015 - 2016 period. Those people were flagged on the Registration system to ensure that they do not come back again. Where the educators were employed, the school principals were alerted of the educators concerned.

## SMS MESSAGE

The SMS message alerting the newly registered educators of their SACE registration number is in operation. The newly registered educators receive an SMS message with their registration number immediately after the application form has been captured on the system.

## Financial performance

Programme/ activity/objective	2015/2016			2014/2015		
	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	1 500	394	1 106
<b>Total</b>	<b>1 500</b>	<b>659</b>	<b>841</b>	<b>1 500</b>	<b>394</b>	<b>1 106</b>

## 3.2. PROFESSIONAL ETHICS

### PURPOSE

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

### 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 levelled 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 720 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 male and female learners, both in school and outside of the school premise, assault of colleagues within the school environment, submission of fraudulent qualifications and other forms of unprofessional conduct by educators. This means that Council will have to double its advocacy efforts to address these breaches to curb future occurrences.

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, No. 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 requirements of the South African Council for Educators 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 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

Workshops were conducted for first-year students at the North-West University, Vanderbijlpark campus on the Code of Professional Ethics with emphasis on sexual harassment. Final year and PGCE students at the same University were also addressed, focusing more on the Code of Professional Ethics. The University of KwaZulu-Natal, University of Zululand, Tshwane University of Technology and the Central University of Technology (Bloemfontein Campus) students, were also addressed on the Code of Professional Ethics.

The workshops to both in-service and pre-service educators and were mostly focused on corporal punishment and sexual abuse of both learners and colleagues. These also served to alert pre-service educators about professional conduct generally.

It was evident during the workshops that many educators are still applying corporal punishment and there is a need urgent professional development.

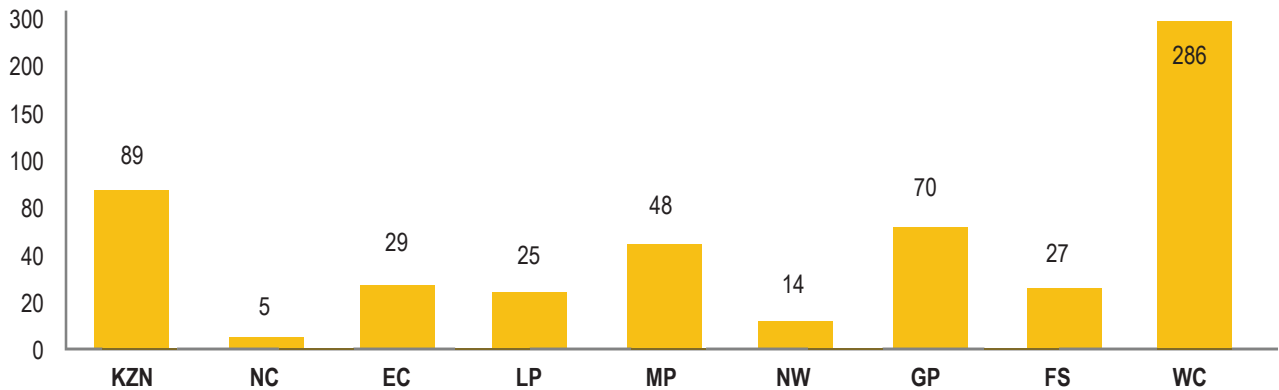
## PERFORMANCE INFORMATION

Programme Name ETHICS					
Key Performance indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations
Number of concluded cases as measured against the number of cases received for the year	Actual number of cases finalised: 647.	Expected number of cases including the 222 cases carried over from 2014: 922.	Actual number of cases finalised including those carried over from 2014: 550.	While it was expected that a total of 593 cases would be finalised, a total number of 550 cases were finalised.	A total of 43 cases could not be finalised and would be carried over into the next financial year.
Educators and Stakeholders to be workshopped on the Code of Professional Ethics	Actual number of educators and stakeholders workshopped on the Code of Professional Ethics: 5 747.	Expected number of educators and stakeholders to be workshopped on the Code of Professional Ethics: 15 000.	Actual number of educators and stakeholders workshopped on the code of professional ethics: Physical interaction: 5 351. Individual Codes distributed to educators: 26 600. Charts relating to the Codes distributed: 1 300.	Not enough educators and stake holders could be workshopped 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 26 600 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 labour unions or Departmental gatherings when invited to make presentations.  A total of 1 300 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 labour unions gatherings.	Owing to lack of sufficient personnel and budgetary constraints, not enough workshops could not be conducted physically as anticipated and alternative means had to be sought.

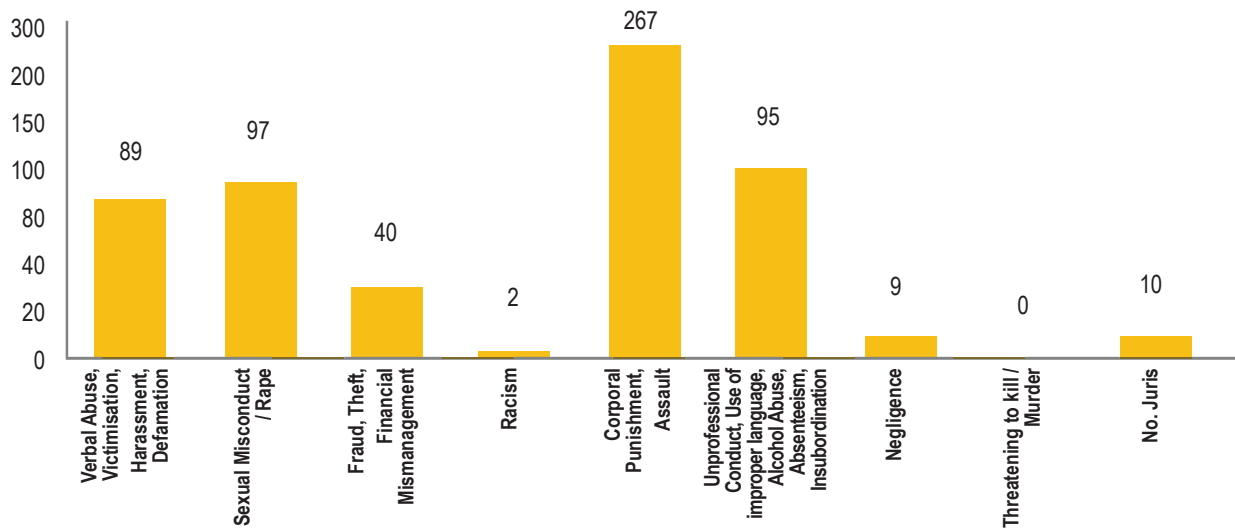
## CASES RECEIVED FROM 1 APRIL 2015 TO 31 MARCH 2016

Total number of complaints received from 1 April 2015 to 31 March 2016 = 593

### COMPLAINTS RECEIVED PER PROVINCE

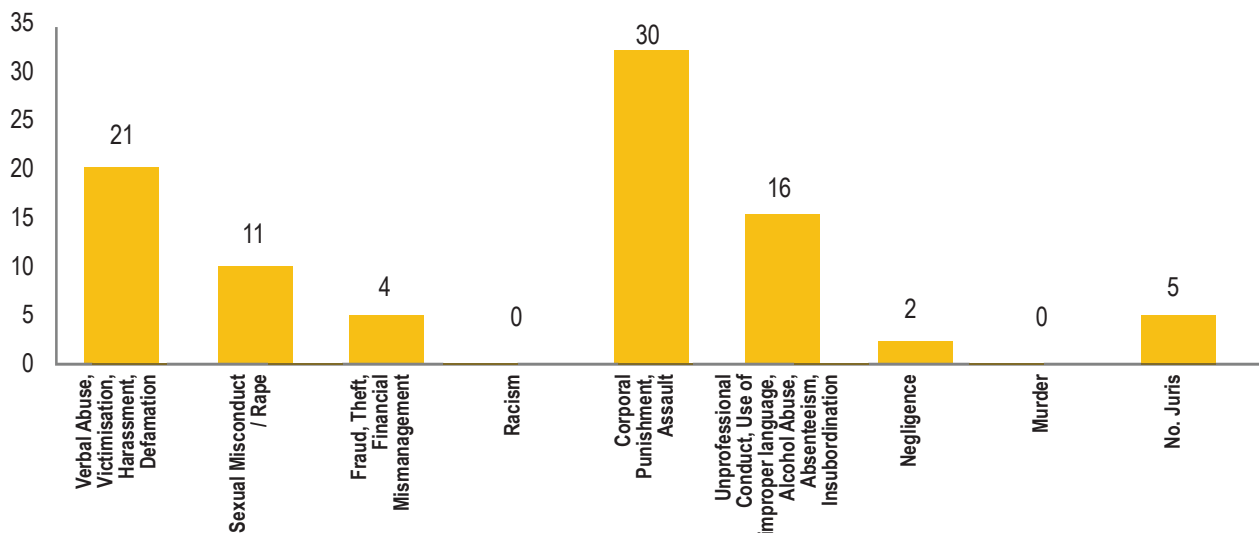


### Types of cases

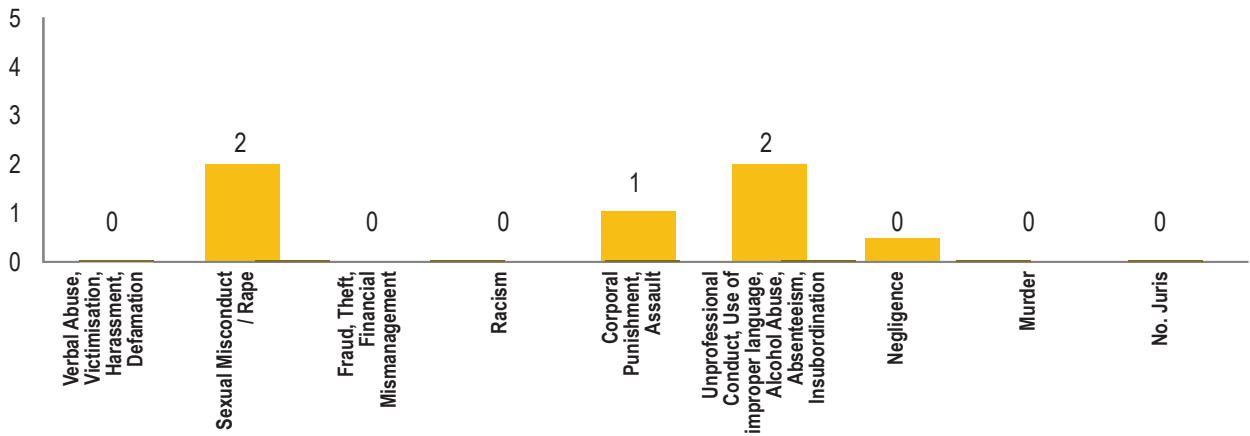


## BREAKDOWN OF COMPLAINTS (CASES) RECEIVED PER PROVINCE AND TYPES PER PROVINCE

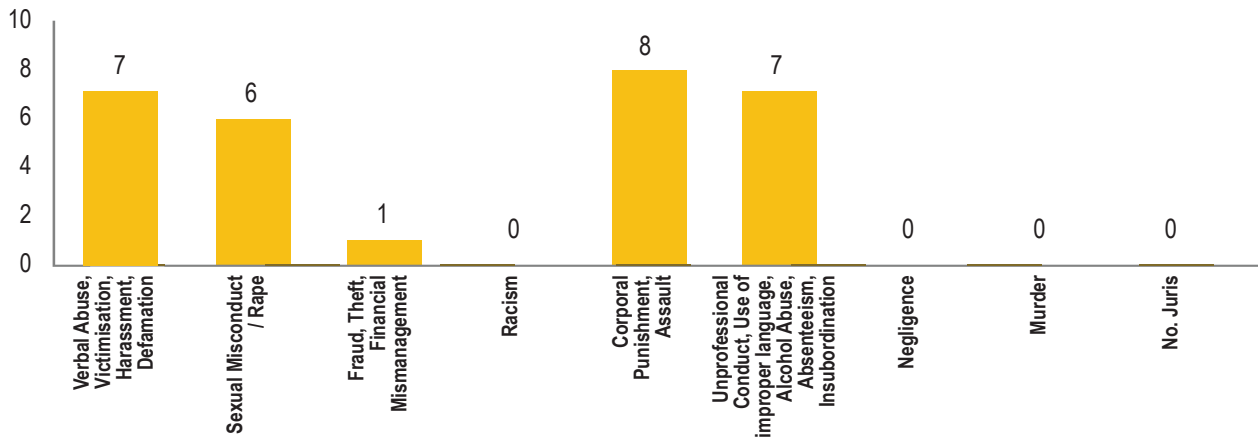
### 1. KwaZulu-Natal = 89 NB



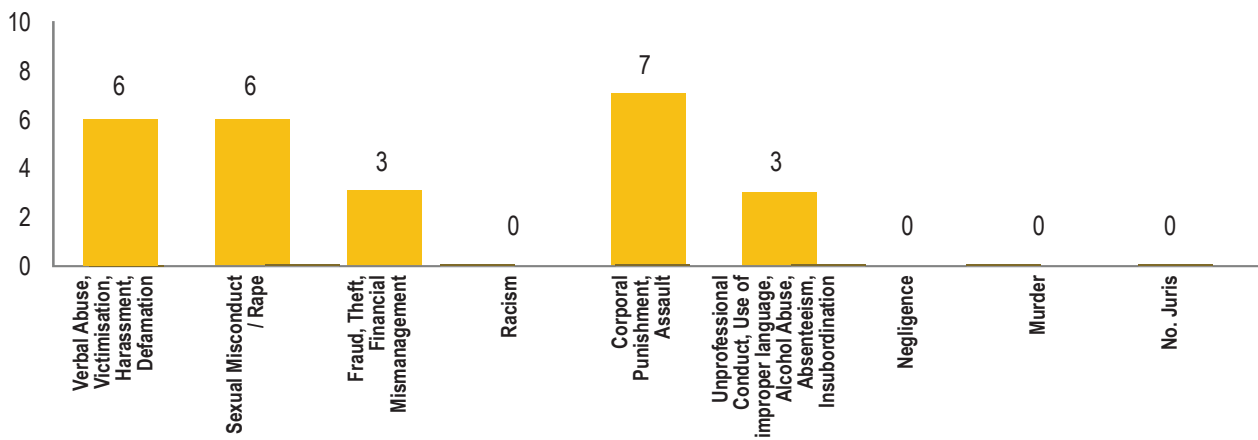
2. Northern Cape = 5



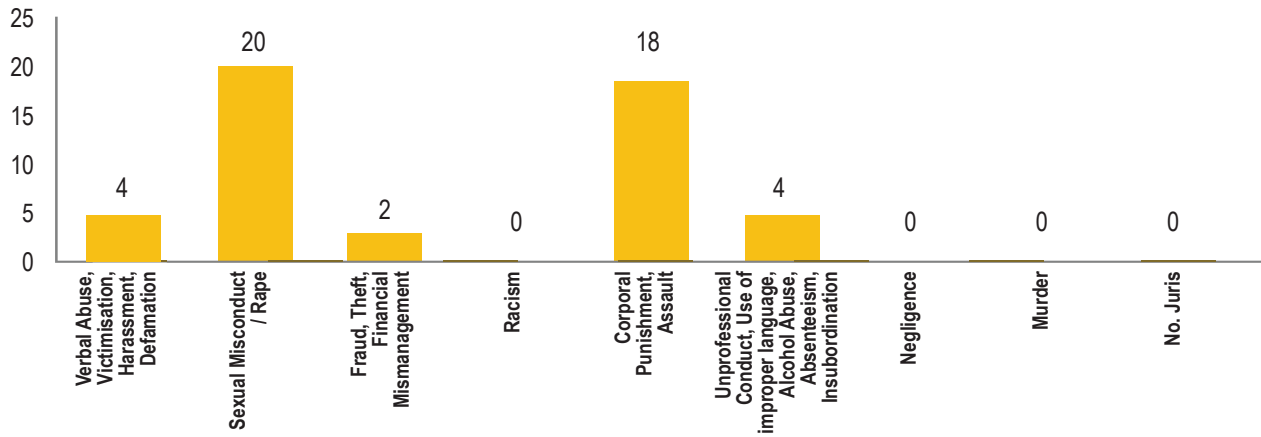
3. Eastern Cape = 29



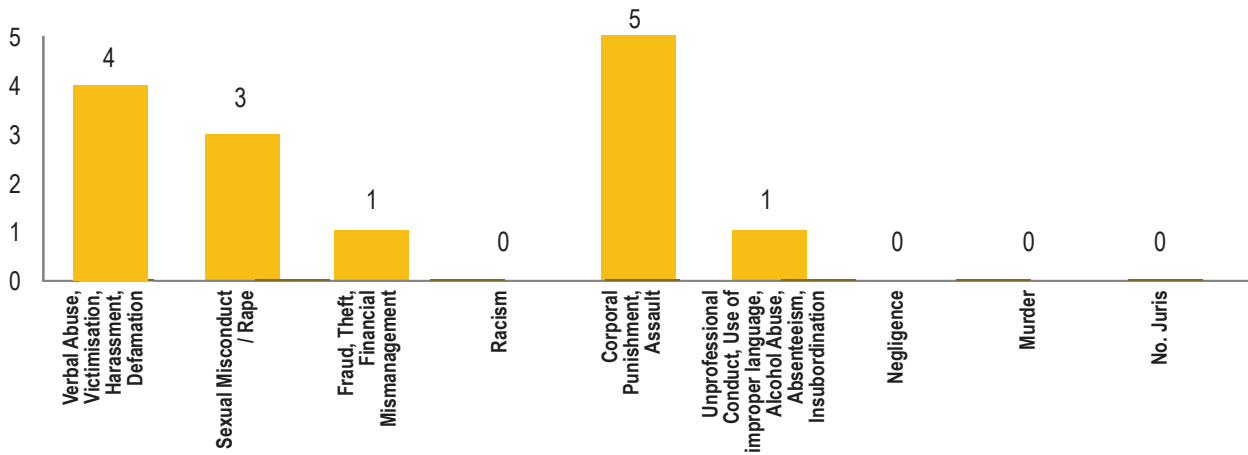
4. Limpopo = 25



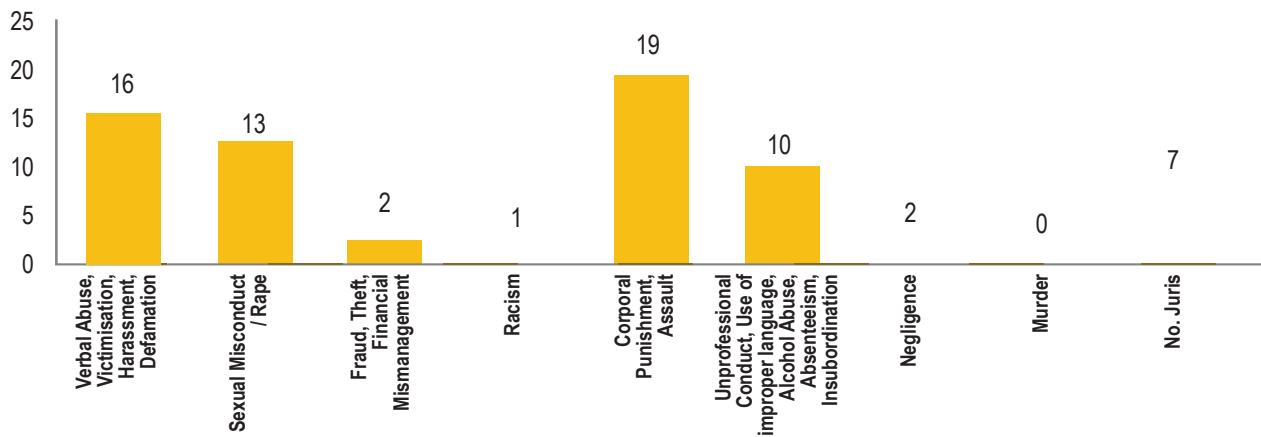
5. Mpumalanga = 48



6. North-West = 14

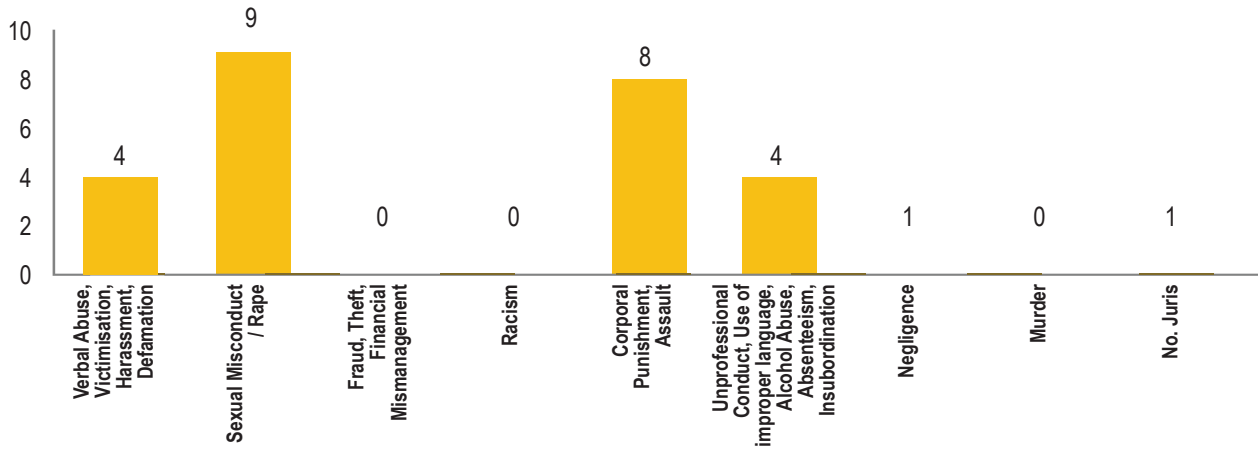


7. Gauteng = 70

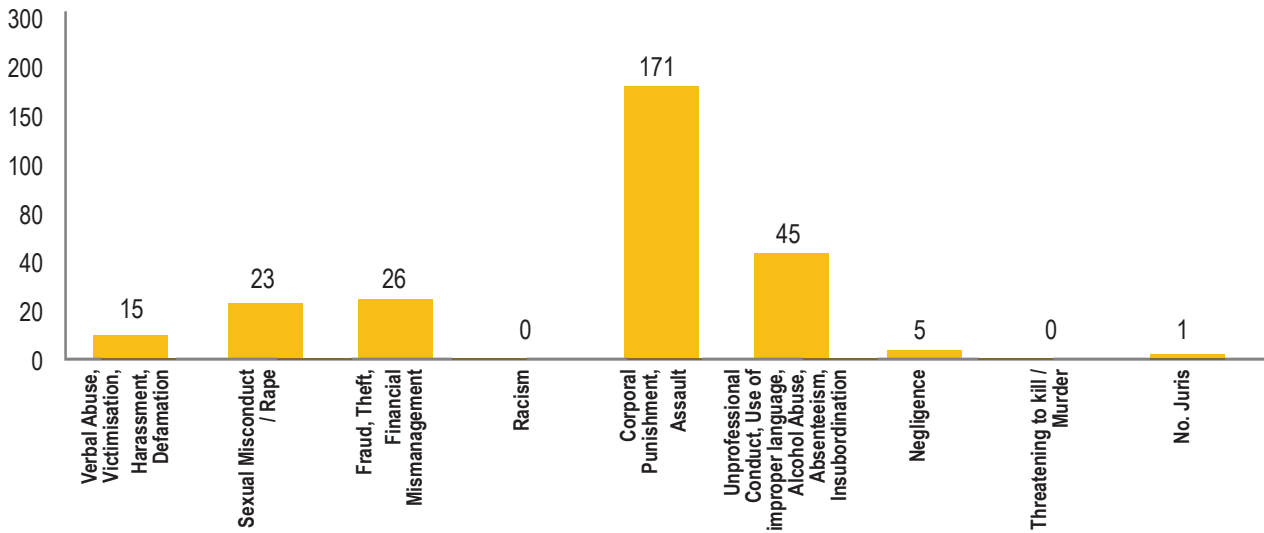




**8. Free State = 27**



**9. Western Cape = 286**



**TOTAL NUMBER OF ON-SITE INVESTIGATIONS CONDUCTED FROM 1 APRIL 2015 TO 31 MARCH 2016: 117**

**TOTAL NUMBER OF DISCIPLINARY HEARINGS AND MEDIATIONS FINALIZED FROM 1 APRIL 2015 TO 31 MARCH 2016: 77**

Educators found guilty: 70

Educators found not guilty: 2

Cases withdrawn at the hearing or mediated at the hearing: 5

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

Educators struck off indefinitely: 25

Educators struck off but may re-apply after a certain period: 5

Educators struck off but striking off suspended for a certain period, including fines: 40

**CASES FINALISED 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 and sent to educators: 220**

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: 29**

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: 38**

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

**BREAKDOWN OF CASES REFERRED TO OTHER INSTITUTIONS, FOR EXAMPLE, DBE, ELRC AND THE SAPS: 69**

Cases referred to the **ELRC** are labour related cases referred to us instead of the referral to the ELRC. The cases related to promotions of educators or unfair dismissals: 1

Cases referred to the **DBE** are cases relating to condition of service, for example, high enrolment rolls in classes, other educators being given preferences above others by the principals, etc.: 18

Cases referred back to **SCHOOLS** are cases relating to the everyday running of the school, which could have and should have been resolved by the school principal and the school management team, etc.: 47

Cases referred to the **SAPS** are cases where learners have been abused, are below the age of 16 years of age and parents are refusing to cooperate with the Council or are refusing us access to the learners: 3

## **TOTAL NUMBER OF CASES FINALISED IN OTHER FORMS OTHER THAN IN A DISCIPLINARY HEARING: 356**

### **APPEALS:**

**These appeals were received from educators whose names have been struck from the roll of educators indefinitely for sexual offences.**

Total number of appeals received: 6

Total number of appeals finalised: 4

Total number of appeals postponed: 2

### **REINSTATEMENT APPLICATIONS**

**Reinstatement applications are received from those educators whose names were struck off from the roll for several offences, but they wish to return back to the profession.**

Total number of reinstatement applications received: 8

Total number of reinstatement applications finalised: 6

Total number of reinstatement applications postponed: 2

### **FIT TO TEACH APPLICATIONS**

Fit to teach applications are received from those applicants applying to be registered as educators with the SACE and whom the Council has, in light of the seriousness of the offences for which they were convicted and sentenced by courts of law, recommended that they appear before a Fit to Teach panel and give reasons why they should be registered as educators.

Total number of applications received: 4

Total number of applications approved: 1

Total number of applications postponed: 3

Other applications were postponed at the request of the applicants to obtain other documents and evidence in support of their applications.

## **TOTAL NUMBER OF CASES PROCESSED BETWEEN 01 APRIL 2015 AND 31 MARCH 2016 INCLUDING INVESTIGATIONS DISCIPLINARY HEARINGS, APPEALS AND REINSTATEMENT HEARINGS: 550**

### **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.

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

The Division has, however, not been able to do enough of the abovementioned tasks owing to capacity constraints. It had to make do with the resources at its disposal at the time.

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

While the Division would attempt to finalise most complaints received, many could still not be finalised owing to lack of sufficient personnel, lack of cooperation by witnesses, parents and representatives for the accused educators.

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, corporal punishment and racism.

SACE aims to achieve this goal and minimise backlog by:

- Making use of retired educators and other suitable candidates 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 and serve at disciplinary hearings;
- 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; and
- Making use of trained specialists to prosecute cases on behalf of Council, and to preside over disciplinary hearings.

### **Changes to planned targets**

No changes were effected to the planned targets.

### **Challenges**

The major challenge leading to the non-finalisation of cases is the lack of cooperation by the parents of abused learners.

It has happened on many occasions that, while cases have been reported to the SACE and in some cases by parents, the very same parents would refuse the SACE access to the abused learner/s, especially at disciplinary hearings. SACE is 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 into the system and the abuse continues.

This practice has impacted negatively on Council's operations, such that many sexual abuse cases are being carried over into the next financial year.

The Council has agreed to follow up all cases that have been stalled due to a lack of cooperation. The Department of Social Development and other agencies will be consulted to apply the full might of the law. Parent communities will be targeted for intense advocacy. SACE is liaising with all provincial Departments of Education for exchange of information regarding complaints against educators. While some provincial Departments are reporting their cases to SACE, some still fail to report their cases to SACE.

Programme/activity/ objective	2015/2016			2014/2015		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Case management	2 000	1 632	368	3 000	2 094	906
<b>Total</b>	<b>2 000</b>	<b>1 632</b>	<b>368</b>	<b>3 000</b>	<b>2 094</b>	<b>906</b>

### 3.3. PROFESSIONAL DEVELOPMENT

#### Programme Purpose

- The programme is responsible for managing and promoting the continuing professional development of teachers. Additionally, the programme is being phased in in terms of orientating and signing up teachers to participate in the CPTD management system and earn 150 points in 3-year cycles and approval of service providers and endorsement of all PD programmes that are presented to teachers.

#### Key Functions:

- Orientate and sign-up teachers
- Approve providers
- Endorse professional development activities
- Monitor professional development uptake by educators

## C. PERFORMANCE INFORMATION

Programme Name: Professional Development						
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations	
Number of educators orientated and signed-up for participation in the CPTD system.	<b>30 389 (64.95%)</b> School Heads of Departments were orientated and signed-up for participation in the CPTD system from January 2015 onwards.	110 000 PL1 secondary and combined school educators.	56 679 <b>(51.52%)</b> PL1 teachers were orientated and signed up.	53 321	<p>The reasons for inability to achieve the planned target are:</p> <ol style="list-style-type: none"> <li>1) Provinces with big teacher numbers (Eastern Cape, KwaZulu-Natal, and Limpopo) were not doing well in terms of the implementation of the CPTD system. This included the Northern Cape Province as well, even though it has small numbers of teachers.</li> <li>2) Limpopo province did not to have funding for the Professional Development and this affected its performance on the implementation of the CPTD management system. Measures were put in place to support the province, as a result its performance increased especially with regard to signing up of teachers, however in other areas the province is still behind.</li> <li>3) Provinces that sign-up manually could not submit immediately. As a result, it delayed the electronic data capturing and subsequently the statistics became skewed.</li> </ol> <p>There are 27 914 uncaptured forms that were delivered to SACE at the end of the 4<sup>th</sup> quarter of 2015/16, this was as a result of mop up sessions conducted in January to March 2016.</p> <p>The SACE provincial coordinators had tirelessly work with the Higher Education Institutions in different provinces, in ensuring that the signing up of the fourth year student teachers does not fail. They could have gone beyond what they have achieved at the time, if it was not for fees must fall campaign, which dominated the third quarter of the financial year (i.e. October to December 2015).</p>	
	0	<b>7 000</b> final year student teachers.	<b>2 263</b> student teachers were orientated and signed-up.	4 737		

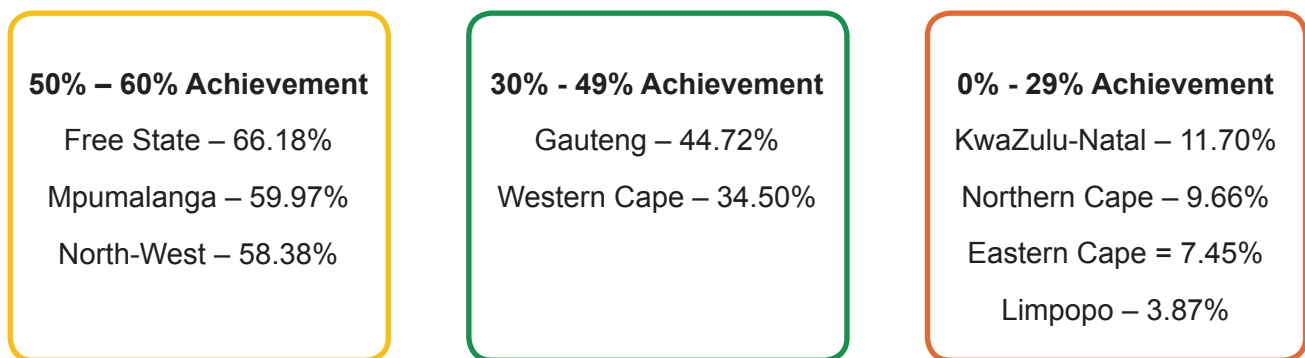
Programme Name: Professional Development						
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations	
Number of signed-up principals, deputy principals and HODs undertaking PD activities / programmes	Type 1 – 43% activities reported by all cohorts.  Type 2- 42% activities reported by all cohorts.  Type 3 – 15% activities reported by all cohorts	55% of signed-up principals, deputies and HODs.  National Report on the professional development uptake by educators and overall participation in the CPTD system.	<b>Not Achieved</b>  38.02% of signed-up principals, deputy principals and HODs have undertaken PD activities and programmes	16.98%	There is under-reporting on participation in various Professional Development Activities by principals, deputy principals and HODs.	
Number of providers approved.	99	200 or 80% of applications.	113 new providers were approved.		The projected number was not reached because of a low turn-over in submission of applications. <b>The</b> spread of the private providers in all nine provinces is uneven with a huge concentration of providers in the Gauteng Province. There is a drop in the number of provider applications received by the office. This is as a result of the fewer number of new providers in the system. Most providers have applied and they are just submitting the professional development activities. Some providers don't focus on teacher development thus become irrelevant to the system. (These have been advised to align and develop education specific activities with reference to the system needs.)	
Number of professional development activities		500 or 80% of applicants.	<b>1 109</b> endorsement applications were received and <b>1091</b> were endorsed.	<b>609</b>	New strategies were put in place to attract the submission of new activities. Additional activities were received from the Provincial Education Departments.	

## PROFESSIONAL DEVELOPMENT NARRATIVE

During the 2015/16 financial year, SACE continued to implement the CPTD Management System with the support of the Department of Basic Education (DBE), nine Provincial Education Departments (PEDs), teacher unions and other stakeholders. The period under review focused on the orientation and sign-up of the Post Level 1 (PL1) teachers for participation in the CPTD system from January 2016 onwards. Additionally, the signed-up principals, deputy principals and HODs reported to SACE, their participation in three types of Professional Development activities (teacher-initiated, school-initiated and externally-initiated). Various providers were approved and their professional development activities were submitted to SACE for evaluation and endorsement by the evaluators and endorsement committee respectively. The following sections provide narrative on some of the 2015/16 Professional Development achievements.

### ***Orientation and Sign up of PL1 Teachers.***

In 2015/16 56 679 Post Level 1 teachers were orientated with the greater support of the Provincial Education Departments and District Training Teams consisting of SACE, PEDs and stakeholders. These teachers were simultaneously signed-up for participation in the CPTD system manually and electronically through the CPTD Information Systems (CPTD-IS) self-service portal. The orientation and sign-up process has, to a certain extent, provided some indications on the level at which provinces are implementing the CPTD system, as follows:



The achievements in Mpumalanga, Free State, North-West, Gauteng and Western Cape, could be attributed, amongst other things, to the following:

- North-West province's strategy in utilising the SASMS Administrative Assistants in schools to sign-up all teachers at school level. This strategy is also assisting in clearing the principals, deputy principals and HODs backlogs. These Administrators were trained on how to use the CPTD self-service web portal;
- Mpumalanga province utilised the school-based SASMS Administrators and the District Teacher Development Centres to sign-up PL1 teachers in some of the districts;
- Just like Mpumalanga, Free State province implementing the CPTD system through its District Teacher Development Centres and the centres facilitating the online sign-up process;
- The continuing trends in the Western Cape to implement the paperless CPTD system through the CPTD self-service portal and critical mass of District Training Teams ;
- Gauteng Teacher Development units at District level taking the lead in implementing the CPTD system. However, Gauteng continued to sign-up teachers manually in numbers, despite the fact that the province is advocating the paperless teaching and learning; and
- PL1 teachers who eager to utilise technology through the CPTD self-service portal and sign-up themselves



Additionally, refresher sessions for the Provincial/District Training Teams and other office-based educators were held in the Western Cape, Gauteng, Free State, North-West, Mpumalanga, KwaZulu-Natal, and Northern Cape. Teacher union members were also capacitated to provide onsite support for the educators at various levels.

The benefits derived from the sign-up process are as follows:

- Created Teachers' Individual account / record of Professional Development
- Drawing periodic reports on teachers' professional development uptake;
- Individual teachers taking responsibility to monitor and reflect on their Continuing Professional Development;
- Teachers participating in the CPTD system online through the CPTD Self-Service Portal;
- Created the CPTD System Data Sets made up of principals, deputy principals, HODs, PL1 Teachers and student teachers;
- Platform for possible collaboration on data collection, sharing, validation through the DBE's SASMS and LURITS 2
- Finding strategic ways of collaborating with the DBE and DHET on the CPTD Information system in terms of the Teacher Profile Project and teacher supply and demand with regard to the size, shape and substance issues
- Producing preliminary Statistical Document on Principals and Deputy Principals – Size and Shape of the Principals and Deputy Principals in South Africa.

### ***Orientation and Sign-up of Student Teachers***

By the end of the financial year, there were not many student teachers who were orientated and signed-up because these were scheduled between February and November mostly due to the academic calendar in the Higher Education Institutions. In line with this, orientation and sign-ups happened as follows in various provinces:

Province	Total
Eastern Cape	32
Free State	143
Gauteng	334
KwaZulu-Natal	1 261
Limpopo Province	32
Mpumalanga	169
Northern Cape	29
North-West	163
Western Cape	100
<b>Grand Total</b>	<b>2 263</b>

*Graph 1. Student sign up per province*

There were additional 632 final-year student teacher sign-ups (in Mpumalanga and Kwazulu-Natal). These sign-ups were done manually and they will be captured in the new financial year due to late arrival from these two provinces.

	Foreign Citizen	South African Citizen	(blank)	Total
Eastern Cape	2	29	1	32
Free State	2	134	7	143
Gauteng	3	316	15	334
KwaZulu-Natal	1	1256	4	1 261
Limpopo Province		32		32
Mpumalanga		157	12	169
Northern Cape	2	27		29
North-West	1	157	5	163
Western Cape		99	1	100
<b>Grand Total</b>	<b>11</b>	<b>2 207</b>	<b>45</b>	<b>2 263</b>

Graph 2. South African and foreign final year Student sign- up per province

Row Labels	Female	Male	Total
Eastern Cape	24	8	32
Free State	111	32	143
Gauteng	256	73	329
KwaZulu-Natal	841	420	1 261
Limpopo Province	25	7	32
Mpumalanga	104	63	167
Northern Cape	25	3	28
North-West	121	42	163
Western Cape	79	21	100
<b>Grand Total</b>	<b>1 586</b>	<b>669</b>	<b>2 255</b>

Graph 3. Final-year Student sign up per province in terms of Gender

	African	Asian	Coloured	Indian	Other	White	Total
Eastern Cape	11		5		1	15	32
Free State	98		2		1	41	142
Gauteng	148	1	5	10	1	167	332
Kwa-Zulu- Natal	1 119	3	23	81		28	1 254
Limpopo	8					24	32
Mpumalanga	115			1		50	166
Northern Cape	2		2		3	21	28
North-West	54		6	2		101	163
Western Cape	11		37	1		51	100
<b>Grand Total</b>	<b>1 566</b>	<b>4</b>	<b>80</b>	<b>95</b>	<b>6</b>	<b>498</b>	<b>2 249</b>

Graph 4. Student sign up per province in terms of Population group

The sign up and orientation of the final year student teachers were conducted through the following modes:

- The CPTD walk-in centres at the SACE KwaZulu-Natal, Free State and Centurion Head office.
- At schools where they were doing practice teaching.

- Voluntary, through the SACE CPTD- IS Self Service portal.

### Continuation of the Principals, Deputy-Principals and HoDs orientation and sign-up sessions

Principals and Deputy		HODs	
Province	Total	Province	Total
GP	405	GP	1079
NW	298	NW	435
LP	85	LP	131
EC	421	EC	430
WC	191	WC	482
MP	181	MP	407
KZN	225	KZN	478
FS	185	FS	354
NC	35	NC	90
<b>Total</b>	<b>2 026</b>	<b>Total</b>	<b>3 886</b>

The tables above indicate the number of Principals, Deputies and HODs who were orientated and signed up during the mop-up sessions conducted in all the nine provinces. The support provided by SACE in capacitating the Provincial Training Team in Eastern Cape yielded positive results, which led to the province improving the number of the Principals and Deputies signed-up followed by Gauteng with the highest number of HODs signed up during the mop up sessions.

#### ***CPTD Orientation Material***

The CPTD system orientation material was revised in line with feedback and inputs from the teachers, facilitators and the CPTD Coordinators from SACE and the Provincial Education Departments. The following documents were distributed to 184 000 PL1 Teachers:

- 184 000 PL1 Needs Analysis Questionnaires
- 120 000 PL1 Sign-up and profile form
- 184 000 CPTD Orientation Manuals for teachers
- 40 000 Professional Development Portfolios

#### **Challenges**

Post Level 1 teachers (in secondary and combined schools) sign-ups below, the orientation and sign-up processes are moving extremely slow in the Limpopo, Eastern Cape, Kwa-Zulu Natal and Northern Cape. The Limpopo Province indicated that there is no budget for professional development and the CPTD system in particular. There were also challenges around the procurement of the orientation and sign-up material. This affected provinces such as Kwa-Zulu Natal, Free State, Eastern Cape and Northern Cape. Challenges were also experienced with the CPTD-Information system where the old servers crashed and as a result the system was down for most of the time during the second and third quarters. This was aggravated by the procurement process which took long to replace the old servers.

Furthermore, the majority of schools or faculties of education gave SACE and Coordinators in provinces slots to orientate and sign-up students during the last quarter of the year. The development of the student teacher component of the CPTD self-service portal has been completed during the third quarter.

### Strategies to overcome under performance on the CPTD Orientation and Sign-up

- We are continuing to encourage the PEDs to accelerate the process of securing the CPTD budget.
- Visits to the HOD's in Northern Cape, Eastern Cape, KwaZulu-Natal, Eastern Cape and Limpopo provinces for further discussions and support.
- The division will embark on advocacy campaign to increase the number of student teachers sign up.
- Re-training and support of the National Core Training team to assist in provinces in advocacy, monitoring and supporting teachers on CPTD activities and where capacity is needed conduct the orientation and sign up sessions.
- Establishment of the school based CPTD lead teachers who will be responsible for supporting teachers on CPTD related activities.
- The orientation and sign-up of student teachers to be done from the second quarter onwards to avoid the delays experienced in 2015.

### Professional Development Uptake

42 495 Principals and Deputy Principals (including those in acting positions) have signed up, and **16 882 (39%)** of them are undertaking PD activities. 34 702 HODs have signed up and **12 465 (35.9%)** of them are participating in PD activities in line with the PD Uptake report. Table 1 below, reflects the reported Professional Development activities according to the following positions: Principal, Acting Principal (AP), Deputy Principal, Acting Deputy Principal (ADP), HOD, Acting HOD and Teacher.

**Table 1. Total reported activities per position**

	ADP	Acting HOD	AP	DP	HOD	Principal	Teacher	Total
EC	20	5	3	232	686	717	490	2 153
FS	49	50	71	615	1 153	963	995	3 896
GP	107	79	35	1 604	3 000	1 169	3 001	8 995
KZN	38	81	53	1 096	2 034	2 280	892	6 474
LP	11	13	17	98	276	401	212	1 028
MP	52	90	38	1 482	3 076	1 599	1 011	7 348
NC	7	2	13	29	88	102	111	352
NW	32	23	52	476	619	711	1 156	3 069
WC	92	45	39	992	1 145	1 587	800	4 700
<b>Total</b>	<b>408</b>	<b>388</b>	<b>321</b>	<b>6 624</b>	<b>12 077</b>	<b>9 529</b>	<b>8 668</b>	<b>38 015</b>

The following table indicates PD undertake according to the three types of Professional Development Activities – Teacher Initiate (Type 1), School Initiated (Type 2), and Externally Initiated (Type 3) as follows:

**Table 2. Total reported activities per type of activity**

Row Labels	Teacher Initiated	School Initiated	Externally Initiated
EC	1 080	849	251
FS	1 451	1 753	700
GP	3 867	3 876	1 273
KZN	3 014	2 853	610
LP	475	392	165
MP	3 471	3 187	693
NC	200	99	53
NW	1 020	1 031	1 021
WC	1 737	2 042	941
<b>Grand Total</b>	<b>16 315</b>	<b>16 082</b>	<b>5 707</b>

## CPTD-IS

### *Student Teacher Component of the CPTD-IS*

The student teacher component has been developed and tested and now they can sign-up and update their information electronically. SACE now has an initial database of the student teachers. This will also assist in tracking the student teachers who end-up taking up posts in schools.

### *Datasets on the CPTD-IS*

The CPTD-IS now has the following datasets:

- **Signed-up Educators**
  - *Principals*
  - *HODs*
  - *PL1 Educators in Secondary and Combined Schools*
  - *PL1 Educators in Primary Schools*
  - *Student Teachers*
- **Signed-up Schools**
- **Approved Providers**
- **Endorsed Professional Development Activities**

### *CPTD-IS Analysis*

- A service provider has been appointed, with the support of the VVOB, to assess and analyse the functionality, usability, and utility of the CPTD-IS. The full report on this has been released and the necessary remedial action is being undertaken.
- The CPTD Information system was upgraded in terms on procuring the Business Intelligence Tool System (BITS) to enhance data management and reporting systems to the Provincial Education Departments, Districts, DBE, stakeholders and SACE Council structures.

## **Professional Development Providers and Activities**

### ***Evaluation Process***

There are currently 56 active Evaluators who are assisting SACE to evaluate provider's applications for approval and endorsement of professional development activities. The sub-division has convened seven evaluation sessions which differed in terms of the duration, the breakdown of the sessions were as follows, the second quarter we had three-day session, for the fourth quarter we had two-days session and the first and the third quarters we had a one-day session. It is out of these sessions that we were able to evaluate 1 109 activities. The total number of professional development activities endorsed is 1 091 and those that are not endorsed is 18. There were also 121 provider applications for approval that were evaluated.

There were 18 professional development activities that were not endorsed. This is as a result of the following reasons:

- Non-compliance with the requirements
- Poor quality of the submission ( content)
- Irrelevant to the target audience (teachers)
- Poor conceptualisation of activities
- Poor quality of the training material (LTSM)

### ***Provincial Support***

During the period of reporting, we provided support to provinces that requested help from the office. The following provinces were supported Gauteng, Free State, Mpumalanga and Limpopo. The support was based on the understanding of the CPTD Management System generally and the application processes for approval and endorsement. The Free State intervention was also strengthened by the participation and collaboration with our partners the VVOB.

The Free State and Mpumalanga intervention and support targeted all the Provincial Education Department directorates and officials who have a role to play in as far as teacher development and support is concerned. Participants came from provincial and district offices, Curriculum, Management and Governance, Inclusive Education, Special needs and HIV&AIDS. These officials were taken through an interactive step by step presentation on the SACE provider application process.

The objectives for the sessions were to:

1. Create understanding on SACE endorsement process and PD points
2. Create understanding of the quality requirements for endorsement
3. Create understanding on how SACE's evaluation rubric works
4. Engage in the preparation of existing professional development activities for submission.
5. Start a process of submitting professional development activities to SACE

The following areas were emphasised and clarified:

- Application forms to be used
- The importance of distinguishing between shorter and longer activities in line with SACE definitions.
- Requirements for submission of professional development activities with regard to additional material/manuals
- Developing and submitting an activity for evaluation
- Provider guidelines

The intention is to replicate this type of support and training in all the remaining provinces.

### ***The Western Cape Education Department (WCED) onsite evaluation pilot***

The WCED through its provincial teacher development institute the Cape Teaching and Learning Institute (CTLI) invited SACE to pilot the onsite evaluation of professional development activities. We took four Evaluators based on the relevant fields to help us with the pilot. There were 24 professional development activities that we evaluated in a space of three days. These ranged from the Curriculum (subject specific) to Leadership and Management activities.

### ***Lessons learned***

- When evaluating onsite it was easy to ask for missing information and get it on the spot. This enhanced the speed at which one can complete an evaluation without going back and forth.
- The process enable SACE to have direct and immediate responses on the issues that needed to be clarified.
- There was an opportunity for the provider to receive immediate and initial feedback on the quality/shortcomings of their submissions.
- The material developers were provided with advise on which areas to strengthen for future submissions

### ***The VVOB Partnership***

The partnership between SACE and the Flemish Government through the VVOB has created an opportunity to provide further support to the Provincial Education Departments and other providers. Through this partnership we were able to improve and strengthen our evaluation rubric, train Evaluators on the use of the rubric and further develop an evaluation rubric for online activities. The evaluation rubric we piloted in Mpumalanga and Free State with the actual providers to source their understanding, interpretation and possible challenges with regard to compliance.

There is an undertaking from VVOB to continue supporting SACE with improving its evaluation and endorsement processes.

### **Endorsement of Professional Development Activities**

There is an improvement in the response from the nine Provincial Education Departments as all of them have finally applied for approval status with the Council. There is still a challenge experienced by some of the Provincial Education Departments when it comes to submission of professional development activities. This is the breakdown of activities received from the PEDs for the period of reporting.

Provincial Education Department	Number of Activities submitted	Number of Activities Endorsed
Gauteng (Mathew Goniwe School of Leadership & Si-Bono))	5	5
Western Cape (Cape Teaching and Learning Institute)	24	22
Limpopo (Mastech)	5	5
Free State	2	2
Northern Cape	0	0
Mpumalanga	76	75
KwaZulu-Natal	0	0
Eastern Cape	0	0
North-West	0	0
Department of Basic Education (British Council)	22	22

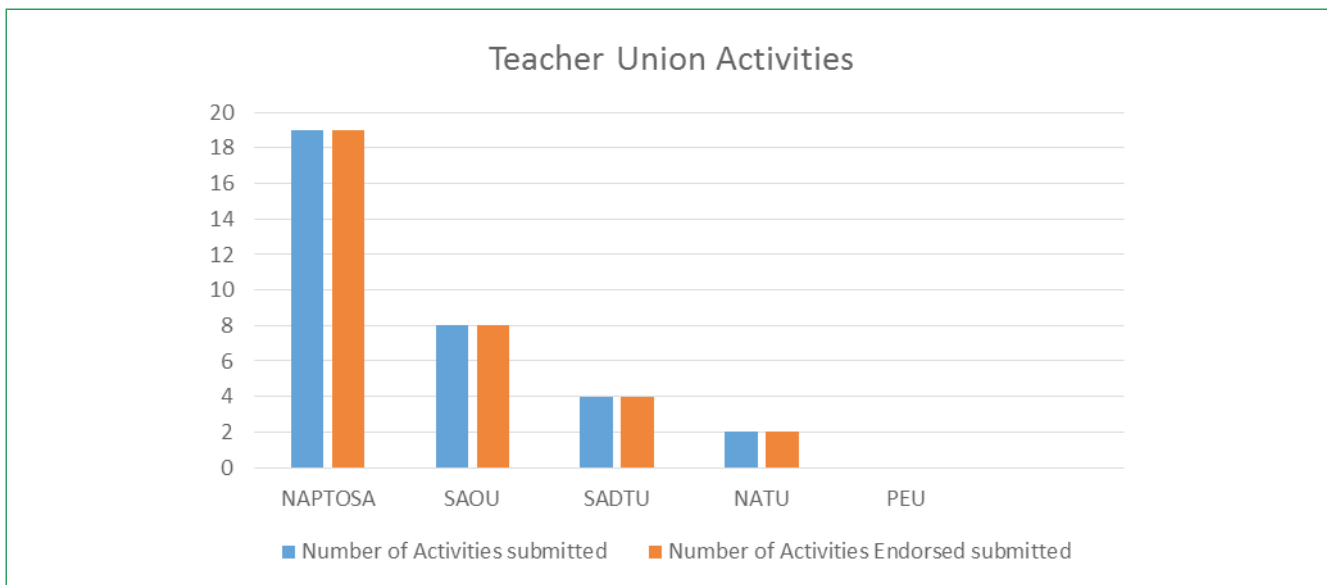
The response from the universities is also encouraging in a sense that out of 25 Higher Education Institutions we have 5 universities that have applied for approval and send in their activities for endorsement for the period of reporting.

Name of University	Number of Activities submitted	Number of Activities Endorsed
University of Cape Town	73	71
Rhodes University	10	10
University of South Africa	08	08
University of North-West	01	01
Free State University	09	09

The response of the Teacher Unions has been encouraging as they respond to their members' professional development needs. This might be as a result of their participation in the Teacher Union Collaboration initiative. Their submissions for the period of reporting is as follows:

Name of the Union	Number of Activities submitted	Number of Activities Endorsed
NAPTOSA	19	19
SAOU	8	8
SADTU	4	4
NATU	2	2
PEU	0	0

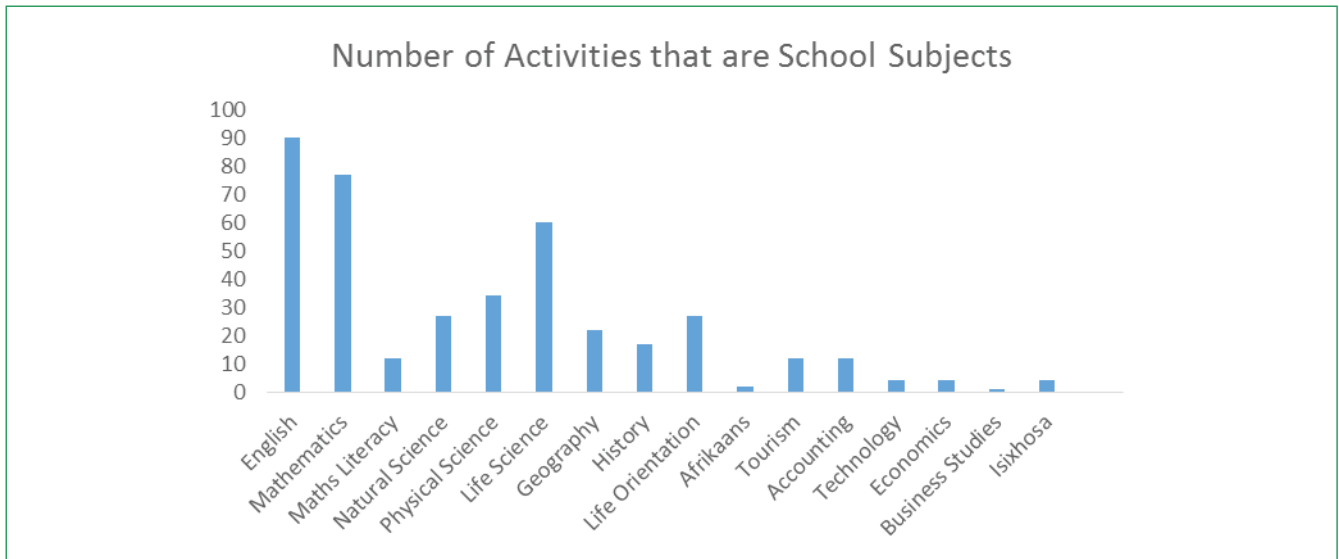




## Summary of the Endorsed Activities for the period of reporting

### School Subjects

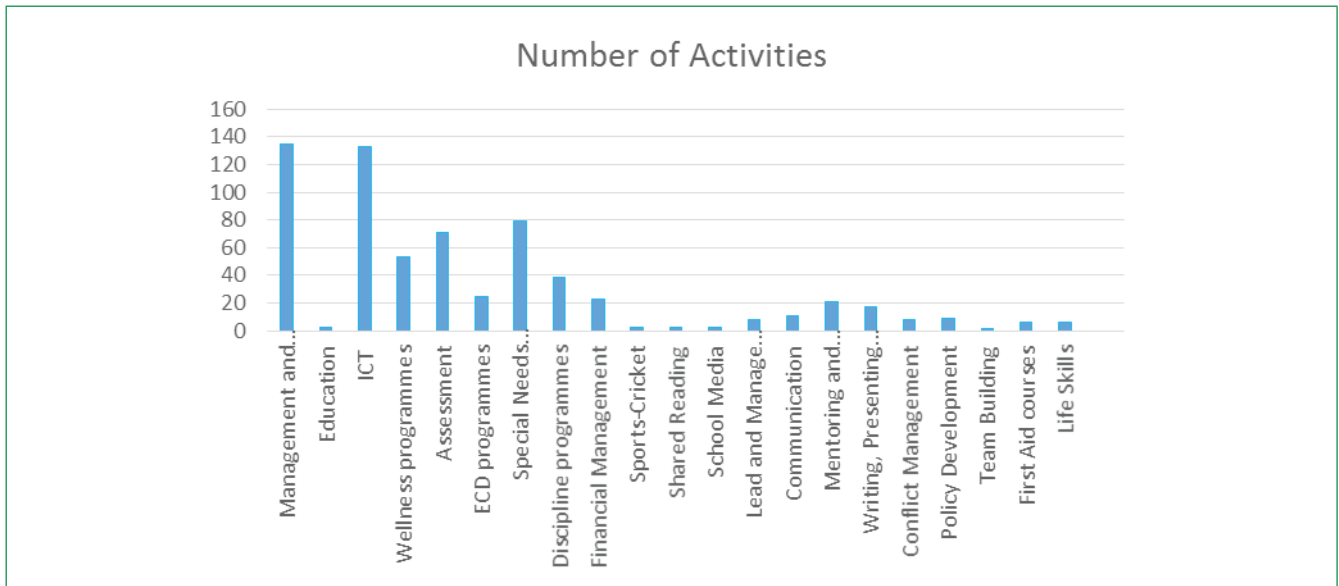
Subject Name	Number of Activities
English	90
Mathematics	77
Maths Literacy	12
Natural Science	27
Physical Science	34
Life Science	60
Geography	22
History	17
Life Orientation	27
Afrikaans	2
Tourism	12
Accounting	12
Technology	4
Economics	4
Business Studies	1
IsiXhosa	4



The table above indicates the activities based on school subjects that were submitted to SACE for evaluation and endorsement. When one reflects on the 29 subjects of the NCS the submission reflects 55% of the school subjects. There is a need for submission of other languages that are covered in the curriculum.

#### Non-School subject professional development activities

Activity Name	Number of Activities
Management and Leadership	135
Education	2
ICT	133
Wellness programmes	53
Assessment	71
ECD programmes	25
Special Needs programmes	79
Discipline programmes	38
Financial Management	23
Sports - Cricket	2
Shared Reading	2
School Media	2
Lead and Manage the Curriculum	8
Communication	11
Mentoring and Motivating	21
Writing, Presenting and Team development skills	17
Conflict Management	8
Policy Development	9
Team Building	1
First Aid courses	6
Life Skills	6



### Provider Approval

The spread of the private providers in all nine provinces is uneven with a huge concentration of providers in the Gauteng Province. There is a drop in the number of provider applications received by the office. This is as a result of the few number of new providers in the system.

Most providers have applied and they are just submitting the professional development activities.

Some providers do not focus on teacher development thus become irrelevant to the system. (These have been advised to align and develop education specific activities with reference to the system needs.)

Provider Category	Number of Providers
Category A	63
Category B	57
Category C	1
Total number of providers	121

### PROFESSIONAL STANDARDS

#### Background

The teaching professional is currently operating without professional standards for IPET and CPTD programmes content and professional practice. This gap should be addressed as a matter of urgency to enhance teacher professionalization. Coupled with this, is the recognition of SACE as a professional council by SAQA, development of the professional designations for teachers and linkages with the induction by employers and awarding of full registration status.

#### Purpose:

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

**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
- Award teacher designation.

Programme Name: Professional Standards						
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations	
Set and implement professional standards.		Research Report on the professional standards and implementation plan are approved.	<b>Achieved:</b> Research report and implementation plan available	-	-	
Number of newly qualified educators being awarded professional designation status.		Research Report on teacher professional designations and implementation plans are approved	Partly Achieved: Daft designation Reports available	Approved Teacher Designations and Implementation Plan	The actual development of the professional designation still to be completed and approved through stakeholder consultation and Council processes.	

## Professional Standards Narrative

The Professional Standards programme is implemented within a broader context of the teacher professionalisation in South Africa as led by SACE. The following have already been attached under the professional standards programme and teacher professionalisation broadly:

### Teacher Professionalisation Research

- Approved teacher professionalisation report by the SACE Council in principle for consultation purposes, with the teaching profession stakeholders.
- From the report, a qualitative research approach identified key themes and considerations that emerged from interviewees' perspectives on the proposed professionalisation path and on the research role, as well as on issues raised about SACE's status, role and functions. A desktop review complemented the initial review of the literature.
- The main purpose of the teacher professionalisation report is to map the "professionalisation path" that SACE needs to follow in order to register educators, promote the professional development of educators, manage a CPDT system, and importantly, also to "maintain and protect **ethical and professional standards** for educators.
- It is important to also note that the discussion paper draws on inputs made by stakeholders, notably on the review of relevant national and international literature mentioned above. A key thread in the discussion paper is the emphasis on the status and role of SACE to champion teacher professionalisation and to operationalise this process with clear milestones and deliverables.

The following consultations and interactions further complemented the SACE process and informed the discussion document:

- Perspectives on teacher professionalism and accountability presented at a joint seminar on Teacher Professionalism and Teacher Accountability in Centurion on 18 June 2015 hosted jointly by the Centre for International Teacher Education (CITE), the National Education Collaboration Trust (NECT) and the South African Council for Educators (SACE). It is important to note that initial consensus on the need for professional standards and professionalising the teaching profession was reached by all the stakeholders and participants present. The significance of wider consultation was emphasised. There was also a need to take Commonwealth Standards Framework for Teachers and School Leaders released in 2014 and the DBE's standard for principalship into account.
- The empowering role of effective initial teacher education (ITE) teaching practice and performance evaluation against appropriate, collegially set professional development standards was explored at a colloquium that took place in September 2015 at the Soweto Campus of the University of Johannesburg, and was hosted by the Department of Higher Education and Training (DHET) in partnership with the Education Deans Forum (EDF), SACE, the University of Johannesburg and the Centre for Development and Enterprise (CDE). Relevant insights gained from this colloquium were sharpened and applied in a workshop on the role of induction in the teacher professionalisation path. Professor Linda Darling Hammond provided an international perspective on this topic.
- A workshop hosted by SAQA and JET Education Services took place in Centurion in November 2015. A review of the Commonwealth Teacher Professional Standards Framework was presented by JET at the event. Key stakeholders were also given the opportunity to share related work underway in South Africa' this included SACE. The workshop presented an opportunity for all the major role players that have an interest in professional standards to come together. A key outcome of the workshop was strong consensus to support SACE with the development of professional standards through the establishment of a working group (subsequently renamed as the SACE National Advisory Group, NAG).

- Several specific recommendations are also included in the discussion paper that focus on SACE’s application to SAQA to be recognised as a professional body, the development professional designations, broader teacher professionalisation implementation Plan and Teacher Professionalisation Policy.

### Establishment of the Professional Standards National Advisory Group

- Furthermore, SACE established the Professional Standards National Advisory Group in December 2015. The National Advisory Group is made up of various stakeholders - Education Deans Forum (EDF), Department of Basic Education, Department of Higher Education and Training, Educational Research Organisations, JET Education Services, SAQA, Teacher Unions, Education Labour Relations Council (ELRC), and Associations of School Governing Bodies.
- The main purpose of the National Advisory Group is to:
  - support consultation and collaboration with key stakeholders in the development of the professional standards framework by SACE
  - provide expertise and advice to SACE on the professional standards framework
  - make recommendations to SACE on the professional standards framework

The Group met twice already, in November and March, and some of its achievements include providing direction to SACE on various research and processes that will inform the standards writing process and the proposal on the standards writing process. The research focused on the following:

- Teacher Knowledge for teaching. It emphasised the point that in developing professional practice standards there is a need to look at a blend between subject content knowledge and the general pedagogical knowledge – Pedagogical Content Knowledge;
- Development of professional practice standards for teachers. This involves levels 6 levels of teaching implied by the literature that should be recognised in setting of professional standards for teachers; and
- Towards teacher professional knowledge and practice standards in South Africa. This includes lessons from developed and developing

Additionally, a comparative study is in progress to compare SACE with other professional councils in the country on professionalization matters.

### Financial performance

Programme/activity/objective	2015/2016			2014/2015		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Professional Development	10 700	8 437	2 263	13 188	10 531	2 657
<b>Total</b>	<b>10 700</b>	<b>8 437</b>	<b>2 263</b>	<b>13 188</b>	<b>10 531</b>	<b>2 657</b>

### 3.4. POLICY AND RESEARCH

#### STRATEGIC OBJECTIVE : 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.

##### Sub-programmes

- Policy and Research Support
- Research Projects
- Professional Magazine
- Research Dissemination
- Monitoring and Evaluation

Performance Indicator	Actual Achievements 2015/2016	Planned Target	Deviation from planned target For 2015/2016	Comments on deviations for 2015/2016
(a). Number of research projects undertaken in line with the SACE research agenda	5	6	1	The other project overlapped to the new financial year.
Number of Policy advice and briefs produced per annum	2	2	1	Policy brief and advice to the Minister scheduled for the new financial year
Number of Professional Magazine produced and disseminated	2	4	2	Delays experienced with regard to getting articles from the schools



## NARRATIVES

### Policy and Research Programme

RESEARCH PROJECT	SUMMARY	PROGRESS
1. HODs Needs Analysis project	14 234 HODs completed the needs identification questionnaires during the CPTD orientation and sign-up processes across the 9 provinces in the previous financial year. The data has already been captured in the previous financial year as well	The research study was finalised and presented to the Council structures. One of the issues picked-up from the report was that the findings were not representative of all HODs in the nine provinces. The questionnaires were in a paper form and provinces such as the Western Cape which is a paperless province and so, there was not much feedback in a paper form from the Western Cape. Council recommended that another questionnaire be drawn and be distributed throughout all nine provinces so that we do not have data that excludes other provinces
2. Post Level 1 Teachers Needs Analysis project	Just like the needs identification process followed with the principals, deputy principals and HODs, the same process will be followed with the Post Level 1 Teachers during the 2015/16 CPTD orientation and sign-up sessions and processes.	To date <b>8 387 (7.60%)</b> questionnaires from a targeted 110 000 orientations and sign-ups have been received and captured on the EXCEL. The process of analysing this data will be done in the new financial year.
3. HODs CPTD Sign-up Data Analysis (HODs Profile)	34355 HODs signed-up for participation in the CPTD system by the end of the 2015/16 financial year. This data will be analysed for purposes of understanding and informing the teacher supply and demand issues in the DHET / size and shape of the HODs and teacher profile project in the DBE.	HOD data analysed indicate that there are more female HODs than males in the country. KwaZulu-Natal has the majority of HODs and in terms of population, the highest majority is African. The majority of the HODs are between the ages 41 - 50 and the Provincial Education Departments are the highest employing bodies. Of the 34 355 signed up, 29 997 indicated that they are teaching the subjects they specialised on and 29 233 indicated that they are heading the subjects they specialised on.
4. Finalising the Principals and Deputy Principals CPTD Sign-up Data Analysis (Principals and Deputy Principals Profile)	Same as above.	The Principals and Deputy Principals data analysed indicate that approximately 59% of all Principals and Deputy Principals are males. The majority of individuals in this group are between the ages of 51 - 60, followed by those between the ages of 41 - 50. In the Free State, Gauteng, KwaZulu-Natal, Limpopo, Eastern Cape, Mpumalanga, the Northern Cape and the North-West, there were also a few instances of Principals, Deputy Principals, Acting Principals and/or Acting Deputy Principals between the ages of 22 - 29 (their ages were determined by means of their Identity Numbers)
5. Comparative study on national professional councils and international teaching regulatory authorities	SACE is repositioning itself to professionalise and regulate the teaching profession effectively. Part of the research project involves learning experiences / best practices from the other teaching councils, other professional councils and public entities of similar nature.	The desktop research has been finalised and all inputs from the desktop study are continuously incorporated in the implementation process.

RESEARCH PROJECT	SUMMARY	PROGRESS
<p>6. Five Year Analysis of the educator misconduct cases referred to SACE.</p>	<p>This research project has been carried over from the previous financial year.</p>	<p>This report has been finalised and approved by Council. The main purpose of the research was to analyse the disciplinary cases reported to SACE and the disciplinary sanctions applied thereafter, by including the duration taken in the completion of these cases by SACE. The research outcomes must further contribute to CPTD strategies and interventions that enhance SACE's capacity of dealing appropriately and promptly with the reported disciplinary cases. The research findings from this report have been that most cases reported to SACE are in the Western Cape, followed by KwaZulu-Natal, Mpumalanga and lastly, the Eastern Cape. Total 589 cases of assault of the learner or colleague were provincially reported to SACE over a five-year period. The trend shows that it is a leading offence in most provinces; with the Western Cape Province leading in the assault of the learner or colleague including corporal punishment with 345 reported cases followed by Gauteng and KwaZulu-Natal with 70 and 68 reported cases respectively. KwaZulu-Natal is leading in financial misconduct with 118 reported cases followed by the Western Cape and Mpumalanga with 57 and 31 reported cases respectively. Western Cape is leading in unprofessional conduct with 68 reported cases, followed by KwaZulu-Natal and Gauteng with 59 and 57 reported cases respectively. The report also shows that the time taken to conclude reported disciplinary cases to SACE has improved tremendously over the 5 year period, there is a concerted effort by SACE to resolve the cases referred to them speedily, the turnaround time with more cases is now shorter than in 2008 when compared to 2012 there is a significant improvement. Most of the reporting was done by the Provincial Departments of Education and they were largely on following:</p> <ul style="list-style-type: none"> <li>• Financial misconduct: Fraud/mismanagement (including theft), for KwaZulu-Natal, 118, 5.3% of all provincial cases.</li> <li>• Assault of learner/colleague (includes corporal punishment), for Gauteng, 70, 3.1% of all provincial cases.</li> <li>• Assault of learner/colleague (includes corporal punishment), for KwaZulu-Natal, 68, 3% of all provincial cases.</li> <li>• Unprofessional conduct: General misconduct, for KwaZulu-Natal, 59, 2.6% of all provincial cases.</li> <li>• Harassment, victimization, intimidation, humiliation of learner and colleague, for Gauteng, 58, 2.6% of the provincial cases.</li> <li>• Financial misconduct: Fraud/mismanagement (including theft), for Western Cape, 57, 2.6% of provincial cases.</li> <li>• Harassment, victimisation, intimidation, humiliation of learner and colleague, for KwaZulu-Natal, 57, 2.6% of all provincial cases.</li> <li>• Absenteeism (including late coming), for Western Cape, 39, 1.7% of all provincial cases.</li> <li>• Financial misconduct: Fraud/mismanagement (including theft), for Mpumalanga, 31, 1.4% of all provincial cases.</li> <li>• Fraud (including exam fraud, fraudulent qualifications and 'dishonesty'. Excludes financial fraud), for Western Cape, 1.3% of all provincial cases.</li> </ul>

## THE CPTD NEWSLETTER & PROFESSIONAL MAGAZINE

For the CPTD Newsletter focused on providing CPTD related matters which included how provinces are implementing the CPTD Management System, success stories on team work, reporting educator participation and points earned, and The Professional Magazines produced focused on issues around the 2015 AMESA conference held in Limpopo on the 3<sup>rd</sup> of July 2015, a teacher’s perspective on the benefits of mother tongue.

## SEMINAR IN ON-LINE PROFESSIONAL DEVELOPMENT PROGRAMS

The main focus of the Seminar was on coming up with a realistic on-line teacher professional development rubric which will assist SACE in evaluating on-line programmes in a meaningful way”. The Seminar was happening at the time when the Department of Basic Education was also engaged in Operation Phakisa which was launched on the 6<sup>th</sup> of September under the banner “ICT in Education: Leveraging ICTs to improve Basic Education”. The following were the topical themes for the discussions:

- *Current Issues in Online Teacher Professional Development.*
- *Teacher experiences with Online Teacher Professional Development.*
- *Innovate practices in online teacher education in South Africa.*
- *On-line education will transform teacher professional development for the better.*
- *Education policies.*

A working group was formed and tasked to come up with a coordinated approach that will determine the needs and a national ICT strategy that will give guidance to service providers to avoid having training programs which are not taking us anywhere.

## Financial performance

Programme/activity/objective	2015/2016			2014/2015		
	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	670	330
<b>Total</b>	<b>2 000</b>	<b>1 132</b>	<b>868</b>	<b>1 000</b>	<b>670</b>	<b>330</b>

## REVENUE COLLECTION

The Council was able to collect 100% of the budgeted income. Of the total revenue collected R11,6 million was received from the Department of Basic Education as subsidy for the Management of the Continuous Professional Teacher Development. R9,3 million in respect of the R11,6 million CPTD subsidy was spent in the current financial year, and the unspent R2,3 million has been deferred to the following financial year.

The main source of funding for Council is subscription fees which have remained at R120.00 per member collectable from each active member. The other source of funding is registration fees collected from registering members at R400.00 for foreign educators and R200.00 for South African educators.

### **Capital investment**

The Council has purchased the building situated at no.240 Lenchen Avenue, Centurion for R60 978 738 through public bidding process. SACE had been accommodated in this property under Lease Agreement since July 2010. The transfer process was concluded in July 2016 owing to renovations and demarcation purchase conditions which took longer.

The rental was waived against the interest generated from the trust fund wherein the purchase amount was kept pending property transfer to SACE name.



## **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.

Council is accountable to the Minister for Basic Education.

## 2. PORTFOLIO COMMITTEES

Council was represented at the Basic Education Portfolio Committee on 14 April 2015; 21 April 2015; 18 August 2015 and 14 October 2015. Council was also represented at the Select Committee on Basic Education on the on 17 June 2015.

Both committees were satisfied with SACE interventions. They emphasized the need for more proactive interventions regarding professionalism and greater visibility of SACE. The Select Committee requested more details regarding its mandates and delivery over the years.

The committees lauded SACE's Continuing Professional Development activities and urged SACE to press ahead in this regard. Council has heeded the advice of the Committees and supplied additional information requested.

## 3. EXECUTIVE AUTHORITY

Council submitted quarterly reports to the Minister of Basic Education at the end of each quarter on 30 July 2015; 30 October 2015; 30 January 2016 and 30 April 2016.

The authority requested that SACE pays more attention to Research and Ethics cases.

## 4. THE ACCOUNTING AUTHORITY / BOARD

### 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) with regard to **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 in terms of this Act.
- (b) with regard to 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 in-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) with regard to **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 year 2013 saw the end of the term for Council which assumed office on 1 August 2009 to 31 July 2013 and ushered in the new Council for the term 1 August 2013 to 31 July 2017. The following tables depict the composition of the Council and attendance in the year under review.

Composition of the Council for the term 1 April 2015 to 31 March 2016

Name	Designation (in terms of 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 August 2013	-	BA – University of Western Cape; B. ED - University of Western Cape; M. ED – University of Stellenbosch (Inc.)	Education and Organised Labour		Professional Development Committee	3/3
Dr. Louis H Swanepoel		1 August 2013	-	B. Comm, HED, B. Comm (Honours - Economics), M. Comm (Economics), Ph. D. (Educational Management)	Education and School Leadership		Advocacy and Communication Committee	3/3
Dr. Brahm Fleisch		1 August 2013		BA cum laude (Hobart College); MA (Teachers College – Columbia University); PhD (Columbia University)			Professional Development Committee	2/3
Mr. Elphus Maseko		1 August 2013	-	BSc	Strategic Management		Registration Committee	3/3
Dr. Hendrik J Deacon		1 August 2013	-	LLB (University of Orange Free State); LLM (University of Orange Free State); LLD (University of Orange Free State)	Education & Labour law		Ethics Committee	2/3



Name	Designation (in terms of 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		1 August 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	3/3
Dr. Josef Adriaan Breed		1 August 2013	-	B.Sc; B.Ed (Hons); M.Ed; Ph.D; THED.	Education and Leadership	South African Edu-cation Foundation; SAOS Pension Fund; Edupen Pension Fund; Transvaal Onderwysersvereniging Onderlinge Maatskappy	Finance Committee and Executive Committee	2/3
Ms. Gugulethu Mbele		1 September 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	2/3

Name	Designation (in terms of 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. Gaylin Wendy Bowles		1 August 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	3/3
Mr. Geoffrey Harrison		1 August 2013	-	BSc UED Bed (Hon) FDE(Comp) Certificate Labour Law Diploma Management Development	Education and Management	none	Professional Development Committee	3/3
Mr. Ntjhojho Adam Mosia		1 November 2013	-	PTC (Mphohadi Teachers College); SEC (Vista Vudec); SED (Vista Vudec); BA (Unisa); B Ed (PU CHE) PDE (Unisa)		None	Professional Development Committee	3/3
Mr. Mxolisi Bomvana		1 March 2015			Education and Organised Labour		Finance Committee	3/3
Mr. Magope Lucas Maphila		1 August 2013	-	Higher Education Diploma	Education and Organised Labour	Old Mutual Education Trust; ETDP Seta Board Member	Advocacy and Communications Committee; and Executive Committee	3/3

Name	Designation (in terms of 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. Tseliso Ledimo		1 August 2013	-		Education and Organised Labour		Professional Development Committee	2/3
Ms. Thabile Kunene		1 May 2014			Education and Organised Labour		Advocacy and Communications Committee	0/3
Ms. L Motshwane		1 May 2014			Education and Organised Labour		Professional Development Committee	3/3
Mr. Ronald Moroatshehla		1 August 2013	-		Education and Organised Labour		Ethics Committee	3/3
Ms. Nomarashiya Caluza		1 May 2014			Education and Organised Labour		Advocacy and Communications Committee	3/3
Mr. Siphoh Mayongo		1 August 2013	-				Staffing Committee	3/3
Mr. Mokholoane Samuel Molo		1 August 2013	-	STD(Tech); FDE	Education and Organised Labour	none	Ethics Committee	2/3
Mr. Walter Hlaise		1 August 2013	-				Staffing Committee and Executive Committee	3/3
Mr. Jonovan Rustin		1 August 2013	-	Senior Primary Teachers Diploma Further Diploma in Education – School Management	Education and Organised Labour	none	Staffing Committee	3/3

Name	Designation (in terms of 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		1 August 2013	-	BA BA (Hons) Higher Education Diploma (HED) MA			Staffing Committee and Registration Committee	2/3
Mr. K. Geza		1 August 2013		B Juris; MBA –General Post Graduate Diploma in Labour Law			Ethics Committee	3/3
Dr. Nonhlanhla Nduna-Watson		1 August 2013	-	Doctor of Philosophy Degree Masters of Arts in Teaching BED in Education Higher Education Diploma	Education Management		Professional Development Committee and Executive Committee	2/3
Prof. Pinkie Mabunda		1 August 2013	-	Doctor of Philosophy Degree Masters in Education Practitioners Course Certificate in ABE		none	Ethics Committee and Advocacy and Communications Committee	2/3

Name	Designation (in terms of 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. Enoch T Rabotapi		1 August 2013	-	BED (HONS) :Assessment & Quality Assurance Advanced Diploma in Labour Law Bachelor of Science in Education			Professional Development Committee and Finance Committee	2/3
Mr. Hangwani Neil Makhaga		1 November 2014		SPTD B ED HONS – University of Pretoria ACE – University of Pretoria M ED – University of Pretoria (Inc.)	Education Leadership		Professional Development Committee	2/2
Mr. Rej Brijraj	Chief Executive Officer	1 August 2013	-	B.A. (Hons) M.Phil (Inc.)	Ethics		All Committees	3/3

## Committees

### 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
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
Registration Committee	3	7	Ms. G Bowles - Chairperson Mr. . Bester Mr. E. Maseko Ms. R. Du Toit Ms. M. Schoeman Ms. T. Kunene Mr. R. Brijraj

Committee	No. of meetings held	No. of members	Name of members
Ethics Committee	3	8	Dr. Louis H. Swanepoel - Chairperson Dr. H.J. Deacon Mr. R. Moroatshehla Mr. T.K. Geza Prof. P. Mabunda Mr. J. Eastes Mr. M. Moloi Mr. R. Brijraj
Finance Committee	3	8	Dr. J. Breed - Chairperson Mr. M. Bomvana Mr. G. Bengell Mr. L. Maphila Mr. E.T. Rabotapi Mr. G. Clark Mr. F. Fourie Mr. R. Brijraj
Staffing Committee	3	6	Mr. W. Hlaise - Chairperson Mr. J. Rustin Mr. S. Mayongo Mr. C. Nel Ms. M. Schoeman Mr. R. Brijraj
Advocacy and Communications	3	6	Mr. M. Maphila – Chairperson Mr. M. Mafunda Ms. N. Caluza Ms. G.E. Mbele Mr. R. du Toit Mr. R. Brijraj

Committee	No. of meetings held	No. of members	Name of members
Endorsement Committee	2	4	Prof. N. Magi Chairperson Mr. G. Harrison Mr. T. Ledimo Mr. M. Kutumela Ms. G. Mbele
Audit Committee	2	5	Mr. B. Snayer Mr. J. Rustin Mr. C. Ndlazi Mr. K. Karim Mr. P. White

***Remuneration of board members***

- No Councillors were remunerated in the year under review.



## 5. RISK MANAGEMENT

During the period 01 April 2015 to 31 March 2016, a detailed operational risk assessment for the organisation (SACE) was conducted. The purpose of the risk assessment was to identify business risks related to SACE. The risks were measured and rated in terms of impact and the likelihood of occurrence. The risk assessment was used to identify risk mitigation plans related to the organisation. The assessment identified several high risks items that should be addressed by senior management. The mitigation plan includes the use of adequate and effective internal and financial controls.

### 5.1. Strategic Risk Register

SACE maintains a strategic risk register, which contains key risks faced by the Council that require the attention of senior management or Council. The register is regularly updated and reviewed by the Council and the Committee.

### 5.2. Managing Risk

The Council, through the senior management, is responsible for the management, and putting in place effective mechanisms to ensure that risks are minimised and/or mitigated. Several control and financial internal control measures have been implemented as recommended by the Internal Audit Division.

## 6. INTERNAL CONTROL

Internal Control is a process, affected by the Council, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting;
- Compliance with applicable laws and regulations; and
- Safeguarding of assets.

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.

A number of audit findings were identified during the course of the year, mainly in the areas of Human Resource Management, Communication, Continuing Professional Teachers Development (CPTD), follow up on prior year audit findings, and other critical areas. All matters have received the attention of management and some are partially resolved, while others are completely resolved issues. The partially resolved issues are monitored by management and reported to the Audit Committee.

## 7. INTERNAL AUDIT AND AUDIT COMMITTEE

The Council's Internal Audit Activity is governed by an internal audit charter, which is reviewed and approved annually by the Council and the Audit Committee. The charter defines the purpose, authority and responsibilities of the Internal Audit Activity. The Activity has a dual reporting line; reporting functionally to the Audit Committee and administratively to the Chief Executive Officer. The Internal Audit Activity is responsible for coordinating Internal Audit efforts to ensure sufficient coverage and activity's skills are leveraged to maximise efficiency

### 7.1. Purpose of Internal Audit

Internal auditing is a catalyst for improving an organisation's governance, risk management and management controls by providing insight and recommendations based on analyses and assessments of data and business processes. With commitment to integrity and accountability, internal auditing provides value to the Council and senior management as an objective source of independent advice.

### 7.2. Summary of work performed

During the financial year 2015/16, internal audit performed a number of engagements from the internal audit plan; however a number of audit engagements planned for the financial year were deferred to the following financial year due to the resignation of the Internal Audit staff members. The activities for the function were based on the results of risk assessment, which are continuously updated so as to identify not only residual or existing risks, but also emerging risks. The internal audit reviews conducted focused on internal control design, financial internal control and operating effectiveness for the specific focus areas reviewed.

Engagement	Focus Area	Progress	Stage of Completion %	Comment
Human Resources (HR)	Recruitment and selection, Terminations, Training and Skills Development, Performance Management, Administration and approval of travel and other allowances, Leave Management and Follow-up of prior Internal audit findings	Final Report Issued	100%	Completed
Performance Audit	APP and Strategic Planning	Deferred to 2016/2017		
Postage	Receiving and capturing of mail and other documents	Deferred to 2016/2017		
Supply Chain Management (SCM)	Purchasing of goods and services	Deferred to 2016/2017		
Communications	Follow-Up on previously reported audit findings	Final report Issued	100%	Completed
Policy and Research	Research systems and procedures and Follow up on previously reported findings	Deferred to 2016/2017		
Financial Management Review (FMR)	Budgeting Management, Revenue and Debtors, Creditors Management, and Expenditure Management	Deferred to 2016/2017		
Registration	Review of registration process and system	Deferred to 2016/2017		
Ethics	Case Management and Ethics Management)	Final report Issued	100%	Completed
Continuous Professional Teaching Development (CPTD)	Provinces and Members	Final Report Issued	100%	Completed

The table below discloses relevant information on 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		2010 – to Date	N/A	2/3
K Karim	BA Degree – Education Diploma – National Teachers Snr Certificate	External		2002 – To date	N/A	2/3
P White	Grade 12	External		2001 – To date	N/A	2/3
C Ndlazi	National Professional Diploma in Education	External		2011 – To date	N/A	0/3
J. Rustin	BA (UWC) HDE (UWC) BED Honours (UWC) Financial management for non-financial managers ( Unisa) Labour ( NMMU)	External		2014 – To date	N/A	1/3

## 8. COMPLIANCE WITH LAWS AND REGULATIONS

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

- Executive Committee; Finance Committee; Registration Committee; Professional Development Committee; Ethics Committee; Advocacy Committee and Audit Committee.

These committees formulate policies which guide the operations and aid the oversight roles of Council and report progress to the Executive Committee on 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 and corruption management plan. The key focus of the plan is to identify fraud risks 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 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 in terms of 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 is being 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, as such, poses some challenges regarding implementation. The new Code will endeavour to cover appeal procedures, to some detail, not catered for in the previous version and 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 has been identified are first aid, emergency training and health and safety management.

## 13. AUDIT COMMITTEE REPORT

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

### 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 2 meetings were held.

Name of member	Number of meetings attended
Mr B Snayer (Chairperson)	2
Mr K Karim	2
Mr P White	2
Mr J Rustin	0
Mr G Bengel	1

### 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;
- reviewed the External Auditors' management report and management's response thereto;
- reviewed changes in accounting policies and practices (delete if not applicable);
- 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 council 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: 2016.07.28





# **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 (STAFCO) 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 STAFCO) 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 19 internship positions were created and distributed as follows: Registration 3, CPTD 6, Corporate Services 2, Finance 2, Ethics 3 and the Durban Provincial Office 3. 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 employee performance management framework is the subject of negotiations by employer and employee parties, as such, the implementation there of is embargoed



## Policy development

Employee wellness programmes is work in progress. It is worth noting that this is plagued with human capacity deficit, to the extent that the approval to procure and outsourced EAP is not being explored fully. There are a number of challenges in terms of linking interventions to the performance of the organisation. The Council continue to experience a challenge in relation to the development of a policy to retain valued and competent employees and this has been given a high priority status by the end of 2016, to ensure continuity and continued service delivery.

## Highlight achievements;

The development and approval of discipline management and procedures.

All stop orders for medical aid allowances continue to be paid centrally ensuring that all employees belong to a medical aid scheme thus effectively enforcing Council policy.

## Challenges faced by the public entity

- Understaffing in the Human Resource Unit.
- Inadequate attention to capacitating and developing employees in all Human Resource disciplines.
- System to manage Human Resources within SACE.
- Lack of policies to attract and retain critical skills.

## 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.
- Work-life balance and wellness.
- Conducting employee satisfaction surveys.
- Development of a diverse and positive work environment.

## 2. HUMAN RESOURCE OVERSIGHT STATISTICS

The public entity must provide the following key information on human resources. All the financial amounts must agree to the amounts disclosed in the annual financial statements. Where considered appropriate provide reasons for variances.

### 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	60 813	31 244	51,38	114	274

## 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	5 660	18%	4	1 415
Senior Management	6 918	22%	9	768
Professional qualified	7 121	23%	20	356
Skilled	4 954	15%	21	236
Semi-skilled	3 663	12%	17	216
Unskilled	2 928	10%	43	68
<b>TOTAL</b>	<b>31 244</b>	<b>100%</b>	<b>114</b>	<b>274</b>

## Performance Rewards

Programme//activity/objective	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	0	0	0%
Senior Management	0	0	0%
Professional qualified	0	0	0%
Skilled	0	0	0%
Semi-skilled	0	0	0%
Unskilled	0	0	0%
<b>TOTAL</b>	<b>0</b>	<b>0</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
Finance	3 747	28	0.75%	5	6
PD and Research	4 022	40	0.99%	3	13
Communications	3 779	19	0.50%	3	6
Corporate Services	7 454	14	0.19%	2	7

## Employment and vacancies

Programme/activity/objective	2014/2015 No. of Employees	2015/2016 Approved Posts	2015/2016 No. of Employees	2015/2016 Vacancies	% of Vacancies
	88	118	114	4	3.39%

Programme/activity/ objective	2014/2015 No. of Employees	2015/2016 Approved Posts	2015/2016 No. of Employees	2015/2016 Vacancies	% of vacancies
Top Management	4	4	4	nil	-
Senior Management	7	9	9	nil	-
Professional qualified	17	20	20	nil	-
Skilled	18	24	21	3	12.5
Semi-skilled	36	17	17	nil	-
Unskilled	6	44	43	1	2.27
<b>TOTAL</b>	<b>88</b>	<b>118</b>	<b>114</b>	<b>4</b>	<b>3.39</b>

\*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	0	4
Senior Management	7	3	1	9
Professional qualified	17	3	1	20
Skilled	18	4	3	21
Semi-skilled	36	5	4	17
Unskilled	6	21	1	43
<b>Total</b>	<b>88</b>	<b>36</b>	<b>10</b>	<b>114</b>

### Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	-	
Resignation	10	8.48
Dismissal	-	
Retirement	-	
Ill-health	-	
Expiry of contract	-	
Other	-	
<b>Total</b>	<b>-</b>	

Explanations: Seeking for greener pastures

### Labour Relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning	-
Written Warning	-
Final Written warning	-

Nature of disciplinary Action	Number
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	8	0	0	0	0	0	0	0
Professional qualified	6	0	2	0	0	0	1	0
Skilled	3	0	0	0	0	0	0	0
Semi-skilled	11	0	0	0	0	0	0	0
Unskilled	2	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>31</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>

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	10	0	0	0	0	0	1	0
Skilled	15	0	1	0	1	0	1	0
Semi-skilled	41	0		0	0	0	1	0
Unskilled	5	0		0	0	0		0
<b>TOTAL</b>	<b>74</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>0</b>



# PART E: FINANCIAL INFORMATION

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## General Information

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<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) Mr R. Brijraj (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 Ms T. Kunene Mr M. Maphila
<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
<b>Auditors</b>	Nexia SAB&T Registered Auditors

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Index

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

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### Abbreviations

COID	Compensation for Occupational Injuries and Diseases
CRR	Capital Replacement Reserve
GRAP	Generally Recognised Accounting Practice
SACE	South African Council for Educators
CPTD	Continuing Professional Teacher Development

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Council's Responsibilities and Approval

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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 members to ensure that the annual financial statements fairly present the state of affairs of the council 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 council 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 2017 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 entity 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.

Although the council members are primarily responsible for the financial affairs of the council, they are supported by the council's external auditors.

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 91 to 93.

The annual financial statements set out on pages 96 to 117, which have been prepared on the going concern basis, were approved by the members on 28 July 2016 and were signed on its behalf by:

  
Ms V. Hofmeester (Chairperson)

  
Mr R. Brijraj (Chief Executive officer)



# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Audit Committee Report

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

### 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 2 meetings were held.

Name of member	Number of meetings attended
Mr B Snayer (Chairperson)	2
Mr K Karim	2
Mr P White	2
Mr J Rustin	0
Mr G Bengel	1

### 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;
- reviewed the External Auditors' management report and management's response thereto;
- reviewed changes in accounting policies and practices (delete if not applicable);
- 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 council and its audits.

### External Auditors

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

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Audit Committee Report

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

Date: 2016.07.28

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

### Report on the financial statements

#### Introduction

1. We have audited the financial statements of the South African Council for Educators set out on pages 96 to 117, which comprise statement of financial position as at 31 March 2016, 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, comprising a summary of significant accounting policies and other explanatory information.

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

2. The accounting authority is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (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.

#### Auditor's responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

6. 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 2016 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the PFMA.

## Report on other legal and regulatory requirements

7. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, we have a responsibility to report findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, compliance with legislation and internal control. The objective of our tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, we do not express an opinion or conclusion on these matters.

## Predetermined objectives

8. We performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the entity for the year ended 31 March 2016:
  - Programme 1: Registration of educators on pages 25 to 27
  - Programme 2: Professional development of educators on pages 37 to 59
  - Programme 3: Professional ethics on pages 27 to 37
9. We evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. We further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information (FMPPI)*.
10. We assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
11. We did not identify any material findings on the usefulness and reliability of the reported performance information for the following programmes:
  - Programme 1: Registration of educators on pages 25 to 27
  - Programme 2: Professional development of educators on pages 37 to 59
  - Programme 3: Professional ethics on pages 27 to 37

## Additional matter

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

## Achievement of planned targets

13. Refer to the annual performance report on pages 25 to 59 for information on the achievement of the planned targets for the year.

## Compliance with legislation

14. We performed procedures to obtain evidence that the entity had complied with applicable legislation regarding financial matters, financial management and other related matters. Our material findings on compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

## Procurement and contract management

15. Quotations were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, which is prescribed in order to comply with Treasury regulation 16A8.3.

## Internal control

16. We considered internal control relevant to our audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in our opinion, the findings on the annual performance report and the findings on non-compliance with legislation included in this report.

## Financial and performance management

17. Although management implemented controls to ensure compliance with Treasury Regulations, certain matters of non-compliance were identified.

Nexia SAB&T

**Nexia SAB&T**  
**Per: N.C Soopal**  
**Director**  
**Registered auditor**  
**29 July 2016**

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Council's Report

---

The council members submit their report for the year ended 31 March 2016.

### 1. Review of activities

#### Main business and operations

The entity 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 9,841,141 (2015: surplus R 11,801,220).

### 2. Going concern

We draw attention to the fact that at 31 March 2016, the council had accumulated surplus of R 31,541,795 and that the council's total assets exceed its liabilities by R 95,243,814.

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 council members continue to secure funding for the ongoing operations for the council.

### 3. Subsequent events

The council members are aware of any matter or circumstance arising since the end of the financial year. Subsequent to the end of the financial year, the transfer of the purchase of the building at no: 240 Lenchen avenue, Centurion was concluded.

### 4. Accounting policies

The annual financial statements 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, and in accordance with the prescribed Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards 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 supports 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 2016

## **Council's Report**

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### **Council meetings**

The council members have met on 3 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 27 of the PFMA.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Statement of Financial Position as at 31 March 2016

Figures in Rand	Note(s)	2016	2015
<b>Assets</b>			
<b>Current Assets</b>			
Deposit	4	60,978,738	-
Receivables from exchange transactions	5	1,604,320	8,066,640
Cash and cash equivalents	6	35,484,465	81,415,716
		<b>98,067,523</b>	<b>89,482,356</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	2	3,238,493	1,947,387
Intangible assets	3	710,822	601,749
		<b>3,949,315</b>	<b>2,549,136</b>
<b>Total Assets</b>		<b>102,016,838</b>	<b>92,031,492</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables from exchange transactions	9	1,381,661	1,535,392
Deferred income	7	2,346,893	2,657,363
Provisions	8	3,044,470	2,436,065
		<b>6,773,024</b>	<b>6,628,820</b>
<b>Total Liabilities</b>		<b>6,773,024</b>	<b>6,628,820</b>
<b>Net Assets</b>		<b>95,243,814</b>	<b>85,402,672</b>
<b>Reserves</b>			
Building reserve fund		63,702,019	63,702,019
Accumulated surplus		31,541,795	21,700,653
<b>Total Net Assets</b>		<b>95,243,814</b>	<b>85,402,672</b>



# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Statement of Financial Performance

Figures in Rand	Note(s)	2016	2015
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Revenue		59,624,290	58,108,346
Other income		300,680	258,548
Interest received	12	1,586,354	4,336,499
<b>Total revenue from exchange transactions</b>		<b>61,511,324</b>	<b>62,703,393</b>
<b>Revenue from non-exchange transactions</b>			
<b>Transfer revenue</b>			
Government grants	13	9,210,470	10,530,846
<b>Total revenue</b>	10	<b>70,721,794</b>	<b>73,234,239</b>
<b>Expenditure</b>			
Employee benefit costs	14	(31,932,095)	(27,968,727)
Depreciation and amortisation		(1,331,406)	(1,462,856)
Lease rentals on operating lease		(2,010,285)	(7,516,063)
Debt Impairment		(13,840)	(260,294)
Operating Expenses	15	(25,525,498)	(24,225,079)
<b>Total expenditure</b>		<b>(60,813,124)</b>	<b>(61,433,019)</b>
Loss on disposal of assets		(67,529)	-
<b>Surplus for the year</b>		<b>9,841,141</b>	<b>11,801,220</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Statement of Changes in Net Assets

Figures in Rand	Building reserve fund	Accumulated surplus	Total net assets
<b>Balance at 01 April 2014</b>	<b>63,702,019</b>	<b>9,899,433</b>	<b>73,601,452</b>
Changes in net assets			
Surplus for the year	-	11,801,220	11,801,220
Total changes	-	11,801,220	11,801,220
<b>Balance at 01 April 2015</b>	<b>63,702,019</b>	<b>21,700,654</b>	<b>85,402,673</b>
Changes in net assets			
Surplus for the year	-	9,841,141	9,841,141
Total changes	-	9,841,141	9,841,141
<b>Balance at 31 March 2016</b>	<b>63,702,019</b>	<b>31,541,795</b>	<b>95,243,814</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Cash Flow Statement

Figures in Rand	Note(s)	2016	2015
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Membership, registration, reprints and other receipts		59,984,046	57,516,791
Grants		9,210,470	-
Interest income		1,586,354	4,336,499
		70,780,870	61,853,290
<b>Payments</b>			
Employee costs		(31,243,952)	(25,903,664)
Payment suppliers and others		(21,690,316)	(25,128,228)
		(52,934,268)	(51,031,892)
<b>Net cash flows from operating activities</b>	18	<b>17,846,602</b>	<b>10,821,398</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(2,446,468)	(440,139)
Proceeds from sale of property, plant and equipment	2	(28)	69,737
Purchase of other intangible assets	3	(352,626)	(128,506)
Proceeds from sale of other intangible assets	3	9	-
Deposits held in trust		(60,978,738)	-
<b>Net cash flows from investing activities</b>		<b>(63,777,851)</b>	<b>(498,908)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(45,931,249)</b>	<b>10,322,490</b>
Cash and cash equivalents at the beginning of the year		81,415,716	71,093,226
<b>Cash and cash equivalents at the end of the year</b>	6	<b>35,484,467</b>	<b>81,415,716</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## 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						
<b>Statement of Financial Performance</b>						
<b>Revenue</b>						
<b>Revenue from exchange transactions</b>						
Revenue	57,280,000	-	57,280,000	59,624,290	2,344,290	24
Other income	200,000	-	200,000	300,680	100,680	
Interest received	768,000	-	768,000	1,586,354	818,354	24
<b>Total revenue from exchange transactions</b>	<b>58,248,000</b>	<b>-</b>	<b>58,248,000</b>	<b>61,511,324</b>	<b>3,263,324</b>	
<b>Revenue from non-exchange transactions</b>						
<b>Transfer revenue</b>						
Government grants & subsidies	11,557,363	-	11,557,363	9,210,470	(2,346,893)	24
<b>Total revenue</b>	<b>69,805,363</b>	<b>-</b>	<b>69,805,363</b>	<b>70,721,794</b>	<b>916,431</b>	
<b>Expenditure</b>						
Personnel	(32,182,000)	-	(32,182,000)	(31,932,095)	249,905	24
Depreciation and amortisation	(1,700,000)	-	(1,700,000)	(1,331,406)	368,594	
Lease rentals on operating lease	(2,142,431)	-	(2,142,431)	(2,010,285)	132,146	
Bad debts written off	-	-	-	(13,840)	(13,840)	
General Expenses	(32,359,903)	-	(32,359,903)	(25,525,498)	6,834,405	24
<b>Total expenditure</b>	<b>(68,384,334)</b>	<b>-</b>	<b>(68,384,334)</b>	<b>(60,813,124)</b>	<b>7,571,210</b>	
<b>Operating surplus</b>	<b>1,421,029</b>	<b>-</b>	<b>1,421,029</b>	<b>9,908,670</b>	<b>8,487,641</b>	
Loss on disposal of assets	-	-	-	(67,529)	(67,529)	
<b>Surplus before taxation</b>	<b>1,421,029</b>	<b>-</b>	<b>1,421,029</b>	<b>9,841,141</b>	<b>8,420,112</b>	
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	<b>1,421,029</b>	<b>-</b>	<b>1,421,029</b>	<b>9,841,141</b>	<b>8,420,112</b>	
<b>Reconciliation</b>						
<b>Basis difference</b>						
Depreciation and amortisation				1,331,406		
Bad debts written off				13,840		
Loss on disposal of assets				67,529		
<b>Actual Amount in the Statement of Financial Performance</b>				<b>11,253,916</b>		

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Accounting Policies

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### 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.

#### 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 2016

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### 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
Motor vehicles	Straight line	5 years
Office equipment	Straight line	10 years
IT equipment	Straight line	3 to 7 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 year. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

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.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Accounting Policies

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

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 year.

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.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

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

Item	Useful life
Registration and CPTD software, internally generated	5 years
Computer software, other	5 years

### 1.5 Financial instruments

#### Classification

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

Class	Category
Trade and other receivables	Financial asset measured at amortised cost
Cash and cash equivalent	Financial asset measured at amortised cost

The council 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:

Class	Category
Trade and other payables	Financial liability measured at amortised cost

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Accounting Policies

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### 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 assesses 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.

Financial assets measured at cost:

### 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.



# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Accounting Policies

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### 1.7 Provisions (continued)

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.

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 2016

## Accounting Policies

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### 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.

Control of an asset arise when the council can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

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

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting entity.

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

#### 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 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

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## Accounting Policies

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### 1.12 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

### 1.13 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 2016

## Notes to the Annual Financial Statements

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### 2. Property, plant and equipment

	2016			2015		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Motor vehicles	138,000	(108,100)	29,900	138,000	(80,500)	57,500
Office equipment	3,078,392	(1,409,136)	1,669,256	2,646,261	(1,321,083)	1,325,178
IT equipment	3,857,437	(2,656,812)	1,200,625	3,557,365	(3,078,835)	478,530
Leasehold improvements	1,409,972	(1,071,260)	338,712	742,854	(656,675)	86,179
<b>Total</b>	<b>8,483,801</b>	<b>(5,245,308)</b>	<b>3,238,493</b>	<b>7,084,480</b>	<b>(5,137,093)</b>	<b>1,947,387</b>

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

	Opening balance	Additions	Disposals	Depreciation	Total
Motor vehicles	57,500	-	-	(27,600)	29,900
Office equipment	1,325,178	661,271	(65,867)	(251,326)	1,669,256
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>1,947,387</b>	<b>2,446,468</b>	<b>(67,501)</b>	<b>(1,087,861)</b>	<b>3,238,493</b>

#### Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Disposals	Depreciation	Total
Motor vehicles	85,100	-	-	(27,600)	57,500
Office equipment	1,344,093	263,971	(69,737)	(213,149)	1,325,178
IT equipment	620,258	176,168	-	(317,896)	478,530
Leasehold improvements	368,355	-	-	(282,176)	86,179
	<b>2,417,806</b>	<b>440,139</b>	<b>(69,737)</b>	<b>(840,821)</b>	<b>1,947,387</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

	2016			2015		
	Cost	Accumulated amortisation and accumulated impairment	Carrying value	Cost	Accumulated amortisation and accumulated impairment	Carrying value
Registration and CPTD database	4,199,347	(4,027,967)	171,380	4,199,347	(3,940,497)	258,850
Computer software, other	1,324,934	(785,492)	539,442	1,050,108	(707,209)	342,899
<b>Total</b>	<b>5,524,281</b>	<b>(4,813,459)</b>	<b>710,822</b>	<b>5,249,455</b>	<b>(4,647,706)</b>	<b>601,749</b>

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Annual Financial Statements for the year ended 31 March 2016

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### 3. Intangible assets (continued)

#### Reconciliation of Intangible assets - 2016

	Opening balance	Additions	Disposals	Amortisation	Total
Registration and CPTD database	258,850	-	-	(87,470)	171,380
Computer software, other	342,899	352,626	(9)	(156,074)	539,442
	<b>601,749</b>	<b>352,626</b>	<b>(9)</b>	<b>(243,544)</b>	<b>710,822</b>

#### Reconciliation of intangible assets - 2015

	Opening balance	Additions	Amortisation	Total
Registration and CPTD database	741,973	-	(483,123)	258,850
Computer software, other	353,307	128,506	(138,914)	342,899
	<b>1,095,280</b>	<b>128,506</b>	<b>(622,037)</b>	<b>601,749</b>

### 4. Deposit

#### At amortised cost

Deposit held in trust	60,978,738	-
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#### Current assets

At amortised cost	60,978,738	-
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### 5. Receivables from exchange transactions

Trade debtors	1,085,553	1,171,839
Prepayments	-	17,419
Deposits	75,473	6,478,716
Staff loans	441,713	398,666
Other receivables	1,581	-
	<b>1,604,320</b>	<b>8,066,640</b>

#### Trade and other receivables impaired

As of 31 March 2016, trade and other receivables of R 551,008 (2015: R 537,168) were impaired and provided for.

The amount of the provision was R (551,008) as of 31 March 2016 (2015: R 537,168).

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	537,168	276,874
Provision for impairment	13,840	260,294
	<b>551,008</b>	<b>537,168</b>

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

### 6. Cash and cash equivalents

Cash and cash equivalents consist of:

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Notes to the Annual Financial Statements

Figures in Rand	2016	2015		
<b>6. Cash and cash equivalents (continued)</b>				
Bank balances	21,313,356	13,778,576		
Cash on hand	4,340	3,530		
Short-term deposits	14,166,769	67,633,610		
	<b>35,484,465</b>	<b>81,415,716</b>		
<b>7. Deferred income</b>				
<b>Movement during the year</b>				
Balance at the beginning of the year	2,657,363	4,688,209		
Additions during the year	8,900,000	8,500,000		
Income recognition during the year	(9,210,470)	(10,530,846)		
	<b>2,346,893</b>	<b>2,657,363</b>		
<b>8. Provisions</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>
<b>Reconciliation of provisions - 2015</b>				
	Opening Balance	Additions	Utilised during the year	Total
Provision for annual bonus	230,052	80,184	-	310,236
Provision for leave	1,145,808	2,394,988	(1,414,967)	2,125,829
	<b>1,375,860</b>	<b>2,475,172</b>	<b>(1,414,967)</b>	<b>2,436,065</b>
<p>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.</p> <p>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. The payment of this amount is uncertain.</p>				
<b>9. Payables from exchange transactions</b>				
Trade payables	1,041,691			1,284,805
Payments received in advanced	339,970			250,587
	<b>1,381,661</b>			<b>1,535,392</b>
<b>10. Revenue</b>				
Membership, registration and reprint of certificate	59,624,290			58,108,346
Other income	300,680			258,548
Interest received	1,586,354			4,336,499
Government grants	9,210,470			10,530,846
	<b>70,721,794</b>			<b>73,234,239</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

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### 10. Revenue (continued)

The amount included in revenue arising from exchanges of goods or services are as follows:

Revenue	59,624,290	58,108,346
Other income	300,680	258,548
Interest received	1,586,354	4,336,499
	<b>61,511,324</b>	<b>62,703,393</b>

The amount included in revenue arising from non-exchange transactions is as follows:

Transfer revenue		
Government grants	9,210,470	10,530,846

### 11. Other revenue

Other income	300,680	258,548
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### 12. Investment revenue

Interest revenue		
Bank	1,543,285	4,075,732
Interest received - other	43,069	260,767
	<b>1,586,354</b>	<b>4,336,499</b>

### 13. Government grants

Operating grants		
Government grant	9,210,470	10,530,846

#### Conditional

Included in above are the following grants and subsidies received:

Government grants received	9,210,470	10,530,846
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# SOUTH AFRICAN COUNCIL FOR EDUCATORS

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## Notes to the Annual Financial Statements

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<b>14. Employee benefit costs</b>		
Basic	26,793,175	22,790,235
COID	79,738	11,526
Leave payments	544,258	980,021
	<b>27,417,171</b>	<b>23,781,782</b>
<b>Remuneration of chief executive officer</b>		
Basic	997,331	955,602
Fringe benefit	169,546	162,452
Other	493,559	472,831
	<b>1,660,436</b>	<b>1,590,885</b>
<b>Remuneration of chief finance officer</b>		
Basic	763,496	729,242
Fringe benefit	129,794	123,971
Bonuses	63,625	60,771
Other	671,042	510,545
	<b>1,627,957</b>	<b>1,424,529</b>
<b>Remuneration of chief operations officer</b>		
Basic	736,990	703,990
Fringe benefit	125,288	119,678
Bonuses	61,416	58,666
Other	302,837	289,197
	<b>1,226,531</b>	<b>1,171,531</b>



# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Notes to the Annual Financial Statements

Figures in Rand	2016	2015
<b>15. Operating expenses</b>		
Advertising	171,313	243,328
Auditors remuneration	323,532	649,458
Bank charges	226,999	145,976
Cleaning	84,959	78,609
Consulting and professional fees	450,944	269,786
Fines and penalties	-	71
Hire	118,001	122,642
Insurance	280,658	282,633
Motor vehicle expenses	23,573	27,922
Postage and courier	14,203	20,687
Printing and stationery	474,418	375,778
Project maintenance costs	1,323,849	625,242
Security	21,556	27,046
Staff welfare	186,245	172,993
Subscriptions and membership fees	619,715	421,145
Telephone and fax	609,172	619,471
Training	100,954	125,170
Travel - local	3,496,238	3,670,600
Utilities	2,967,025	1,196,907
Registration costs	659,125	393,505
Professional development	8,437,455	10,530,846
Code of conduct	1,631,990	2,093,924
Communications	1,987,729	1,316,560
Research	1,131,971	669,859
Leasehold improvements	183,874	144,921
	<b>25,525,498</b>	<b>24,225,079</b>
<b>16. Auditors' remuneration</b>		
Fees	323,532	649,458
<b>17. Operating surplus</b>		
Operating surplus for the year is stated after accounting for the following:		
<b>Operating lease charges</b>		
Premises		
• Contractual amounts	2,010,285	7,516,063
Loss on sale of property, plant and equipment	(67,529)	-
Amortisation on intangible assets	243,545	622,037
Depreciation on property, plant and equipment	1,087,861	840,819
Employee costs	31,932,095	27,968,727

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Notes to the Annual Financial Statements

Figures in Rand	2016	2015
<b>18. Cash generated from operations</b>		
Surplus	9,841,141	11,801,220
<b>Adjustments for:</b>		
Depreciation and amortisation	1,331,406	1,462,856
Gain on sale of assets	67,529	
Debt impairment	13,840	260,294
Movements in provisions	608,405	1,060,205
<b>Changes in working capital:</b>		
Receivables from exchange transactions	6,462,320	(1,094,564)
Consumer debtors	(13,840)	(260,294)
Payables from exchange transactions	(153,729)	(377,473)
Deferred income	(310,470)	(2,030,846)
	<b>17,846,602</b>	<b>10,821,398</b>

### 19. Financial instruments disclosure

#### Categories of financial instruments

##### 2016

#### Financial assets

	At amortised cost	Total
Deposits	60,978,738	60,978,738
Trade and other receivables from exchange transactions	1,604,320	1,604,320
Cash and cash equivalents	35,484,465	35,484,465
	<b>98,067,523</b>	<b>98,067,523</b>

#### Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	3,728,554	3,728,554

##### 2015

#### Financial assets

	At amortised cost	Total
Trade and other receivables from exchange transactions	8,066,640	8,066,640
Cash and cash equivalents	81,415,716	81,415,716
	<b>89,482,356</b>	<b>89,482,356</b>

#### Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	4,192,758	4,192,758

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## Notes to the Annual Financial Statements

Figures in Rand	2016	2015
<b>20. Commitments</b>		
<b>Operating leases - as lessee (expense)</b>		
<b>Minimum lease payments due</b>		
- within one year	566,823	1,667,761
- in second to fifth year inclusive	-	223,072
	<b>566,823</b>	<b>1,890,833</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.

## 21. 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.

### 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	2016	2015
Cash and cash equivalents	35,484,465	81,415,716
Deposits	60,978,738	-
Trade and other receivables	1,604,320	8,066,640

### 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.

## 22. 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.

## 23. Contingent liabilities

<b>Surplus</b>		
National treasury	9,841,141	11,801,220

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2016

## Notes to the Annual Financial Statements

Figures in Rand 2016 2015

### 23. Contingent liabilities (continued)

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 accumulated surplus of R9 841 141 has been classified as a contingent liability at 31 March 2016 as there is no approval received as yet to retain the surplus funds.

### 24. 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 2016, 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 2016, revenue collected exceeded the expenditure incurred resulting in a net surplus of R 9,841,141.

This under-spending is as a result of over collection of revenue, by R 3,263,324 above its budget as well as underspending on particular projects due to delay 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 opening accumulated surplus of R 21 700 653, this resulted in the increase in the accumulated surplus to R 31,541,795 at the end of the Financial Year.

Revenue is over the budget due to over collection.

Interest received is over the budget due to over collection of revenue and underspending on particular projects.

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

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 start of projects like CPTD.

### 25. Related parties

#### Amounts owing from related parties

South African Post Office	458,505	1,092,246
SAQA	5,000	-
Umalusi	5,000	-
National credit regulator	5,000	-
Education labour relations council	1,581	-

#### Amounts owing to related parties

State Information Technology Agency Proprietary Limited	(230,701)	-
South African Post Office	(10,717)	(2,922)
Telkom SA Limited	-	(13,856)
	<b>233,668</b>	<b>1,075,468</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.

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## Notes to the Annual Financial Statements

Figures in Rand

2016

2015

### 26. 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 years. These assets were assessed with specific reference to each asset and the condition of the asset. The useful life of these assets was reviewed from 3 to 7 years

The effect of this revision has reduced the depreciation charges for the current and future periods by R 100 085. The effect of this revision has increased surplus for the year by R 100 085.







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