



**SACE**

South African Council for Educators

*Towards Excellence in Education*



# ANNUAL REPORT

SOUTH AFRICAN  
COUNCIL FOR  
EDUCATORS

**2019/2020  
FINANCIAL YEAR**

# Table of Contents

<b>PART A: PERFORMANCE INFORMATION</b> .....	3
PUBLIC ENTITY'S GENERAL INFORMATION .....	4
LIST OF ABBREVIATIONS/ACRONYMS .....	5-6
FOREWORD BY THE CHAIRPERSON .....	7-8
CHIEF EXECUTIVE OFFICER'S OVERVIEW .....	9-10
STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT .....	11
1. STRATEGIC OVERVIEW .....	12
2. LEGISLATIVE AND OTHER MANDATES .....	13
3. ORGANISATIONAL STRUCTURE .....	14
<b>PART B: PERFORMANCE INFORMATION</b> .....	15
4. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES .....	16
5. SITUATIONAL ANALYSIS .....	16-25
6. PERFORMANCE INFORMATION BY PROGRAMME/ ACTIVITY/ OBJECTIVE .....	26
6.1 Programme 1: Registration .....	26-33
6.2 Programme 2: Ethics .....	34-43
6.3 Programme 3: Continuing Professional Development Management System .....	44-56
6.4 Programme 4: Professional Standards .....	57-60
6.5 Programme 5: Policy and Research .....	61-66
7. Revenue collection .....	67
8. Revenue .....	67
<b>9. PART C: GOVERNANCE</b> .....	68-94
<b>10. PART D: HUMAN RESOURCE MANAGEMENT</b> .....	95-101
<b>11. PART E: FINANCIAL INFORMATION</b> .....	102-141

# Part A

## GENERAL INFORMATION



# 1. PUBLIC ENTITY'S GENERAL INFORMATION

<b>REGISTERED NAME:</b>	South African Council for Educators
<b>REGISTRATION NUMBER:</b>	SACE Act 31 of 2000 as amended
<b>PHYSICAL ADDRESS:</b>	Crossway Office Park, Block 1 240 Lenchen Avenue Centurion
<b>POSTAL ADDRESS:</b>	Private Bag X127 Centurion 0046
<b>TELEPHONE NUMBER/S:</b>	+27(12) 6639517
<b>FAX NUMBER:</b>	+27(12) 663 9238
<b>EMAIL ADDRESS:</b>	<a href="mailto:info@sace.org.za">info@sace.org.za</a> / <a href="mailto:pr@sace.org.za">pr@sace.org.za</a>
<b>WEBSITE ADDRESS:</b>	<a href="http://www.sace.org.za">www.sace.org.za</a>
<b>EXTERNAL AUDITORS:</b>	Nexia SAB&T
<b>BANKERS:</b>	Nedbank Limited Reserve Bank
<b>CHIEF EXECUTIVE OFFICER</b>	Ms Ella Mokgalane

## 2. LIST OF ABBREVIATIONS/ACRONYMS

**AFTRA**

*African Forum of Teaching Regulatory  
Authorities*

**CAPS**

*Curriculum and Assessment Policy  
Statement*

**CEPD**

*Centre for Education Policy Development*

**CHE**

*Council for Higher Education*

**COID**

*Compensation for Occupational Injuries  
and Diseases*

**CPTD**

*Continuing Professional Teacher  
Development*

**CRR**

*Capital Replacement Reserve*

**CSV**

*Centre of Study of Violence and  
Reconciliation*

**CTU**

*Central University of Technology*

**DBE**

*Department of Basic Education*

**DBSA**

*Development Bank of South Africa*

**FEDSAS**

*Federation of Governing Bodies of South  
African Schools*

**FET**

*Further Education and Training*

**GAMAP**

*Generally Accepted Municipal Accounting  
Practice*

**GRAP**

*Generally Recognised Accounting Practice*

**HDF**

*Housing Development Fund*

**HEDCOM**

*Heads of Education Departments  
Committee*

**HPCSA**

*Health Professions the Council of South  
Africa*

**HSRC**

*Human Sciences Research Council*

**IAS**

*International Accounting Standards*

**IFTRA**

*International Forum of Teaching  
Regulatory Authorities*

**IPSAS**

*International Public Sector Accounting  
Standards*

**MEC**

*Member of the Executive the council*

**MTEF**

*Medium Term Expenditure Framework*

**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*

**PEDs**

*Provincial Education Departments*

**PEU**

*Professional educators Union*

**PFMA**

*Public Finance Management Act*

**SA GAAP**

*South African Statements of Generally  
Accepted Accounting Practice*

**SACE**

*South African the council for educators*

**SADTU**

*South African Democratic Teachers Union*

**SAOU**

*Suid-Afrikaanse Onderwys Unie*

**SAPA**

*South African Principal Association*

**SAQA**

*South African Qualification Authority*

**Stats SA**

*Statistics South Africa*

**VVOB**

*Flemish Association for Development  
Cooperation and Teacher Assistance*

**WTD**

*World Teachers' Day*

### 3. FOREWORD BY THE CHAIRPERSON



The financial year 2019/20 marks the end of the 2015 - 2019 five-year strategic planning cycle. Despite some of the challenges, Council managed to achieve its outcomes for the 2015-2019 period. In moving towards the 2020-2025 planning cycle, Council reviewed its previous strategic plan in the context of the prevailing policy imperatives that are linked to its mandate and which are clearly espoused by the NDP, the Revised Framework for Strategic Plans and Annual Performance Plans, and the policies and frameworks of the Department of Basic Education. Notably, the voice of the teachers, SACE constituencies and stakeholders became central in shaping the 2020 – 2025 SACE vision and strategic direction.

With the theme “professional teaching in our hands”, the teaching profession saw the development of the professional teaching standards through the multi-stakeholder process that was launched by the Minister of Basic Education in 2016. The extensive standards of writing and consultative processes culminated in the 10 professional teaching standards that recognise that professional teachers build the nation and communities, and that professional teachers enable learning. Also, both HEDCOM and CEM had an opportunity to engage with these standards. The Education International/UNESCO and African regional standards and competence frameworks have been consulted to ensure the global and regional flavour, respectively. It is through these standards, amongst others, that the standing and status of the teaching profession have been enhanced.

As Council moves into a new five-year planning cycle for 2020-2025, it will ensure that the professionalisation of the teaching profession and implementation of the council-approved teacher professionalisation path are underpinned by the developed professional teaching standards. In doing so, Council will ensure that the collaborative approach to professionalising the teaching profession is followed in order to recognise the fundamental role that SACE constituencies and stakeholders play, as a collective, in ensuring that this programme’s intended goals and objectives are achieved. Consistent with this, let me take this opportunity to applaud all of them for championing SACE activities including their overall unwavering support to SACE.

Furthermore, the teaching profession saw the introduction of the SACE online registration system during the year under-review. This was in alignment with the 4<sup>th</sup> Industrial revolution goals. The system has been used largely by the student teachers in various Higher Education Institutions (HEIs), as new provisional registration applicants. In addition, the processes of

regulating the entry into the teaching profession through effective partnerships and collaboration that enhanced systems and processes to efficiently and timeously acquire police clearance was strengthened. Also, the commencement of collaboration with SAQA will go a long way in protecting the status of the teaching qualifications. It will also assist to curb fraudulent qualifications in the profession which is in line with the National Qualifications Framework Amendment Act.

Additionally, Council believes that at the centre for any education system are the teachers. Therefore, teachers' participation in a system for continuing professional teacher development is of greater significance for their professional competence and internal quality professionalism. It is for this reason, amongst others, that SACE promotes the principle of lifelong-learning of teachers through its CPTD management system. Council would like to applaud and acknowledge all the teachers that participate in the CPTD system and who report their professional development uptake to SACE regularly. Also, teachers participated in several SACE related activities and engagements that were meant to broaden the understanding of the work done by Council.

As we move into the new financial year, implementing the teacher professionalisation path, broadening the users for the online registration system, heightening research, data management, analysis and utilisation and improved teacher support on professional matters, as well as, teacher misconduct case management processes will be prioritised.

My sincere gratitude goes to all members of staff who worked tirelessly to attain the achievements that are reported in this annual report. My sincere gratitude also goes out to my fellow Councillors for their continuing commitment and support in implementing the Annual Performance Plan of 2019/20, and who ensured that robust discussions continued in all committees in which they were appointed to serve.

The council would not be able to deliver on services if it was not for the dedicated teachers who have strived and continued to contribute to the council financially. Sincere gratitude is extended to of them and the entire teaching fraternity.



---

**Mr Mabutho Lucky Cele**  
**South African Council for Educators**  
**Date: 13 November 2020**

## 4. CHIEF EXECUTIVE OFFICER'S OVERVIEW

For the period under review R20 million was received from The Department of Basic Education in addition to the deferred unspent grant of R2,7 million from the previous year bringing the annual budget to R22,7million for the management of The Continuous Professional Teacher Development. The Council spent 83% of the R22,7million budgeted as subsidy for the management of Continuous Professional Teacher Development.



Registration administration fee collected from registering members remains at R400,00 for foreign nationals and R200,00 for South African. The council has taken note of its funding pressure on the MTEF projections and consequently, deferred its funding review processes to 2021 and 2022 financial years.

In terms of the organisational expenditure and spending trends, Council has operated within its revenue collection of R112 million and remained with the accumulated annual surplus of R5.2 million. The council has made a request from the National Treasury to retain the total accumulated surplus for continuous improvement of IT infrastructure; the acquisition of the remaining planned provincial offices in Free State; Eastern Cape and Western Cape. The financial position of Council is declared to be in good order and economically available. The Council will consider the review of its financial resourcing during the current MTEF period to ensure continued delivery of mandatory functions within the organisation. Furthermore, the organisation's supply chain management system is in place and operating effectively.

From a capital investment perspective, the Council owns an administrative building located at no. 240 Lenchen Avenue, Centurion for the value disclosed in the financial statements. In a move to increase its capital investment, Council is intending, amongst others, to use the accumulated surplus reflected in the financial statements, to acquire provincial administrative buildings in the Western Cape, Free State, Kwazulu-Natal, Eastern Cape and Limpopo within the current MTEF period. The property acquisition process in Limpopo and Kwazulu-Natal is at an advanced stage to be concluded in the second quarter of 2020/21 financial year, while the Eastern Cape and Western Cape will be concluded in the fourth quarter of 2020/21 financial year. The acquisition of the buildings for the SACE provincial offices, was done through the five bidding processes during the period under review.

Furthermore, the 2019/2020 budget is reflective of Council's commitment to the development and empowerment of teachers as life-long learners. This is evident through the management and implementation of the CPTD Management System which ensured that.

It is for this reason that the CPTD System (Programme 3) received the highest budget allocation to ensure that the country has quality SACE endorsed professional development programmes and activities for educators. Accordingly, 52 586 educators signed up for participation in the CPTD system in 2019/2020. Coupled with this, Council managed to quality assure 1009 Professional Development activities through its endorsement process, as well as, developing and supporting 20 757 educators on professional matters, across the country. While four out of five indicators were achieved under the CPTD System programme, additional work needs to be done to encourage more educators, providers and schools to report to SACE on professional development uptake. Equally, systems and processes for managing the CPTD system should be enhanced in the new financial year, particularly the development of the online self-service portal for the professional development providers.

Equally, as Council moves into the process of implementing the professional teaching standards and teacher professionalisation path, the development, enhancement and integration of the internal and external systems across the teacher education and development continuum become imperative.

I am eternally grateful to the SACE Chairperson for his leadership and stewardship; and the management team and staff for their, hard work, selfless efforts and support in continuing to maintain the work of SACE. Also, my appreciation goes to the Office of the Minister of Basic Education, the Director-General, Senior Managers, officials and SACE constituencies for supporting SACE in delivering on its mandate. We are also grateful for the continued collaboration with Umalusi in ensuring that our independent schools have fit-to-practice professionally registered educators.

In conclusion, we are indebted to the SACE Council and Council Committees for their leadership and support in taking the organisation forward.



---

**Ms Ella Mapula Mokgalane**  
**Chief Executive Officer**  
**South African Council for Educators**  
**Date: 13 November 2020**

# 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 is consistent with the annual financial statements audited by the Auditor General.

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 Recognized Accounting Practice (GRAP), including any interpretations, guidelines and directives issues by the Accounting Standards Board (ASB) applicable to SACE.

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 which 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 2020.

Yours faithfully



**Chief Executive Officer**  
**Ella Mapula Mokgalane**  
**Date: 13 November 2020**



**Chairperson of the Board**  
**Mabutho Cele**  
**Date: 13 November 2020**

## 5. STRATEGIC OVERVIEW

### Vision

To promote the professionalism of all educators in South Africa by ensuring that its services are easily accessible. To continuously empower educators through development, thus ensuring that educators are committed to the profession and will adhere to the ethos of our education as is enshrined in our Constitution.

### Mission

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

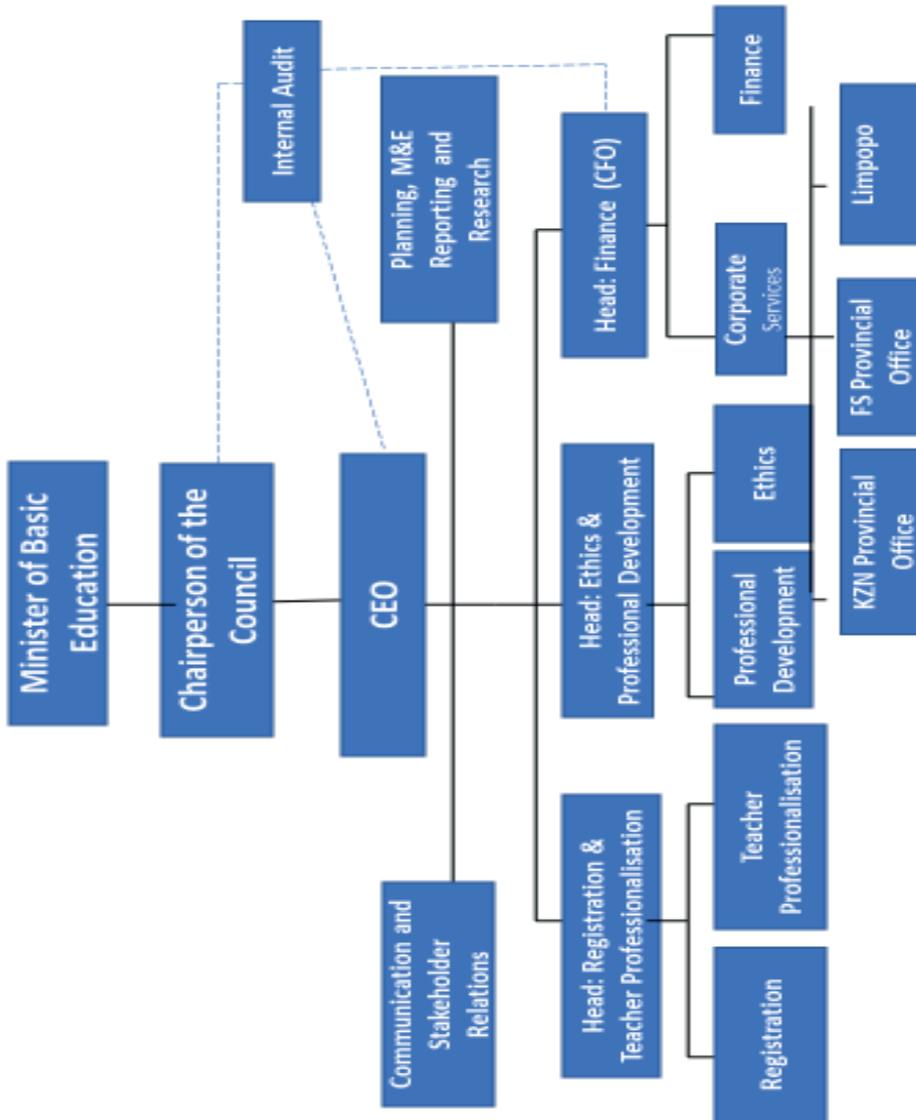
### Values

<b>Service-oriented</b>	Ensure that the teaching profession and specifically educators are serviced satisfactorily at all times. Servicing educators at all material times is the primary priority for all SACE employees.
<b>Quality</b>	Provide quality and excellent service and programmes to all educators and the profession as a whole
<b>Openness and Transparency</b>	All SACE matters should be treated with honesty and sincerity. SACE will strive to engage and consult with its Stakeholders on various matters on a regular basis.
<b>Professionalism</b>	Display a high level of professionalism at all times.

## 6. LEGISLATIVE AND OTHER MANDATES

- NDP: Vision 2030: National Development Plan
- NQF Act, 2008: National Qualifications Framework Act, NQF Amendment Bill 2019
- NPFTED, 2007: National Policy Framework for Teacher Education and Development South Africa
- ISPFTEd, 2011: Integrated Strategic Planning Framework for Teacher Education and Development in South Africa, 2011–2025
- PPQTVET, 2013: Policy on Professional Qualifications for Lecturers in Technical and Vocational Education and Training
- MRTEQ, 2015: Revised Policy on the Minimum Requirements for Teacher Education Qualifications
- PPQACET, 2015: Policy on Minimum Requirements for Programmes Leading to Qualifications for Educators and Lecturers in Adult and Community Education and training
- MRQEECCCE, 2017: Policy on Minimum Requirements for Programmes Leading to Qualifications in Higher Education for Early Childhood Development Educators
- SACE Revised Registration Criteria
- SACE Code of Professional Ethics
- CPTD Management System Handbook 2013
- SACE Professional Teaching Standards
- SACE Fit-to-Teach Policy
- SACE Teacher Professionalisation Path
- SACE Draft Teachers' Rights Responsibilities and Safety Handbook

# ORGANISATIONAL STRUCTURE



# Part B

**PERFORMANCE INFORMATION**



## 1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the report on the audit of the annual performance report section of the auditors' report on pages 109 – 114.

## 2. SITUATIONAL ANALYSIS

### 2.1. Service Delivery Environment

During the 2019/2020 reporting period, the Council managed to fulfil its mandated obligations, despite a challenging environment. Significant amount of work was done to ensure that the services provided to educators was extended and improved on as the Council focused on the delivery of the planned targets for the year. The National Treasury Instruction No. 05 of 2019/2020 required that the national and provincial institutions comply with the mandatory requirements in implementing the Revised Framework for Strategic and Annual Performance Plans, dated 2019. Accordingly, Council tabulated the Strategic Plan 2020-2025 and the Annual Performance Plan (APP) 2020/21 in parliament in May 2020.

SACE is responsible for the implementation and management of the Continuing Professional Teacher Development Management System herein (the "CPTD MS"). The Council is tasked with the responsibility of quality assuring the provisioning of professional development programmes for the educators as lifelong learners. Educators are encouraged to engage with the self-service portal by firstly signing up for participation in the CPTD system and are also encouraged to open an individualised Professional Development (PD) account. This enables them to participate in professional development, record their participation in the Professional Development Portfolio (PDP) and report to the Council in order to located PD points, accordingly.

Over the past six years, about 25 % of educators have warmed up to the need to participate in the CPTD system as professionals, like other professions have done. The appetite for CPTD uptake is increasing, and educators have continued to show both an interest and an initiative to participate in their lifelong learning to improve the quality of education in South Africa. Council will continue to support all efforts to get teachers to take charge of their own lifelong learning and will motivate them to be reflective practitioners throughout their teaching lives. However, Council is fully aware that many teachers continue to work under strenuous circumstances which often require them to juggle between core activities and the need to report their CPTD uptake. The Council has developed the following resources for educators which comprises of the video clip and the

concertina support document to make it easy to for them to engage meaningfully with the self-service portal. The continued engagement and close collaboration with stakeholders have increased over the years, and in the process has created an enriched platform for the Council to support more educators.

The Council has successfully signed up almost all educators in the profession, with a few who have remained unsigned. Therefore, council has decided to review this indicator in the next five years in order to focus on the sign up of the final-year students. Council also calls upon educators to log into the CPTD MS and verify their sign up so as to participate in CPTD, and likewise record and report such participation.

The Legal and Ethics environment is encompassed by various factors, some which are favourable and yet others which are unfavourable, the latter of which poses many complexities and thus impacts on the Council's processes to finalise cases. 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 is provided 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, summons is issued against the educator and a hearing gets scheduled to take place at least within a three months' cycle. From the 26 names of educators that were removed from the roll of educators, 10 were submitted to the Department of social development for inclusion into the register of persons declared unfit to work with children. 7 of the names were from cases rolled over from the previous years, while 3 of the names were from the 2019/20 financial year.

The Council launched the Teacher Rights Responsibilities and Safety in March 2019. Subsequent to the launch, research was conducted on teachers' rights, responsibilities and safety. The research included a literature review, interviews, focus group sessions with teachers in all provinces and the production of draft handbook for educators. The draft handbook was returned to the educators for their feedback and finalisation of the handbook was completed through the provincial round tables. This platform was used to finalise the draft handbook that will serve as a guide to the educators when they are faced with violent situations in their schools.

Also, as part of professionalising the teaching profession, Council presented the SACE approved Professional Teaching Standards to HEDCOM and CEM during the third quarter of 2019/2020. Both the Professional Teaching Standards and Teacher Professionalisation Path will be launched in the new financial year for implementation.

Among the challenges facing the Council to deliver on its mandate is inadequate integrated ICT systems and processes to ensure seamless implementation of the SACE mandate. Hence, the heightened drive by the organisation to improve the internal ICT integrated systems for effective implementation of the mandate. Coupled with this is the periodic challenges around the functionality of the CPTD self-service portal which may impact on teachers' processes of electronically reporting their participation in the CPTD system. These challenges are being attended to through the system audit in order to understand the root causes and to accordingly address them.

Lastly, in processing the breaches referred to in the SACE, Council continues to experience challenges in terms of the unavoidable cases that was carried over to the next financial year. Similarly, council experienced 211 cases that were carried over from 2019/2020 to the 2020/2021 financial year.

## 2.2. Organisational environment

Corporate Services is responsible for Human Resource Management, Administration, Infrastructure and Maintenance, General Services and Security, and Coordination and Support to Provincial Offices. Also, the Human Resource Management (HRM) Unit has two sections namely, "Provisioning and Conditions of Services" and "Labour relations and Training Development". These units enable Council to deliver its mandates which include organisational structuring, employment equity, staff provisioning, employee wellness, labour Relations, skills development and training, occupational health and safety and conditions of service.

In its endeavour to enhance capacity and skills, the Council has conducted numerous training sessions internally, as well as, through various service providers. The HRM continued on its path of filling both strategic positions at a senior management level and administrative support posts for the delivery of the organisation's key mandates. This path was started in the previous period as reported then and continued for the period under review.

The Council filled all senior posts as identified in the organisational structure, which was recently developed through Job Evaluation as conducted by an independent Service Provider in 2018.

Several Administration posts were also filled during the period under review for vacated posts and newly created posts for newly established provincial offices in Limpopo.

The Organisation has a staff compliment of about 136, inclusive of senior management, managers, administrative Staff, provincial coordinators for CPTD (Continuous Professional Teacher Development) Programme and Provincial staff in the following Provinces i.e. Kwa Zulu Natal, Limpopo and Free State.

### 2.3. Key policy developments and legislative changes

None

### 2.4. Strategic Outcome Oriented Goals

**Goal 1:** *To maintain an updated register of all qualified educators, sub-registers of all categories and issue relevant different certificates*

The SACE Strategic Plan 2015-2020 outlined the Strategic Goal 1: **To maintain an updated register of all qualified educators, sub-registers of all categories, and issue relevant different certificates.** The Goal Statement is “an up to date register that provides data for informing of the profession.” For the performance period 2019- 2020, Council managed to put measures in place to achieve the strategic goal through the provision of a registration service for all qualifying educators who applied. The registration process was refined and divided into different categories to accommodate an array of educators who qualified to be registered with Council. The sub-categories were further refined to provisional registration which catered for student teachers. Also, professional registration which catered for applicants with full professional qualifications and special category sub-register which accommodated teachers who offered specialised services that were outside the teaching profession.

Council introduced online registration which availed the registration service to educators for 7 days a week and 24 hours. This system widened accessibility of the registration platform. The objective statement outlined that the number of educators to be registered during the 5-year strategic plan period will be 20 000. Council exceeded this number, thus increasing the chances of Council to provide enough teachers to the sector. The objective statement did highlight that educators will be classified further into new registration and updates. Council has achieved this objective by providing registration to 31769 new Applicants and to 47315 updating applicants. This process enhances the status of the register, thus enabling the Council to maintain an updated register of all qualified educators, sub-registers of all categories and issue relevant certificates.

**Goal 2:** *Set and maintain ethical standards and process complaints*

The 2011-2019 period has been inundated with an increase in cases of professional misconduct or unethical conduct by educators in South Africa. The most prominent cases which have raised eyebrows in the community are those pertaining to sexual misconduct and corporal punishment. There are also cases pertaining to negligence such as when an educator locks a child in a locker-room over night as some form of punishment for whatever misdeed performed. Educators have also used bad language (verbal abuse) on each other, and in some cases racial remarks which are unacceptable in a diverse society such as South Africa. There

would also be causes. Generally, most cases have the effect of bringing the teaching profession into disrepute. Council has predominantly conducted investigations and where cases did exist, charges were issued against educators. When charges are preferred hearings and if found guilty, the accused were convicted and sanctioned. This was an indication that cases were resolved. Council also processed appeals in cases where educators felt they were aggrieved with either the substantive issues in the matter or with procedural irregularities.

In each case, such appeals were heard and verdicts reached and meted out on perpetrators. The period also saw many cases that had previously been dropped because of lack of evidence become revived at the instance of the complaint. Council has always taken an approach of dealing with any case on a meritocratic basis. Council always assesses the merits of each case and in certain instances drops cases that are not within its jurisdiction, such as those pertaining to labour disputes between employer and employee. Council does not delve into labour matters but focuses on regulatory matters with the effect of enforcing ethical standards in the teaching profession and safeguarding the interests of the teaching profession.

### **Review of the 2019/2020 period**

The Council continues to promote ethical standards in the teaching profession through enforcement of the code of professional ethics. The activities of Council reported in this period enhanced the strategic goals of the Council. The Council employed additional personnel e.g. volunteer panellists who worked tirelessly to accelerate the processing and finalisation of cases. Constant training was provided to the personnel to increase their productivity. The Council placed a lot of focus on roll over cases as reflected in the table below. The Council used an approach of dealing with cases based on the first in, first out basis. Hence, the reported cases which were in line with the planned indicators received less than the required attention.

**Goal 3:** *Improved participation in the Continuing Professional Development that contributes to quality teaching and learning.*

A total of 3625 Professional Development (PD) activities were endorsed by SACE in 2017-2019, while 691 were educators who were participants. This translates to 19.06 % (691) endorsed activities which educators participated in for their professional development. The highest uptake is PD activities is titled 21st Century Classroom with a score of 13.30 % (19168) of the total activities. This is followed by cluster meetings and advice on the establishment and implementation of a quality management system for skills development practices in an organization, with a score of 10.30 % (14854) and 8.99 % (12955) each in second and third positions, respectively. The following seven were together with the above top 3. Among the top 10 PDAs undertaken by teachers in the period 2017-2019 were the following: a safe learning

environment [8.92 % (12861)]; apply basic knowledge of statistics and probability to influence the use of data procedures in order to investigate life related problem [5.41 % (7803)]; administrative intervention [3.79 % (5464)]; develop an organizational training & development plan [3.47 % (5007)]; accessing the language of learning & teaching using the SIOP model [2.63 % (3792)]; Innovative Teachers Workshops, Network & Forum [1.89 % (2720)] and National Subject Forum Meetings [1.83 % (2638)].

The professional development activities participated in by educators is presented in the Table below:

Serial No.	PDAs	2017		2018		2019		TOTAL	
		Freq	%	Freq	%	Freq	%	Freq	%
1	Classroom management	8492	18.83	8503	19.75	15455	28.29	32450	21.96
2	School Management & Leadership	11948	26.50	3512	8.16	5820	10.65	21280	14.40
3	Cluster meetings and subject forums	4893	10.85	11105	25.79	4627	8.47	20625	13.96
4	People management, development, capacity building and labour relations	3459	7.67	2231	5.18	5092	9.32	10782	7.30
5	Statistics and research	2156	4.78	4881	11.33	779	1.43	7816	5.29
6	Assessment and moderation Practices	1734	3.85	1622	3.77	2852	5.22	6208	4.20
7	Languages subject area	1465	3.25	1650	3.83	2962	5.42	6077	4.11
8	School Administration	2094	4.64	2177	5.06	1366	2.50	5637	3.81
9	Mathematics subject area	740	1.64	929	2.16	3015	5.52	4684	3.17
10	ICT & Digital-Enhanced Pedagogy PDAs	1149	2.55	1209	2.81	1147	2.10	3505	2.37
11	Life sciences subject area	449	1.00	1608	3.73	887	1.62	2944	1.99
12	Mentoring, Council and coaching	564	1.25	64	0.15	1344	2.46	1972	1.33
13	CPTD Support	1	0.00	1381	3.21	538	0.98	1920	1.30

Serial No.	PDAs	2017		2018		2019		TOTAL	
		Freq	%	Freq	%	Freq	%	Freq	%
14	Teaching methods, approaches and classroom practice	411	0.91	381	0.88	1068	1.96	1860	1.26
15	Curriculum planning, development and management	881	1.95	93	0.22	418	0.77	1392	0.94
16	Emotional intelligence, wellness and conflict management	484	1.07	85	0.20	688	1.26	1257	0.85
17	Social sciences subject area	164	0.36	96	0.22	820	1.50	1080	0.73
18	English language subject area	179	0.40	252	0.59	575	1.05	1006	0.68
19	Classroom discipline	362	0.80	120	0.28	502	0.92	984	0.67
20	Natural sciences subject area	119	0.26	2	0.00	744	1.36	865	0.59
21	Health, HIV/AIDS and First Aid Training	532	1.18		0.00	327	0.60	859	0.58
22	Learner support	549	1.22	110	0.26	157	0.29	816	0.55
23	Accounting, EMS and Business Studies subject area	69	0.15	150	0.35	529	0.97	748	0.51
24	Financial, Resource, Project & Procurement Management	416	0.92	147	0.34	146	0.27	709	0.48
25	Reading skills	320	0.71	50	0.12	229	0.42	599	0.41
26	Special skills	316	0.70	10	0.02	179	0.33	505	0.34
27	Professional Ethics			266	0.62	209	0.38	482	0.33
28	Life orientation subject area	179	0.40	5	0.01	232	0.42	416	0.28
29	Communication, presentation & graphic communication skills PDAs	188	0.42	58	0.13	138	0.25	384	0.26
30	Diversity Management	108	0.24	57	0.13	216	0.40	381	0.26

Serial No.	PDAs	2017		2018		2019		TOTAL	
		Freq	%	Freq	%	Freq	%	Freq	%
31	Information and knowledge management	18	0.04			255	0.47	273	0.18
32	School safety	2	0.00	80	0.19	166	0.30	248	0.17
33	Distribution by writing, creative writing and handwriting skills PDAs	111	0.25	3	0.01	129	0.24	243	0.16
34	FET and ECD PDAs	36	0.08	82	0.19	124	0.23	242	0.16
35	Sports administration and management	193	0.43	19	0.04	24	0.04	236	0.16
36	Physical sciences subject area					231	0.42	231	0.16
37	Inclusive education	121	0.27	106	0.25			227	0.15
38	Finance skills	22	0.05			166	0.30	188	0.13
39	Thinking and problem-solving skills	10	0.02			162	0.30	172	0.12
40	Parental support and community development	137	0.30			27	0.05	164	0.11
41	Standard setting		0.00	20	0.05	76	0.14	96	0.06
42	Life skills	11	0.02			69	0.13	80	0.05
43	Consumer studies subject area					50	0.09	50	0.03
44	Neuroscience subject areas					39	0.07	39	0.03
45	Legal skills	4	0.01			34	0.06	38	0.03
46	Drawing and geometry subject areas	1	0.00			13	0.02	14	0.01
47	Unclassified							5000	3.38
	<b>TOTALS</b>	<b>45087</b>	<b>100.00</b>	<b>43064</b>	<b>100.00</b>	<b>54626</b>	<b>100.00</b>	<b>147784</b>	<b>100.00</b>

The Table analysed the extent to which teachers engaged in PD activities that comprised of various themes. Classroom management related PD activities topped the list with a score of 22 % (32450) participations. The participation increased each year under consideration. This is followed by School Management & Leadership and Cluster meetings and subject forums, in second and third place with scores of 14 % (21280) and 13.96 % (20625), respectively. People management, development, capacity building and labour relations [7.30 % (10782)]; Statistics

and research [5.29 % (7816)]; Assessment and moderation Practices [4.20 % (6208)]; Languages subject area [4.11 % (6077)]; School Administration [3.81 % (5637)]; Mathematics subject area [3.17 % (4684)] and ICT & Digital-Enhanced Pedagogy PDAs [2.37 % (3505)] were in the top 10 participated themes, respectively. Themes such as Inclusive education; Finance skills; Thinking and problem-solving skills; Parental support and community development; Standard setting; Life skills; Consumer studies subject area; Neuroscience subject areas; Legal skills and Drawing and geometry subject areas were the least participated professional development with a score of 0 %.

**Goal 3.1:** *Improved research production to advise and inform the teaching profession*

According to the SACE Act 31 of 2000, the Council has a responsibility to advise and inform the teaching profession through research in line with its objectives which include amongst others to register qualified educators; to promote the professional development of educators; manage a system for the promotion of the continuing professional development of all educators; and maintain and protect ethical and professional standards for educators by means of the functioning of the council. Research enables the opportunity to plan and gather information in the advancement and pursuit of knowledge. Thus, Council is committed to engaging in high quality, evidence-based scientific research that is locally and internationally viable.

Over the 5-year period Council has engaged in a number of research activities in order to aid in the production of reports to inform the profession. SACE has delivered and produced reports in line with its mandate. Council deals with a number of sexual cases between teachers and learners and thus it was pivotal to study and understand the contributing factors towards this misconduct by teachers. A report on factors and the environment facilitating/enhancing sexual-related misdemeanour between teachers and learners was produced in 2017. This study investigated the factors and the environment facilitating sexually related misdemeanour between teachers and learners.

The findings indicated that the factors and environment enhancing sexual misdemeanour are very complex to deal with and to resolve. This is due to the sensitivity of the matter between the victims (learners) and the perpetrators (teachers). In 2018, Council also conducted a trends analysis of a 5-year review study on disciplinary cases that were reported to SACE from 2013 to 2017. The research analysed the trends in cases of misconduct which were reported to SACE from 2013 to 2017. This study further informed how SACE could improve its internal processes such as data collection and reporting, and how it could work better with its stakeholders in handling reported cases both swiftly and efficiently.

Another valuable report looked at how special schools can use their expertise relating to specific disabilities to support ordinary schools, including children with similar needs (i.e. special schools as resource centres'), drawing from global examples (2018). This study focused

on the role which special schools can play as resource centres for ordinary schools, taking into account all the contextual factors that learners are exposed to. This may include poverty and or living conditions, family medical background or history, the child's family literacy levels and any other needs of the children (2018). Also, in 2018 SACE collaborated with the University of KwaZulu-Natal in a study to examine the types and prevalence of interpersonal violence in South African schools. The results for this study showed that male teachers were the majority offenders, and that female teachers and learners were over nine times likely to be victims of all types of violence, as compared to males. These are important findings in finding solutions to the high prevalence of violence in schools. In addition to its response to the reported high volumes of violence in schools, Council conceived a research project on Teachers' Rights, Responsibilities and Safety. The programme aims to highlight the plight which educators face on a daily basis in relation to their rights and safety being eroded and their dignity and respect being compromised in the schools. A research report detailing the background to the study was drafted in 2019. A handbook will be drafted and made available to educators.

### **Goal 3.2: Enhanced Teacher Professionalisation**

The SACE Strategic Plan 2015-2020 defines the Strategic Goal 3.2 as **Enhance teacher professionalisation**. The Goal Statement is that IPET and CPTD professional standards are set and implemented. Teacher professional designations are registered. The strategic objective was to enhance teacher preparation and professional practice. In relation to the objective statement, the Council has set and implemented the IPET and CPTD standards through a consultative process with the stakeholders in the teaching profession.

The Professional Standards process was launched in 2016 by the Minister of Basic Education's office to mark the significance of the process in the history of the teaching profession in South Africa. The Standards Development Working Group (SDWG) has been established in the previous financial year and met three times on 29 August 2017 and 23 March 2018, inclusive of the Initial Teacher Education Meeting which took place on 30 August 2017. The professional teaching standards were approved by the Council in November 2018. The approved set of professional standards for teachers' practice is theoretically informed, contextually appropriate and widely accepted by stakeholders. The Council presented the Professional Teaching Standards at various structures of DBE, including the Council of Education Ministers (CEM).

## PERFORMANCE INFORMATION BY PROGRAMME/ ACTIVITY/ OBJECTIVE

### PROGRAMME 1: REGISTRATION OF EDUCATORS

The purpose of this programme is to register qualified educators and create sub-registers for special categories; maintain and update educator database and enhance the quality of the registration of teachers by introducing standards.

#### Strategic objective:

To register unregistered practicing and newly qualified educators in the country and special categories of educators

#### *Strategic objectives, performance indicators planned targets and actual achievements*

#### *Strategic objectives*

Programme 1: Registration of Educators					
Strategic objectives	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
To register unregistered practicing and newly qualified educators in the country, and special categories of educators	64 751	75 000	79084	+4084	More students graduated, particularly from the distance education Higher Education Institutions.

*Key performance indicators planned targets and actual achievements*

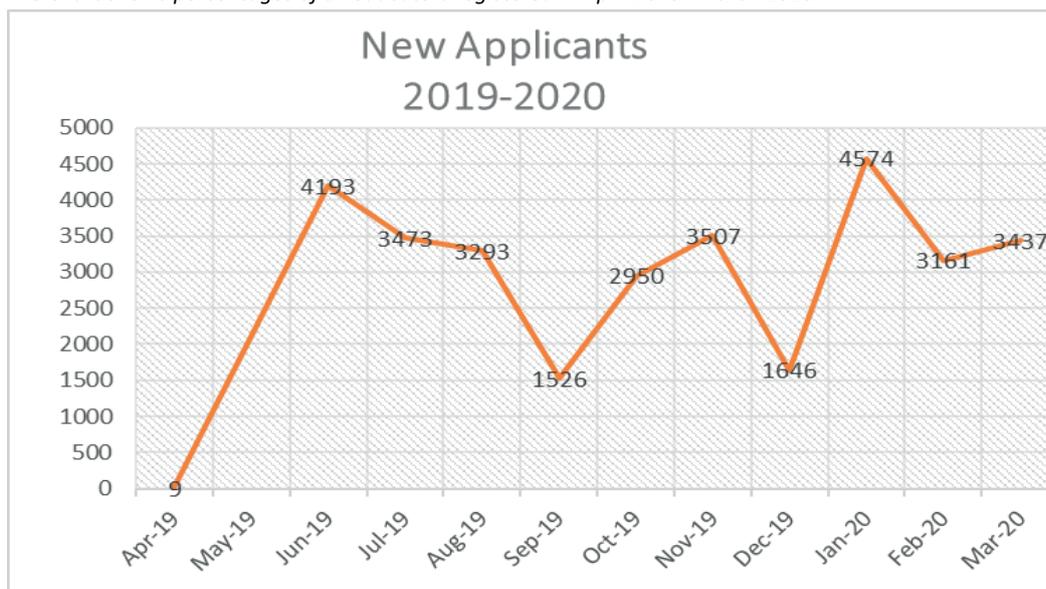
Programme 1: Registration of Educators						
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations	
1.1.1 Number of new educators registered	29 765	35 000	31 769	-3231	Disjuncture between the final year students' projections and the planned SACE APP target.	
1.1.2 Number of educators updating and renewing their registration status	34 986	40 000	47 315	+7351	An increase in the number of students graduating from various Higher Education Institutions, than projected by SACE.	

## Narrative Highlights for the 2019/20 Financial Year commenced

According to the SACE strategic plan 2015/2020, council had to maintain an updated register of all qualified educators including sub-register of the special category. To achieve its mandate relating to registration of teachers, Council dedicated time and resources to broadly share the registration requirements across the education sector. During the 2019-2020 reporting period, Council processed 79084 registration applications in terms of new registrations and updates from provisional to full registration status. In line with this, this Programme had two indicators i.e. number of new educators registered and the number of educators updating and renewing their registration status. Performance on the two indicators is reflected percentage wise in the Table below:



The Chart shows percentages of all educators registered in April 2019- March 2020.

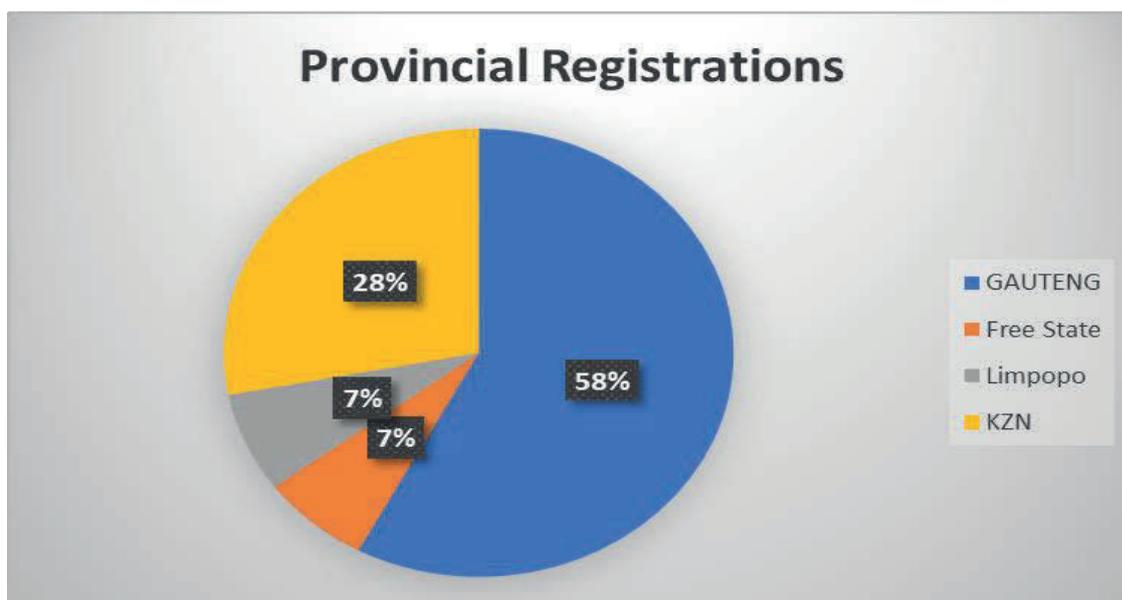


The Chart shows number of new educators registered monthly with the Council: April 2019- March 2020

In terms of the new applicants who registered with Council for the first time, 35 000 were targeted and only 31769 (40%) were registered due to the reasons provided in the variance and comment column above. The chart above indicates the number of new registrations on a monthly basis, with the highest number recorded in January 2020 followed by May 2019. It should be noted that most tertiary institutions make their intake of student teacher between January and March, and that most teachers receive their results in December and prefer to register with Council only in January. These reasons may account for high number of registrations made in quarter 4. The least number of new registrations occurred in September 2019. From the 31 769 new registrations, only 3472 (10.92%) qualified for registration under special conditional category. Also, 2836 (8.92%) out of 31 769 were classified under the ECD category.

Compulsory verification of all foreign national documents led to a decline in registration of Foreign Nationals because of the rigorous verification system between SACE and Department of Home Affairs.

As reflected in the chart below, Council has offices in Limpopo, Free State, KZN and Gauteng which is the head office. All these offices offer registration services to teachers.



*The Chart shows percentages of new educators registered across SACE offices: (April 2019 - March 2020)*

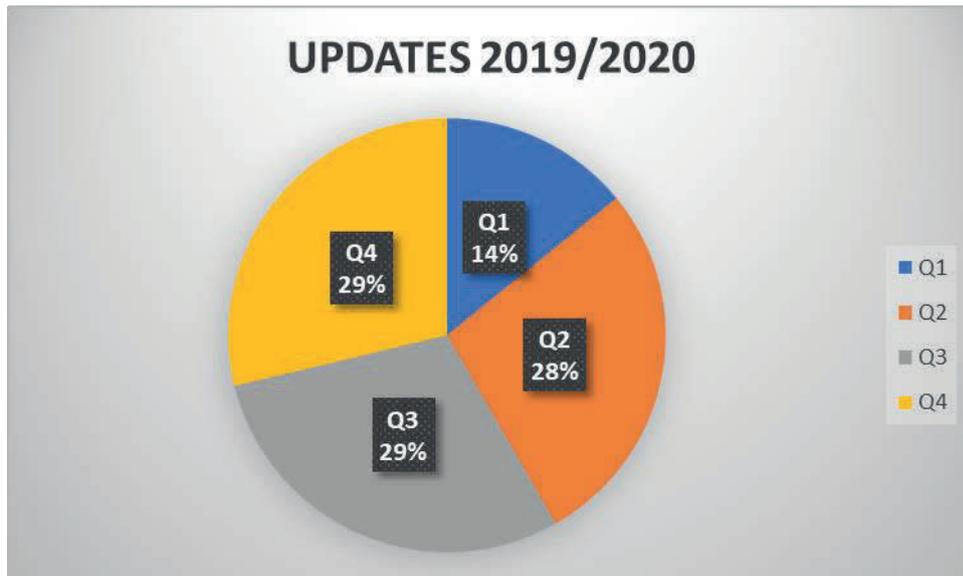
Out of all 31769 registrations done, 18 373(58%) were processed in Gauteng. KZN processed 8898 (28%) of the registration and the province that processed least number of applications was Free State with 2214 (7%). It should be noted that the office in Limpopo was opened in September 2019 and was able to process 2284 new applications in six months period.

Also, Council saw a decline in the number of new Foreign Nationals applications processed between April 2019 – March 2020 with only 129 (0.040%) out of 31 769 as compared to 395

in 2018-2019. Out of 129 new foreign national applicants, only 34 (26.35%) were student teachers, while 95 (74%) were professionally qualified applicants.

The second indicator is about the number of educators updating and renewing their registration status. Updates refers to newly qualified educators who have updated their provisional registration status to full registration after completing their education qualifications and who then become professionally qualified. The chart below, shows their registration in percentages on a quarterly basis:

### ***Educators updating their registration status***



*The Chart shows percentages Number of educators updating and renewing their registration status: (April 2019 - March 2020)*

### **Online Registration System**

The Council developed an online registration portal and it was put to test through a pilot process. Seven Universities were invited to be part of the pilot the system. Final year Student Teachers from University of Pretoria, University of Limpopo, Wits, NWU-[3 Campuses, CUT, Walter Sisulu University] were invited to apply using SACE online registration portal. The results of the pilot were used to improve the online registration system.

### **Report on Police Clearance: Status of registration for teachers who were found to be having Criminal records when applying for registration**

Council registered **79084** applicants between April 2019 and March 2020, and all these applicants submitted a police clearance. In addition to the successful applicants who registered with Council, 59 were found to be having criminal records. Their police clearance certificate revealed that they committed different offences. These applicants were handed over to the Legal and Ethics division to advise and guide the process. Cases of 29 applicants

were recommended for registration after being assessed internally by SACE. Thirty applicants' cases were handed over to be adjudicated through Fit to teach committee.

The Table below reveals offences that happened and teachers were taken through fit to teach process.

Type of Offence	Occurrences	Action	Finalised or Pending
Assault	14	Ethics- Fit to teach	Finalised
Theft	16	Ethics- Fit to teach	Finalised
Fraud	3	Ethics- Fit to teach	Finalised
Drugs	4	Ethics- Fit to teach	Finalised
Malicious damage to property	2	Ethics- Fit to teach	Finalised
Fraudulent Qualification	2	Ethics- Fit to teach	Finalised
Threatening Police officer	1	Ethics- Fit to teach	Finalised
Shoplifting	2	Ethics- Fit to teach	Finalised
Possession of illegal firearm	1	Ethics- Fit to teach	Finalised
Driving under the influence of Alcohol	7	Ethics- Fit to teach	Finalised
Attempted Murder	2	Ethics- Fit to teach	Finalised
Murder	1	Ethics- Fit to teach	Finalised
Domestic Violence	2	Ethics- Fit to teach	Finalised
Housebreaking	1	Ethics- Fit to teach	Finalised
Robbery	1	Ethics- Fit to teach	Finalised

## Taking the Council Mandate to the Sector

### *University information sharing sessions:*

According to the SACE strategic Plan 2015/2020, Council had to maintain an updated register of qualified educators. In making sure only the fit to teach are recruited and registered, the Council embarked on a number of information sharing sessions virtually and face to face with Universities. In addition, Council communicated with all Universities electronically regarding registration of final year students including implementation of Council resolution on police clearance. The following universities were visited by Council in 2019/2020:

- Limpopo
- University of Venda
- Varsity College
- University of Pretoria
- Unisa
- Abbots College
- University North West

- UCT

#### **SACE-UMALUSI sessions:**

Council collaborated with Umalusi to support the independent schools (Private education institutions) on matters relating to Council mandates. Council used the platform to outline the SACE Act objects relating to registration of teachers and the importance of registration with Council before being employed. The sessions were held across different provinces as follows:

Province	Date
Gauteng	06 March 2019
Western Cape	13 February 2019
KwaZulu-Natal	27 March 2019
Pretoria	16 August 2019

#### **Taking the Service to the Teachers:**

SACE focused on teacher support to the extent of taking registration services to teachers. This process was to ensure that Council is accessible and to put teachers, community and the sector at large first.

Information Session	Date
Northern Cape- ECD practitioners	20 - 22 October 2019
SADTU information Session Worcester	18 October 2019
SADTU information Session Eastern Cape Province	14 August 2019
Eastern Cape Province NAPTOISA session	06 September 2019

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

To achieve the target, Council will communicate directly with student teachers in Higher education institutions, teachers in schools, offices of HODs, Unions and SGB's to make sure teachers are given support and information relating to registration requirements and are fit to teach the process so they can be able to apply from an informed position.

A follow-up mechanism will be put in place to support applicants with challenges. Information on registration process will be available on SACE website, and all social media platforms.

Electronic Brochures, registration demonstration clip and flyers will be shared quarterly to enhance support given by the Council.

Linking performance with budgets

Programme/Activity/Objective	2018/19			2019/20		
	Budget	Actual Expend	(Over)/ Under	Budget	Actual Expendit	(Over)/Under Expenditure
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Registration	1,700	866	834	2,000	820	1,180
<b>Total</b>	<b>1,700</b>	<b>866</b>	<b>834</b>	<b>2,000</b>	<b>820</b>	<b>1,180</b>

## PROGRAMME 2: LEGAL AND ETHICS

The purpose of this programme is to:

- Promote ethical conduct among educators through the development and enforcement of the code of ethics.
- Facilitate interventions and support for schools, educators and school communities on ethical matters.

### Strategic objective:

To reduce the number of violations of the code of ethics

### *Strategic objectives, performance indicators planned targets and actual achievements*

#### *Strategic objectives*

Programme 2: Legal and Ethics					
Strategic objectives	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
To reduce the number of violations of the code of ethics	60.9% 368/633	75% of 550 cases received  (413)	68,74% (284)	31.24% (-129)	Considering the fact that SACE processes old or rolled over cases together with all new cases received in the current financial year, it actually finalised a total of 456 cases. The total is made up as follows: 2019/20 cases- 284 Roll over cases- 172

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

Programme 2: Legal and Ethics						
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations	
2.1.1 Percentage of cases finalised	66.9% (368)	75% of 550 cases received (413)	68,74% (284)	31.24% (-129)	<p>Council carried over into the 2019/20 financial year a total of 247 from previous years and it spent more time on processing and finalising those rolled over cases while also processing new cases that were reported in the 2019/20 financial year.</p> <p>Council ordinarily handles cases on a first in-first out basis. In that regard, a lot of new cases except critical ones such as sexual misconduct cases and corporal punishment cases are placed in a queue to be processed as the ones being handled are finalized. Efforts are being taken to enrol more panellists to ensure that more presiding officers and as much presiding officers are secured to handle more cases, roll-over and new cases included.</p>	

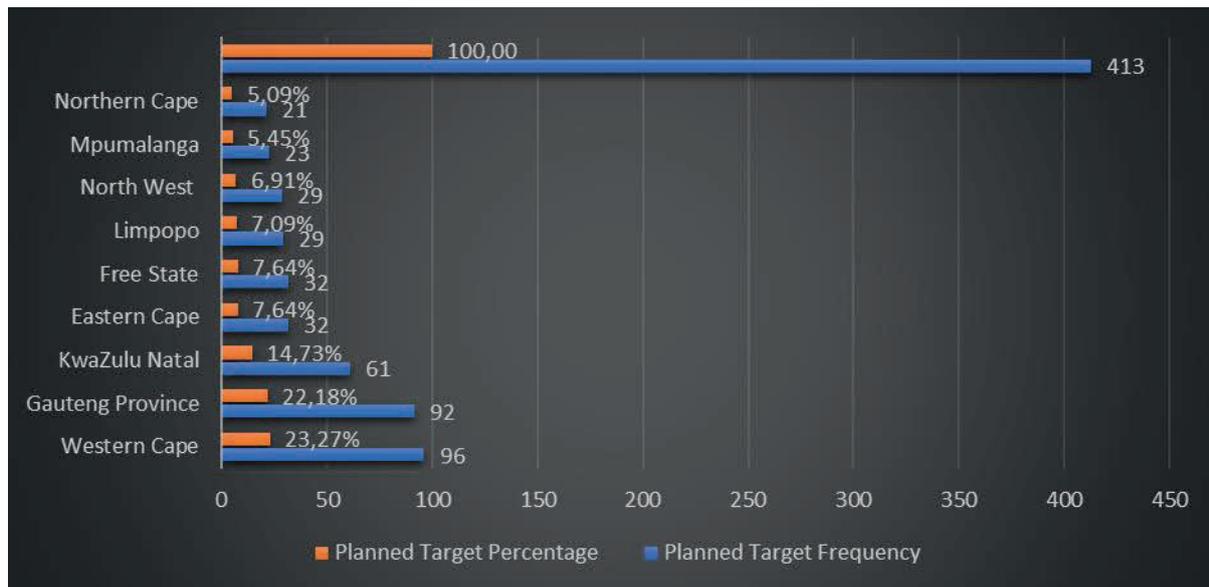
## Narrative-Highlights for the 2019/20 Financial Year

The Council continues to promote ethical standards in the teaching profession through enforcement of the code of professional ethics. The performance indicator (the Percentage of cases finalised in 2019/20) was not achieved due to a number of factors, as outlined in the Table above. Notwithstanding this, Council placed a lot of focus on cases carried over to the 2019/20 financial year. The Council used an approach of dealing with cases based on the first in-first out basis. Hence, the reported cases which were in line with the planned indicators received less than the required attention. In future, Council hopes to combine the plans to incorporate new and roll over cases. However, Council managed to resolve and finalise 456 cases, 284 of which arose in the current year of reporting and 172 rolled over from the previous financial periods. This translates to an achievement of 68,76% of the planned target (75% of 550 cases received).

Upon receipt of these cases the Council is guided by due process in which accused educators are always afforded the preponderance of innocence until the contrary is proven. This is in line with section 35(3)(h) of the Constitution 1996 which states that "(3) Every accused person has a right to a fair trial, which includes the right — . . . (h) to be presumed innocent, to remain silent, and not to testify during the proceedings." This right must always be balanced out with the right of the child to not be abused in terms of Section 110 of the Children's Act 38 of 2005 which states that any professional in a "centre or child and youth care centre who on reasonable grounds concludes that a child has been abused in a manner causing physical injury, sexually abused, or deliberately neglected, if it is in the best interest of the child concerned, must report that conclusion to a designated child protection organisation or to the provincial department of social development". Council enjoins community, parents, school children and the teaching community to protect the integrity of the teaching profession by reporting allegations of misconduct and safeguard children against abuse. Council often painfully deals with cases where teachers fail to report misconduct they witness because some of the perpetrators are friends. In other instances, teachers have brought false accusations to maliciously settle scores. Council investigates all cases brought to it and ascertains the truth before proceeding to conduct hearings where necessary and to make pronouncements of sanctions fitting any findings of guilt.

Council continues to forge partnerships with like-minded organisations such as the South African Human Rights Commission, Commission on Gender Equality, Department of Justice and Department of Social Development among others to facilitate the protection of children who may be vulnerable to those fond of engaging in misconduct in the schooling fraternity.

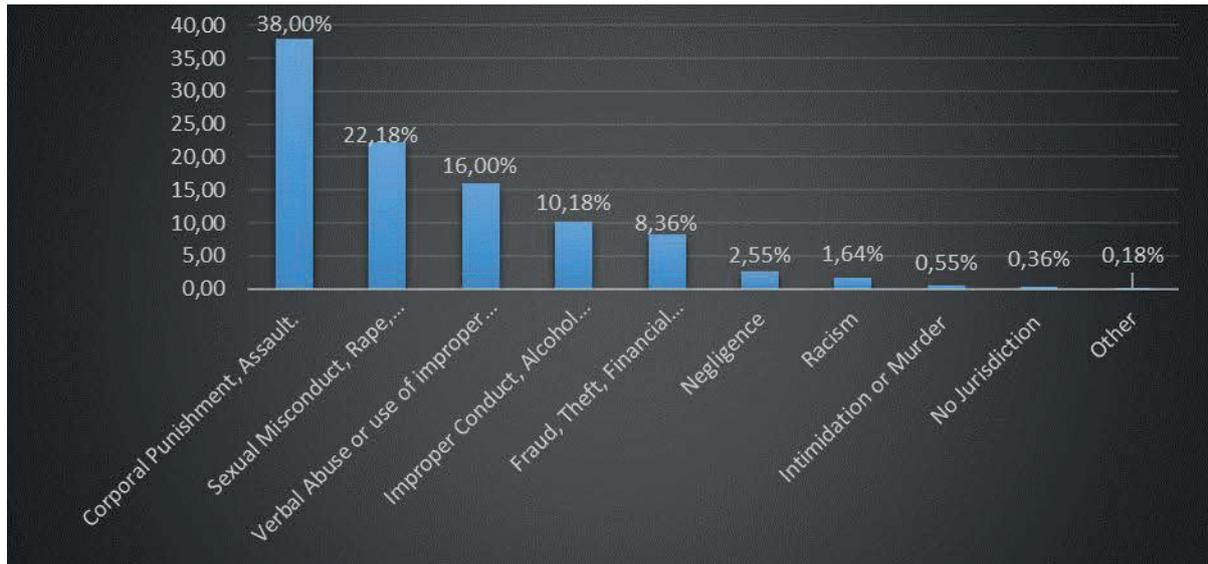
## Distribution by Register of Complaints of Educators' Professional & Ethical Misconduct by Province



Western Cape Province registered the highest cases of professional misconduct against teachers with a score of 23 % (96), as illustrated in the graphical representation above. This is followed by Gauteng Province in second place, with a score of 22 % (92) and KZN in third place with a score of 15 % (61). The highest instances of misconduct [ 60 % (248)] is found in the three provinces Gauteng, KZN and Western Cape and the rest of the cases 40 % (164) are distributed between Eastern Cape [8 % (32)]; Free State [7.64 % (32)]; Limpopo [7.09 % (29)]; North West [6.91 % (29)]; Mpumalanga [ 5.45 % (23)] and the Northern Cape [5.09 % (21)]. These statistics are as per the planned target for the period of reporting.

Northern Cape recorded the least number of cases of misconduct. There may be more cases reported in Western Cape because of a culture of reporting professional misconduct is higher in the province. Owing to a protocol on the reporting of cases that was signed between Provincial Departments of Education and the SACE, Council may see more reported cases of professional misconduct on the increase. The Council may see more of the culture of reporting increasing in other provinces.

## Nature of Professional Misconduct Allegations against Educators - 2019/2020



The top three categories of cases of professional and unethical misconduct against educators – reported based on planned targets are – Corporal Punishment and Assault [38 % (157)]; sexual misconduct, rape, indecent assault, sexual assault and sexual harassment [22.18 % (92)] and verbal abuse or use of improper language, victimization, harassment, defamation and others [16.00 % (66)], respectively. The cases received in the period was 550 and the planned target was 413. Planned target is what the Council planned to resolve by the close of the period. Sexual offences remained in second place as a category of misconduct cases levelled against educators. Sexual misconduct cases increased in this period by 29, which is about a 43% increase (actual) and is quite concerning. Educators that are found guilty of sexual misconduct are sent to the Department of Social Development (DSD) to be entered into the register of persons who are unfit to work with children. In 2019/ 2020, a total of 17 teachers were entered into such a register after Council had removed them from the register of fit to practice educators.

Educators are enjoined to safeguard the teaching profession by upholding ethical standards as outlined in the Code of Professional Ethics. There is always an outcry against the Council taking a hard approach to educators. This perception often comes from those who maybe violating the Code of Professional Ethics, rather than credible educators. Essentially, Council is not intending to punish any educator but to enforce ethical standards in the profession. It is the more appropriate for educators to see that they own the profession and it is in their best interests to safety guard it and steer it on a course of ethical practices. It is educators who can restore pride in the teaching profession.

## 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 is provided on how such a complaint should be dealt with. The committee may recommend that an educator be charged, that a complaint be referred to a relevant authority, that a matter be mediated upon, or that an advisory letter be forwarded to an alleged perpetrator. Should the Ethics committee recommend that charges be leveled against an educator, summons are issued against the educator and a hearing is 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 who are 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 upskill them on an annual basis. The Council has very few of these panelists with the required skill and experience and who are capable of discharging this function.

It must be noted that SACE has no control over the number of cases that may be reported to it in any financial year. We have; however, noted that the trends still remain the same. This year has not been different from the past financial year and many others before as there appear to be a **slight increase in the number of corporal punishment cases, sexual abuse** of both male and female learners in school and outside of the school premises. Assault of colleagues within the school environment, submission of fraudulent qualifications and other forms of unprofessional conduct by educators still also persist.

Owing to the increase in the number of cases involving submission of fraudulent cases whenever applicants for registration came to register, the Council was left with no other option but to assign the registration Council to lay criminal charges against the perpetrators. In some instances, the assistance of the Hawks was sought and they are currently investigating other reported cases. There have been other interventions which shall be reported upon in the registration section which are related to fraudulent qualifications.

The SACE Act, Act number 31 of 2000 demands that the Council should review the SACE code of professional ethics for educators from time to time, to address emerging issues, best practices and strengthen its processes to dispense with cases. There was no review done on the Code in the past financial year. The Ethics committee took the decision that the review on the Code of Professional Ethics should be done during the 2020/21 financial year.

**Advisory Letters Issued to Educators:**

These are cases where council sought it fit that advisory letters be forwarded to the accused educators instead of disciplinary hearings being conducted against them. Advisory letters are issued only in instances when an accused educator was already charged by a provincial department and sanctioned by the employer. Most of them are cases of corporal punishment. Once an advisory letter is issued by the SACE and ratified by the Ethics committee, the file is then closed on the condition that the same educator does not repeat the misconduct.

Should the educator repeat the misconduct; disciplinary proceedings are implemented and the file with the advisory letter gets reinstated and prosecuted.

**Cases Mediated:**

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

**Cases withdrawn before a hearing could be conducted:**

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

**Cases closed in line with the Ethics committee's direction and permission or at the request of the complainant:**

These are cases that were submitted to the Ethics committee requesting permission to close them because they were either lack in merits or in instances where the complainant requested for its closure because the issue/s have been resolved. The complainant will then send a letter to SACE requesting for the closure of the complaint file. This does not apply to sexual abuse cases, unless in the event where the case was reported on an anonymous basis, and is without substance and or direction.

**Referrals to other Institutions:****Cases referred to the DBE, ELRC, back to schools and SAPS:**

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

**Breakdown of finalised disciplinary cases**

Breakdown of finalised disciplinary cases	Number of educators found guilty	Number of educators found guilty but given a caution	Number of educators found not guilty	Number of cases withdrawn owing to lack of cooperation by witnesses
ROLLED OVER CASES	80	1	10	18
CURRENT CASES	23	-	1	2
<b>TOTAL</b>	<b>103</b>	<b>1</b>	<b>11</b>	<b>20</b>

**Sanctions meted out to educators found guilty of breaching the code of professional ethics**

Breakdown of sanctions	Removed from the roll indefinitely	Removed from the roll for a period	Suspended removal from the register with fines
ROLL OVER CASES	19	1	60
CURRENT CASES	7	2	14
<b>TOTAL</b>	<b>26</b>	<b>3</b>	<b>74</b>

Of the 26 names of educators that were removed from the roll of educators, 10 were submitted to the Department of social development for inclusion onto the register of persons declared unfit to work with children. Seven (7) of the names were from cases rolled over from the previous years, while 3 of the names were from 2019/20 financial year.

**Breakdown of offences relating to educators found guilty of breaching the Code of Professional Ethics**

_Educators found guilty of Assault and or corporal punishment	44
Educators found guilty of sexual abuse	17
Other forms unprofessional conduct	42
<b>TOTAL</b>	<b>103</b>

**Reporting of names of educators struck off from the roll to provincial departments**

Having struck off some educators from the roll of educators indefinitely or for a period for a host of serious misconduct, their names were submitted to their respective provincial departments for processing in terms of section 26 (2) of the SACE Act; 2000. This means that provinces were requested to check the names of educators who were removed from the SACE register and ensure that such educators are removed from the profession in line with Section 15 (2) of the Employment of Educators Act.

**Improvement of reporting by provincial departments**

SACE has in the past always complained that some Provincial Departments of education were not reporting their cases as required in terms of section 26 of the SACE Act. Pursuant to a meeting with the Department of Education and other stakeholders, a protocol document was

concluded between the Department of Basic Education, the 9 Provincial Departments of Education and SACE wherein it was agreed that the Provincial Departments will report their cases to SACE as required in terms of Section 26 (2) of the SACE Act 31 of 2000. We have since an increased level of reporting from Provincial Departments of Education and it is expected that in the coming financial year, more cases shall have been reported compared to what we have at the moment.

## Challenges

### Challenges relating to the processing of cases

Council aims to process and finalise every complaint that it receives in the same year of receipt and as speedily as it possibly can, but owing to certain circumstances fewer cases than anticipated get processed for the following reasons:

The Council has previously declared a lot of roll-over cases that were carried over from the previous years. The roll-over was at the time owing to a number of challenges such as the unavailability of panelists and limited office personnel taking into account the fact that SACE services all provinces.

From 1 April 2019, our trained panelists were hard at work to process and finalize all cases that were rolled over from 2016/17, 2017/18 and 2018/19 financial years. They also assisted to process new cases for the financial year 2019/20. Extensive work was done by the panelists to obliterate the roll-over for the years referred to above and the results shall be reflected below.

One other challenge is the lack of cooperation by parents. Many parents still continue to refuse Council access to their children to testify in disciplinary hearings or even to participate in investigations by the Council. This forces Council to temporarily close files and these end up forming roll-over for the Council. These files are kept open with the hope that these parents will someday have a change of heart and allow SACE to speak to their children and eventually finalise the complaints.

**Strategy to overcome areas of under performance**

Now that a lot of roll-over cases have been investigated and most finalized, as it will appear hereunder, the Council will be hard at work to finalize the roll-over of cases that ensued while it was battling the 3 years referred to below.

Council is also in the process of appointing and also capacitate panellists to process cases in the coming financial period. This will bolster the capacity of the Legal and Ethics Division to conduct more cases.

**Linking performance with budgets**

Programme/Activity/Objective	2018/19			2019/20		
	Budget	Actual Expend	(Over)/Under	Budget	Actual Expendit	(Over)/Under Expenditure
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Code of Ethics	5,000	4,626	374	4,000	4,346	346
<b>Total</b>	<b>5,000</b>	<b>4,626</b>	<b>374</b>	<b>4,000</b>	<b>4,346</b>	<b>346</b>

## PROGRAMME 3: CONTINUING PROFESSIONAL DEVELOPMENT MANAGEMENT SYSTEM

SACE has a responsibility to manage a system for continuing professional development with the support of the Department of Basic Education and the nine Provincial Education Departments. In line with this, SACE will:

- Ensure that educators engage in life-long learning throughout their career.
- Ensure that educators' classroom practice and professional competence are improved through the provisioning of quality SACE approved providers and endorsed professional development programmes

### Strategic objective:

To promote career-long, quality continuing professional development for all school-based educators.

### *Strategic objectives, performance indicators planned targets and actual achievements*

#### *Strategic objectives*

Programme 3: Continuing Professional Development Management System					
Strategic objectives	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
To approve providers and endorse professional development activities that contributes to improving educators' professional competence.	46% (79 980/174 473) of the signed-up educates participate in the CPTD Management	130	82	-48	The number of providers in the teacher development sphere has been saturated. Hence, less than targeted providers submitted their applications forms for approval. More capacity building and advocacy programmes for private providers will be considered for the next five strategic plans

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

<b>Programme 3: Continuing Professional Teacher Development Management (System)</b>						
<b>Performance Indicator</b>	<b>Actual Achievement 2018/2019</b>	<b>Planned Target 2019/2020</b>	<b>Actual Achievement 2019/2020</b>	<b>Deviation from planned target to Actual Achievement for 2019/2020</b>	<b>Comment on deviations</b>	
3.1.1	Number of educators signed up to the CPTD system per year. (Disaggregated by cohort)	174 473	35 000 Teachers signed-up	52 586	+17586	There overachievement is as the result of the automated sign up conducted in Gauteng Province during the second quarter of the financial years under review.
3.1.2	Number of Professional Development providers approved	81 new provider applications processed in a year	130	79	-51	The number of providers in the teacher development sphere has saturated, hence less than targeted providers submitted their applications forms for approval. More capacity building and advocacy programmes for private providers will be considered for the next five strategic plans
3.1.3	Number of new Professional Development Activities endorsed	75	700 new Professional Development Activities Processed in a year	1 009	+309	The programme writing and material development intervention done with Provincial Education Departments has

						seen an increased in the numbers of activities submitted by provinces, hence the overachievement
3.1.4	Number of educators supported on Professional Development.	-	10 000	20 757	+10 757	The collaboration with teacher unions, education districts and some schools has seen the demand for support going beyond what the Council has planned for.

## Narrative-Highlights for the 2019/20 Financial Year

The Professional Development of Teachers remains a priority in South Africa and Council is resolute in its strategic focus to enhance the professional competence of educators. The 2019/2020 trajectory had its own wins and challenges to reflect upon. This year marked the end of the trial run of Continuing Professional Teacher Development herein (“the CPTD”) with no strict focus on it being a requirement. The trial period had two cycles 2014, 2015 and 2016 being the first cycle during which Principals, Deputy Principals and HODs were the primary target, and the 2017, 2018 and 2019 being the second cycle during which teachers, by and large were the focus.

### CPTD Uptake, Participation and Reporting

Most educators are already signed up on to the CPTD MS. The few that are still signing up are either from newly appointed educators or from those that were discovered during the automated signed up verification and school audits that they were practicing without being registered with the council. The targeted 35 000 number of educators to be signed up for the financial year under review has been surpassed by 17 654 educators signed up, meaning that 42 467 educators were signed up in Gauteng and which increased the total of signed up educators to be 52 654.

This overachievement was made possible by efforts of SACE Head Office and Gauteng Department of Education EMIS who ensured that the automated sign up of all outstanding educators in the province is done. The Council is planning to review the current focus of sign and focus more on educator uptake of the professional development activities. Largely, the

focus will be on recording and reporting of participation by all involved (Teacher, School and External initiated activities).

An analysis of the cycles 1 and 2, running from 2014-2016 and from 2017-2019, respectively shows progress in CPTD uptake among teachers. In cycle 2, 2017-2019 for instance, 147784 instances of CPTD uptake across the country were recorded. The results of such uptake and reporting are discussed in this section. Educators participated in a total of 147784 PDA activities in the second cycle which ran from 2017-2019. Out of this total, 27.78 % (41,057) were males and 69.32 % (102,450) were females. The participants' age ranged between 18 and 85 years, their mean age was 49.53 years. The highest participating age group of educators fell within the 51 to 55 age category, constituting 22.07 % (32,283) of the entire dataset.

The highest participants in PD Activities is the African race with a score of 57.86 % (85,514), followed by the white race category at 29.95 p% (44,259) and coloured race category at 7.05 % (10,423) in third place. Much of the professional development activities training is undertaken by 61 % of primary school teachers compared to the secondary and combined schools. The top activity teachers have undertaken is 21st Century Classroom taking as much 13 % of the 691 personal development activities undertaken by educators in the period from 2017 to 2019. Mpumalanga Province is the province with highest professional development activities participation at 16.88 %. The top district with most participants in PDAs is Gert Sibande (MP) with a score of 5.52 %. Edutel skills development provided the highest instances of PDAs among the 159 providers at 18.68 %.

The general observation is that as teachers grow older (in the 51-year category), they engage in reflective practice and lifelong learning more than the younger age groups. The young age groups in the age ranges of 49 years and below are encouraged to participate in reflective practice and lifelong learning to improve their professional competence and classroom practice early in their career.

The other general observation is that there is a low participation by secondary school teachers at about less than 35% of total participation. While the foundational level of teaching requires good grounding, the exit level teachers in secondary schools need to refine their professional and classroom practice. In the same vein, mathematics interventions are also low, considering that maths is a challenge in the country. Participation in mathematics related professional development activities in a space of two years, recorded 2.68% (4684) out of 147784 total participation in a space of 3 years (2017 to 2019). This is quite a negligible number and needs to be bolstered especially in those provinces and districts with low performance in mathematics by learners.

Likewise, professional ethics also scored low participation in the period. This is with interest owing to the rising levels of unethical conduct especially those of a sexual nature by teachers. Concerning participation in professional ethics as a PDA, a total of 482 instances were reported to SACE, which is 0.33 % of the total (147784) participation. The need for enjoining educators to participate in professional ethics PDA is critical, especially at a time where teachers are accused of, on average of 500 cases of professional misconduct per annum. The number of recorded participations is less than the number of instances of misconduct alleged against teachers. Only two PDAs were recorded in three years with none in 2017. The highest participated PDA was Adhering to ethics made practical CPTD Workshop with a score of 57 % (276), followed by Vision and Values workshop in second place with a score of 36 % (174) and the Code of Professional Ethics in third place with a score of 5 % (25).

### **PD Providers and PDA Endorsement**

There is a minimal number of providers who operate in the teacher development provisioning sector. This may be attributed to the fact that teaching is a specialised field of practice, and the number of people who have the expertise to provide professional development activities are negligible. This led to an underachievement of a variance of **-51** in terms of providers approved for the financial year under review. The planned target was **130** and the actual output is **79**.

The Council will continue with providing sustained and quality training of the PEDs via material development and programme writing training sessions. The training sessions have yielded good returns in the number and quality of professional development activities that are responsive to the professional development needs of the system and in particular to those of the SACE registered school-based educators. There an overachievement of **309**. The planned target was **700**, however **1 009** activities were endorsed. The goals is to increase the number of professional development activities that are fit for purpose and which are relevant to national needs that are available for uptake by teachers.

### **Member Support**

There is a concerted effort by the Council to concentrate more on the development of the Professional Development Portfolio, (PDP) and capacitation of teachers on its use. However, it is worth noting that the Council has over achieved the indicator of member support, due to the fact that, among others, educators and stakeholders are initiating sessions so that they can be assisted in the strengthening of their understanding on the CPTD MS. This move is highly appreciated as it points to the direction that teachers, schools and stakeholders are gradually coming to realise the importance of the institutionalisation of continued support of school based professional development uptake. The technical support provided to educators in the Northern Cape, KwaZulu-Natal, Eastern Cape and Northern Cape by the SACE team had also led to an increased numbers of member support.

### **Accelerating the Implementation of the CPTD MS**

The approach that the council has adopted in advancing the support of the implementation of the CPTD MS is to provide capacity for School Management Teams to continuously support the implementation of the CPTD MS in general, and the professional development of educators, in particular. This is per section 53 of the NPFTED, 2007 which affirms that SACE should be supported and be provided with resources. This is done through seminars and symposia and by creating platforms for school leaders to share best practices, whilst promoting Professional Learning Communities (PLCs) among school leadership in a particular district.

The following provinces i.e. KwaZulu Natal, Eastern Cape and the Free State managed to host their seminars and symposia. Apart from these activities, a large number of workshops were conducted throughout the country through planned and unplanned sessions in order to assist educators to understand the importance of participating and reporting in PD activities. This should not be seen as an added responsibility to educators, but as an opportunity to reflect on their professional journey and to empower themselves so that they can improve classroom practice and learner performance.

A presentation from one school in one seminar in the Free State, for example, indicated that as a school they have developed a WhatsApp group where, after reporting on the participation of every educator in the school-initiated activities, the principal sends every educator a message indicating that their participation has been reported to SACE. The development of a video clip illustrating how to sign up and participate in CPTD and the pocket concertina is proving to be very helpful, judging from the high demand particularly of the latter.

Structures such as the CPTD Provincial and District Training Teams have been established in provinces so that they assist the overall management of the CPTD implementation. These structures are continually engaged through refresher sessions on the latest CPTD MS related matters, since they play an important part in ensuring the seamless support in the implementation of the system by educators.

Apart from the planned workshop sessions by the Council, it was encouraging to note interest shown by various Organised Labour, inviting the Council for capacity building sessions on Continuing Professional Teacher Development Management System and on the Code of Professional Ethics to their members, as reflected in the Table below.

### **Stakeholder Collaboration and Support**

The stakeholder's collaborations and support have seen the Council working very closely with stakeholders. Collaboration is where the Council has been working with teacher unions in the nine provinces, PEDs and district teacher development divisions and in some cases schools,

and the support looks at the different institutions and organisation that have a common interest. The table below illustrates the hard work that council has done with the strategic stakeholder as part of information sharing.

STAKEHOLDER COLLABORATION			
Activity	Stakeholders	Details	Benefit for SACE
Advocating for the mandates for the role of SACE in Teaching Profession <sup>1</sup>	SADTU	The nine Provincial Executive Committees and Provincial Education Committee were taken through on the perspective of SACE role in the Profession. In North West, Free State and Gauteng some of the Regional and Branch office bearers were taken through the process.	Increased knowledge about SACE operations.  More support by the Union decision makers on SACE operations.  Changing the misconception about the role of SACE within the profession narratives
	SAOU	Gauteng and Western Cape provincial bearers were taken through the process	
	PEU	Mpumalanga and Limpopo Provincial Office bearers were taken through the process	
	NAPTOSA	North West, Eastern Cape, Free State and Northern Cape Office bearers were taken through the process	
	NATU	KwaZulu Natal	
Collaboration Meeting	VVOB	The meeting was exploring various ways of collaboration and areas where VVOB can provide technical support to SACE.	SACE will benefit from the technical support provided by VVOB: Support given to coordinators monitoring and evaluations trajectory, development of provider

<sup>1</sup> Most of the activities were stakeholder initiated. The Council collaborated by providing the required facilitation and material

STAKEHOLDER COLLABORATION			
Activity	Stakeholders	Details	Benefit for SACE
			catalogue, material development and programme writing, etc

STAKEHOLDER SUPPORT			
Provider Forums	Service Provider		
National Teaching Awards (NTA)	Provincial Education Department and Department of Basic Education	Selection Process of the best candidates as per NTA criteria in the nine provinces and nationally. The Council participated eight provincial adjudication processes, with the exception of Western Cape and Northern Cape, because of vacant posts for provincial coordinators.	The Council is committed in promoting Teacher Appreciation and Support Programme (TASP) and NTA is but one of them.
Mobilise Support of Senior Managers	Eastern Cape Superintendent General, chief directors and directors.	Meeting with Eastern Cape senior management to rally support for the implementation of the CPTD management system.	Senior Management to provide more resources as part of support as per chapter 53, of NPFTED, 2007
Discussions about the Memorandum of Understanding	Central University of Technology	Discussions about the Memorandum of Understanding between CUT and SACE.	Formalise the relations between the Council and the University
Signing up of student teachers on the CPTD MS, training of the PLC.	Unizulu, Varsity College and District Teacher Development Centre management.	KZN Signing up of student teachers on the CPTD MS, training of the PLC.	Preparing Final Year student for the entry in the Teaching Profession, as custodian.
Planning meeting	Prim-Ted	The meeting was a consultative one in	The standards will be aligned with the SACE

STAKEHOLDER COLLABORATION			
Activity	Stakeholders	Details	Benefit for SACE
		which the different streams were presenting the work that has been done. The standards in Mathematics, Science and Languages were presented for discussion	Professional Teaching standards. SACE has made progress in advocating for the corporation and understanding of the standards across the profession.
SADTU Student Chapter	SADTU KZN	The Student chapter is an initiative from SADTU in which they prepare the student teachers on Unionism, but most importantly to create a platform in which they can be appraised around the world of work in their chosen career. SACE was invited to present on its mandate according to the SACE Act 31 of 2000.	SACE will be the beneficiary of this exercise in a sense that these student teachers will join the teaching profession knowing exactly what is expected of them. The topics that were covered are Registration requirements/criteria; CPTD MS; Code of Professional Ethics and Teacher Professionalization.
Reading Coalition	Government and Civil Societies	The meeting was about to improve reading. The theme was: A plan to get the nation reading. The call by President Ramaphosa during the state of the Nation Address in June was finding expression in the Coalition. The effort to deal with the issues raised in the PIRLS report were also discussed.	The plan will have implications for SACE in a sense that among the strands there is System Capacity which will involve the training of teachers and the SMTs', Teacher Development, addressing Home Language, EFAL MOOCS and HL. SACE will be tasked with the endorsement of these professional development activities.
TDCM-DBE workshops done quarterly	DBE, PEDs, NGO/NPOs in education sector, Teacher Unions	The TDCM meeting are convened to table various reports pertaining to	SACE will keep an eye on the developments pertaining to curriculum and teacher development

STAKEHOLDER COLLABORATION			
Activity	Stakeholders	Details	Benefit for SACE
	and sister departments	Curriculum, Teacher Development, MST, Migration of ECD to the mainstream, Decolonisation and the system readiness for the forthcoming examinations.	issues. This will enable SACE to advocate for endorsement of professional development activities.
PLC Roundtable	DBE, PEDs, NGO/NPOs in education sector, Teacher Unions and sister departments	The Professional Learning Communities (PLC) guidelines and the implementation milestones and challenges were discussed. The formation of a National Steering Committee comprising of representatives from the nine Provincial Education Department was welcomed. This structure will also include other stakeholders including SACE.	The Council will be participating in the Steering Committee to chart the way forward for the revitalised PLC implementation initiatives. And the opportunity to clarify the allocation of professional development.

*Table 2: The Council Stakeholder collaboration and support 2019/2020*

### **Capacity Building for SACE CPTD provincial coordinators**

#### ***Monitoring & Evaluation Learning Trajectory for coordinators***

The CPTD Provincial Coordinators after going through the learning trajectory, are able to demonstrate the policy and legislative environment that support SACE to implement the CPTD MS in terms of the ISPFTED 2011 to 2025, NPFTED (2007).

They outlined the systems intentions in relation to professional development and its importance. Key to the presentations is that CPTD MS is one of the systems is meant to promote professional development, driven by educators themselves and this should by and large lead to improved teaching and learning.

The study was designed to provide answers largely on the following questions for coordinators, in order to sharpen their skills and knowledge on focused planning for educator and school support:

- Why was no educator signed up in certain schools/districts?
- What support is needed to enable them to sign-up and participate in PD activities?
- Why is there low reporting on PD activities by signed up educators and reasons for why some educators report activities compared to others.
- What is the balance of type 1, type 2 and type 3 activities?
- How do educators interpret reporting guidelines on the different type of activities?
- How do educators report on their involvement in Professional Learning Communities (PLCs)?
- What kind of support do educators have with regards to participating in various PD activities and developing their (online) PDPs from school leadership, district/province officials & SACE staff?
- Is the CPTD MS easily accessible and user friendly for the end users.
- What is the quality of PDPs?
- How can feedback from provincial coordinators be improved?

The intensive intervention has increased the capacity of coordinators to engage in data driven and evidence-based support for teachers and schools, and the information gained is geared to assist them in helping educators strengthen their CPTD implementation, as part of institutionalisation.

### ***Advancing the SACE agenda***

The coordinators were exposed to SACE operations and their role explained by different programme managers within specific themes. The following are the themes treated during the capacity building workshop:

- The vision of the division in relation to the role of coordinators.
- Business Process vis – a – vis business plan.
- Interactive Teacher Professionalisation presentation.
- The role and expectations of coordinators in attending PTEDC.
- Training Material for Provider write up: Program purpose and program outline including site visits.
- Strengthening CPTD advocacy & training national materials.
- The role and expectations of coordinators in supporting student teachers with CPTD sign up and Code of Ethics (CoE) (HEIs outreach programme).

### ***Council Support Initiatives***

The challenges facing the quality assurance processes of the Council are pushing the Council to consider the following, as mentioned above:

- A revised strategy to approach accredited and non-accredited private providers operating in the ETD sector. This will be done through provider forums.
- An invitation will be sent to other government departments who might have something to offer to education, especially the departments of Sports Arts and Culture, Safety, Health and Social Development.
- Establish partnership ETD/PSETA provincial offices in order to ensure that funding is only benefitting the SACE endorsed activities and SACE approved providers, furthermore to access database on available providers in the province.
- The database will assist in extending invitations for provider forums and the write up programme sessions for private providers.
- The private providers will be invited for programme writing, the same programme that has been conducted.
- The revamping the CPTD IS to include service providers as end users, this will allow direct communication with providers through the self-service portal. This will increase the communication channel between Council and its providers. Strengthening the APP that is currently under construction to include areas of CPTD self-service portal.

The other initiatives that the council has put in place in response to poor uptake and reporting by educators, are:

- Video clip, and it has been uploaded into SACE website. It will also be uploaded in the TVs of Durban and Head Office.
- Pocket Concertina
- Technical Support and Verification of CPTD uptake.

From 2020/21 financial year, a new strategic thrust will be followed with the aim to provide more robust and intensive professional development to selected educators, the focus being on the effectiveness of CPTD. In the periods 2014 to 2019, Council deployed Provisional Coordinators, one in each Province save for KZN which has 3, while Eastern Cape and Limpopo had 2 each. The role of the Provincial Coordinators includes among other things, to provide technical support to educators in their efforts to sign-up to the CPTD Management System, as well as uptake, participate and report CPTD activities.

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

In order to improve the number of providers to be approved, the council will be embarking on the following interventions, noting that some of these initiatives have already been tested in the reporting period under review:

- A revised strategy to approach accredited and non-accredited private providers operating in the ETD sector. to consider participating in the CPTD space as providers. This will be done through provider forums run in all the provinces to ensure a wider catchment.
- An invitation will be sent to other government departments who might have something to offer to education, especially the departments of Sports Arts and Culture, Safety, Health and Social Development to contribute to CPTD provisioning.
- Establish stronger partnerships with the ETD/PSETA provincial offices in order to ensure that funding is only benefitting the SACE endorsed activities and SACE approved providers, furthermore to access database on the available providers in the province. The database will assist in extending invitations for provider forums and the write up programme sessions for private providers.
- The private providers will be invited for programme writing workshops and forums so as to increase the advocacy and recruitment of category C providers. The same programme that has been conducted in the period under review in various provinces.
- The revamping the CPTD-IS to include service providers as end users, this will allow direct communication with providers through the self-service portal. This will increase the communication channel between Council and providers. Strengthening the APP that is currently under construction to include areas of CPTD self-service portal.

#### Linking performance with budgets

Programme/Activity/Objective	2018/19			2019/20		
	Budget	Actual Expend	(Over)/Under	Budget	Actual Expendit	(Over)/Under Expenditure
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Professional Development	17,547	12,996	4,551	22,670	18,693	3,977
<b>Total</b>	<b>17,547</b>	<b>12,996</b>	<b>4,551</b>	<b>22,670</b>	<b>18,693</b>	<b>3,977</b>

## PROGRAMME 4: PROFESSIONAL STANDARDS

### Purpose:

- To develop a set of professional standards for teachers practice that is theoretically informed, contextually appropriate and widely accepted by stakeholders;
- Develop various strategies and processes of assisting and supporting educators with regard to professional matters and needs;
- Improve and maintain the status and image of the teaching profession;
- Facilitate processes of ensuring that more and better teachers join the teaching profession and;
- Ensure the quality of initial teacher education and ongoing professional development through quality assurance mechanisms and standards.

### Strategic objective:

- Set and implement the IPET and CPTD standards through a consultative process with the stakeholders in the teaching profession.
- Develop the professional designations as part of contributing to the enhanced status of the teaching profession

### *Strategic objectives, performance indicators planned targets and actual achievements*

#### *Strategic objectives*

Programme 4: Professional Standards					
Strategic objectives	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
Set and implement the IPET and CPTD standards through a consultative process with the stakeholders in the teaching profession.	Professional Practice Standard approved	Professional Practice Standards gazetted	Standards were approved by Council.	Please see comment on the narrative below.	Please see comment on the narrative below.

*Key performance indicators planned targets and actual achievements*

**Programme 4: Professional Standards**

Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
4.1.1 Set professional practice standards for teaching.	Professional practice standards approved	Professional practice standards gazetted	Standards were approved by Council.	Please see comment on the narrative below.	Please see the narrative below.

## Comment on Performance Indicator: Set professional practice standards for teaching.

SACE developed the Professional Teaching Standards (PTS) through the multi-stakeholder driven process of the Standards Development Working Group (SDWG), subsequent to the launch of the process by the Minister. Subsequently, the PTS as reflected in the diagram below was approved by Council, HEDCOM and noted by the CEM during the period under review.

### Professional Teaching Standards for South Africa



Initially the plan was to gazette the PTS through the Ministry of Basic Education. However, on hindsight there was a rethinking on taking this direction in Council, given SACE's independence and legislated mandated to set, protect and maintain ethical and professional standards as a self-regulatory professional body. This move was aligned to the ethical standards which were developed on the basis of the powers and authority in SACE's enacted legislation – SACE Act no.31 of 2000. Equally, the Professional Teaching Standards enjoy the same legal status and the teaching profession, through council, has the direct power to develop and implement the standards without any gazetting.

### Participation in Provincial Teacher Education and Development Committees (PTEDCs)

Council participated in the Provincial Teacher Education and Development Committee (PTEDC) in the North West, Eastern Cape, Limpopo, KwaZulu Natal, Free State, Northern Cape and Mpumalanga. The PTEDC enabled SACE to share the professional teaching standards. CPTD Management System, and teacher professionalization path with the Provincial Education Departments (PEDs), Provincial Teacher Unions, Higher Education Institutions (HEIs) and other SACE stakeholders.

## Stakeholder Engagements

The Council hosted a Teacher Professionalisation Stakeholder session during the period under review to share information on the Council Approved Standards, proposed teacher professionalisation path and professional designation.

Also, SACE participates in the Education Deans Forum as a platform to share teacher professionalization matters across the teacher education continuum, and to work as a collective in implementing the teacher professionalization path and professional standards. Equally, stakeholders such as DBE, SAQA and others have been engaged on the processes of professionalizing the ECD sector within the broader context of the ECD migration from DSD to DBE.

## Initial Teacher Education

The Council participated in the DHET Teacher Education Programmes Evaluation Committee Meeting (TEPEC). This committee evaluates Teacher Education Programmes to ensure that they are suitable for preparing student teachers for entry into the profession. As part of enhancing the status and standing of the teaching profession, Council developed the values of the teaching profession which were incorporated in the Minimum Requirements for Teacher Education Qualifications (MRTEQ) as part of teacher preparation.

## Strategy to overcome areas of under performance

- The SACE is submitting an addendum to reverse the process to request DBE to gazette the Standards and that SACE proceed to launch the Council Approved Standards.
- The council has worked on a development plan to guide the process of preparing the sector for professional practice, implement consultative sessions with stakeholders, develop professional designation, set and implement professional standards.
- Consultations with the stakeholders and teacher unions, in particular will continue.

## Linking performance with budgets

Programme/Activity/Objective	2018/19			2019/20		
	Budget	Actual Expend	(Over)/Under	Budget	Actual Expendit	(Over)/Under Expenditure
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Teacher Professionalization	2,000	1,253	747	1,500	1,205	295
<b>Total</b>	<b>2,000</b>	<b>1,253</b>	<b>747</b>	<b>1,500</b>	<b>1,205</b>	<b>295</b>

## PROGRAMME 5: POLICY AND RESEARCH

### Purpose:

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

### Strategic objective:

- Use the data, information and research to inform policy decisions and advice to the Minister, Council and the teaching profession as a whole.

### *Strategic objectives, performance indicators planned targets and actual achievements*

#### *Strategic objectives*

Programme 5: Research Policy and Planning					
Strategic objectives	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
Use the data, information and research to inform policy decisions and advice to the Minister, Council and the teaching profession as a whole.	3	5	5	0	

*Key performance indicators planned targets and actual achievements*

<b>Programme 5: Research Policy and Planning</b>						
<b>Performance Indicator</b>	<b>Actual Achievement 2018/2019</b>	<b>Planned Target 2019/2020</b>	<b>Actual Achievement 2019/2020</b>	<b>Deviation from planned target to Actual Achievement for 2019/2020</b>	<b>Comment on deviations</b>	
5.1.1	Number of research report produced in line with the SACE Research Policy and Agenda.	2	2	0	N/A	
5.1.2	Number of provincial Practitioner based Research conferences/seminars held.	9	9	0	N/A	
5.1.3	Establish SACE resource centre and virtual library	Resource centre established and equipped	Resource centre established and equipped	0	N/A	

## Narrative-Highlights for the 2019/20 Financial Year

SACE is committed to engaging in high quality, evidence-based research that is internationally competitive. In addition, SACE thrives in participating in the dissemination of ground-breaking knowledge in the pursuit of excellence. In meeting its research goals, SACE is dedicated to providing an environment that encourages research activities which are in line with the development of the teaching profession, and which is in conjunction with the vision and mission of the Council. The Policy and Research Division aims to encourage, support and enable all research activities in line with the SACE mandate. During the year under review, Council embarked on a number of activities to enhance and promote SACE as a professional body. The following paragraphs provide a clear picture on the outputs relating to research for the 2019/20 financial year.

### Teacher Conference/Seminar

The council embarked on a number of activities to enhance and promote SACE as a professional body. During the year under review, seminars on Teachers' Rights, Responsibilities and Safety (TRRS) were held across the nine provinces. The seminars included teachers, district directors, union members and officials. The targeted number for seminars was a total of 40 educators (20 from hotspot schools and 20 non-hotspot schools). The overall attendance was good, as participants widely engaged and showed appreciation for what the programme brought to light. As the year progressed, more interest regarding Teachers' Rights, Responsibilities and Safety programme increased with invitations from different stakeholders such as the Northern Cape Department of Education who asked to collaborate with SACE during their school safety roundtable conversations with education stakeholders and role players as Council was embarking on Teachers' Rights, Responsibilities and Safety Provincial roundtable, and sought for a joint venture where the platform could be shared as both organizations' share a common objective in addressing educator safety. SACE representatives took part in these round table conversations during the month of February 2020 and fruitful discussions took place during the sessions. Furthermore, Council was also invited by teacher unions Gauteng Province in March 2020 to engage with its members on the TRRS programme.

In addition, Council received a letter from the Chamber of KwaZulu-Natal Department of Education requesting SACE to workshop its officials on findings and recommendations on a research study conducted by SACE in partnership with the University of KwaZulu-Natal which explored factors and the environment facilitating or enhancing sexual-related misdemeanour between teachers and learners. The workshop was held in Durban, KwaZulu-Natal, the session proved to be productive and interactive.

## Teachers' Rights, Responsibilities and Safety Programme

The Programme has gone through various processes, starting with the conceptualizing of the programme with an intense look at the literature behind the violence in schools, locally and internationally and possible ways of mitigating this crisis. The Council after hosting the national launch, launched in three provinces, Western Cape; KwaZulu-Natal; and the North West. The launches aimed to introduce the programme, create awareness on the issue but also gain perspectives from educators on what they perceived to be the issues exacerbating the violence in schools, but to also find possible solutions. During the provincial launches in KwaZulu-Natal and the North West, commissions were held where views on the scourge of violence in schools and teachers' rights, responsibilities and safety were discussed and the likely measures that can be taken to curb violence and ensure safety in schools.

The purpose of the handbook is to:

- Sharpen educators' understanding of rights, responsibilities and safety issues and their ability to act and respond appropriately when their rights and safety are being eroded;
- Provoke thinking, debate and discussion about teachers' rights, responsibilities and safety in the broader education field and teaching profession; and
- Serve as a guideline in the school environment when an issue of violence arises.

The process of the literature review, national and provincial launches, and focus group sessions led to the first draft of the Teachers' Rights, Responsibilities and safety handbook which was compiled by Lead Afrika researchers. Again, SACE ensured that educators and its stakeholders were well represented during the group discussions. The session target number was 40 representatives which majority were educators. The group discussions sought for participants to share their lived experiences of the environment in schools and offer possible solutions on how this crisis can be resolved.

During the fourth quarter (January-March in 2019/20), one of Council's mission was to avail relevant and current information through the establishment of a Resource Centre to its employees and stakeholders which will not only support their professional development but further enhance Council's functions within the education sector. In addition, the resource centre is envisaged to be a space for learning and development. Preparations for the establishment of the SACE Resource Centre were underway during the year under review. Furniture, reading material and ICT equipment were sourced, and the centre has been established. Council is currently in the process of establishing a virtual library which will be accessible to SACE registered educators and its stakeholders.

The Council went on a nation-wide roundtable discussion drive to obtain feedback from educators and SACE stakeholders regarding the Teachers' Rights, Responsibilities and Safety

(TRRS) draft handbook. The programme was implemented differently from the launches which took place in Gauteng, KwaZulu-Natal, Western Cape and the North West. During this stage of the project the Teachers' Rights, Responsibilities and Safety project took the shape of roundtables in provinces and was aligned to the concept note for TRRS. The roundtables afforded educators to participate in discussions and provide input for the draft handbook. Roundtable sessions per province were conducted to ensure that the draft handbook reaches as many educators as possible for inputs. Participants from hotspot Schools and non-hotspot Schools (e.g. independent and special Schools) with representatives from each school/district including unions, respectively and were represented in these discussions.

To date seven (7) provinces held the roundtables namely: Gauteng, Mpumalanga, Free State, Limpopo, Eastern Cape, North West and the Western Cape. The remaining provinces, the Northern Cape and KwaZulu-Natal provincial roundtables were abruptly interrupted due to the COVID-19 pandemic and preparations were halted.

## **SACE Research Policy and Research Protocol**

Council is committed and obligated to contribute to the development of the teaching profession in South Africa. We are invested in engaging in high quality, evidence-based research. The Council aims to revolutionise the teaching profession into a research-informed profession, that will further inform education policy. Thus, the research policy was reviewed to ensure that SACE participates in research that is in line with its mandate, but also a policy which embarks on work that will challenge and improve the current status quo in the education sector. Furthermore, Council developed a protocol document to enable students, researchers or institutions interested in working with SACE to access data, but most importantly also to ensure that confidentiality of information being given to 3<sup>rd</sup> parties is protected and to give rights to Council in accessing reports produced.

## **External Request for data- Research purposes**

Council received requests to access data from the following students during the year under review:

- University of KwaZulu-Natal (UKZN) Post-Doctoral Student: Risk factors associated with teacher instigated violence: requested data is that of educators who have been struck off, given fines and warnings.
- University of South Africa (UNISA) Doctoral Student: Incarcerated students/applicants how their previous criminal convictions may impede on obtaining professional degrees particularly as the management of people with previous criminal convictions in the labour market remains unclear. One of the outcomes of his study is for SACE in collaboration with UNISA to formulate clear policy guidelines which regulate, while

providing effective career guidance services to incarcerated Unisa students and/or applicants with previous criminal convictions (e.g. by explicitly outlining the conditions which qualify or disqualify the registration of applicants with criminal records as educators with SACE).

## SACE Resource Centre

In 2019/20, one of Council's mission was to avail relevant and current information through the establishment of a Resource Centre to its employees and stakeholders which will not only support their professional development, but further enhance Council's functions within the education sector. In addition, the resource centre is envisaged to be a space for learning and development. Preparations for the establishment of the SACE Resource Centre were underway during the year under review. Furniture, reading material and ICT equipment were sourced, and the centre has been established. Council is currently in the process of establishing a virtual library aimed at being accessible for SACE registered educators and its stakeholders.

### Strategy to overcome areas of under performance

None

### Linking performance with budgets

Programme/Activity/Objective	2018/19			2019/20		
	Budget	Actual Expend	(Over)/Under	Budget	Actual Expendit	(Over)/Under Expenditure
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Policy and Research	700	415	285	1,400	1,325	75
<b>Total</b>	<b>700</b>	<b>415</b>	<b>285</b>	<b>1,400</b>	<b>1,325</b>	<b>75</b>

## Revenue collection

The Council is mainly funded by its members through determined membership fees. After consultation with the Teaching Profession, the Council took a decision to increase the educator membership fees from R120 per annum to R180 per annum effective from 1<sup>st</sup> November 2017. The Council has under collected the estimated revenue collection by 1%.

For the period under review R20 million was received from The Department of Basic Education in addition to the deferred unspent grant of 2,7 million from the previous year bringing the annual budget to R22,7million for the management of The Continuous

Professional Teacher Development. The Council spent 83% of the R22,7million budgeted as subsidy for the management of Continuous Professional Teacher Development.

Registration administration fee collected from registering members remains at R400, 00 for foreign nationals and R200, 00 for South African. The council has taken note of its funding pressure on the MTEF projections and differed the funding review to 2021 and 2022 financial years.

## Expenditure

The Council has operated within its revenue collection of R112 million and remained with the annual surplus of R5.2 million. The council has made a request from the National Treasury to retain the total accumulated surplus for continuous improvement of IT infrastructure; the acquisition of the remaining planned provincial offices in Free State; Eastern Cape and Western Cape. The financial position of Council is declared to be in good order and the Council will consider the review of its financial resourcing in the current MTEF period to ensure continued delivery of mandatory functions.

## Capital Investment

The Council owns an administrative building located at No. 240 Lenchen Avenue, Centurion for the value as disclosed in the financial statements. The accumulated surplus as reflected in the financial statements is intended amongst others to acquire provincial administrative buildings in the Western Cape, Free State, KwaZulu Natal, Eastern Cape and Limpopo with the MTEF period. The acquisition process in Limpopo and KwaZulu Natal is at an advanced stage to be concluded in the second quarter of 2020/21 financial year. The acquisition processes of properties in Eastern Cape and Western Cape will be concluded in the third quarter of 2020/21 financial year.

# Part C

## GOVERNANCE



# INTRODUCTION

South African Council for Educators (SACE) is regulated by SACE Act (No.31 of 2000) as amended by Basic Education Laws Amendment Act (No.15 of 2011). It is a statutory body and self-regulating the council for the teaching profession. Its powers and duties are defined in Chapter 2 of the Act, section 5 (a-d), which amongst others include:

- Registration of educators
- Promotion and Development of the education and training profession.
- Compile, maintain and manage professional Ethics.
- Provide advice to the minister on relevant Educational aspects.

## PORTFOLIO COMMITTEES

Portfolio Committee Meetings 2019/2020			
Date	Committee	Topic for Discussion	Matters Raised by the Committee
August 2019	Portfolio Committee	SACE Annual Performance Plans 2019/20	<ul style="list-style-type: none"> <li>• Fees for foreign and South African Teachers</li> <li>• How many foreign and how many SA teachers in the system?</li> <li>• Unregistered ECD facilitators.?</li> <li>• How long does registration take?</li> <li>• Why would an application be declined?</li> <li>• Post graduate qualification – PGCE requirement</li> <li>• Screening of teachers – Is it not possible for SACE to do own screening for police clearance?</li> <li>• Safety of Teachers – SACE</li> <li>• Roll-over of teacher registration. Is roll-over resolved?</li> </ul>
09 October 2019	Portfolio Committee	SACE Annual Report 2018/19	<ul style="list-style-type: none"> <li>• SACE's contribution in curbing violence in schools and that many learner-on-learner violence happen because of teachers who are not in classrooms or play grounds most of the time;</li> <li>• What is SACE doing to urge teachers to abandon corporal punishment?</li> </ul>

Portfolio Committee Meetings 2019/2020			
Date	Committee	Topic for Discussion	Matters Raised by the Committee
			<ul style="list-style-type: none"> <li>Concerns were raised on the continual sexual misconduct cases in the teaching profession and SACE not reporting to SAPS, educators who have been struck-off from the roll due to sexual misconduct cases;</li> <li>The process of establishing the provincial offices was seen to be slow year-in and out and the Chairperson of the Portfolio Committee raised particular concern with the lack of the SACE provincial office in the Northern Cape; and</li> <li>SACE's role in vetting teachers against the national child protection register and national sexual offenders' register.</li> </ul>

## EXECUTIVE AUTHORITY

The Department of Basic Education issues submission dates at the beginning of a financial year to the entity. The following submissions were sent to the department as follows:

Date	Topic	Issues Raised by the Executive Authority
31 July 2019	<ul style="list-style-type: none"> <li>Quarter 1 Performance Report</li> <li>Quarter 1 Financial Statement</li> <li>Procurement Report</li> <li>PFMA Compliance Report</li> </ul>	<p>Alignment to APP: Quarter 1 report is well aligned to the APP.</p> <p>Narrative: SACE has provided narrative report which is a synopsis of the achievements. The purpose of the narrative is to report on work that SACE is engaged on, which is not covered by the indicators.</p>
31 October 2019	<ul style="list-style-type: none"> <li>Quarter 2 Performance Report</li> <li>Quarter 2 Financial Statement</li> <li>Procurement Report</li> <li>PFMA Compliance Report</li> </ul>	<p>Ensure that wording of indicator titles in the Quarterly Performance Reports match that of the APP.</p> <p>Provide quarterly milestone achievements for annual indicators to indicate progress.</p>
31 January 2020	<ul style="list-style-type: none"> <li>Quarter 3 Performance Report</li> <li>Quarter 3 Financial Statement</li> </ul>	<p>Provide quarterly milestone achievements for annual indicators to indicate progress. Branch T has proposed a meeting for Programme 3 CPTD, with regards to reporting on the following activities:</p>

Date	Topic	Issues Raised by the Executive Authority
	<ul style="list-style-type: none"> <li>• Procurement Report</li> <li>• PFMA Compliance Report</li> </ul>	<p>How many teachers report for PD points (not only uptake) o on which types of activities do they report on how many endorsed programs are there per province.</p> <p>Analysis of the foci of endorsed programs to see the balance and do correlation between challenges and gaps emanating from results, and available programs to assist in closing the gaps</p>
30 April2020	<ul style="list-style-type: none"> <li>• Quarter 4 Performance Report</li> <li>• Quarter 4 Financial Statement</li> <li>• Procurement Report</li> <li>• PFMA Compliance Report</li> </ul>	<p>2019/2020 fourth quarterly performance report presented by SACE has shown good performance on a number of important areas which are highlighted above in some detail such as the updating of educator qualifications, approval of new professionals. While good performance is acknowledged in the various areas that are listed above, it needs to be acknowledged that performance on areas such as Legal and Ethics and approval of Professional Development Providers needs to be given attention. In conclusion, the DBE is of the view that performance during the fourth quarter of 2019/2020 was generally good and SACE is commended for doing its best in working towards achieving the outcomes listed for Quarter 4.</p>

# THE ACCOUNTING AUTHORITY /COUNCIL

## Introduction

The council is composed in terms of the SACE Act No.31 of 200; Chapter 2 and section 6 (1-8), Members of the council are appointed by the Minister, taking into consideration representation in respect to race, gender, disability and geographic distribution. The Chairperson of the council is appointed by the Minister; from a list of five candidates nominated by the council in its first seating for a new term of office. Organized professional bodies will nominate 18 educators collectively to serve in the council. Department of Education also nominate its five representatives to serve on the council. The National School Governing Bodies contemplated by section 20 (3) of the South African Schools Act (Act No. 98 of 1998), nominated two persons to serve on the council. One person was nominated by the council on Higher Education (Act No 101 of 1997). One person was nominated by the councils of further education and training institutions which is contemplated in section 8 of the Further Education and training (Act No 98 of 1998). The Chief Executive Officer was appointed in line with section 17 of the Act.

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

#### (a) Concerning the registration of educators-

- must determine the 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) Concerning 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 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 the 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.
- (f) the council Charter must provide commentary on the board's charter and comment on the progress made on complying with the charter.

## Composition of the Council

The term of the current the council which began on the 1st August 2017 will come to an end on the 31 July 2021. The following table depicts the composition of the council and attendance for the year under review.

Name	Designation ( <i>in terms of the Public Entity Council structure</i> )	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. Lucky Goodman Mabutho Cele	Chairperson	01 <sup>st</sup> August 2017	-	Secondary Teachers' Diploma, Diploma in Labour Law, Certificate in Project Management, Advance Certificate in Education - Professional Development and Bed. Honours - Education Management.	Education and Organised Labour	NONE	Ex- officio	2 COUNCIL 9 EXCO 1 ETHCOM

Name	Designation (in terms of the Public Entity Council 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
				Currently reading for a master's degree at UKZN.				
Ms. Veronica Hofmeester -		01 <sup>st</sup> August 2017	Outgoing, 2019	BA – University of Western Cape; B. ED - University of Western Cape; M. ED – University of Stellenbosch (Inc.)	Education and Organised Labour	NONE	Professional Development Committee	2 EXCO 3 COUNCIL
Dr Louis H Swanepoel	Deputy Chairperson	01 <sup>st</sup> August 2017	-	B. Comm, HED, B. Comm (Honours - Economics), M. Comm (Economics), Ph. D, (Educational Management)	Education and School Leadership	NONE	Advocacy and Communication Committee	2 Council meetings
Mr. Elphus Maseko		01 <sup>st</sup> August 2017	-	BSc	Strategic Management	NONE	Registration Committee	3 REGCO 3 COUNCIL

Name	Designation (in terms of the Public Entity Council 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
Dr Hendrik J Deacon		01 <sup>st</sup> August 2017	-	LLB (University of Orange Free State); LLM (University of Orange Free State); LLD (University of Orange Free State)	Education & Labour law	NONE	Ethics Committee	1 COUNCIL 2 ETHCOM
Mr. John William Bester		01 <sup>st</sup> August 2017	-	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	Registration and PRODCO Committees	2 PRODCO 1 REGCO 1 COUNCIL

Name	Designation (in terms of the Public Entity Council 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
						National Alliance of Independent Schools		
Ms.Gugulethu Mbele		01 <sup>st</sup> August 2017	Outgoing, 2019	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, Communication and Staffing Committees	2 COUNCIL 6 EXCO 2 STAFFCO 4 ADVOCO
Prof. Veronica McKay		01 <sup>st</sup> August 2017	Outgoing, 2019	Higher Education Dip;Hon BA; Master of Arts in Sociology; D Litt et Phil in Sociology		NONE	Professional Development Committee	2 COUNCIL
Ms. Gaylin Wendy Bowles	Chairperson: Registration Committee	01 <sup>st</sup> August 2017	-	H.Dip Ed – JCE 1989 Bachelor of Arts – UNISA 11198	Education and School Leadership	Provincial Vice President NAPTOSA Gauteng Member of the National Executive	Registration Committee and Executive Committee	5 REGCO 8 EXCO

Name	Designation (in terms of the Public Entity Council 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
				FDE – CAE – University of Pretoria Advanced Certificate in Education – Leadership, and Management - WITS		Committee - NAPTOSA		
Mr. Mxolisi Bomvana		01 <sup>st</sup> August 2017	Outgoing, 2019	Senior Primary Teachers Dip; Further Dip in Education; Hon Bed; Higher certificate in Economic Development	Education and Organised Labour	NONE	Finance Committee	1 COUNCIL 3 FINCO
Mr. Magope Lucas Maphila	Chairperson: Finance Committee	01 <sup>st</sup> August 2017	-	Higher Education Diploma	Education and Organised Labour	Old Mutual Education Trust; ETDP SETA Board Member	Advocacy, Finance Committees Executive Committee	8 EXCO 5 FINCO 4 ADVOCO

Name	Designation (in terms of the Public Entity Council 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		01 <sup>st</sup> August 2017	-	BA Education; Hon BA Psychology; Project management; Cert in financial & accounting principles for public entities; Labour law in Education	Education and Organised Labour	NONE	Professional Development Committee	3 COUNCIL
Mr. Thabile Kunene		01 <sup>st</sup> August 2017	-	Higher Certificate in Economic Development; Project management; Senior Teachers Dip; Case handling & grievance procedure	Education and Organised Labour	NONE	Advocacy and Communications Committee	3 COUNCIL 1 ADVOCO
Ms. L Motshwane		01 <sup>st</sup> August 2017	-		Education and Organised Labour	NONE	Ethics committees	3 COUNCIL

Name	Designation (in terms of the Public Entity Council structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit committee / Ministerial task team)	No. of Meetings attended
Mr. Ronald Moroatshehla		01 <sup>st</sup> August 2017	Outgoing, 2019	JSTC; STD-FT; BA Degree; BEd Degree; Higher Cert HRM; Higher Cert Economic Development	Education and Organised Labour	NONE	Ethics Committee	3 COUNCIL 1 ETHCOM
Mr. Johannes Motona		01 <sup>st</sup> August 2017	Outgoing, 2019	SPTD; BA; B.Ed Hon; ACE; Professional Business writing skills; Labor Law; Programme in labour law; Masters in Education	Education and Organised Labour	NONE	Professional Development	4 COUNCIL 1 PRODCO
Ms. Nomarashiya Caluza		01 <sup>st</sup> August 2017	-	SPTD; Advanced Dip in Practical labour law; ACE	Education and Organised Labour	NONE	Registration and Commutations' Committees	1 COUNCIL
Mr. F Ntathu		01 <sup>st</sup> August 2017	Outgoing, 2019	Secondary Education Dip; Project management;	Education and Organised Labour	NONE	Staffing Committee	1 COUNCIL

Name	Designation (in terms of the Public Entity Council 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
				Labour law in Education				
Mr. Nkosiphendule Ntantala	Chairperson: Advocacy and Communications Committee	01 <sup>st</sup> August 2017	-	BA (Ed)	Education and Organized Labour	NONE		2 COUNCIL 4 FINCO
Mr. Mokholoane Samuel Moloji		01 <sup>st</sup> August 2017	-	STD(Tech); FDE	Education and Organised Labour	NONE	Staffing Committee	3 COUNCIL 2 STAFFCO
Mr. Walter Hlase	Chairperson: Staffing Committee	01 <sup>st</sup> August 2017	-	Secondary Education Dip; ACE; Hon BA; Advanced cert in labour law	Education and Organised Labour	NONE	Staffing committee; Registration committee and Executive Committee	1 REGCO 3 COUNCIL 10 EXCO
Mr. Jonovan Rustin		01 <sup>st</sup> August 2017	-	Senior Primary Teachers Diploma Further Diploma in Education – School Management	Education and Organised Labour	NONE	Ethics and Audit committees	2 AUDCO

Name	Designation (in terms of the Public Entity Council 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. Paul Sauer		01 <sup>st</sup> August 2017	-	B.Sc; Hon B.Sc; Dip in Business Management	Education and Organised Labour	NONE	Finance Committee and Advocacy and Communications Committee	3 FINCO 2 AUDCO 2 ADVOCO
Dr Simelane		01 <sup>st</sup> March 2017				NONE		2 COUNCIL
Mr. Sello Sethusha		01 <sup>st</sup> August 2017	-	Dip in Education; BA; B. Ed; BTech in Human Resources Management		NONE	Registration and Professional Development	1 REGCO 2 COUNCIL
Mr. K. Geza		01 <sup>st</sup> August 2017	-	B Juris; MBA –General Post Graduate Diploma in Labour Law	Education and Organised Labour	NONE	Ethics Committee & Staffing Committee	3 COUNCIL 1 ETHCOM
Mr. Enoch T Rabotapi	Chairperson: Professional Development Committee	01 <sup>st</sup> August 2017	-	BED (HONS): Assessment & Quality Assurance Advanced Diploma in Labour Law		NONE	Professional Development Committee; Finance committee	2 COUNCIL 7 EXCO 4 FINCO 2 PRODCO

Name	Designation (in terms of the Public Entity Council 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
				Bachelor of Science in Education			Executive committee	
Prof. Salome Human-Vogel		01 <sup>st</sup> August 2017	-	BA; BA Hon; B. Ed Hons'M.Ed		NONE	Professional Development	1 COUNCIL 1 PRODCO
Ms. Cheryl Weston		01 <sup>st</sup> August 2017	-	B.Ed Hon(ICT) IN Education; ACE; Higher Diploma in Education; Diploma in Education		NONE	Professional Development	4 COUNCIL 4 ADVOCO
Ms. Ella Mokgalane	Chief Executive Officer	01 August 2017	-	Primed; BEd Hon, Post-Grad Diploma in Education, Human Resource Management Diploma, Postgraduate Diploma in Management, Masters of Management in		NONE	<i>All Committees</i>	2 ETHCOM 5 COUNCIL 3 REGCO 3 AUDCO 10 EXCO 5 FINCO 1 STAFFCO 4 ADVOCO 2PRODCO

Name	Designation (in terms of the Public Entity Council 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
				Public policy (current); Cert Financial accounting principles for public entities				
Ms Faseega Solomon		01 November 2019	-	Diploma in Education: Senior Primary, BA Degree, Advanced Certificate in Education	Education and Organised Labour	NONE	<i>Professional Development Committee</i>	2 PRODCO
Ms Brenda Mbatha		01 July 2019	-	Junior Primary Teachers Diploma, Higher Diploma in Education, BED Honours, Diploma in Human Resource Management	Education and Organised Labour	NONE	<i>Staffing Committee and Advocacy and Communications Committee</i>	3 ADVOCO
Prof. Sarah Gravett		01 November 2019	-			NONE	<i>Professional Development Committee</i>	2 PRODCO

Name	Designation ( <i>in terms of the Public Entity Council structure</i> )	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 George Themba		01 August 2018	-	University Diploma in Education (Secondary), National Higher Diploma in Education Management, BED Honours Project Management in Education, ACE in School Leadership, Certificate-School Law for Educators, Certificate - Finance for Non – Financial Managers Programme	Education and Organised Labour	NONE	<i>Audit Committee and Finance Committee</i>	6 AUDCO, 1 FINCO,
Ms Esther Mokoale		01 November 2019	-			NONE	<i>Ethics Committee</i>	2 ETHCOM

Name	Designation (in terms of the Public Entity Council 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 Mkhuseleli Dubula		31 October 2019	-	BA in Education, Certificate in Labour Law in Education	Education and Organised Labour	NONE	<i>Professional Development Committee and Ethics Committee</i>	1 ETHCOM, 1 PRODCO
Mr Senzo Mpalala		1st August 2019	-	Secondary Teachers Diploma in Education, Advance Certificate in Education, Certificate in Project Management, Higher Certificate in Economic Development, BED Honours (current)	Education and Organized Labour	NONE	<i>Staffing Committee</i>	2 STAFFCO

## Committees

Committee	No. of meetings held	No. of members	Name of members
Executive Committee	7	8	<ul style="list-style-type: none"> <li>• Mr M. Cele</li> <li>• Mr W. Hlaise</li> <li>• Mr J. Motona (outgoing)</li> <li>• Mr N Ntantala</li> <li>• Ms. G Bowles</li> <li>• Mr T. Rabotapi</li> <li>• Dr L. Swanepoel</li> <li>• Mr L. Maphila</li> <li>• Ms E. Mokgalane</li> </ul>
Registration Committee	7	9	<ul style="list-style-type: none"> <li>• Ms. G Bowles</li> <li>• Mr E. Maseko</li> <li>• Mr W. Bester</li> <li>• Ms N. Caluza</li> <li>• Mr W. Hlaise</li> <li>• Mr S. Sethusha</li> <li>• Ms C. Weston</li> <li>• Ms R. Du Toit</li> <li>• Ms E. Mokgalane</li> </ul>
Ethics Committee	2	10	<ul style="list-style-type: none"> <li>• Dr L. Swanepoel</li> <li>• Mr M. Cele</li> <li>• Mr M. Moroatshehla (outgoing)</li> <li>• Ms E Mokoelle</li> <li>• Mr T. Geza</li> <li>• Dr J. Deacon</li> <li>• Mr J. Rustin</li> <li>• Mr J. Motona (outgoing)</li> <li>• Mr M Dubula</li> <li>• Mr S. Tjebane (non-councillor)</li> <li>• Mr Eastes (non-councillor)</li> <li>• Ms E. Mokgalane</li> </ul>
Professional Development Committee	1	12	<ul style="list-style-type: none"> <li>• Mr T. Rabotapi</li> <li>• Prof V. Mckay (outgoing)</li> <li>• Prof. S Gravett</li> <li>• Mr T. Ledimo</li> <li>• Prof. S Human-Vogel</li> <li>• Mr J. Motona (outgoing)</li> <li>• Mr M Dubula</li> <li>• Ms V. Hofmeester (outgoing)</li> <li>• Ms F Solomon</li> <li>• Mr W. Bester</li> <li>• Mr S. Sethusha</li> <li>• Dr N. Nduna Watson (Non-Councillor)</li> <li>• Dr S. Besman (Non councillor)</li> <li>• Mr G. Harrison (Non councillor)</li> <li>• Ms E. Mokgalane (CEO)</li> </ul>
Finance Committee	10	8	<ul style="list-style-type: none"> <li>• Mr L. Maphila</li> <li>• Mr E. Rabotapi</li> <li>• Mr PP. Sauer</li> <li>• Mr M. Bomvana (outgoing)</li> <li>• Mr G Themba</li> <li>• Mr N. Ntantala</li> <li>• Mr G. Clark (Non-councillor)</li> <li>• Ms N.Thipe (Non-councillor)</li> <li>• Ms E. Mokgalane</li> </ul>

Staffing Committee	6	8	<ul style="list-style-type: none"> <li>• Mr W. Hlase</li> <li>• Mr F. Ntathu (outgoing)</li> <li>• Mr S Mpalala</li> <li>• Mr M. Moloji</li> <li>• Mr S. Tjebane (Non councillor)</li> </ul>	<ul style="list-style-type: none"> <li>• Ms G. Mbele (outgoing)</li> <li>• Ms B Mbatha</li> <li>• Mr T. Geza</li> <li>• Mr C. Nel</li> <li>• Ms E. Mokgalane</li> </ul>
Advocacy Committee	7	9	<ul style="list-style-type: none"> <li>• Ms G Mbele (outgoing)</li> <li>• Ms B Mbatha</li> <li>• Mr PP Sauer</li> <li>• Mr L Maphila</li> <li>• Ms C Weston</li> </ul>	<ul style="list-style-type: none"> <li>• Mr T Kunene</li> <li>• Ms N Caluza</li> <li>• Mr M Mafunda (Non councillor)</li> <li>• Ms E. Mokgalane</li> <li>• Dr M Simelane</li> </ul>
Risk and Audit Committee	5	6	<ul style="list-style-type: none"> <li>• Mr J. Rustin</li> <li>• Ms E. Mokgalane</li> <li>• Mr. N Maluleke (Non councillor)</li> <li>• Mr P. White (Non councillor)</li> </ul>	<ul style="list-style-type: none"> <li>• Mr G. Bengell (Non councillor)</li> <li>• Mr B. Snayer (outgoing)</li> <li>• Mr G Themba</li> </ul>

## RISK MANAGEMENT

Risk management is recognized as an integral part of sound organizational management. Risk management in South African Council for Educators (SACE) derives its mandate from the Public Finance Management Act (PFMA). The PFMA stipulates in section 51 that: “an accounting authority for public entity-(a) must ensure that public entity has and maintains: –

- I. effective, efficient and transparent system of financial and risk management and internal control;
- II. a system of internal audit under the control and direction of an audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77. In line with best practice, the governance structures are in place to ensure effective management of risk management at both a strategic and an operational level.

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

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

During the period under review, Management reviewed and recommended approval of Enterprise Risk Management policy in line with their commitment to ensure risk management is integrated into the normal business processes of the entity. A detailed strategic and operational risk assessment for organization was conducted and the risk register updated accordingly. The purpose of risk assessment was to identify business risk related to SACE. The risks were measured and rated in terms of impact and likelihood of occurrence.

The top risk identified by Risk Owners are prioritized in terms of their importance and are being managed and reported on accordingly.

Key controls and mitigation strategies/plans have been identified and are being implemented for both strategic and operational risks to ensure that risks are kept within the councils' risk appetite.

## INTERNAL CONTROL UNIT

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

The council established a system of internal control and regularly reviews 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 integrity, ethical values, organizational culture, competence of people, management philosophy and operating style, a delegation of authority and responsibility, the way in which people are organized and developed as well as the intention and direction provided by the council

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

- Risks are properly managed
- Assets are safeguarded
- Financial and operational information is reliable
- Operations are effective and efficient and
- Laws, regulations, policies, procedure and contractual obligations are complied with

## INTERNAL AUDIT AND AUDIT COMMITTEES

### Internal Audit

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

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

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

## RISK AND AUDIT COMMITTEE

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

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

The Risk and Audit Committee reports that it has operated and performed its oversight responsibilities independently and objectivity in compliance with section 51(1)(a)(ii) of the PFMA and Treasury Regulations Part 3. The system of internal control applied by the Council over financial and risk management is effective. In line with the PFMA and the KING IV Report

on corporate governance requirements, internal audit provides the Audit Committee and management with assurance on the appropriateness and effectiveness of the internal controls. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes.

1. The table below discloses relevant information on the Risk and Audit committee members

Name	Qualifications	Internal or external	If internal, position in the public entity	Date appointed	Date Resigned	No. of Meetings attended
Mr J. Rustin	BA(UWC) Financial management for non-financial managers (UNISA) Labour (NMMU)	External	N/A	August 2013	Not Resigned	2/5
Mr. N Maluleke	-	External	N/A	-	Not resigned	3/5
Mr P. White	Grade 12	External	N/A	August 2013	Not Resigned	5/5
Mr G. Themba	-	External	N/A	March 2019	Not Resigned	1/5
Mr G. Bengell	Grade 12 PTD 3	External	N/A	November 2013	Not Resigned	5/5

## COMPLIANCE WITH LAWS AND REGULATIONS

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

The committee are:

- Executive Committee (EXCO); Finance Committee (FINCO); Registration Committee (REGCO); Professional Development Committee (PRODCO); Ethics Committee (ETHCOM); Advocacy Committee (ADVOCO) and Audit Committee (AUDCO).
- These committees formulate policies which guide the operations and aid the oversight roles of Council and report progress to the Executive Committee on a quarterly basis. The policies of the Council are reviewed annually to ensure consistency with current legislation and regulations.

## **FRAUD AND CORRUPTION**

In line with its zero-tolerance approach towards fraud, corruption and other economic crimes, SACE has recognized 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 function. As required by Regulation 29.1.1 of the Treasury Regulations prescribed under the Public Finance Management Act, 1999 (At No.1 of 1999).

## **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 excused from the discussion of the conflicted agenda item. The Council has Supply Chain Management Policy and guidelines 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 a delegation of powers is implemented in terms of the Supply Chain Management Policy. Members who declare interest are excused from the relevant discussion. For the year under review, there was no violation identified in this regard.

## **CODE OF CONDUCT**

The SACE Code of Conduct is reviewed on annual basis by the end of March, every financial year. The Council adopted the reviewed HR Policies including the Code of Conduct on 15 March 2018. The reviewed Code of Conduct was presented to all Managers and Staff members during the Workshops held between March 2018-30 April 2018. It was only around February 2019, that about 22 Staff members were charged for violating the Code of Conduct and were since subjected to Internal Disciplinary Procedures.

## **HEALTH SAFETY AND ENVIRONMENTAL ISSUES**

Emanating from the previous report on establishing occupational health and safety plans; SACE has established occupational health and safety committee. This committee will ensure that the council complies with required legislations and roll-out all activities necessary for occupational health and safety measure. OHS representatives are already appointed and will be responsible to ensure compliance to the Act. SACE is developing an Employee wellness programme. The plan has been submitted to structures and it has wellness activities lined-up to take place during this period under review, including activities for Heritage Day, women's day etc. This will include awareness for stress management; healthy eating and good lifestyles, work-life balances and any other such activities.

# 1. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2020.

## Audit committee members and attendance

The audit committee consists of five (5) members and should meet 3 times per annum as per its approved terms of reference. During the current year 3 meetings were held.

## Audit committee responsibility

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

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

## The effectiveness of internal control

The system of internal controls applied by the council over financial and risk management is effective, efficient and transparent. In line with the PFMA and the King IV 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 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 material deficiencies in the system of internal control or any deviations there from. Accordingly, we can report that the system of internal control over financial reporting for the period under review was efficient and effective with the exception of deficiencies reported by external auditors.

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

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

## Evaluation of annual financial statements

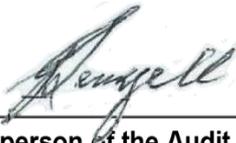
The audit committee has:

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



Chairperson of the Audit Committee

Date: 13 November 2020

# Part D

## HUMAN RESOURCE MANAGEMENT



## 1. Introduction

Corporate Services is responsible for Human Resource Managements Infrastructure and Maintenance, General Services and Security and Coordination and Support to Provincial Offices. SACE is a growing organisation and its growth has introduced new developments in terms of the Human Capital and development to match the deliverables related to the core mandate of the Council. This aspect is managed through the HRM Unit which has two sections i.e., "Provisioning and Conditions of Services" and "Labour relations and Training Development".

The focus of the HRM Unit has been around Human Resourcing to enable the Council to deliver its mandates; organisational structuring; employment equity; staff provisioning; employee Wellness; labour relations; skills development and training; occupational health and safety, and conditions of service.

The strategic goal of the division is to ensure support to the core functions of the Council to achieve its deliverables, and achieve tactical goals such as filling of the strategic posts in the organisation, training and development of staff members, maintenance of labour peace, adherence to state regulations such as employment equity regulations, occupational health and safety and creating a conducive working environment.

## 2. Resourcing of the Organisation

The HRM continued on its path of filling both strategic positions especially at a Senior Management level and Administration Posts that support core functions to deliver its mandates. This path was started in the previous period as reported then and continued for the period under review.

The Council has filled all senior posts as identified in the organisational structure which was recently developed through a Job Evaluation conducted by an independent Service Provider in 2018.

Several administration posts were also filled during the period under review for vacated posts and newly created posts for newly established provincial office in Limpopo.

## 2. Employment Equity

As indicated above, SACE is a growing organisation which is struggling with the implementation of creating a balanced human Capital, relating to previously disadvantaged people from Apartheid, and ensuring that the designated groups as identified in Employment Equity Act No 55 of 1998 as amended are given opportunity for employment in the organisation.

The Employment Equity Plan has been finalised and implemented and the Council continue to report developments around this aspect to Department of Labour through ETDP-SETA. The challenge experienced under this aspect is designated people not applying when posts are advertised, despite endeavours of advertising the posts as designated posts. It is against this background that the Council encourages qualifying designated individuals to take the opportunity to apply when such posts are advertised.

### **3. Employee Wellness Programme**

In strengthening implementation of SACE wellness policies, Council often conduct wellness activities aimed at improving employee fitness, and knowledge about personal financial matters and health matters. The recent activities were held in October 2019.

The activities included physical fitness such as aerobics and yoga for physical fitness, financial presentation by credit regulations council and Old -Mutual; employees were taught about hearing and how to take care of the hearing system, eye-sight as well as were lectured on good food and healthy eating habits.

All these activities were aimed at improving the employee wellness across health, finance and physical fitness.

### **4. Internship programme**

The Council continue to offer internship to undergraduates as part of experiential learning, enabling them to acquire onsite knowledge and experience.

Approximately 23 internship posts were offered across the Divisions of SACE, for the period under review. The learners acquired knowledge through this programme across administration, legal, data capturing, registration and financial matters.

Provincial Offices also had interns serving in those Offices who were acquiring the necessary knowledge.

### **5. Occupational Health and Safety**

Occupational Health and Safety Committee has been established as previously reported. The Committee is responsible to ensure that the Council complies with relevant regulations which is prescribed by the Occupational Health and Safety Act 85 of 1993 as amended and ensuring general safety of staff and public in its buildings.

## 6. Staff Compliment

The Organisation has a staff compliment of about 136, inclusive of Senior Management, Managers, Administrative Staff, Provincial Coordinators for CPTD (Continuous Professional Teacher Development) Programme and Provincial staff in the following Provinces - Kwa Zulu Natal, Limpopo and Free State.

## 7. Human Resource oversight statistics

### Personnel Cost by programme/ activity/ objective

Programme/activity/objective	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp. (R'000)	No. of employees	Average personnel cost per employee (R'000)
Executive	-	5 508	9.86%	4	1 377
Corporate Services	-	11 393	20.40%	58	196
Internal Audit	-	901	1.62%	3	300
Finance	-	6 422	11.50%	18	356
Registration	-	6 443	11.54%	12	536
Ethics	-	6 399	11.46%	9	711
Teacher Professionalization	-	758	1.36%	3	252
Professional Development	-	10 645	19.06%	12	887
Research	-	2 344	4.20%	4	586
Communications	-	5 023	9%	13	386
<b>TOTAL</b>	<b>55 837</b>	<b>55 837</b>	<b>100%</b>	<b>136</b>	<b>410</b>

### 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	5 508	9.86%	4	1 377
Senior Management	13 210	23.66%	11	1 200
Professional qualified	16 365	29.31%	26	629
Skilled	13 637	24.42%	32	426
Semi-skilled	3 130	5.61%	36	87
Unskilled	3 986	7.14%	27	148
<b>TOTAL</b>	<b>55 837</b>	<b>100%</b>	<b>136</b>	<b>411</b>

**Performance Rewards**

Programme//activity/objective	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	0	5 508	0%
Senior Management	0	13 210	0%
Professional qualified	0	16 365	0%
Skilled	0	13 637	0%
Semi-skilled	0	3 130	0%
Unskilled	0	3 986	0%
<b>TOTAL</b>	<b>0</b>	<b>55 837</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	Avg training cost per employee (R'000)
Executive	5 508	9	0.16%	1	9
Corporate Services	11 393	84	0.74%	11	7.6
Internal Audit	901	13	1.44%	1	13
Finance	6 422	7	0.11%	2	3.5
Registration	6 443	20	0.31%	4	5
Ethics	6 399	23	0.34%	4	5.75
Teacher Professionalization	758	48	6.33%	7	6.86
Professional Development	10 645	45	0.42%	8	5.63
Research	2 344	3	0.13%	1	3
Communications	5 023	41	0.82%	8	5.13
<b>TOTAL</b>	<b>55 837</b>	<b>293</b>	<b>0.52%</b>	<b>136</b>	<b>2.15</b>

**Employment and vacancies**

Programme/activity/objective	2018/2019 No. of Employees	2019/2020 Approved Posts	2019/2020 No. of Employees	2019/2020 Vacancies	% of vacancies
Top Management	04	04	4	0	0
Senior Management	10	13	11	2	18
Professional qualified	30	32	26	6	23
Skilled	29	34	32	2	68
Semi-skilled	42	50	36	11	28
Unskilled	31	31	27	7	29
<b>TOTAL</b>	<b>146</b>	<b>164</b>	<b>136</b>	<b>28</b>	<b>21</b>

Explanations: Detail the attempts made to fill the posts of senior management and highly skilled supervision and explain why there are no appropriate internal staff to fill the vacancies. Explain how long, at a minimum, vacancies have remained unfilled and the reasons for this. Explain measures taken to successfully attract and retain staff.

### **Employment changes**

Provide information on changes in employment over the financial year. Turnover rates provide an indication of trends in employment profile of the public entity.

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	4	0	0	4
Senior Management	10	1	0	11
Professional qualified	24	5	3	26
Skilled	30	4	6	32
Semi-skilled	35	17	18	36
Unskilled	32	20	23	27
<b>Total</b>	<b>135</b>	<b>47</b>	<b>50</b>	<b>136</b>

### **Reasons for staff leaving**

Reason	Number	% of total no. of staff leaving
Death	1	2.78
Resignation	5	3.68
Dismissal	23	16.91
Retirement	0	
Ill health	0	
Expiry of contract	21	15.44
Other	0	
<b>Total</b>	<b>50</b>	<b>38.81</b>

Explanations: Provide explanations for staff leaving and what attempts are made to replace these staff.

### **Labour Relations: Misconduct and disciplinary action**

Nature of disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written warning	0
Dismissal	23

**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	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	2	0	0	0	0	0	0	0
Senior Management	7	0	0	0	0	0	0	1
Professional qualified	14	0	0	1	0	0	0	0
Skilled	6	0	0	2	0	2	0	1
Semi-skilled	10	2	1	1	0	2	0	1
Unskilled	9	2	0	1	0	1	0	1
<b>TOTAL</b>	<b>48</b>	<b>4</b>	<b>1</b>	<b>5</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>4</b>

Levels	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	2	0	0	1	0	0	0	0
Senior Management	3	0	1	0	0	1	0	1
Professional qualified	11	0	0	0	0	1	1	0
Skilled	21	0	2	1	1	1	2	1
Semi-skilled	29	0	0	0	0	1	0	0
Unskilled	14	0	0	2	0	1	0	1
<b>TOTAL</b>	<b>80</b>	<b>0</b>	<b>3</b>	<b>4</b>	<b>1</b>	<b>5</b>	<b>3</b>	<b>3</b>

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	10	0	1
Senior Management	0	0	0	1
Professional qualified	0	0	0	0
Skilled	0	1	0	0
Semi-skilled	0	0	0	1
Unskilled	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>3</b>

# Part E

FINANCIAL INFORMATION





**S A C E**

South African Council for Educators

*Towards Excellence in Education*

SOUTH AFRICAN COUNCIL FOR EDUCATORS  
Annual Financial Statements  
for the year ended 31 March 2020

These annual financial statements were prepared by:  
Ndwambi C  
Finance manager  
Published 13 November 2020

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## General Information

---

<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Registration of educators, promotion of professional development of educators and the establishment, maintenance and protection of ethical and professional standards for educators.
<b>Members</b>	Mr M. Cele (Chairperson) Dr L.H. Swanepoel (Deputy chairperson) Ms M.E. Mokgalane (Chief Executive officer) Mr W. Hlaise Mr M. Moloji Mr T.K. Geza Mr T. Ledimo Mr J. Rustin Ms V. Hofmeester (resigned 31-10-2019) Mr R. Moroatshehla (resigned 31-10-2019) Mr M. Bomvana (resigned 10-03-2020) Mr M.L. Maphila Mrs G.W. Bowles Mr J. Motona (resigned 01-10-2019) Mr M.E. Maseko Dr H.J. Deacon Mr N. Ntantala Mr F. Ntathu (resigned 23-07-2019) Mr E.T. Rabotapi Mr P. Sauer Mr J.W. Bester Mr S. Sethusha Prof. S. Human-Vogel Ms N. Caluza Ms G. Mbele (resigned 01-05-2019) Mr T. Kunene Prof. V. McKay (resigned 01-10-2019) Ms C. Weston Ms L. Motshwane Dr. M.T. Simelane Mr S Mpalala (appointed 01-08-2019) Ms B Mbatha (appointed 01-07-2019) Mr M Dubula (appointed 31-10-2019) Mr M Simelane (appointed 01-03-2019) Prof. S Gravett (appointed 01-11-2019) Ms E Mokoale (appointed 01-11-2019) Ms F Solomon (appointed 01-11-2019)
<b>Registered office</b>	Block 1, Crossway Office Park 240 Lenchen Avenue Centurion 0046

# **SOUTH AFRICAN COUNCIL FOR EDUCATORS**

Annual Financial Statements for the year ended 31 March 2020

## **General Information**

---

**Postal address**

Private Bag X127  
Centurion  
0046

**Bankers**

Nedbank Limited  
Reserve Bank

**Auditors**

Nexia SAB&T

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Index

---

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

	<b>Page</b>
Council's Responsibilities and Approval	107
Audit Committee Report	108
Independent Auditor's Report	109 - 114
Council's Report	115 - 116
Statement of Financial Position	117
Statement of Financial Performance	118
Statement of Changes in Net Assets	119
Cash Flow Statement	120
Statement of Comparison of Budget and Actual Amounts	121
Accounting Policies	122 - 129
Notes to the Annual Financial Statements	130 - 141

### Abbreviations

COID	Compensation for Occupational Injuries and Diseases
GRAP	Generally Recognised Accounting Practice
SAICA	South African Institute of Chartered Accountants
SAQA	South African Qualification Authority
SACE	South African Council for Educators
ASB	Accounting Standard Board
PFMA	Public Finance Management Act
ETDP SETA	Education Training and Development Practices SETA
CPTD	Continuing Professional Teacher Development

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Council's Responsibilities and Approval

---

The council is required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the council 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 members to meet these responsibilities, the members 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 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.

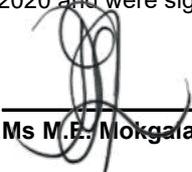
The external auditors are responsible for independently auditing and reporting on the council's annual financial statements. The annual financial statements have been examined by the council's external auditors and their report is presented on page 109 - 114.

The annual financial statements set out on pages 117 to 141, which have been prepared on the going concern basis, were approved by the council members on 13 November 2020 and were signed on its behalf by:



---

Mr. M. Cele (Chairperson)



---

Ms. M. E. Mokgalane (Chief Executive officer)

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Audit Committee Report

---

We are pleased to present our report for the financial year ended 31 March 2020.

### Audit committee members and attendance

The audit committee consists of five (5) members and should meet 3 times per annum as per its approved terms of reference. During the current year 3 meetings were held.

### Audit committee responsibility

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

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

### The effectiveness of internal control

The system of internal controls applied by the council over financial and risk management is effective, efficient and transparent. In line with the PFMA and the King IV 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 Various reports of the Internal Auditors, the audit report on the annual financial financial statements, and the management report of the External Auditors, it was noted that no matters were reported that indicate material deficiencies in the system of internal control or any deviations there from. Accordingly, we can report that the system of internal control over financial reporting for the period under review was efficient and effective with the exception of deficiencies reported by external auditors.

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

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

### Evaluation of annual financial statements

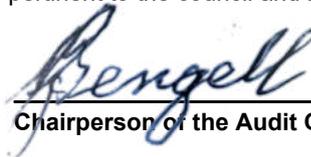
The audit committee has:

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



Chairperson of the Audit Committee

Date: 13 November 2020

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

### Report on the audit of the financial statements

#### Opinion

1. We have audited the financial statements of the South African Council for Educators set out on pages 117 to 141, which comprise the statement of financial position as at 31 March 2020, statement of financial performance, statement of changes in net assets, cash flow statement and Statement of Comparison of Budget and Actual Amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. 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 2020, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

#### Basis for opinion

3. We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of this auditor's report.
4. We are independent of the entity in accordance with sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of professional conduct for Registered Auditors (Revised January 2018)*, parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* and the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* respectively.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Emphasis of matter**

6. We draw attention to the matters below. Our opinion is not modified in respect of these matters.

## **Subsequent events**

7. We draw attention to Note 26 to the financial statements, which deals with subsequent events and specifically the possible effects of the future implications of Covid-19 on the entity's future prospects, performance and cash flows. Management has also described how they plan to deal with these events and circumstances.

## **Material impairments – trade debtors**

8. As disclosed in Note 13 to the financial statements, material impairment of R2 119 421 was incurred as a result of uncertainty in the recoverability of the amounts owed by the debtors.

## **Irregular expenditure**

9. As disclosed in Note 21 to the financial statements, the entity incurred irregular expenditure of R174 275, as it did not follow a proper tender process.

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

10. The council, which constitutes the accounting authority, is responsible for the preparation and fair presentation of the financial statements in accordance with Standards of GRAP and the requirements of the PFMA, and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, the accounting authority is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting authority either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

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

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

**Introduction and scope**

14. In accordance with the Public Audit Act of South Africa of 2004 (PAA) and the general notice issued in terms thereof, we have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected programme presented in the annual performance report. We performed procedures to identify material findings but not to gather evidence to express assurance.
15. Our procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the entity. We have not evaluated the completeness and appropriateness of the performance indicators/ measures included in the planning documents. Our procedures do not examine whether the actions taken by the entity enabled service delivery. Our procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, our findings do not extend to these matters.
16. We evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the annual performance report of the entity for the year ended 31 March 2020:

<b>Programme</b>	<b>Pages in the annual performance report</b>
Programme 3 - Continuing Professional Development Management System	44 - 45

17. We performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. We performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
18. The material finding in respect of the usefulness and reliability of the selected programme is as follows:

**Programme 3 - Continuing Professional Development Management System**

**Number of educators supported on Professional Development**

19. We were unable to obtain sufficient appropriate audit evidence that systems and processes were established to enable consistent measurement and reliable reporting of performance against the predetermined indicator definitions. This was due to an insufficient recording system for teachers that attended CPD courses. We were unable to validate the existence of the system and process by alternative means.

## Other Matters

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

### Achievement of planned targets

21. Refer to the annual performance report on pages 26 to 66 for information on the achievement of planned targets for the year and explanations provided for the under/ over-achievement of a number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph 19 of this report.

## Report on the audit of compliance with legislation

### Introduction and scope

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

23. The material findings on compliance with specific matters in key legislations are as follows:

### Annual financial statements

24. Financial statements were not submitted for auditing within the prescribed period after the end of financial year, as required by section 55(1)(c)(i) of the PFMA.

25. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 55(1)(b) of the PFMA.

26. There were material misstatements in the submitted financial statements regarding accuracy, classification and completeness of receivables from exchange transactions, debt impairment and disclosure items. The entity subsequently corrected the financial statements, resulting in an unqualified audit opinion being issued.

## Other information

27. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report, which includes the Foreword by the Chairperson of the Council, Chief Executive Officer's Overview, Council's Responsibility and Approval and Report of the Audit and Risk Committee. The other information does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that have been specifically reported in this auditor's report.

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

29. In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

30. We did not receive the other information prior to the date of this auditor's report. When we do receive and read this information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, we may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

#### Internal control deficiencies

31. We considered internal control relevant to our audit of the financial statements, reported performance information and compliance with applicable legislation; however, our objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.

32. Management did not implement effective controls to ensure accurate performance and financial reporting nor did they exercise adequate oversight responsibility over compliance with applicable legislation, which resulted in the material adjustments made to the financial statements and the financial statements not being submitted for auditing within the legislated timeframe.

#### Auditor tenure

33. We report that Nexia SAB&T has been the auditors of South African Council for Educators for 6 years.

*Nexia SAB&T*

---

**Nexia SAB&T**

N.C Soopal  
Director  
Registered Auditor  
13 November 2020

119 Witch-Hazel Avenue  
Highveld Techno-park  
Centurion  
0157

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

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

### **Financial statements**

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

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

3. We communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
4. We also confirm to the accounting authority that we have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Council's Report

---

The members submit their report for the year ended 31 March 2020.

### 1. Review of activities

#### Main business and operations

Net surplus of the council was R 5 184 118 (2019: surplus R 25 101 020).

### 2. Going concern

We draw attention to the fact that at 31 March 2020, the council had an accumulated surplus of R 156 656 358 and that the council's total assets exceed its liabilities by R 156 656 358.

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 management has determined that there is no material uncertainty that casts doubt on the council's ability to continue as a going concern. The council expects that COVID-19 might have some impact, though not significant, in relation to expected future performance and CPTD funding.

### 3. Subsequent events

The COVID-19 pandemic has developed rapidly in 2020, with the significant number of cases. Measures taken by government to contain the virus have affected our activities. We have taken a number of measures to monitor and mitigate the effects of COVID-19, such as health and safety measures for our educators.

The monthly membership fee received from the teachers was not impacted as the schools and teachers continue paying the membership fee.

When the country went on lock down on 26 March 2020, SACE closed their offices and the registration of new teachers was impacted and revenue could not be generated for registration fees. From May 2020, SACE introduced online registration for teachers and teachers took up the opportunity to register online.

At this stage, the impact on the council's activities has not been significant. Based on our experience to date, we expect this to remain the case. We will continue to follow the various government policies and advice and, we will continue our operation in the best and safest way possible without jeopardising the health of our people.

### 4. Accounting policies

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

### 5. Corporate governance

#### General

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

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

# **SOUTH AFRICAN COUNCIL FOR EDUCATORS**

Annual Financial Statements for the year ended 31 March 2020

## **Council's Report**

---

### **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.

### **Council meetings**

The council members have met on 3 separate occasions during the financial year. The council members must meet at least 3 times per annum as per section 16(1) of the SACE act.

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

### **Internal audit**

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

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Statement of Financial Position as at 31 March 2020

	Note(s)	2020	2019
<b>Assets</b>			
<b>Current Assets</b>			
Receivables from exchange transactions	4	962 657	2 855 933
Cash and cash equivalents	5	107 894 193	96 869 381
		<b>108 856 850</b>	<b>99 725 314</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	2	63 528 667	63 040 338
Intangible assets	3	2 145 128	2 656 763
		<b>65 673 795</b>	<b>65 697 101</b>
<b>Total Assets</b>		<b>174 530 645</b>	<b>165 422 415</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables from exchange transactions	7	14 037 455	11 280 410
Unspent conditional grants and receipts	6	3 836 832	2 669 765
		<b>17 874 287</b>	<b>13 950 175</b>
<b>Total Liabilities</b>		<b>17 874 287</b>	<b>13 950 175</b>
<b>Net Assets</b>		<b>156 656 358</b>	<b>151 472 240</b>
Accumulated surplus		156 656 358	151 472 240

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Statement of Financial Performance

	Note(s)	2020	2019
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Revenue		87 701 723	85 424 449
Other income	8	839 956	707 893
Interest received	9	4 629 426	3 922 820
Gain on disposal of property, plant and equipment		4 785	4 410
<b>Total revenue from exchange transactions</b>		<b>93 175 890</b>	<b>90 059 572</b>
<b>Revenue from non-exchange transactions</b>			
Government grants	10	18 832 932	14 877 878
<b>Total revenue</b>		<b>112 008 822</b>	<b>104 937 450</b>
<b>Expenditure</b>			
Employee benefit costs	11	(56 223 424)	(44 491 354)
Depreciation and amortisation	12	(2 765 423)	(2 476 530)
Lease rentals on operating lease		(1 262 496)	(980 304)
Debt Impairment	13	(2 119 421)	(563 978)
Operating Expenses	14	(44 453 940)	(31 324 264)
<b>Total expenditure</b>		<b>(106 824 704)</b>	<b>(79 836 430)</b>
<b>Surplus for the year</b>		<b>5 184 118</b>	<b>25 101 020</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Statement of Changes in Net Assets

	Accumulated surplus	Total net assets
<b>Balance at 01 April 2018</b>	<b>126 371 220</b>	<b>126 371 220</b>
Changes in net assets		
Surplus for the year	25 101 020	25 101 020
Total changes	25 101 020	25 101 020
<b>Balance at 01 April 2019</b>	<b>151 472 240</b>	<b>151 472 240</b>
Changes in net assets		
Surplus for the year	5 184 118	5 184 118
Total changes	5 184 118	5 184 118
<b>Balance at 31 March 2020</b>	<b>156 656 358</b>	<b>156 656 358</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Cash Flow Statement

	Note(s)	2020	2019
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Membership, registration, reprints and other receipts		88 541 418	85 577 878
Grants		20 000 000	16 000 000
Interest received		4 629 426	3 922 820
		<b>113 170 844</b>	<b>105 500 698</b>
<b>Payments</b>			
Employee costs		(56 223 424)	(43 692 808)
Payment suppliers and others		(43 185 276)	(31 294 741)
		<b>(99 408 700)</b>	<b>(74 987 549)</b>
<b>Net cash flows from operating activities</b>	15	<b>13 762 144</b>	<b>30 513 149</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(2 673 335)	(1 504 328)
Proceeds from sale of property, plant and equipment	2	19 144	6 201
Purchase of intangible assets	3	(83 141)	(1 918 456)
<b>Net cash flows used in investing activities</b>		<b>(2 737 332)</b>	<b>(3 416 583)</b>
<b>Net increase in cash and cash equivalents</b>		<b>11 024 812</b>	<b>27 096 566</b>
Cash and cash equivalents at the beginning of the year		96 869 381	69 772 815
<b>Cash and cash equivalents at the end of the year</b>	5	<b>107 894 193</b>	<b>96 869 381</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## 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
<b>Statement of Financial Performance</b>						
<b>Revenue</b>						
<b>Revenue from exchange transactions</b>						
Revenue	84 600 000	1 600 000	<b>86 200 000</b>	87 701 723	<b>1 501 723</b>	23.1
Other income	300 000	-	<b>300 000</b>	839 956	<b>539 956</b>	23.2
Interest received	3 800 000	200 000	<b>4 000 000</b>	4 629 426	<b>629 426</b>	23.3
<b>Total revenue from exchange transactions</b>	<b>88 700 000</b>	<b>1 800 000</b>	<b>90 500 000</b>	<b>93 171 105</b>	<b>2 671 105</b>	
<b>Revenue from non-exchange transactions</b>						
<b>Transfer revenue</b>						
Government grants	20 000 000	2 669 765	<b>22 669 765</b>	18 832 932	<b>(3 836 833)</b>	23.4
<b>Total revenue</b>	<b>108 700 000</b>	<b>4 469 765</b>	<b>113 169 765</b>	<b>112 004 037</b>	<b>(1 165 728)</b>	
<b>Expenditure</b>						
Personnel	(57 526 930)	4 450 000	<b>(53 076 930)</b>	(56 223 424)	<b>(3 146 494)</b>	23.5
Depreciation and amortisation	(3 700 000)	700 000	<b>(3 000 000)</b>	(2 765 423)	<b>234 577</b>	23.6
Lease rentals on operating lease	(1 000 000)	(400 000)	<b>(1 400 000)</b>	(1 262 496)	<b>137 504</b>	23.7
Debt Impairment	-	-	-	(2 119 421)	<b>(2 119 421)</b>	23.8
General Expenses	(46 473 070)	(9 219 765)	<b>(55 692 835)</b>	(44 453 940)	<b>11 238 895</b>	23.9
<b>Total expenditure</b>	<b>(108 700 000)</b>	<b>(4 469 765)</b>	<b>(113 169 765)</b>	<b>(106 824 704)</b>	<b>6 345 061</b>	
<b>Operating surplus</b>	-	-	-	<b>5 179 333</b>	<b>5 179 333</b>	
Gain on disposal of assets	-	-	-	4 785	<b>4 785</b>	
<b>Surplus</b>	-	-	-	<b>5 184 118</b>	<b>5 184 118</b>	
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual</b>	-	-	-	<b>5 184 118</b>	<b>5 184 118</b>	

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies

---

### 1. Presentation of Annual Financial Statements

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

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

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

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

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

#### 1.1 Presentation currency

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

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

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Estimates and judgements are continually reassessed and are based on historical experiences as well as expectations of future events. 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.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies

---

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

#### Membership fees

The South African Council for Educators maintains a database of registered members and removes members from the database only upon request of the individual member and when an individual member is struck-off the roll following a disciplinary process.

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 are estimated based on past experience and other available information.

#### 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 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
Buildings	Straight line	40 years
Motor vehicles	Straight line	5-10 years
Office equipment	Straight line	5-25 years
IT equipment	Straight line	3 to 12 years
Leasehold improvements	Straight line	lease term

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

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies

---

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

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

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 which are received by means of a non-exchange transaction, the fair value of the asset is the deemed cost. Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

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

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

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

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

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

<b>Item</b>	<b>Useful life</b>
Computer software, internally generated	5-12 years
Computer software	5-10 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 :

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

The 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:

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

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies

---

### 1.5 Financial instruments (continued)

#### Initial recognition

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

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

The council measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

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

Financial assets are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

#### Impairment and uncollectibility of financial assets

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

Financial assets measured at amortised cost:

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

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

### 1.6 Leases

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

#### Operating leases - lessee

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

### 1.7 Provisions

Provisions are recognised when:

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

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

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

Provisions are not recognised for future operating surplus.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies

---

### 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, other than increases relating to contributions from owners.

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 reporting date. 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 reporting date 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

#### Recognition

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

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

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies

---

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

#### Measurement

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

When, as a result of a non-exchange transaction, the 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 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

Fruitless and wasteful expenditure will always emanate from an action or lack of action instigated by an official that resulted in a financial loss to the council.

On discovery, the fruitless and wasteful expenditure is recorded in a register; and then referred for investigation. If an investigation reveals that the employee is liable in law, then accountability for the fruitless and wasteful expenditure and any losses relating thereto shall be vested with that official.

In line with the Treasury Regulations, fruitless and wasteful expenditure must either be recovered from the person liable and in instances where recovery is not possible, such fruitless and wasteful expenditure may be written off by the accounting officer or authority.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

### 1.12 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

Irregular expenditure is incurred when the resulting transaction is recognised in the financial records of the council in accordance with the relevant Accounting Framework.

When an irregular expenditure is being suspected, it is reported to the head of the entity and then recorded in the irregular expenditure register.

The alleged irregular expenditure is then investigated for confirmation.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies

---

### 1.12 Irregular expenditure (continued)

When the irregular expenditure is confirmed, recovery steps are taken where there is a liable official; or a condonation is sought from the National Treasury.

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

### 1.13 Contingent liabilities

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

A contingent liability that relates to a present obligation is not recognised because the amount cannot be measured with sufficient reliability.

### 1.14 Budget information

Council is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by council shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget covers the fiscal period from 2019/04/01 to 2020/03/31.

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

### 1.15 Related parties

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

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

### 1.16 New Standards and interpretation

#### 1.15.1 Standards and interpretations effective and adopted in the current year

In the current year, The council has adopted the following standards and interpretation that are effective for current financial year and that are relevant to its operations with the effective date of 01 April 2019:

	<b>Expected impact</b>
1 GRAP 108: Statutory Receivables:	The impact of the standard is not material

#### 1.15.2 New standards and interpretation issued, but not yet effective

The council has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2020 or later.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Accounting Policies

---

### 1.16 New Standards and interpretation (continued)

	<b>Expected impact</b>
1. GRAP 104 (amended): Financial Instruments	Unlikely there will be a material impact
2. Guideline: Guideline on the application of materiality to Financial Statements	Unlikely there will be material impact
3. IGRAP 20: Accounting adjustments to revenue	Unlikely there will be material impact
4. GRAP 1 (amended): Presentation of Financial Statements	Unlikely there will be material impact
5. IGRAP 1 (revised): Applying the probability test on initial recognition of revenue	Unlikely there will be material impact

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements

2020 2019

### 2. Property, plant and equipment

	2020			2019		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Land	21 816 913	-	21 816 913	21 816 913	-	21 816 913
Buildings	39 294 024	(3 683 815)	35 610 209	39 294 024	(2 701 464)	36 592 560
Motor vehicles	1 207 372	(238 580)	968 792	138 000	(119 313)	18 687
Office equipment	6 564 122	(2 869 709)	3 694 413	5 891 439	(2 322 049)	3 569 390
IT equipment	3 594 829	(2 357 694)	1 237 135	3 285 942	(2 366 053)	919 889
Leasehold improvements	838 865	(637 660)	201 205	976 154	(853 255)	122 899
<b>Total</b>	<b>73 316 125</b>	<b>(9 787 458)</b>	<b>63 528 667</b>	<b>71 402 472</b>	<b>(8 362 134)</b>	<b>63 040 338</b>

#### Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Disposals	Depreciation	Total
Land	21 816 913	-	-	-	21 816 913
Buildings	36 592 560	-	-	(982 351)	35 610 209
Motor vehicles	18 687	1 069 372	-	(119 267)	968 792
Office equipment	3 569 390	672 683	-	(547 660)	3 694 413
IT equipment	919 889	759 532	(14 359)	(427 927)	1 237 135
Leasehold improvements	122 899	171 748	-	(93 442)	201 205
	<b>63 040 338</b>	<b>2 673 335</b>	<b>(14 359)</b>	<b>(2 170 647)</b>	<b>63 528 667</b>

#### Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Disposals	Depreciation	Total
Land	21 816 913	-	-	-	21 816 913
Buildings	37 576 012	-	-	(983 452)	36 592 560
Motor vehicles	35 937	-	-	(17 250)	18 687
Office equipment	2 979 678	1 075 481	(6)	(485 763)	3 569 390
IT equipment	761 771	428 847	(1 785)	(268 944)	919 889
Leasehold improvements	270 124	-	-	(147 225)	122 899
	<b>63 440 435</b>	<b>1 504 328</b>	<b>(1 791)</b>	<b>(1 902 634)</b>	<b>63 040 338</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.:

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements

2020 2019

### 3. Intangible assets

	2020			2019		
	Cost	Accumulated amortisation and accumulated impairment	Carrying value	Cost	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, internally generated	6 066 359	(4 501 296)	1 565 063	6 066 359	(4 089 741)	1 976 618
Computer software	1 422 601	(842 536)	580 065	1 368 696	(688 551)	680 145
<b>Total</b>	<b>7 488 960</b>	<b>(5 343 832)</b>	<b>2 145 128</b>	<b>7 435 055</b>	<b>(4 778 292)</b>	<b>2 656 763</b>

#### Reconciliation of intangible assets - 2020

	Opening balance	Additions	Amortisation	Total
Computer software, internally generated	1 976 618	-	(411 555)	1 565 063
Computer software	680 145	83 141	(183 221)	580 065
	<b>2 656 763</b>	<b>83 141</b>	<b>(594 776)</b>	<b>2 145 128</b>

#### Reconciliation of intangible assets - 2019

	Opening balance	Additions	Amortisation	Total
Computer software, internally generated	790 610	1 630 367	(444 359)	1 976 618
Computer software	521 591	288 089	(129 535)	680 145
	<b>1 312 201</b>	<b>1 918 456</b>	<b>(573 894)</b>	<b>2 656 763</b>

#### Pledged as security

The council does not have intangible assets whose carrying value is pledged as security:

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements

	2020	2019
<b>4. Receivables from exchange transactions</b>		
Trade debtors	374 441	2 018 644
Deposits	184 128	184 128
Staff loans	404 088	651 580
Other receivables	-	1 581
	<b>962 657</b>	<b>2 855 933</b>

**Statutory receivables included in receivables from exchange transactions above are as follows:**

Membership levies and fines receivables	374 441	2 018 644
<b>Other receivables</b>	<b>588 216</b>	<b>837 289</b>

<b>Total receivables from exchange transactions</b>	<b>962 657</b>	<b>2 855 933</b>
---	----------------	------------------

### Statutory receivables

Membership levies and fines arise from section 19 of the SACE act, which states that funds of the council consists of compulsory fees, money appropriated by parliament, money received from donations, contributions, interest, fines and money received from other source.

Membership levies and fines receivable are based on a council decision and are charged at R 180.00 per annum for membership and fines are charged at a maximum of monthly salary of a member.

### Trade and other receivables impaired

As of 31 March 2020, trade and other receivables of R 2 167 090 (2019: R 516 309) were impaired and provided for.

The amount of the provision was R (3 669 781) as of 31 March 2020 (2019: R (1 502 690)).

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

Opening balance	1 502 690	986 381
Allowance for impairment	2 167 091	516 309
	<b>3 669 781</b>	<b>1 502 690</b>

The creation for impaired receivables have been included in operating expenses. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

## 5. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	27 933	122 266
Bank balances	88 984 653	79 123 534
Short-term deposits	18 881 607	17 623 581
	<b>107 894 193</b>	<b>96 869 381</b>

## 6. Unspent conditional grants and receipts

### Movement during the year

Balance at the beginning of the year	2 669 765	1 547 642
Additions during the year	20 000 000	16 000 000
Income recognition during the year	(18 832 933)	(14 877 877)
	<b>3 836 832</b>	<b>2 669 765</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements

	2020	2019
<b>7. Payables from exchange transactions</b>		
Trade payables	4 435 299	4 488 522
Payments received in advanced	1 317 786	1 471 733
Payroll related payables	1 419 002	714 058
Accrued expense	6 865 368	4 606 097
	<b>14 037 455</b>	<b>11 280 410</b>
<b>8. Other income</b>		
Fines, Letter of good standing and ETDP SETA rebates	839 956	707 893
<b>9. Interest received</b>		
<b>Interest revenue</b>		
Bank	4 598 003	3 885 238
Interest received - other	31 423	37 582
	<b>4 629 426</b>	<b>3 922 820</b>
<b>10. Government grants</b>		
<b>Operating grants</b>		
CPTD grant	18 832 932	14 877 878
<b>Conditional</b>		
Included in above are the following grants and subsidies received:		
CPTD grant	20 000 000	16 000 000

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements

	2020	2019
<b>11. Employee benefit costs</b>		
Basic salary	49 118 730	38 394 374
Compensation Commissioner	118 352	93 579
Leave accruals	1 273 303	798 546
	<b>50 510 385</b>	<b>39 286 499</b>
<b>Remuneration of chief executive officer</b>		
Annual Remuneration	1 157 496	1 097 387
Car Allowance	449 295	439 867
Annual Bonuses	96 192	91 248
Contributions to UIF, Medical and Pension Funds	222 502	212 332
Long service award	-	36 241
	<b>1 925 485</b>	<b>1 877 075</b>
<b>Remuneration of chief finance officer</b>		
Annual Remuneration	1 000 928	947 072
Car Allowance	411 932	402 993
Annual Bonuses	83 177	79 048
Contributions to UIF, Medical and Pension Funds	170 158	162 761
Long service award	-	31 359
	<b>1 666 195</b>	<b>1 623 233</b>
<b>Remuneration of Senior Manager Professional Development and Ethics</b>		
Annual Remuneration	640 364	143 424
Car Allowance	118 911	26 649
Annual Bonuses	52 590	26 464
Contributions to UIF, Medical and Pension Funds	125 212	26 649
Housing Allowance	118 911	-
	<b>1 055 988</b>	<b>223 186</b>
<b>Remuneration of acting chief operations officer (Acting capacity ended 30 June 2018)</b>		
Annual Remuneration	-	664 060
Car Allowance	-	324 249
Performance Bonuses	-	55 420
Contributions to UIF, Medical and Pension Funds	-	114 649
Acting allowance	-	95 479
	-	<b>1 253 857</b>
<b>Remuneration of Senior Manager Registration and Teacher Professionalisation</b>		
Annual Remuneration	640 432	143 424
Housing Allowance	237 743	30 782
Annual Bonuses	52 596	53 298
Contributions to UIF, Medical and Pension Funds	134 600	-
	<b>1 065 371</b>	<b>227 504</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements

	2020	2019
<b>12. Depreciation and amortisation</b>		
Property, plant and equipment	2 170 646	1 902 633
Intangible assets	594 777	573 897
	<b>2 765 423</b>	<b>2 476 530</b>
<b>13. Bad debt provision</b>		
Contribution to debt impairment provision	2 119 421	563 978
<b>14. Operating expenses</b>		
Advertising	273 759	300 666
Auditors remuneration	547 777	347 875
Bank charges	548 201	427 947
Cleaning	544 774	257 277
Consulting and professional fees	6 395 670	1 856 264
Fines and penalties	62 151	2 036
Insurance	380 903	318 394
Motor vehicle expenses	31 617	10 779
Postage and courier	20 044	24 158
Printing and stationery	896 702	609 542
Project maintenance costs	4 424 035	2 317 170
Security	699 635	342 098
Staff welfare	373 516	283 109
Subscriptions and membership fees	911 205	790 626
Telephone and fax	755 865	509 676
Training	270 951	97 231
Travel - local	3 129 323	2 677 069
Utilities	2 327 009	2 242 959
Registration costs	820 326	865 655
Professional development	11 578 697	9 453 244
Code of conduct	4 349 918	4 625 955
Communications	3 786 866	2 544 560
Research	1 324 996	419 974
	<b>44 453 940</b>	<b>31 324 264</b>
<b>15. Cash generated from operations</b>		
Surplus	5 184 118	25 101 020
<b>Adjustments for:</b>		
Depreciation and amortisation	2 765 423	2 476 530
Gain on sale of property, plant and equipments	(4 785)	(4 410)
<b>Changes in working capital:</b>		
Receivables from exchange transactions	1 893 276	(739 753)
Payables from exchange transactions	2 757 045	2 557 639
Unspent conditional grants and receipts	1 167 067	1 122 123
	<b>13 762 144</b>	<b>30 513 149</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements

	2020	2019
<b>16. Financial instruments disclosure</b>		
<b>Categories of financial instruments</b>		
<b>2020</b>		
<b>Financial assets</b>		
	At amortised cost	Total
Trade and other receivables from exchange transactions	962 657	962 657
Cash and cash equivalents	107 894 193	107 894 193
	<b>108 856 850</b>	<b>108 856 850</b>
<b>Financial liabilities</b>		
	At amortised cost	Total
Trade and other payables from exchange transactions	12 719 669	12 719 669
<b>2019</b>		
<b>Financial assets</b>		
	At amortised cost	Total
Trade and other receivables from exchange transactions	2 855 933	2 855 933
Cash and cash equivalents	96 869 381	96 869 381
	<b>99 725 314</b>	<b>99 725 314</b>
<b>Financial liabilities</b>		
	At amortised cost	Total
Trade and other payables from exchange transactions	9 808 677	9 808 677
<b>17. Commitments</b>		
<b>Operating leases - as lessee (expense)</b>		
<b>Minimum lease payments due</b>		
- within one year	565 110	750 109
- in second to fifth year inclusive	120 000	120 000
	<b>685 110</b>	<b>870 109</b>

Operating lease payments represent rentals payable by the entity 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.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements

---

### 18. Risk management

#### Financial risk management

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

#### Liquidity risk

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

#### Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, 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 limit 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.

The council did not pledge any financial assets as a collateral for liabilities and contingent liabilities.

Financial instrument	2020	2019
Cash and cash equivalents	107 894 193	96 869 381
Trade and other receivables	962 657	2 855 933

#### 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.

### 19. Going concern

We draw attention to the fact that at 31 March 2020, the entity had an accumulated surplus of R 156 656 358 and that the entity's total assets exceed its liability by R 156 656 358.

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 management has determined that there is no material uncertainty that casts doubt on the council's ability to continue as a going concern. The council expects that COVID-19 might have some impact, though not significant, in relation to expected future performance and CPTD funding.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements

### 20. Fruitless and wasteful expenditure

Opening balance	-	2 998
Add: Expenditure identified - current	62 151	-
Less: Amount written off/ condoned	-	(2 998)

#### Expenditure identified in the current year include those listed below:

	Treatment		
Ticket cancellation due to name change	Condonation request will be submitted to the Accounting Authority	3 096	-
Hotel charge due to early checkout	Condonation request will be submitted to the Accounting Authority	4 269	-
Late payments penalties	Condonation request will be submitted to the Accounting Authority	54 786	-
		<b>62 151</b>	<b>-</b>

#### Amounts written-off

	Treatment		
Opening balance 1 April 2018	Write-off	2 998	-

### 21. Irregular expenditure

Add: Irregular Expenditure - current	174 275	-
--------------------------------------	---------	---

#### Incidents/cases identified in the current year include those listed below:

	Treatment		
Legal Services - Non-compliance to the SCM policy	Appropriate steps in terms of Treasury Instruction 2 of 2019/20 will be implemented	169 775	-
Translation services - Non-compliance to the SCM policy	Appropriate steps in terms of Treasury Instruction 2 of 2019/20 will be implemented	4 500	-
		<b>174 275</b>	<b>-</b>

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements

	2020	2019
<b>22. Contingent liabilities</b>		
Cash and cash equivalents	107 894 193	96 869 381
Add: Receivables	962 657	2 855 933
Less: Current Liabilities	(17 874 287)	(13 950 175)
Less: Commitments	(685 110)	(870 109)
<b>Surplus</b>	<b>90 297 453</b>	<b>84 905 030</b>

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

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

The surplus of R 90 502 305 has been classified as a contingent liability at 31 March 2020 as there is no approval received as yet to retain the surplus funds.

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

The council at the end of the 2018/19 financial year had legal cases that have a potential of litigation against the council. The total estimated litigations amounts to R 945,641. The matter relates one employee that was dismissed and the employee's contract ended with no option of renewal. The matters are subsequently before the labour court for review.

The council at the end of the 2019/20 financial year had legal cases that have a potential of litigation against the council. The total estimated litigations amounts to R 7 998 545 being the annual employee cost to company. The matter relates to 22 employees that were dismissed. The matters are subsequently before the Commission for Conciliation Mediation and Arbitration for review.

Labour related claims	8 944 186	945 641
-----------------------	-----------	---------

## 23. Material differences between budget and actual amounts

The budget was prepared on an accruals basis covering the financial year ended 31 March 2020. The variances between budget and actual which are numerically 10% and R 100 000 above and below budget are explained below:

### 23.1 Revenue

The council has over-collected on registration fees. This was due to the increase in the number of new graduates entering the profession.

### 23.2 Other income

The council has over-collected on the fines. This is an indication that there has been a lot of conclusions on the cases report than anticipated.

### 23.3 Interest income

Interest income is over the budget due to the increase in the bank account due to the approved retention of prior year surplus and the deposit with the corporate for public deposits.

### 23.4 Government grant

Government grant is below the budget due to the deferred funds unspent at the end of the financial year.

### 23.5 Personnel

Personnel related costs are above the revised budget due to SACE filling up some of vacant post close to the financial year end.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements

2020 2019

### 23. Material differences between budget and actual amounts (continued)

#### 23.6 Depreciation and amortizations

Depreciation and amortizations are below the budget due to the review of the useful life of the assets that resulted in the reduction of this budget item

#### 23.7 Lease rentals on operating lease

This budget item underspent as a result of the late opening of the Eastern Cape provincial office that will only open in the following financial year.

#### 23.8 Debt impairment

The council has created a provision for impairment of debtors in the current year.

#### 23.9 General expenses

General expenses are below the budget due to underspending on CPTD and the leasehold improvements for the Eastern Cape offices that opened late.

### 24. Related parties

#### Amounts owing from related parties

South African Post Office	1 480 613	1 493 256
Education labour relations council	-	1 581

#### Amounts owing to related parties

State Information technology Agency Proprietary Limited	(837 302)	(1 351 155)
National Treasury	(3 847 837)	(2 669 765)

#### Grants received from related parties

National Treasury (Government Grant)	18 832 932	14 877 878
	<b>15 628 406</b>	<b>12 351 795</b>

#### Relationships

Controlling entity National Department of Basic Education

Key management personnel have been disclosed under note 11 of the financial statements.

### 25. 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 3-11 years, furniture and fittings to be 5 to 25 years, office equipments to be 10 to 25 years and software to be 12 years. These assets were assessed with specific reference to each asset and the condition of the asset.

As at 31 March 2020, the council reviewed the useful lives of Computer equipment from 3-11 years to 3-12 years and the review resulted in increase in the carrying amounts of this class of asset by R 167,356, some class of furniture and fittings changed from 20 to 25 years and this resulted in the increase of the carrying amount of this class of asset by R 60,589, office equipments were reviewed and resulted in the increase in the carrying amount of this class of asset by R 26,168, leasehold improvements were reviewed based of the lease term and this resulted in the increase in the carrying amount of this class of asset by R74,438.

As at 31 March 2020, the council reviewed the useful lives of intangible assets and the review resulted in increase in the carrying amounts of this class of asset by R 292,180.

The effect of this revision has reduced the depreciation and amortization charges for the current and future periods by R 620,733. The effect of this revision has increased surplus for the year by R 620,733.

# SOUTH AFRICAN COUNCIL FOR EDUCATORS

Annual Financial Statements for the year ended 31 March 2020

## Notes to the Annual Financial Statements

---

2020

2019

---

### 26. Subsequent events

The COVID-19 pandemic has developed rapidly in 2020, with the significant number of cases. Measures taken by government to contain the virus have affected our activities. We have taken a number of measures to monitor and mitigate the effects of COVID-19, such as health and safety measures for our educators and staff.

The monthly membership fee received from the teachers was not impacted as the schools and teachers continue paying the membership fee.

When the country went on lock down on 26 March 2020, SACE closed their offices and the registration of new teachers was impacted and revenue could not be generated for registration fees. From May 2020, SACE introduced online registration for teachers and teachers took up the opportunity to register online.

At this stage, the impact on the council's activities has not been significant. Based on our experience to date we expect this to remain the case. We will continue to follow the various government policies and advice and, we will continue our operation in the best and safest way possible without jeopardising the health of our people.

We also refer to note 19 on going concern.

RP415/2020

ISBN: 978-0-621-48981-1

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

 **Gauteng Head Office**  
240 Lenchen Avenue  
Crossway Office Park,  
Block 1  
Private Bag X 127,  
Centurion, 0046

 012 663 9517  
012 663 9238

 **Kwa Zulu-Natal Office**  
21 Joe Slovo Street  
Zumaysha Building  
Durban, 4001

 012 663 9517

**Eastern Cape office**  
Baysville School of Skills  
3 Burnett Road  
East London

012 663 9517

 **Free State Office**  
33 Reid Street, Suite 2 & 4  
Westdene  
Bloemfontein, 9301

 012 663 9517

 **Limpopo Office**  
Hoër Tegniese Skool Tom  
Naude  
226 Potgieter Ave,  
Eduanpark,  
Polokwane,  
0700  
(Entrance on Dap Naude  
street)

 012 663 9517