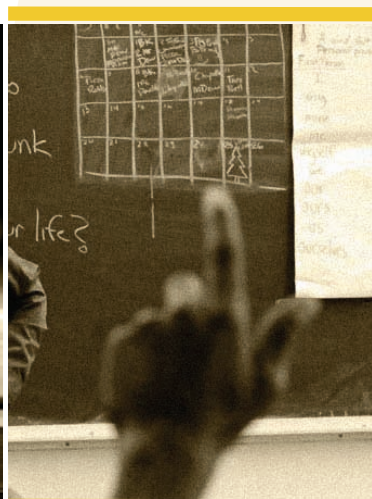


Annual Report

2011/2012



Promoting Excellence in the Teaching Profession



South African Council for Educators (SACE)

Private Bag X127

Centurion

0046

240 Lenchen and Jean Avenue

Centurion

0046

www.sace.org.za

Email: info@sace.org.za/pr@sace.org.za

Annual Report

1 April 2011 - 31 March 2012



Mr Magope Lucas Maphila
Chairperson

I am truly honoured to submit to you the Annual Report of the South African Council for Educators for the period 1 April 2011 to 31 March 2012, in terms of the Public Finance Management Act, 1999.



Mr Rej Brijraj
Chief Executive Officer

Table of Content

Mission Statement	3
Strategic Objects	3
Chairperson's message	4
Overview by the CEO	5
Section 1: Performance Information	7
Programme 1: Core Function	7
Registration	7
Professional Development	14
Professional Ethics	21
Policy & Research Co-ordination	30
Programme 2: Support Service	34
Corporate Governance	34
Human Resources	38
Communication and Advocacy	41
Finance and Audit	44
Programme 3: Financial	46
Independent Auditors	50
Councillors' Report	52
Councillors' Responsibilities	53
Statement of financial report	54



Matseliso Dipholo
Chief Operations Officer



Rej Brijraj
Chief Executive Officer



Morris Mapindani
Chief Financial Officer

Vision and Mission statement

1. Vision

Promoting excellence in the teaching profession

2. Mission Statement

The South African Council for Educators aims to enhance the status of the teaching profession through the:

- registration of professionally qualified and competent educators;
- management and quality assurance of registered educators' continuing professional development; and
- Safeguarding standards of professional ethics.

3. Strategic Objectives

The SACE strategic goals flow from the national goals and government's outcome number one – improving the quality of education. They are also informed by the identified outputs and sub-outputs as reflected in the Minister of Basic Education's delivery agreement, the council's role and mandated role, and functions and the political, economic, social, and technological environment within which SACE operates. The strategic objectives are:

1. To establish and maintain a register of professionally qualified educators;
2. To have professionally competent and skilled educators through the development of the profession and effective management and implementation of the continuing professional teacher development system;
3. To identify and undertake research on relevant professional matters in order to inform SACE programmes and advice Council, the Ministers of Basic and Higher Education and Training, and the profession;
4. To establish, maintain, review, and enforce standards of professional ethics;
5. To facilitate effective ongoing communication between SACE and the wider community, and in particular , the teaching profession; and
6. To have an effective and efficient management of SACE.

CHAIRPERSON'S MESSAGE



Mr Magope Lucas Maphila
Chairperson

The year under review marks the third year of a four year term in office for the current Council, whose term ends on 31 July 2013.

The Council has deliberately set high expectations for the enhancement of the teaching profession through the following:

- It took a conscious decision that the South African Council for Educators (SACE) obtains its own premises within three years of occupation by maximising savings.
- It urged that professionalisation be informed by thorough research.
- It re-established the principle that Professional Development (PD) is the main pillar of SACE.
- It directed that SACE's outreach activities be programmed in a way that reaches all provinces regularly so as to clarify and assist with SACE requirements.
- It emphasises that SACE applies its autonomy to bring errant educators to book.

“...we salute all educators as they continue to teach and develop our learners for a bright future for all.”

- It expressed the desire that SACE embrace all educators from grade R to grade 12, including Further Education and Training (FET) lecturers.

I am pleased to observe that SACE's performance in all of the above areas is improving. More work needs to be done in the area of strategic planning and performance reporting. Hopefully, the establishment of an Internal Audit unit will resolve this difficulty.

The Council continues to advise the Administration in areas of prudence, vigilance and thrift as we need to be mindful that educators fund the Council. The Administration's positive response is again acknowledged.

My thanks go to colleagues - past and present - in Council, Executive Committee (EXCO) and other committees, for their sterling efforts in safeguarding professionalism by giving direction to the Administration.

Our appreciation goes to the SACE Administration, headed by the Chief Executive Officer (CEO), for their co-operation and efforts to rise up to Council's expectations.

Last but not least, we salute all educators as they continue to teach and develop our learners for a bright future for all.

Let's all pull together to make Education our number one priority.

Yours for Quality Teaching and Learning

A handwritten signature in black ink, appearing to read 'Magope L. Maphila', written over a horizontal line.

Magope L. Maphila

SACE Chairperson

Overview from the Desk of the CEO

1. Background

The South African Council for Educators (SACE) forges ahead determinedly in its quest to develop the teaching profession by continuing to:

- Register educators as per criteria that require minimum professional standards;
- Promote professional development of educators by, inter alia, managing a Continuing Professional Teacher Development System (CPTD-S); and
- Safeguard ethics in the Teaching Profession by implementation of a dynamic Code of Ethics.

To enhance the delivery of these objectives SACE has developed :

- A Research Unit to provide basis for enhancing professionalism gleaned from appropriate and balanced research;
- An Advocacy, Outreach and Communications Unit to disseminate information regarding teacher professionalism widely as well as to assist educators;
- A Corporate Business unit to establish adequate physical and human resource complement;
- A Finance & Admin unit equipped to service a vehicle the magnitude of SACE; and
- An Internal Audit Unit that assists the office of the CEO to supervise service delivery in all its areas of operation viz. THREE divisions and FOUR support units.

2. Achievements:

- Registration backlogs have been cleared and applications are processed speedily. Validation and update of register is underway. Compilation of separate registers for different types of registration is being finalized.
- The CPTD-S implementation plan completed, for roll out of the system, taking into account the recommendations of the status report;
- SACE is preparing to approve providers, endorse professional development programmes and activities



Mr Rej Brijraj
Chief Executive Officer

and allocate points to them. Teachers would then be able to earn professional development points.

- Ethics cases are being resolved within a 6 month cycle. A noticeable level of heightened ethical awareness amongst educators and school communities is developing.
- Research outputs are now informing SACE's strategic objectives, plans and operations.
- The Advocacy and Communications activities is creating appreciation for SACE's role & professionalism. Local, continental & international interactions have boosted SACE's profile.
- SACE has secured an adequate staff complement, and befitting new premises, and is set to increase both volume & speed of delivery.
- Through prudent fiscal management & efficient administration, the Council has secured a substantial saving which is earmarked for the Building Reserve Fund & CPTD-S infrastructure & advocacy as per Council's direction.

- The Internal Audit unit has already set SACE on a track matching performance targets to outputs, thereby increasing productivity.

1. Challenges


- Council will consider financial models that will enable SACE to quickly pay off its building while simultaneously making more resources available for delivery of its mandates. Fortunately the law now makes provision for SACE to obtain funds directly from the fiscus.
- Council together with Departments and Unions need to devise & undertake an intensive, sustained, nation-wide campaign to promote Continuing Professional Development.
- The time has come to raise standards in the profession by strengthening entry requirements and introduction of professional designations.
- Council will have to redouble its efforts to work with its partners to ensure provision of appropriate professional development programmes that are accessible.
- SACE must do more to promote ethics in the profession. The SACE volunteers, who have been trained as ambassadors and panelists will be of great assistance in this mission.
- The SACE register needs a complete overhaul. Verification and update strategy must be developed and implemented so that authenticity of the register is assured.

- In essence, Council will do all it can to develop teachers holistically so that learners receive a well-rounded education that prepares them for productive and fulfilling citizenship.

2. Acknowledgement

- Council would not have achieved much without the goodwill and co-operation of the Ministry and all the Departments of Education. Council is grateful.
- The Unions and other stakeholder deserve appreciation for their inputs and for promotion of professionalism.
- The administration owes a debt of gratitude to the Chairperson, all Councillors and Committee members past and present for their oversight, guidance and unstinting support for the SACE project.
- My special thanks to all members of staff, managed by the CFO and COO, for helping me do that which is asked of us by Council, and more. Without you, we would not have come this far.

Yours for Teacher Professionalism



Rej Brijraj

(CEO-SACE) July 2012

Registration

- Improve the main register of professionally qualified educators and introduce new sub-registers on provisional and temporary registration
- Develop strategies and programmes to facilitate the registration of all unregistered practicing educators
- Enhance the quality of the registration of teachers by introducing standards of entry into the profession

Objective/s	Key Performance Areas	Target Date	Progress at March 2012	Variance	Reasons for variance
1. To register all educators under the jurisdiction of the Council	1. Efficient processing of applications for registration (turn around time – six weeks (SA) & three months (foreign educators), as per Council Resolution of 2006.	31 March 2012	Achieved A total of 39 522 educators were registered. Full: 12 786 Provisional: 26 736		
	2. Improved response regime to all registration queries (electronic; mail; telephonic and personal) within 24 hours.	31 March 2012	Achieved Registration queries are attended to immediately and we are within 24 hours turnaround time.		
	3. Put in place a system recording all incoming and outgoing mail/queries.	31 March 2012	Achieved System is in place		

Objective/s	Key Performance Areas	Target Date	Progress at March 2012	Variance	Reasons for variance
1. To register all educators under the jurisdiction of the Council	4. Structured liaison with the call centre division.	31 March 2012	Achieved - Divisional meetings are held on a monthly basis and also when the need arises to improve service delivery to teachers. We have an open door policy for daily communication to assist educators.		
	5. Adherence to turnaround times	31 March 2012	Achieved – we implemented a special project to deal with all the forms received via postage and cleared the backlog		
	6. Finalization of different kinds of certificates	31 March 2012	Partially Achieved – different certificates were designed in-house & are to be with the IT administrator for alignment with the system.	We are awaiting the process of IT alignment	

Objective/s	Key Performance Areas	Target Date	Progress at March 2012	Variance	Reasons for variance
1. To register all educators under the jurisdiction of Council	7. Intensify the program of reaching out to students (pre-service) & practicing educators not registered	31 March 2012	<p>Partly Achieved</p> <p>Outreach programs were conducted for both student educators and practicing educators.</p> <p>We visited the University of the Witwatersrand, University of Johannesburg, University of Pretoria and Tshwane University of Technology</p> <p>We registered educators at educator conferences in all the provinces, and honoured other invitations.</p>	Budget constraints	

Objective/s	Key Performance Areas	Target Date	Progress at March 2012	Variance	Reasons for variance
1. To register all educators under the jurisdiction of Council	9. Review registration procedures and criteria annually. Print and distribute updated registration procedures before the end of the financial year.	31 March 2012	In progress. The reviewed document is being discussed by the Registration Committee.	REGCO not yet finalised the review document.	REGCO to discuss the document a advise.
2. To maintain and sustain the credibility of the educator data system	10. To ensure that educators are qualified.	31 March 2012	Achieved. Quality assurance of qualifications for local and foreign educators is done in collaboration with other stakeholders e.g SAQA, DBE &HEIs	We have not managed to finalise meetings with all stakeholders.	To be finalised in the coming year.



Promoting Excellence in the Teaching Profession



Registration Division

Introduction

As much as it has been a challenging year for SACE, the organisation did manage to overcome obstacles and carry out its mandate to the best of its ability. Thus, SACE was able to add new applicants to its register beyond the targeted number.

Current status

SACE added **39 522** educators to the register from both mailed and walk-in applicants. A total of **12 786** educators qualified for full registration and were issued with certificates. Provisional registration status was accorded to **26 736** educators and **8 619** foreign educators were added to the register. A total of **4 971** pre-accredited members were attended to and issued with reference numbers as they could not be registered due to the fact that they did not comply with minimum registration criteria. SACE awaits those applicants to send outstanding documents so that they can be added to the register. The total number of registered educators on the SACE system to date are **606 271**.

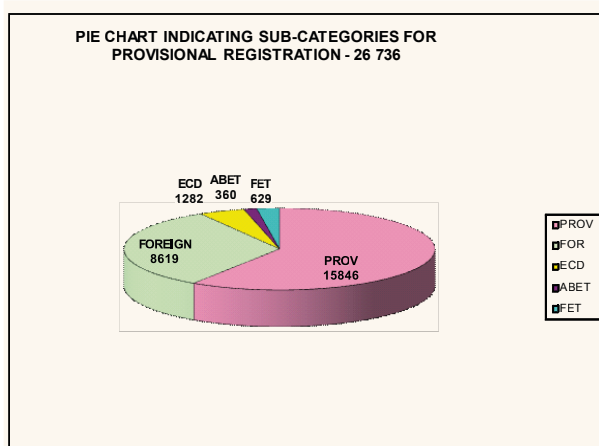
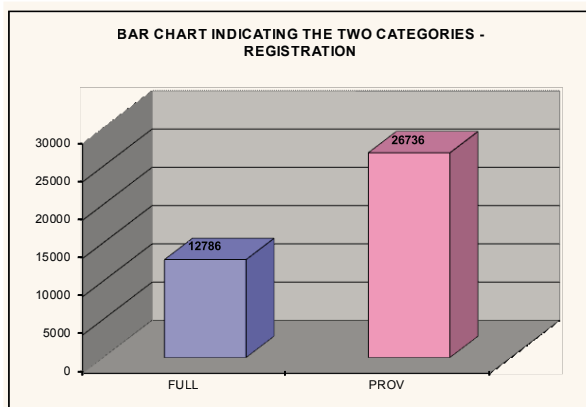
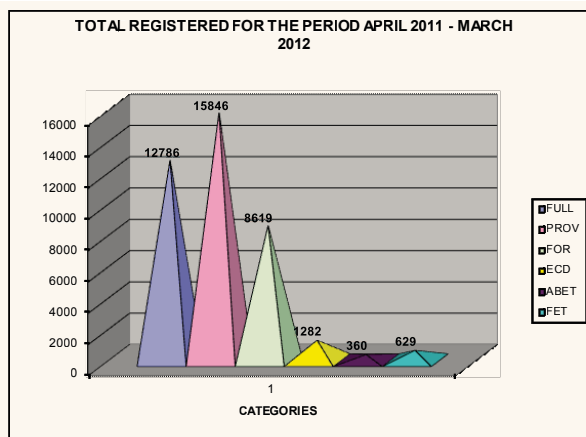
The actual work of the registration division is made up of numerous transactions which include updating members' status from provisional to full registration, of which the most demanding part is updating foreign educators as their registration requirements are more demanding, PAM updates, extensions of registration, printing and reprints of certificates. SACE attended to a total of **28 800** walk-in applicants. Educators do request reprint of certificates, which are subject to a fee of R50.00.

It should be noted that the smartcard that SACE reported on previously is an innovation that was put on hold but will be revived next year to make it convenient for educators to have proof of registration at their disposal at all times. The smartcard will alleviate the problem of educators losing certificates.

Schematic representation and charts indicating registration for the year under review are as follows:

Statistics from 1 April 2011 to 31 March 2012

Full registration	12 786
Provisional registration	15 846
Foreign registration	8 619
ECD registration	1 282
ABET registration	360
FET registration	629
Total	39 522



Online registration

Following up on SACE's quest to make registration easier for educators by registering online from anywhere they might be, a document has been compiled that the IT service provider will use to create a web-based online registration system. Applicants would receive a reference number which could be utilised as proof of pending registration. SACE will then work on the online application and accord provisional registration status where applicable, pending receipt of the original application documents by the organisation.

Upon receipt of the application documents, SACE will either leave the provisional registration *status quo* or change the status to full registration if all registration requirements are met.

Together with the IT service provider, SACE is working on registration certificates which have been designed internally. These certificates are aligned to the system with all the changes. This is the final step before printing of certificates, which would be issued early the following year. Thereafter, SACE will resuscitate the discussion on smartcards that are convenient to carry in the purse, with would give additional information about the educator, like disciplinary investigations and CPTD points when swiped.

Outreach programmes

SACE addressed and registered educators throughout South Africa as planned. On the spot registration during outreach reduces tensions, anxiety and frustrations. Educators know immediately if they qualify for registration or not, instead of posted application when one does not know whether his/her application will be successful or not, or whether it will reach SACE's office or not.

Reaching out to student educators at local Higher Education Institutions like the Johannesburg College of Education, University of the Witwatersrand and the University of Pretoria was a success. Other Higher Education Institutions were proactive in posting application forms on time for us to register the student educators provisionally. The exercise of provisionally registering student educators is worthwhile because by the time student educators graduate that are already registered, employable and they are aware of their ethical calling. Through the outreach programmes we attended to invitations from teacher unions, departments of education, universities, independent schools and stake holders like Umalusi.

SACE achieved its targets for the year by registering all applicants who fulfilled requirements for either full or provisional registration. The annual target was to register 28 800 educators but 39 522 educators were registered.

The main challenge is identifying practicing educators who are still not registered. However, SACE is reducing the number drastically as it goes out to educators and assist them to be registered. On top of that, the Department of Basic Education is neither employing nor promoting educators who are not registered.

Fraudulent qualifications

There is an emerging tendency of people bringing fraudulent qualifications. SACE will be holding meetings with different stakeholders to alert them about this state of affairs, especially the employer who should scrutinise qualifications properly before offering any teaching post. Employers must also know that SACE registers foreign educators as per the employer's recommendation. SACE urges schools in both the public and independent sector to employ qualified educators and assist unqualified educators to improve their qualifications. Educators should be advised to check if an educational institution is registered with the Department of Higher Education and Training before registering, as they lose time and money by studying at institutions that are not registered.

Professional Development

- Enhance the quality of the practicing educators through the management of the CPTD system
- Develop various strategies and processes of assisting and supporting educators with regard to professional matters and needs
- Develop programmes to improve and maintain the status and image of the teaching profession
- Facilitate processes of ensuring that more and better teachers join the teaching profession
- Ensure effective programmes and strategies of celebrating teachers and the profession
- Ensure the quality of initial teacher education and ongoing professional development through quality assurance mechanisms and Standards.



“SACE will also look at the educator’s impact in the community. The educator is a member of the immediate and larger community and should touch the lives of people beyond the school.”



Professional Development Annual report for the period April 2011 to March 2012

Strategic Objective: Professional Development

- Enhance the quality of the practicing educators through the management of the CPTD system
- Develop various strategies and processes of assisting and supporting educators with regard to professional matters and needs
- Develop programmes to improve and maintain the status and image of the teaching profession
- Facilitate processes of ensuring that more and better teachers join the teaching profession
- Ensure effective programmes and strategies of celebrating teachers and the profession
- Ensure the quality of initial teacher education and ongoing professional development through quality assurance mechanisms and Standards.

Objective/s	Key Performance Areas	Target Date	Progress as at 30 March 2012	Variance	Reason for Variance
To manage and promote professional development of educators	The pilot run effectively in 144 schools across the 9 provinces and the ICT system and endorsement processes are tested.	31 March 2012	Achieved: Pilot has been run in 9 provinces. Not all the pilot structures were functional. The CPTD-IS is being continually tested both internally and externally. Endorsement of 300 activities has taken place.		
	<ul style="list-style-type: none"> • The endorsement committee is been re-established and an expansion of the evaluators' database is envisaged in 2012. Endorsement Committee meetings were convened to endorse CPTD activities. 	31 March 2012	Achieved: The endorsement committee is being reconstituted. Evaluators have been appointed and 300 activities have been received, evaluated and endorsed.		
	<ul style="list-style-type: none"> • Provider forum launched in two provinces WC, EC and 91 professional development providers were reached. 	31 March 2012	Achieved: The CPTD Provider Forum launching meetings have been convened in the Eastern Cape and Western Cape 91 Providers have been reached.		

Objective/s	Key Performance Areas	Target Date	Progress as at 30 March 2012	Variance	Reason for Variance
	<ul style="list-style-type: none"> Operationalisation of the ICT system for pilot purposes. 	31 March 2012	<p>Partly Achieved: There are 300 endorsed activities and 63 captured providers. 1500 educators signed up from across the nine provinces.</p>	<p>We went live with the CPTD-IS and also conducted a manual educator sign-up process. This led to substantial increase in the number of signed up educators and the providers' response is picking up.</p>	<p>There is an increase in the queries that come through the CPTD-IS self-service portal for school, provider and educator.</p>
	<ul style="list-style-type: none"> CPTD Advocacy and Communication: The CPTD system and pilot advocated to all the provincial stakeholders. All educators in the 145 pilot schools and officials in the 13 pilot districts. This has expanded to the provider community as a result of the Provider Forum launches. 	31 March 2012.	<p>Achieved: the advocacy has happened. A meeting with the Heads of provincial education departments and senior managers has been convened. The PPCC's, DPCC's and Resource persons helped with advocacy. Provider forum launches have started in the EC and WC.</p>		
To promote and enhance the image of the teaching profession	The Educator Professional Assistance Facility (EPAF) is tabled in PRODCCO, Exco and Council.	31 March 2012.	<p>Achieved: The National launch of the facility took place in the WC in October. Network database of structures and organisations that will be working with SACE has been established.</p> <p>There has been consultation with provincial Dept of Education Employee Wellness Program, Labour relations and the ELRC to foster and strengthen a partnership that would assist the facility in ensuring that educator's needs are met. A total of 26 cases 10 of which were on Professional matters and 16 on conditions of service.</p>		

Objective/s	Key Performance Areas	Target Date	Progress as at 30 March 2012	Variance	Reason for Variance
	<ul style="list-style-type: none"> Month of October recognized as Teachers month and celebrating and honouring 500 educators through WTD in Western Cape. Facilitate WTD celebrations nationally. 	31 March 2012.	<p>Achieved: A successful celebration was held in Cape Town, . We worked with E-TV to identify teachers who were doing very well and going beyond the call of duty in executing their tasks. These teachers are those who were shown on E- TV as South African heroes. Teacher appreciation finalists from the ARGO competition were also rewarded. The educators were also rewarded with bursaries from the ETD-SETA for professional development. Ten teachers from all nine provinces were recipients of these bursaries. SACE invited 25 teachers across the country as the VIP's for that night. A Task Team consisting of all stakeholders i.e. (SADTU, ETD-SETA, NAPTOA, CTPA, and SAOU & WC Dept of education.) was established in the Western Cape to facilitate the entire organisation of the event and preparations for the celebration. Several meetings were held to implement World Teacher's Day plan.</p>		

Professional Development Division

1. Introduction

This Division reports on the different functions of the Professional Development Division- CPTD System and Professional Development Programmes.

The South African Council of Educators (SACE) is a professional council established in terms of the SACE Act no. 31 (2000). This Act mandate SACE to:

“Promote the development of educators and to ensure that educators adhere to the Code of Professional Ethics.”

SACE’s additional mandate comes from the National Policy Framework on Teacher Education and Development (NPFTED) in South Africa, April 2007. Section 53 of the NPFTED (2007) states that:

“...the South African Council for Educators (SACE), as the professional body for professional educators, will have the overall responsibility for the implementation, management and quality assurance of the CPTD system. SACE will be provided with the necessary resources and support to undertake that role”

This mandate is supported and enhanced by the Departments of Basic Education and Higher Education and Training’s Integrated Strategic Planning Framework for Teacher Education and Development in South Africa, 2011 – 2025. The Framework explicitly states that:

“The plan must be considered by other planning processes such as those related to IQMS, WSE, NEEDU and the SACE CPTD Management System. The TED ICT support system will be linked to the SACE CPTD Management System and SACE has an important quality management role to play in promoting and supporting the system for identifying and addressing teacher development needs.”

SACE responsibilities in this regard include ensuring that:

- the providers of teacher development programmes are fully approved by SACE,
- and the professional development courses available for teachers are endorsed by SACE;
- and can lead to the accrual of Professional Development (PD) points on successful completion

1.1. CPTD System process

The challenges related to introduction of the CPTD points system and its management have been identified and SACE is currently addressing some of them. The CPTD Pilot has been completed in 13 districts and 145 schools in all nine provinces, this work was supported by all Provincial Education Departments. SACE also conducted a pilot of approval and endorsement of providers’ professional development activities. The approval and endorsement of providers and their activities is an ongoing process as we would like to build a sizeable database.

In an effort to streamline some of the operations, SACE has dealt with the following:

- CPTD System Handbook (simplifying and replacing the design elements of Version 13A) (approved by the SACE Council);
- evaluation and endorsement of 300 professional development activities from various providers;
- teacher understanding and buy-in (communication);
- funding SACE/PD programmes;
- maintaining good relationships with teacher unions;
- commissioned SAIDE to finalise the CPTD System Pilot Status Report; and
- editing and completion the Draft CPTD Management System Pilot Status Report with particular emphasis and special attention to the following elements:
 - introductory background;
 - analysis of funding allocations to SACE for CPTD;
 - assessment of completed and uncompleted CPTD pilot processes against objectives, targets and constraints;
 - conclusion which assesses state of readiness of main CPTD management system elements; and
 - functionality of the CPTD-IS.

Another achievement was the incorporation of the CPTD Management System as an integral element

in the *Integrated Strategic Planning Framework for Teacher Education and Development in South Africa, 2011 – 2025* (2011) which is endorsed by the Ministers of Basic Education and Higher Education and Training, SACE, ETDP-SETA, Education Deans Forum and all national teacher unions. The Amendments to the SACE Act also took account of SACE's responsibility for the CPTD Management system (Basic Education Laws Amendment Act, 2011).

1.2. CPTD System Pilot

SACE, supported by the Department of Basic Education, set up a joint CPTD System task team that is meeting regularly. The task team has the overall responsibility of coordinating the implementation and roll out of the pilot.

1.3. Data Gathering

Two questionnaires were distributed to the nine provinces where provincial pilot coordinators were tasked with the responsibility of administering them. SAIDE conducted interviews with all relevant stakeholders in preparation for the writing of the CPTD System Pilot Status Report.

1.4. Providing support and Secretariat for the CPTD structures

SACE hosted and provided ongoing logistical and organisational support to the following CPTD structures:

- o SACE-DBE Task Team (meets every month)
- o Reference Group (meets every quarter)
- o SACE/DBE Bilateral (meets in between Task Teams)

1.5. Endorsement Committee

This is a sub-committee of the Professional Development Committee (PRODCO) of SACE. It was set up according to the stipulations of the CPTD Design document version 13A and revised according to the new revised and simplified CPTD System Handbook.

The work of this sub-committee is to approve providers and endorse professional development activities that would have been submitted within the three agreed upon categories of:

- teacher-initiated activities (Type 1)
- school-initiated activities (Type 2)
- externally-initiated activities (Type 3)

1.6. Evaluation of professional development activities

The evaluation of professional development activities is conducted by independent evaluators appointed by SACE on the basis of their expertise, qualifications and experience in the field of teacher development and programme evaluation.

There are various activities that have been submitted for endorsement by providers. They vary from those addressing the content gaps, assessment, management and specific educational challenges that educators and school managers face in the normal daily tasks. There are 63 providers that have been approved by SACE and 300 professional development activities that have gone through the process.

1.7. CPTD Information System

This is a web-based information system through which a continuing interaction between SACE and the educators will be taking place through a self-service web portal. There has been teething problems with regard to the optimal functionality of this system. 1 500 educators were signed-up manually on the Customer Relation Management system (CRM). Currently the system is accessible to educators to sign-up electronically and further testing for scalability will be undertaken.

2. Professional Development Programmes

2.1. World Teachers Day

SACE has celebrated World Teachers Day (WTD) in all nine provinces in the past 10 years and it views World Teachers Day - celebrated on 5 October and the whole month of October - as time to acknowledge the significant role teachers play in education, and in nation building as a whole. Council took a decision to celebrate 2011 World Teachers Day in the Western Cape. A programme for celebrating World Teachers Day was finalised and adopted by Council.

A Task Team consisting of all stakeholders, that is, SADTU, ETDP-SETA, NAPTOSA, CTPA, SAOU ELRC, NASGB and Western Cape Department of Education and sponsors, ARGO together with e-TV, was established in order to assist with the preparations for the celebration.

A World Teachers Day message to popularise the celebration of teachers was developed with the theme, *"Teachers for gender equality."*

SACE also developed advocacy material such as

posters and flyers. Interviews were conducted on radio stations as a build-up to the event.

SACE worked with e-TV to identify educators who were doing well and going beyond the call of duty in executing their tasks. These educators are those who were shown on e-TV as South African heroes. Teacher appreciation finalists from the ARGO competition were also rewarded. 20 educators who have done excellent work in education were identified through teacher appreciation programmes mentioned above and were awarded Skills Development bursaries worth R20 000 each sponsored by ETDP-SETA at the World Teachers Day gala evening. These teachers were from all nine provinces.

A gala evening was held at Southern Sun Hotel in Cape Town hosting 500 delegates from the education sector, MECs for Education, Education Portfolio Committee members, the Executive Mayor of Cape Town and all other SACE stakeholders. A formal programme was followed with the Deputy Minister of Basic Education Mr Enver Surty being a keynote speaker. A partnership was established with e-TV and ARGO.

2.1.1 Criteria for awarding bursaries

The educator's involvement in and outside the classroom was a key determinant for this recognition. This means that SACE was looking at teaching, including the positive changes that are brought about by the teacher. The changes would be experienced by the learners and the school. The educator had to have had an impact on the learner holistically. Hence, SACE included other involvement of the educator beyond just lesson offering in the classroom but also his/her participation in the school at large.

SACE will also look at the educator's impact in the community. The educator is a member of the immediate and larger community and should touch the lives of people beyond the school.

SACE is looking at the teacher who is excelling in the following activities in and outside the school:

- the educator's philosophy of life
- learning area specialist
- lesson offering
- extramural activities
 - sport
 - music
 - debate, reading and writing
- projects

- fundraising
- Saturday and holiday classes
- counselling
- food garden
- distribution of food and clothe parcels
- caring for children, the aged, the vulnerable, orphans, abused children, abused women, the handicapped and the aged.

2.2. Educator Assistance Facility

The objectives of the Educator Assistance Facility is to provide ongoing professional advice assistance and support to SACE registered educators on a variety of professional matters to ensure that they are able to focus on their core business without being affected by other issues.

The Council approved the concept document and an educator professional assistance team has been formed comprising of representatives from the Registration, Communication (Call Centre) Ethics and Professional Development Divisions.

There has been consultation with provincial Department of Basic Education Employee Wellness Programme unit to gather information on programmes offered to educators and also to strengthen a partnership that would assist the facility in ensuring that educator's needs are met. Internally, a working relation has been established with Ethics Division wherein some cases would be referred to Professional Development Division for further assistance. The division is in the process of implementing an advocacy plan.

The Educator Assistance Facility's first national launch was on the eve of World Teachers Day celebration in the Western Cape. The Department of Higher Education and Training, the Department of Basic Education and all other education stakeholders in the Western Cape attended the launch. Through this programme, SACE established a partnership with the United States (US) Embassy which is running a National Writing Project for educators in South Africa and three South African educators were afforded the opportunity to visit the US through the Writing project.

The launch was attended by 53 delegates and presentations on professional matters were done by the following partners:

- US Embassy
- DBE
- DHET
- ARGO and

- The Teaching Regulatory Council of Nigeria
- Simphiwe Dana

2.2.1 The Educator Professional Assistance Facility has dealt with 26 complaints/requests from the profession.

Origin of requests/complaints	Professional matters:	Conditions of service matters:
	10 complaints/ requests received	16 complaints/ requests received
Referrals from Ethics division	14	0
Received through SACE info	12	0
Total number of requests/complaints		26



A World Teachers Day message to popularise the celebration of teachers was developed with the theme, *“Teachers for gender equality.”*

Professional Ethics

- Promote ethical conduct among educators through the implementation of the standards of professional conduct
- Improve case management processes
- Facilitate interventions and support for schools and educators on ethical matters

Objective/s	Key Performance Areas	Target Date	Progress as at 30 March 2012	Reasons for variance
1. Development of an outreach or advocacy plan to all potential registrants in consultation with the Advocacy and Communication Unit.	Ensure that schools have copies of the SACE Code of Conduct.	31 March 2012	Not Achieved owing to financial constraints.	These codes will be printed and distributed when funds are available
	1. Produce 50 000 self-study brochures that take educators through the Code of conduct in a simplified and non-threatening manner. All schools to receive the simplified version of the Code.	31 March 2012	Partially Achieved. 10 000 copies were printed and they have all been distributed to educators during constant interaction with them.	Budget constraints
2. Conduct of Disciplinary hearings	2. Ensure that 60% of disciplinary hearings have been conducted and finalised by 31 March 2012.	31 March 2012	Partially Achieved. 42 disciplinary hearings were conducted during this period.	More hearings could not be held owing to budgetary constraints.

Objective/s	Key Performance Areas	Target Date	Progress as at 30 March 2012	Reasons for variance
3. Provide sound general Legal Advice to Council and Committees.	3. Conduct research into the SACE Act, the operating procedures, the Code of Ethics, etc. and identify loop-holes as an on-going process.	30 March 2012	Legal advice is provided as and when it is requested by the Council. Disciplinary procedures were reviewed in the past financial year.	
4. Manage the appeals process and reinstatement applications.	4. Ensure that at least five appeals and or reinstatement applications have been finalised.	30 March 2012	Not Achieved. eight appeals and six re-instatement hearings were received.	Appeals to be heard in the next financial year.
5. Investigation of complaints.	5. Ensure that 70% of on and offsite investigations and mediations are conducted and finalised by 30 March 2012.	30 March 2012	Partially Achieved. 147 on-site investigations were conducted and 21 mediations were also conducted in the past financial year.	
6. Provision of psychological debriefing for panellists.	6. Ensure that panellists, prosecutors and chairpersons are debriefed or receive psychological counselling on an on-going basis annually.	30 March 2012	Not achieved.	Financial constraints.
7. Follow up on and provision of psychological counselling for victims.	7. Ensure that at least 15 Victims have received counselling by 30 March 2011.	30 March 2012	Not achieved	Financial constraints.

Ethics Division

1. Introduction

The Division's main mandate is to:

- maintain, review and enforce the Code of Conduct;
- investigate complaints against educators; and
- conduct disciplinary hearings against registered educators.

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 all information has been collected, it is referred to the Ethics Committee for it to give direction on how such a complaint should be dealt with.

The Committee may recommend that:

- an educator be charged,
- a complaint be referred to a relevant authority,
- a matter be mediated upon, and or that
- an advisory letter be forwarded to an alleged perpetrator.

Should the Ethics Committee recommend that charges be levelled against an educator, summons are issued against the educator and a hearing gets scheduled to take place at the earliest possible time.

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

In the past financial year, the Ethics Division has seen a sharp increase in the number of reported cases, especially in respect of educators who still apply corporal punishment, abuse learners sexually and educators assaulting one another within the school environment. This necessitated the Division and ultimately, Council, to take a firm stance against this kind of abuse in an attempt to curb future occurrences.

The Division's performance for the year under review was severely and negatively affected by the financial

allocation for the year 2011/12. The financial situation prevented the division from conducting and finalising as many disciplinary hearings as it had planned to do. Where possible and with parties willing, the division had to find creative ways of engaging with complainants and alleged perpetrators to mediate disputes among them while some cases warranted that disciplinary measures be taken.

The Division has also drastically reviewed its disciplinary procedures to shorten the time frame allocated to deal with and finalise cases as speedily as possible.

1. Workshops on the SACE including the Code of Professional Ethics

The Division conducted several workshops for the educators in an attempt to conscientise them on the South African Council for Educators, its functions and in particular, the Code of Professional Ethics.

These workshops were held in the various parts of Gauteng Province where a total of 3 600 educators attended, Limpopo Province where 4 220 educators attended, North West Province where a total of 2 966 educators attended, Mpumalanga Province where a total of 3 792 educators attended, Eastern Cape where a total of 1 750 educators attended, Free State where a total of 1 900 educators attended, KwaZulu-Natal Province where a total of 5841 educators attended and the Northern Cape where a total of 966 educators attended.

Other workshops were conducted on discipline in the workplace and the Code of Professional Ethics were conducted for the South African Principals Association (SAPA) in Gauteng Province, Limpopo Province, Mpumalanga Province, Free State Province and the North West Province.

Ad hoc workshops on the code of professional ethics are being conducted at schools during school visits and while conducting investigations, these interactions led to a total of 4 400 educators being workshoped on the Code of Professional Ethics.

2. Radio interviews

Several radio interviews and debates were conducted on the following radio stations: Radio Turf, SAFM, Lesedi FM, Ukhozi FM, Igwalagwala FM and Phalafala



“The educator’s involvement in and outside the classroom was a key determinant for this recognition. This means that SACE was looking at teaching, including the positive changes that are brought about by the teacher.”

FM. All these interviews were focused on the Code of Professional Ethics. These interviews and debates were aimed at discussing issues relating to the Code of Professional Ethics and to conscientise educators on the Code. Members of society or listeners had the opportunity to interact with SACE on matters relating to professionalism among educators.

3. Challenges

While it is a statutory requirement that all disciplinary matters reported to the employers be brought to the attention of SACE, such still remain a challenge as many Provincial Departments of Education still fail to report such matters that have been received, processed and finalised by them. SACE will, however, continue to engage with Provincial Departments of Education to realise this obligation.

Over and above the sexual abuse of learners which is still rife, the application of corporal punishment on learners appears to be on the increase. Council maintains the position that violence has never been and is never the answer and therefore, it is currently in the process of developing a manual aimed to train educators on alternatives to corporal punishment. There is currently a huge outcry by educators that while corporal punishment has been abolished, nothing was left in its place and as a result, learners have become even more ill-disciplined.

Ensuring that alleged breaches of the Code of Professional Ethics are investigated in accordance with determined procedures

Total number of complaints received from 1 April 2011 to 30 March 2012: **525**

Complaints received per province

Province	KwaZulu-Natal	Northern Cape	Eastern Cape	Northern Province/ Limpopo	Mpumalanga Province	North West	Gauteng Province	Free State	Western Cape	Total
	84	06	33	25	58	18	103	24	174	525

Types of offences or breaches

Verbal Abuse, Victimisation, Harassment, Defamation.	Sexual Misconduct including Rape	Fraud, Theft, Financial Mismanagement	Racism	Corporal Punishment, Assault.	Unprofessional Conduct, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	No Jurisdiction	TOTAL
79	126	58	3	174	69	13	-	3	525

Breakdown of complaints received per province from 1 April 2011 to 31 March 2012

KwaZulu-Natal = 84

Verbal Abuse, Victimisation, Harassment, Defamation	Sexual Misconduct / Rape	Fraud, Theft, Financial Mismanagement	Racism	Corporal Punishment, Assault	Unprofessional Conduct, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	Unfair labour Practice
15	15	18	-	14	19	-	-	3

Northern Cape = 6

Verbal Abuse, Victimization, Harassment, Defamation	Sexual Misconduct / Rape	Fraud, Theft, Financial Mismanagement	Racism	Corporal Punishment, Assault	Unprofessional Conduct, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	Unfair labour practice
2	1	-	-	1	2	-	-	-

Eastern Cape = 33

Verbal Abuse, Victimization, Harassment, Defamation	Sexual Misconduct / Rape	Fraud, Theft, Financial Mismanagement	Racism	Corporal Punishment, Assault	Unprofessional Conduct, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	Unfair labour practice
3	13	-	-	11	6	-	-	-

Limpopo = 25

Verbal Abuse, Victimization, Harassment, Defamation	Sexual Misconduct / Rape	Fraud, Theft, Financial Mismanagement	Racism	Corporal Punishment, Assault	Unprofessional Conduct, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	Unfair labour practice
2	13	1	-	6	3	-	-	-

Mpumalanga = 58

Verbal Abuse, Victimization, Harassment, Defamation	Sexual Misconduct / Rape	Fraud, Theft, Financial Mismanagement	Racism	Corporal Punishment, Assault	Unprofessional Conduct, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	Unfair labour practice
3	20	8	-	6	18	-	-	3

North West = 18

Verbal Abuse, Victimization, Harassment, Defamation	Sexual Misconduct / Rape	Fraud, Theft, Financial Mismanagement	Racism	Corporal Punishment, Corporal punishment, Assault	Unprofessional Conduct, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	Unfair labour practice
2	1	1		6	6	-	-	2

Gauteng Province = 103

Verbal Abuse, Victimization, Harassment, Defamation	Sexual Misconduct / Rape	Fraud, Theft, Financial Mismanagement	Racism	Corporal Punishment, Assault	Unprofessional Conduct, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	Unfair labour practice
18	24	13	2	31	14	-	-	1

Free State = 24

Verbal Abuse, Victimization, Harassment, Defamation	Sexual Misconduct / Rape	Fraud, Theft, Financial	Racism	Corporal	Unprofessional Conduct, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	Unfair labour practice
-	14	2	-	5	3	-	-	-

Western Cape = 174

Verbal Abuse, Victimization, Harassment, Defamation.	Sexual Misconduct / Rape	Fraud, Theft, Financial Mismanagement	Racism	Corporal	Unprofessional Conduct, Alcohol Abuse, Absenteeism, Insubordination	Negligence	Murder	Unfair labour practice
3	11	20	-	99	40	1	-	-

Total number of disciplinary hearings finalised from April 2011 to March 2012: 42

Province	KwaZulu-Natal	Northern Cape	Eastern Cape	Northern Province/ Limpopo	Mpumalanga Province	North West	Gauteng Province	Free State	Western Cape	Total
	9		4		8	3	9	3	6	42

Total number of cases finalised in other forms:

These are cases where educators have been given advisory letters and closed in other

Forms as per Ethics Committee decision: 138

These are cases where Council sought it fit that advisory letters be forwarded to the accused educators instead a disciplinary hearing being conducted.

Total number of cases mediated upon: 21

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

Total number of referral to other institutions and then closes: 173

Cases referred to the ELRC: 17

These are labour related cases referred to SACE instead of the referral to the ELRC. The cases range from unfair promotions of educators, unfair treatment, unfair labour practices, unfair dismissals, etc

Cases referred to the DBE: 63

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

Cases referred back to respective schools for resolution at school: 77

Cases referred for Professional Development: 16

Breakdown of how disciplinary cases were finalised

Educators found guilty: **38**

Educators found not guilty: **1**

Charges withdrawn against educators (parents refusing to avail learners to testify as witnesses): **3**

Cases referred to other institutions: **173**

Finalised in other forms other than disciplinary hearing: **159**

Total number of cases finalised and closed between April 2011 and March 2012: 374

Total number of cases to be carried over into the following year: 151

Policy and Research Coordination Division

1. Introduction

The Policy and Research Division came into effect during the 2010/11 financial year with the main aim of coordinating and undertaking research on professional matters for purposes of informing SACE programmes and Council decisions, and advising the Ministers of Education, Council and the profession as a whole. The Division's second year of reporting (2011/12 financial year) will focus on the three main areas as follows: (a) policy and research activities (b) policy and research support provided to various SACE Divisions, and (c) research communicated and disseminated to the SACE stakeholders.

2. Policy and Research Activities

1.1. Internal Migration Pilot Study

The South African Council for Educators (SACE) conducted a study on teacher migration in February 2010. The study was completed in March 2011. While the study reported extensively on the immigration of teachers into South Africa and the emigration of teachers out of South Africa, it found that there was another phenomenon of migration that was severely under-researched, namely internal migration – that is, movement from one part of the country to another, usually from under-developed areas, such as rural areas to more developed areas, such as urban areas. This phenomenon has indicated how rural schools usually lose teachers to urban and private schools. Schools that are geographically located in rural and remote areas usually struggle to get teachers and those they get are those described as being desperate for jobs and who have failed to acquire jobs in other preferred areas.

In order to initiate an investigation into the challenges being experienced in ensuring an adequate supply of appropriately qualified teachers to rural schools, SACE therefore administered two questionnaires – the first focused on internal migration of practicing teachers and the second focused on internal migration of newly qualified teachers. These were completed in March 2012 by a random sample of 800 teachers (600 practicing teachers and 200 newly qualified) who came to SACE (between November 2011 and end February 2012) in order to register or re-print their registration certificates. These questionnaires are being used in this context as a pilot study preliminary to a nationwide survey which SACE will undertake concerning the internal migration patterns of teachers.

The pilot study investigates the data from these questionnaires in order to provide an initial identification of trends in internal migration patterns from which tentative conclusions are drawn and recommendations made. The study also tests the suitability of the questionnaires as research instruments for the wider study and makes recommendations for their improvement. Data has been analysed and preliminary report is available. The next phase of the internal migration study will focus on refining the questionnaires and conducting a bigger scale survey with a bigger sample.

1.2. Analysis of Educator Misconduct Cases Reported to SACE

The analysis flows from the work done in past financial year in terms of data capturing and analysis. A final report has been produced during the 2011/12 financial year and processes are underway to communicate and disseminate it to various stakeholders. The focus in this analysis is on the data regarding misconduct cases for 2008 and 2009. However, in accordance with SACE's new strategic plan, the research looks beyond the data to comparable situations in other countries and the wider work of SACE as a professional body.

The main findings from the analysis are that most of the cases reported to SACE come from Gauteng, KwaZulu-Natal and the Western Cape, provinces with major metropolitan areas. Although the Eastern Cape has the second largest number of educators in the country, the province has among the fewest reported cases of misconduct. Males are more likely to be accused of misconduct than females and the largest proportion of offenders is between the ages of 35 and 54.

Furthermore, the report reveals that the largest number of cases before SACE was lodged by the Provincial Education Departments and the largest proportion of cases involved professional misconduct, followed by assault. Over the two years the number of sexual cases increased. These include rape allegations, harassment and inappropriate relationships with learners. There was a substantial improvement in the turn-around time of cases from 2008 to 2009. However, a substantial number of cases still remained unresolved at the time of reporting. Written advisory or cautionary notices to offenders were the most common result in finalised cases, while in 14% of cases; the offenders were struck off the roll, either indefinitely or more often, conditionally for a period of time.

In the new financial year 2012/2013, Council has agreed to conduct further study ranging over the five year period from 2008 to 2012, allowing for a wider investigative scope and more emphasis to be put on the qualitative factors underlying the issues raised in the released report.

1.3. School-based violence study

SACE worked with the Centre of Study of Violence and Reconciliation (CSV) on the effect of school-based violence study, with special focus on educators and a report was produced in November 2011. The study has shown that negative impact of school-based violence on learners/children is well documented nationally and internationally. On the other hand, the research has clearly shown that there is a lack of focus on the impact of high levels of violence on educators and how they are able to cope. This is also confirmed by the clear gap in literature on the issue of school violence pertaining to teacher's experiences.

The research conducted in 2008 on coloured educators experiences revealed that what emerged are instances in which violence was directed at teachers in the form of physical force. The research found that educators tend to experience a range of emotional reactions in response to learners' violent actions. These reactions ranged from a sense of guilt that the participant's actions were contributing to violence to negative feelings towards learners. Other possible outcomes include a decrease in the number of people being interested in becoming teachers, high levels of burnout as well as the decision to resign from the profession. Some educators also presented with high levels of stress and depression within an unsupportive system.

In the light of this, there is a need for further research in the area of school-based violence. Specifically, there is a need for research, which explores the experiences of teachers and their perceptions of school-based violence and ways in which this problem could be prevented. In so doing, this will provide teachers with support, which will hopefully counteract violent attacks and minimise the negative effects of being exposed to violence at school. This is the major gap in the existing literature that few studies have been conducted on teachers. Such studies hopefully will provide a new perspective on this problem.

1.4. Conceptualisation of the SACE Resource Centre

SACE is about to establish a new Resource Centre that will start by supporting all the SACE Divisions and Council Committees with relevant and up to date data, information and variety of materials. It is hoped that

in the long-term the resource centre will also turn into a virtual centre so that its users could be extended to members of the profession and SACE stakeholders.

Currently, the process of conceptualising the resource centre has begun. SACE is collaborating with number of public entities and similar organisations as SACE for purposes of learning from their experiences and informing the conceptualisation processes. Some of the organisations consulted include, amongst others, the following: the Centre for Education Policy Development (CEPD), the Human Science Research Council (HSRC), and the Council on Higher Education (CHE), the Health Professions Council of South Africa (HPCSA) and the South African Qualifications Authority (SAQA).

1.5. Frameworks for Monitoring and Evaluation and Managing Performance Information

The Division is working on SACE's framework for monitoring and evaluating SACE programmes. In addition, a related framework on managing programme performance information will follow. The two frameworks are done within the broader context of Government-Wide Monitoring and Evaluation system. The process is still at an infancy stage, initial draft on monitoring and evaluation is available. Complete frameworks will be available in the next financial year.

2. Policy and Research Coordination Support

2.1. Draft CPTD Status Report

The Division played a central role in coordinating processes of developing the CPTD system status report. The report is based on the CPTD system pilot that tested the state of readiness for implementing the CPTD system in the country. By the end of 2011/12, a draft report was available and the final report will be released in June 2012.

2.2. CPTD-Information System Project

A special CPTD-Information System (CPTD-IS) mini project was established, between November 2011 and

March 2012 with the aim of supporting the CPTD unit in addressing some of the system challenges experienced through the pilot processes at national and provincial levels. A series of meetings and workshop sessions were held with the CPTD-IS service provider to define the problem, sign-off the system changes document, implement the changes on the CPTD-IS, test the changes made, staff re-training, and project sign off. Subsequently the changed CPTD-IS was presented to Council's CPTD system workshop session held on 30

January 2012, teacher union stakeholder meeting and the SACE-DBE Task Team members.

3. Policy and Research Dissemination

SACE has the draft research communication and dissemination strategy that will guide the organisation in communicating and publicising its research work broadly. The strategy takes into account the electronic and manual research dissemination processes. Since the beginning of the 2011/2012 financial year the Policy and Research Coordination Division produced nine publications and seven of these have been disseminated widely to the SACE stakeholders – teacher unions, Department of Basic Education, Department of Higher Education and Training, SAQA, ETPD SETA, SACE Council, national libraries, Faculties/Schools of Education, resource centres, research organisations and Provincial Education Departments. In addition, all the publications are available on the SACE website. The communicated publications are as follows:

- Research Policy for SACE
- SACE Educator Professional Assistance Policy
- Position Paper on the Professional Registration of the FET College Lecturers
- Teacher Migration in South Africa
- A review of Teacher Demand and Supply: Identifying research gaps and the role of SACE
- Redefining the Roles and Functions of SACE
- SACE Strategic Plan 2010/2011 – 2013/2014

Section B

Support Services

1. Introduction

The Support Services provides support and functional expertise to SACE whilst ensuring efficient and effective delivery of SACE's statutory mandates. Support Services is split into three units, namely, Finance, Communications and Corporate Services under the supervision of the Chief Financial Officer. Support Services takes the lead in the provision of the following areas: people management, efficiency planning, ICT planning, risk and property management, marketing, advocacy, media services, budget planning and management, procurement services, registry; stakeholder relations and call centre operations. It also provides support, guidance and expertise relating to personnel management, learning growth and administrative services to SACE's divisions.

2. Sace office accommodation

Since 1999 SACE, has been accommodated by the ELRC at its head offices in Centurion. The demand for office accommodation continued to plague Council such that the Council meeting held on 18 March 2010, mandated the SACE Finance Committee to look into this matter and advice Council accordingly. The Council resolved to lease a four-story building located at 240 Lenchen Avenue in Centurion, which it will have to purchase not later than 15 June 2015 after accumulating the necessary funds. The Council is scheduled to take occupancy of the building, once completed, at the end of June 2012.

3. Corporate Governance

3.1 The Composition of Council

The Minister for Basic Education, the Honourable Mrs A Motshekga appointed the Third Council for the period 1 August 2009 to 31 July 2013. The Council consists of 30 Councillors, of which 25 members are nominated by stakeholders in education and five of whom are nominated directly by the Minister.

3.2 Powers and duties of Council

The following is an abridged version of powers and duties of Council,

(a) with regard to **the registration** of educators-

- must determine minimum criteria and procedures for registration or provisional registration;
- must consider and decide on any application for registration or provisional registration;
- must keep a register of the names of all persons who are registered or provisionally registered;
- must determine the form and contents of the registers and certificates to be kept, maintained or issued in terms of this Act,

(b) with regard to the promotion and development of the education and training profession-

- must promote, develop and maintain a professional image;
- must advise the Minister on matters relating to the education and training of educators,
- must research and develop a **professional development** policy;
- must promote h-service training of all educators;
- may develop resource materials to initiate and run, in consultation with an employer. training programs, workshops, seminars and short courses that are designed to enhance the profession;

(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 subparagraph (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

- may suspend a sanction imposed under subparagraph (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) must manage a system for the promotion of the continuing professional development of educators (as amended by Basic Education Laws Amendment Act 15 of 2011)

3.3 Council and its sub-Committees

	Councillors	Component	1.EXCO	2.PRODCO	3.REGCO	4.ETHCOM	5.FINCO	6.STAFCO	7.ADVOCO	8.AUDCO	9.ENDCO
1	Dr Luke Mlilo	CHE									
2	Mr Elphus Maseko	NASGB			X						
3	Mr Christian Nel	FEDSAS						X			
4	Mr William Bester	NAISA			X						
5	Vacant	NBFET		X							
6	Dr Josef Breed	Organised Prof	X				C				
7	Mr Moses Ndlovu	Organised Prof				X					
8	Mr Sibusiso Mchunu	Organised Prof	X					C			
9	Ms Debbie Bowles	Organised Prof	X			C					
10	Mr Geoffrey Harrison	Organised Prof		X							
11	Mr George Bengell	Organised Prof					X				
12	Mr Malose Kutumela	Organised Prof		X							
13	Mr Els Themba	Organised Prof					X				
14	Mr Tseliso Ledimo	Organised Prof		X							
15	Vacancy (OTP)	Organised Prof		X							
16	Mr John Jeftha	Organised Prof	X						C		
17	Mr Magope Maphila	Organised Prof				X					
18	Mr Sipho Mayongo	Organised Prof									

19	Mr Lucky Cele	Organised Prof							X		
20	Mr Walter Hlaise	Organised Prof	X		C						
21	Mr Bongani Mcoyana	Organised Prof						X			
22	Mr Mokholoane Moloji	Organised Prof				X					
23	Ms Fezeka Loliwe	Organised Prof			X						
24	Mrs Palesa Tyobeka	DBE						X			
25	Dr Nonhlanhla Nduna-Watson	DBE				X			X		
26	Prof. Nomathemba Magi	DBE	X	C							(x)
27	Vacancy (DBE)	DBE									
28	Prof. Sarah Gravett	DBE									X
29	Mr Rej Brijraj	CEO	(c)	X	X	X	X	X	X		

Non Councillors

1	Fourie FNJ (Mr)	Independent					X				
2	Karim K (Mr)	Independent								X	
3	Ndlazi C (Mr)	Independent								X	
4	White P (Mr)	Independent								X	
5	Snayer B (Mr)	Independent								X	
6	Monei L (Ms)	Independent						X			
7	Clarke G (Mr)	Independent					X				
8	Du Toot RM (Mrs.)	Independent			X				X		
9	Eastes J (Mr.)	Independent				X					
10	Mafunda Mkhuseleli (Mr)	Independent							X		

3.3 Attendance of Council and sub-Committees meetings

Councillors		Council	1.EXCO	2. PRODCO	3.REGCO	4. ETHCOM	5.FINCO	6.STAFCO	7.ADVOCO	8.AUDCO	9.ENDCO
1	Dr Dennyse Webbstock	0/02									
*	Dr Luke Mlilo	1/01									
2	Mr Elphus Maseko	2/03			3/03						
3	Mr Christian Nel	3/03						3/03			
4	Mr William Bester	2/03			2/03						
5	Vacant (NBFET)										
6	Dr Josef Breed	3/03	6/06				3/03				
7	Mr Moses Ndlovu	0/03				0/03					
8	Mr Sibusiso Mchunu	2/03	5/06					2/03			

9	Mrs Anthea Cereseto Deputy Chair	2/02	5/06			3/03					
*	Ms Gaylin Bowles	1/01									
10	Mr Geoffrey Harrison	2/03		4/04							
11	Mr George Bengell	3/03					3/03				
12	Mr Malose Kutumela	2/03		4/04							
13	Mr Mxolisi Bomvana	2/02					2/02				
*	Mr Els Themba	1/01					1/01				
14	Mr Tseliso Ledimo	3/03		3/04							
15	Mr Ronnie Moroatshehla	3/03				3/03					
16	Mr John Jeftha	2/03	4/06						2/03		
17	Mr Magope Maphila Chairperson	03/03	6/06	2/04		2/03	2/03				
18	Mr Sipho Mayongo	03/03					2/03				
19	Mr Christopher Ndlela	0/02							2/03		
*	Mr Lucky Cele	1/01									
20	Mr Walter Hlaise	3/03	6/06		3/03						
21	Mr Bongani Mcoyana	2/03					3/03				
22	Mr Maruping Marumo	2/02				2/02					
*	Mr Mokholoane Moloji	1/01				1/01					
23	Ms Fezeka Loliwe	2/03			1/03						
24	Mrs Palesa Tyobeka	2/03					1/03				
25	Dr Nonhlanhla Nduna- Watson	2/03				1/03			2/03		
26	Prof. Nomathemba Magi	3/03	5/06	4/04							
27	Vacancy (DBE)										
28	Prof. Sarah Gravett	1/03									1/02
29	Mr Rej Brijraj	3/03	6/06	4/04	3/03	3/03	3/03	3/03			

Non-Councillors

1	Fourie FNJ (Mr)	Independent					3/03				
2	Karim K (Mr)	Independent								1/02	
3	Ndlazi C (Mr)	Independent								2/02	
4	White P (Mr)	Independent								2/02	
5	Snayer B (Mr)	Independent								2/02	
6	Monei L (Ms)	Independent						0/03			
7	Clarke G (Mr)	Independent					2/03				
8	Du Toit RM (Mrs)	Independent			2/03				2/03		
9	Eastes J (Mr)	Independent				3/03					
10	Bewana M (Mr)	Independent							2/03		

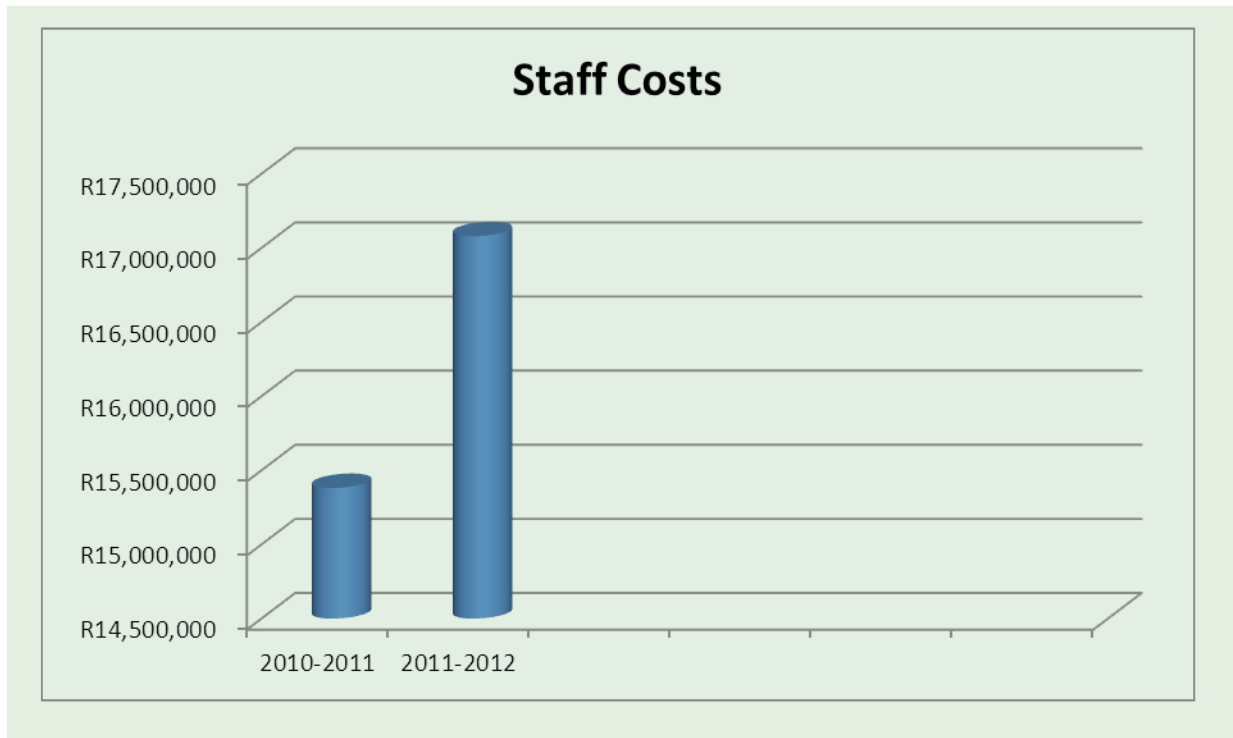
*Asterisk denotes a replacement Councillor of the incumbent immediately above.

4. Human Resource

The Human Resource function is under the supervision of the Staffing Committee, which deals with SACE Staffing matters, including conditions of service, recruitment.

4.1 Expenditure

The total staff costs incurred by Council in 2011 /12 financial year amounted to R17, 079 388 versus R15 381 193.00 incurred in the 2010/11 financial year. The total staff costs represent 36.1% of the total expenditure for 2011/12 financial year. The diagram below represents the staff cost comparison between 2010/11 and 2011/12.



4.2 Employment changes

The staff complement for the year under review was 65 as at 31 March 2012 financial year.

The table below illustrates the appointments made in 2011/12 financial year.

Incumbent	Stream	Profile
Ms E.M. Mokgalane	Support Services	Policy and Research Manager
Ms T.V. Mokgolobotho	Core /Operations	Assistant Manager Registration
Mr S. Simelane	Core /Operations	Data Capturer
Mr T.T. Mamogale	Support Services	Financial Clerk
Ms N. Kedama	Support Services	Admin Officer to COO
Ms M.W. Sathakge	Support Services	Admin Clerk
Ms B.B. Njenje	Support Services	Financial Clerk

The table below illustrates the resignation made in 2011/12 financial year.

Incumbent	Department	Profile
Ms R.A. Ramashala	Corporate Services	Corporate Services Clerk
Ms M.S. Mosese	Communications	Assistant Manager Communication
Mr T. Ramakadi	Communications	Receptionists

4.3 Employment Equity

The Employment Equity profile, as at 31 March 2012, is shown in the tables below. The tables represent the composition of staff by gender (Figure 1), race (Figure 2) and gender spread by race:

Figure 1: Gender Employment Equity

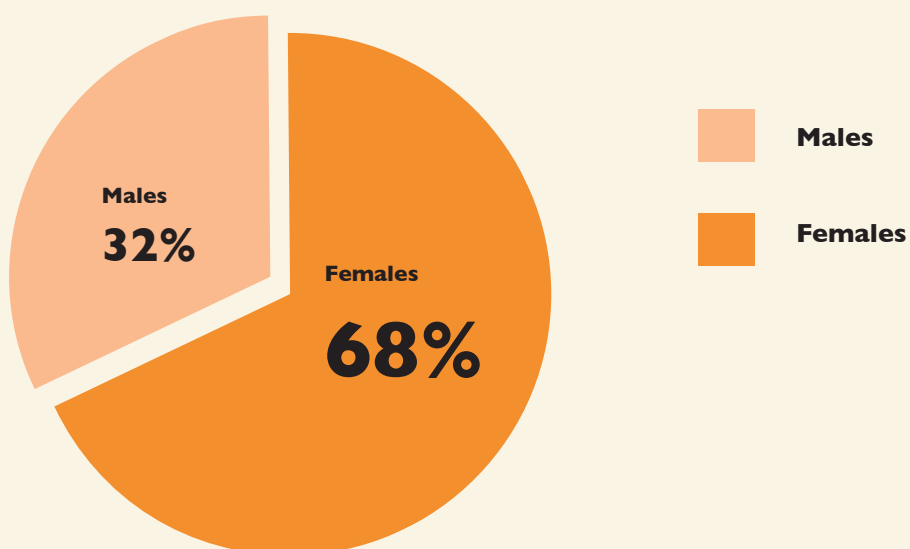
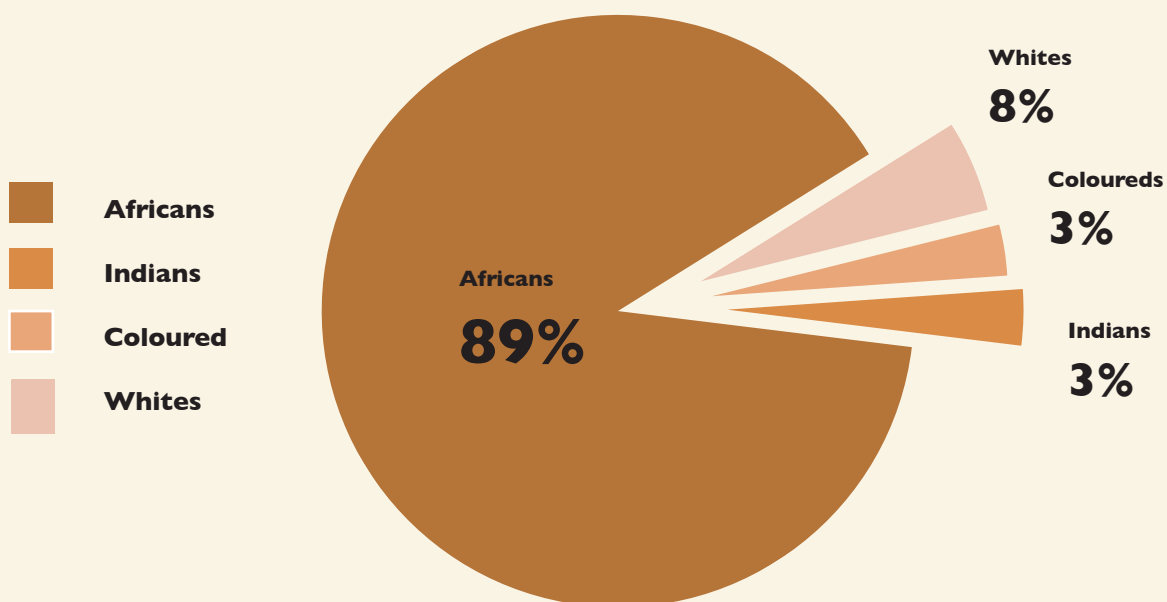
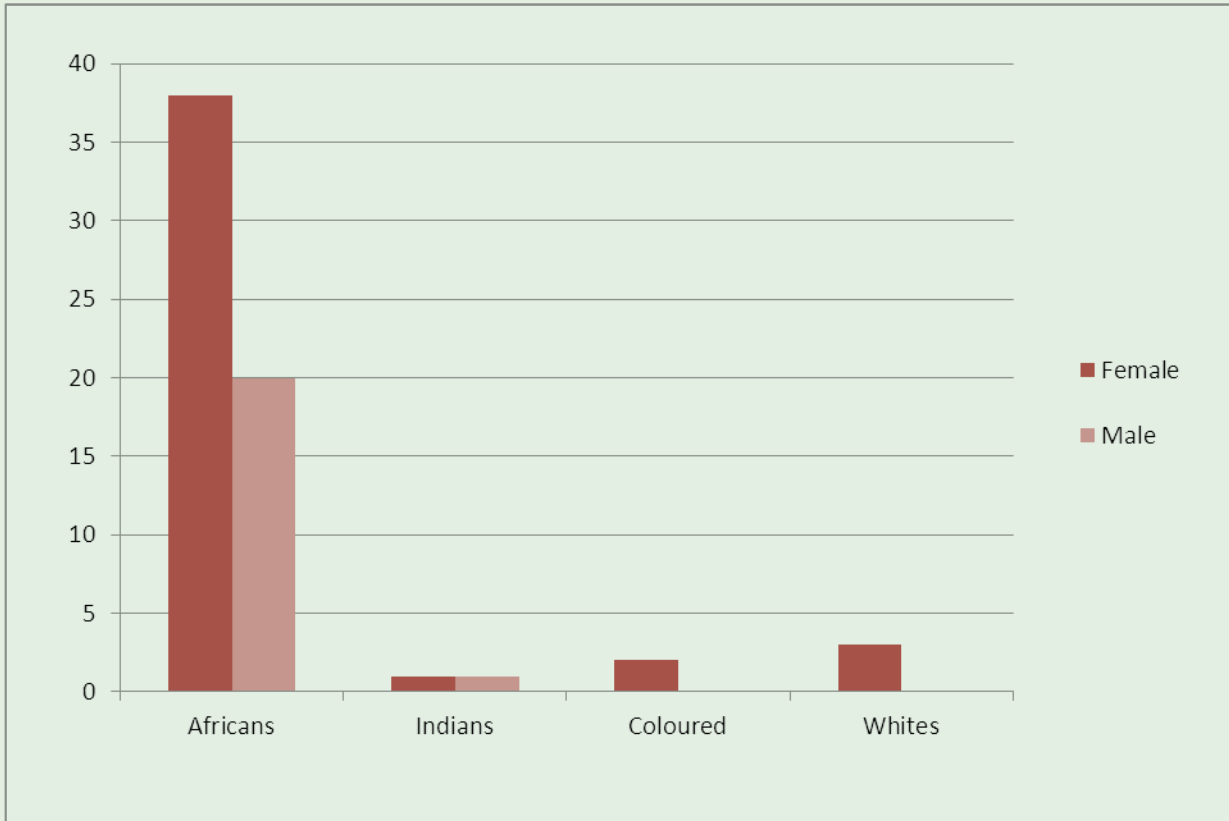


Figure 2: Employment Equity by Race





Communications and Advocacy Division

1. Introduction

The Communications and Advocacy report focuses on all activities carried out by the Communications Division for the period 1 March 2011 to 31 April 2012. The report will be divided into three sections which primarily relate to the key performance areas of the afore-mentioned division. These include:

1. National and International Relations
2. Media Relations
3. Media Production

1. Stakeholder Relations

During the period under review SACE embarked on a number of communication initiatives at different levels, which included interacting with national and international stakeholders.

1.1 National stakeholders

Networking with national stakeholders

In an effort to improve and maintain a good rapport with the teacher unions, a series of meetings were held with the following unions: SADTU, NAPTOSA, PEU and NATU. The purpose of these meetings was to update union principals on the SACE initiatives and further developments. This engagement afforded SACE an opportunity to interact and vigorously in a social dialogue and to seek feedback from these stakeholders on how best to improve SACE's services. From these engagements, a quarterly bulletin was produced and distributed to all five teacher union leadership.

Advocacy

The SACE embarked on outreach campaigns in the following provinces: KwaZulu-Natal, Mpumalanga, Free State and North West. These campaigns were aimed at enabling SACE to interact and explain its services to educators. This opportunity was also used to conduct on-site or on the spot registration of educators, which saw the SACE literally taking its services to those educators who were still not registered in these provinces.

Presentations focusing on CPTD and Code of Professional Ethics were also made. These presentations were successful, however, an observation of the outcome of these presentations indicated that not much was known about the SACE. This will be addressed in the next financial year where SACE will visit all the provinces to conscientise educators on the SACE and its services. Of great importance is that the organisation had an opportunity to interact with more than 30 000 educators. Undoubtedly, these interactions were a positive start and a learning opportunity for both the educators and the SACE.

SACE also participated and made presentations at the gatherings of the following organisations: the South African Principals Association (SAPA), North West Province, Mpumalanga Province, Gauteng Province, Limpopo Province and Free State province where it addressed and engaged with Principals, Deputies and Heads of Departments. This resulted in very comprehensive and interesting discussions about the work of SACE and the challenges faced by both educators and the SACE.

In maximising the SACE brand, SACE services were exhibited at the annual Tshwane show, opening ceremony of UNISA's School of Education, SADTU, NAPTOSA, PEU and NATU provincial conferences. At all these engagements, the services of the Council were accessed by estimated 5 000 educators.

1.2 International Stakeholder

Forging Strategic partnership with teacher regulatory bodies

The SACE hosted the AFTRA Conference in July 2011. The AFTRA is aimed at establishing teacher regulatory bodies in Africa. The Conference was attended by four countries namely, Nigeria, Tanzania, South Africa and Uganda. A milestone decision was made with the SACE formally endorsed to co-chair the steering committee with Nigeria taking responsibility for the secretariat functions.

SACE was mandated to organise the SADC countries in pursuance of the ITFRA/AFTRA resolutions on the establishment of teaching regulatory bodies, whilst Nigeria was expected to implement this decision in the northern parts of Africa.

As a follow-up to the AFTRA Conference, SACE hosted the International Forum for Teaching Regulatory Authority (IFTRA) in July 2011. The three day conference deliberated on matters relating to the sharing of experiences between countries. One of the key issues emanating from these gathering was the reflection on the Cardiff Declaration which, amongst others, emphasised the need by all countries to establish Teaching Councils. The IFTRA conference deliberated on a wide-range of issues including Teachers Disciplinary Function, the Role of Teachers' regulatory bodies in the 21st Century etc. Conference also highlighted the critical importance of strong bonds and relationship amongst members. The general understanding in this regard was that members should continue to hold multilateral engagements.

SACE was also mandated at this conference to chair the IFTRA steering committee and also to assist Jamaica, the next host in 2013 with all necessary preparations.

This signals the important role and recognition of South Africa as a critical player in improving the quality of education globally and as such we need to embrace this trust and forge ahead performing SACE's responsibilities with much determination.

2. Media liaison

Media liaison initiatives were undertaken to publicise and profile the work of the SACE to the educators and the broader public. Radio interviews were arranged with the following radio stations with a focus on the Code of Professional Ethics. The subject of discussion was particularly aimed at sensitising the public on the SACE Code of Professional Ethics. The interviews were in the form of phone-in talk shows and were received exceptionally well by the listenership on the following radio stations:

- SAFM
- Radio 702
- Kaya FM
- Motsweding FM
- Lesedi FM
- KFM
- Ukhozi FM

48 media enquiries from eleven different newspapers were received and responded to. These were predominantly enquiries relating to sexual offences and corporal punishment.

Publications/Media Production

External Newsletter

56 000 copies of the external newsletter were produced and distributed to all public schools and recognised independent schools. The newsletter was used to inform educators about SACE initiatives and developments. In addition, brochures on registration, CPTD and Code of Professional Ethics were produced and distributed

The table below provides a breakdown of how the actual distribution was carried out.

Publications	Constituency	Quantity
Registration brochures	Distributed through workshops, union conferences and office	10 000
CPTD brochures	Distributed through workshops, union conferences and office	10 000
Code of Ethics brochures	Distributed through workshops, union conferences and office	10 000
Newsletter	Distributed through the teacher newspaper to schools	56 000
Annual Report	SACE stakeholders	1000

Report of the Audit Committee

1. Introduction

The Audit Committee is made up of five non-executive members of whom one is a Council member.

The Chief Financial Officer, Chief Executive Officer, External and Internal Auditors attend the Audit Committee meetings by invitation. The representatives of both the internal and external auditors have unrestricted access to the Audit Committee and its Chairperson.

The mandate of the Audit Committee requires it to adhere to high quality standards of corporate accountability, to ensure the quality of the financial reporting process, control system and risk management and to maintain a high degree of integrity in both the external and internal audit processes.

The members of the Committee are as follows:

- Mr. B. Snayer – Chairperson
- Mr. C. Ndlazi
- Mr. K Karim
- Mr. B. Mcoyana
- Mr. P. White

2. Evaluation of effectiveness and efficiency of service delivery

The Audit Committee observed progress in terms of the delivery of mandatory functions.

The following are noted:

- The Council continued to improve its visibility through interactions with stakeholders and educators;
- The Council has created a building reserve fund to acquire its own premises;
- The Council is improving on the management of performance information as advised by the auditors; and
- The Council has resourced the newly established Research Unit.

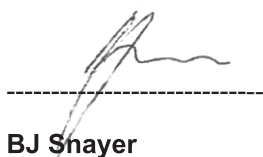
The Audit Committee further notes:

- The SACE administration needs to speed up the implementation of the Continuing Professional Teacher Development System in terms of the Basic Education Laws Amendment Act No. 15 of 2011.

3. Annual Financial Statements

The Audit Committee (AUDCO) has reviewed the SACE's Annual Financial Statements and recommendations by both the Internal and External Auditors.

The Audit Committee, after considering the work performed by the External Auditors and that of the Internal Auditors, accepts the Annual financial Statements as presented to the Council.



BJ Snayer

Chairperson: SACE Audit Committee



SOUTH AFRICAN COUNCIL FOR EDUCATORS

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

South African Council for Educators

Annual financial statements for the year ended 31 March 2012

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Registration of educators, promotion of professional development of educators and the establishment, maintenance and protection of ethical and professional standards for educators.
Councilors	Refer to Annexure "A"
Registered office	Block 1 Crossway Office Park 240 Lenchen Avenue Centurion 0046
Business address	Block 1 Crossway Office Park 240 Lenchen Avenue Centurion 0046
Postal address	Private Bag X127 Centurion 0046
Bankers	Nedbank Limited
Auditors	N.M.N. Chartered Accountants (SA) Registered Auditors

South African Council for Educators
Annual financial statements for the year ended 31 March 2012

GENERAL INFORMATION

Tax reference number 000

South African Council for Educators

Annual financial statements for the year ended 31 March 2012

INDEX

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

Index	Page
Report of the Independent Auditors	50-51
Councillors' Responsibilities and Approval	52
The Council Report	53
Statement of Financial Position	54
Statement of Comprehensive Income	55
Statement of Changes in Equity	56
Statement of Cash Flows	57
Accounting Policies	58-65
Notes to the Annual Financial Statements	66-72
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Statement of Financial Performance	73-74

REPORT OF THE INDEPENDENT AUDITORS

TO THE ACCOUNTING AUTHORITY OF SOUTH AFRICAN COUNCIL FOR EDUCATORS

REPORT ON THE ANNUAL FINANCIAL STATEMENTS

We have audited the annual financial statements of the South African Council for Educators, which comprise the statement of financial position as at 31 March 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the Council's report on pages 53 to 72

Accounting Authority's Responsibility for the Annual Financial Statements

The accounting authority is responsible for the preparation and fair presentation of these annual financial statements in accordance with South African Statements of Generally Recognised Accounting Practice (SA Standards of GRAP), and in the manner required by the Public Finance Management Act of South Africa (Act 1 of 1999). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

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

Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the South African Council for Educators as at 31 March 2012, and its financial performance and its cash flows for the year then ended in accordance with South African Statements of Generally Recognised Accounting Practice (SA Standards of GRAP), and in the manner required by the Public Finance Management Act of South Africa (Act 1 of 1999).

Supplementary Information

Without qualifying our opinion, we draw attention to the fact that the supplementary information set out on pages 73 and 74 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

REPORT OF THE INDEPENDENT AUDITORS

TO THE ACCOUNTING AUTHORITY OF SOUTH AFRICAN COUNCIL FOR EDUCATORS...CONTINUED

REPORT ON OTHER REGULATORY REQUIREMENTS

In accordance with the Public Audit Act (Act No. 25 of 2004) and in terms of General Notice 839 of 2011, issued in Government Gazette 34783 of 28 November 2011, we include below our findings on the annual performance report and material non-compliance with the Public Finance Management Act of South Africa (Act 1 of 1999) and the South African Council for Educators Act (Act 31 of 2000).

Predetermined objectives

- Usefulness of information

The reporting of targets and objectives in the quarterly reports and annual report were not always in line with the targets and objectives set out and approved in the annual plan.

- Compliance with laws and regulations

There are no matters to report.

INTERNAL CONTROL

In accordance with the Public Audit Act (Act No. 25 of 2004) and in terms of General Notice 839 of 2011, issued in Government Gazette 34783 of 28 November 2011, we considered internal control relevant to our audit, but not for the purpose of expressing an opinion on the effectiveness of internal control.

There are no matters to report.

N.M.N. Chartered Accountants (SA)

Per: Ganas Naidoo
N.M.N. Chartered Accountants (SA)
Registered Auditors
29 June 2012
62 - 5th Avenue
Linden
Johannesburg
2195

South African Council for Educators

Annual financial statements for the year ended 31 March 2012

COUNCILLORS' RESPONSIBILITIES AND APPROVAL

The Council is required 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 their responsibility to ensure that the annual financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with South African Statements of Generally Recognised Accounting Practice (SA Standards of GRAP). The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with South African Statements of Generally Recognised Accounting Practice (SA Standards of GRAP) and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

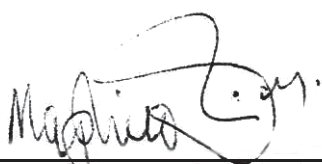
The Councillors acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the Councillors to meet these responsibilities, the Council sets standards for internal control aimed at reducing the risk of error or loss 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 entity and all employees are required to maintain the highest ethical standards in ensuring that the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Councillors 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 loss.

The Council has reviewed the entity's cash flow forecast for the year to 31 March 2013 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the entity's annual financial statements. The annual financial statements have been examined by the entity's external auditors and their report is presented on pages 50 and 51

The annual financial statements set out on pages 53 to 74, which have been prepared on the going concern basis, were approved by the Council on 29 June 2012 and were signed on its behalf by:



M. Maphila - Chairperson



R. Brijraj - Chief Executive Officer

South African Council for Educators

Annual financial statements for the year ended 31 March 2012

THE COUNCIL REPORT

The Council report for the year ended 31 March 2012 is as follows:

1. Review of activities

Main business and operations

The South African Council for Educators has been incorporated in terms of the South African Council for Educators Act (Act 31 of 2000). The principal responsibilities of the South African Council for Educators as set out in this Act are as follows:

- to provide for the registration of educators;
- to promote the professional development of educators; and
- to set, maintain and protect the ethical and professional standards for educators.

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

Net surplus of the entity was R17 192 940 (2011: R12 601 860).

2. Going concern

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.

3. Events after the reporting period

The Council is not aware of any matter or circumstance arising since the end of the financial year, not otherwise dealt with in the annual financial statements, which significantly affect the financial position of the entity or the results of its operations.

4. Non-current assets

During the year the council acquired fixed assets for R 546,664 (2011: R 3,830,324)

South African Council for Educators

Annual financial statements for the year ended 31 March 2012

STATEMENT OF FINANCIAL POSITION

Figures in Rand	Notes	2012	2011
Assets			
Non-Current Assets			
Investment property	2	13 100 000	15 097 280
Property, plant and equipment	3	1 062 826	2 066 767
Intangible assets	4	2 265 335	3 065 963
		16 428 161	20 230 010
Current Assets			
Trade and other receivables	5	6 512 810	702 617
Cash and cash equivalents	6	29 859 262	13 934 708
		36 372 072	14 637 325
Total Assets		52 800 233	34 867 335
Equity and Liabilities			
Equity			
Accumulated surplus		24 408 711	20 062 148
Building reserve fund		22 362 956	9 516 579
		46 771 667	29 578 727
Liabilities			
Current Liabilities			
Finance lease obligation	7	-	93 835
Trade and other payables	8	6 028 566	5 194 773
		6 028 566	5 288 608
Total Equity and Liabilities		52 800 233	34 867 335

South African Council for Educators

Annual financial statements for the year ended 31 March 2012

STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	Notes	2012	2011
Revenue	9	53 470 094	47 355 288
Government grant		4 442 813	2 417 957
Other income		289 277	145 152
Operating expenses		(39 985 969)	(37 455 582)
Operating surplus	10	18 216 215	12 462 815
Investment revenue	11	993 630	182 853
Fair value adjustments	12	(1 997 280)	-
Finance costs	13	(19 625)	(43 807)
Total comprehensive surplus for the year		17 192 940	12 601 861

South African Council for Educators

Annual financial statements for the year ended 31 March 2012

STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Building reserve fund R	Accumulate d surplus R	Total equity R
Balance at 01 April 2010	-	16 976 866	16 976 866
Total comprehensive surplus for the year	-	12 601 861	12 601 861
Transfer to building reserve fund	9 516 579	(9 516 579)	-
Balance at 01 April 2011	9 516 579	20 062 148	29 578 727
Total comprehensive surplus for the year	-	17 192 940	17 192 940
Transfer to building reserve fund	12 846 377	(12 846 377)	-
Balance at 31 March 2012	22 362 956	24 408 711	46 771 667

South African Council for Educators

Annual financial statements for the year ended 31 March 2012

STATEMENT OF CASH FLOWS

Figures in Rand	Notes	2012	2011
Cash flows from operating activities			
Cash receipts from customers		53 299 232	55 463 962
Cash paid to suppliers and employees		(37 649 118)	(38 816 124)
Cash generated from operations	16	15 650 114	16 647 838
Interest income		993 630	182 853
Finance costs		(19 625)	(43 807)
Net cash from operating activities		16 624 119	16 786 884
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(546 664)	(3 830 324)
Proceeds on sale of property, plant and equipment		18 609	3 868
Additions to intangible assets	4	(77 675)	(355 522)
Net cash from investing activities		(605 730)	(4 181 978)
Cash flows from financing activities			
Decrease in finance lease obligation		(93 835)	(327 936)
Total cash movement for the year		15 924 554	12 276 970
Cash at the beginning of the year		13 934 708	1 657 739
Total cash at end of the year	6	29 859 262	13 934 708

South African Council for Educators

Annual financial statements for the year ended 31 March 2012

ACCOUNTING POLICIES

1. Basis of preparation

The financial statements have been prepared in accordance with South African Statements of Generally Recognised Accounting Practice (SA Standards of GRAP), issued by the Accounting Standards Board in accordance with Section 55 of the Public Finance Management Act (Act No. 1 of 1999).

Accounting policies for material transactions, events or conditions not covered by the GRAP reporting framework have been developed in accordance with paragraphs 7, 11, 12 of GRAP 3 and the hierarchy approved in Directive 5 issued by the Accounting Standards Board.

The financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, unless specifically stated otherwise.

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

The accounting policies are applied consistently with those used to present the previous year's financial statements.

1.1 Significant judgements and sources of estimation uncertainty

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

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 key assumptions may change which may then impact on our estimations and may then require a material adjustment to the carrying value of intangible and tangible assets. The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, intangible assets are tested on an annual basis for impairment.

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.

Trade receivables

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

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. Inactive members comprise deceased, retired and terminated members while all other members are categorised as active members.

South African Council for Educators

Annual financial statements for the year ended 31 March 2012

ACCOUNTING POLICIES

1.1 Significant judgements and sources of estimation uncertainty (continued)

Membership fees are received from the Provincial and National Departments of Education for 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 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 terms of a Council resolution dated 9 November 2000, educators that are unemployed are not required to pay levies for the period that they remain unemployed. In the absence of forthcoming information from the members themselves, a reliable estimate of educators that should have paid levies during the year cannot be made and consequently, revenue is recognised as it is received.

Depreciation

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

1.2 Property, plant and equipment

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

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

Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct 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.

All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

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

Land is not depreciated.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

Item	Average useful life
Buildings	20 years
Office equipment	6 to 10 years
IT equipment	3 to 7 years
Leasehold improvements	1 to 3 years
Leased assets	5 to 6 years

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

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

ACCOUNTING POLICIES

1.2 Property, plant and equipment (continued)

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss 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. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

1.3 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 entity; and
- the cost of the asset can be measured reliably.

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

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

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits.
- 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. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually, and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at the end of every reporting period. Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

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

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

Item	Useful life
Registration database - internally generated	5 years
CPTD database - internally generated	5 years
Computer software	5 years

ACCOUNTING POLICIES

1.4 Non-current assets held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment once classified as held for sale are not depreciated.

1.5 Financial instruments

Classification

The entity classifies financial assets and financial liabilities into the following category:

- Loans and receivables

Classification depends on the purpose for which the financial instruments were obtained and takes place at initial recognition. For financial instruments which are not at fair value through profit or loss, classification is reassessed on an annual basis.

Initial recognition and measurement

Financial instruments are recognised initially when the entity becomes a party to the contractual provisions of the instruments. The entity classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Subsequent measurement

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

Impairment of financial assets

At each reporting date the entity assesses all financial assets, other than those at fair value through profit or loss, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

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

Impairment losses are recognised in profit or loss.

ACCOUNTING POLICIES

1.5 Financial instruments (continued)

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in profit or loss.

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

Trade and other receivables

Trade and other receivables are measured at cost.

Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable is impaired.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

Trade and other payables

Trade and other payables are measured at cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

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.

Finance leases

Finance leases are recognised as assets in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

ACCOUNTING POLICIES

1.6 Leases (continued)

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

The lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

1.7 Impairment of assets

The entity assesses at each reporting period date whether there is any indication that an asset may be impaired. If any such indication exists, the entity estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets of the unit in the following order:

- first, to reduce the carrying amount of any goodwill allocated to the cash-generating unit and
- then, to the other assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

South African Council for Educators

Annual financial statements for the year ended 31 March 2012

ACCOUNTING POLICIES

1.7 Impairment of assets (continued)

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.8 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.9 Government grants

Government grants are recognised when there is reasonable assurance that:

- the company will comply with the conditions attaching to them; and
- the grants will be received.

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

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

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

Grants related to income are presented as a credit in the statement of comprehensive income (separately).

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

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

1.10 Revenue

Revenue is measured at the fair value of the consideration received or receivable for the rendering of services in the normal course of the entity's activities. Revenue is recognised as follows:

Membership and registration fees

Membership and registration fees are recognised when the invoice is issued.

South African Council for Educators

Annual financial statements for the year ended 31 March 2012

ACCOUNTING POLICIES

1.11 Borrowing costs

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

1.12 Financial risk management

1.12.1 Financial Risks

The entity's activities expose it to a variety of financial risks: market risk (including currency risk and cashflow and fair value interest risk), credit risk and liquidity risk. The entity's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the entity's financial performance.

1.12.1.1 Market Risk

a) Currency Risk

The entity had no foreign currency transactions during the year.

b) Cash flow and fair-value interest rate risk

The entity's interest rate risk arises from current borrowings.

1.12.1.2 Credit Risk

The entity has no significant concentrations of credit risk. It has policies in place to ensure that the granting of credit is adequately controlled.

1.12.1.3 Liquidity Risk

The entity makes use of a mix of external borrowings and existing resources to fund its operations and expansions. Key ratios include debt: equity, interest cover and debt repayment period.

1.12.1.4 Capital Risk Management

For the purposes of capital management, capital includes accumulated surplus and other reserves. The capital mix is reviewed by the entity when substantial changes occur in the capital requirements of the entity. These requirements could be for substantial additions to fixed assets or intangible assets. Management will regularly review the liquidity risk of the entity and ensure sufficient data is available to alter the capital mix if required.

1.12.2 Fair Value Estimation

The carrying value less provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated at their settlement values.

South African Council for Educators
Annual financial statements for the year ended 31 March 2012

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand 2012 2011

2. Investment property

	2012			2011		
	Cost	Fair value adjustments	Carrying value	Cost	Fair value adjustments	Carrying value
Investment property	13 100 000	-	13 100 000	15 097 280	-	15 097 280

Reconciliation of investment property - 2012

	Opening Balance	Fair value adjustment	Total
Investment property	15 097 280	(1 997 280)	13 100 000

Reconciliation of investment property - 2011

	Opening Balance	Total
Investment property	15 097 280	15 097 280

Details of investment property are as follows:

Erf 3282 and 3522, Pretoria, City of Tswane Metropolitan Municipality, Gauteng, Measuring 3887 sqm

The investment property was valued by Affordable Appraisal & Property Solutions on 13 June 2012 for R13 100 000.

Reclassification of asset

Previously the investment property was disclosed as non-current asset held for sale. Due to the uncertainty of the proposed sale, the asset has been reclassified as non-current asset under investment property.

South African Council for Educators
Annual financial statements for the year ended 31 March 2012

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand 2012 2011

3. Property, plant and equipment

	2012			2011		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Office equipment	1 542 069	(804 712)	737 357	1 546 275	(708 856)	837 419
IT equipment	2 553 910	(2 228 444)	325 466	3 190 251	(2 414 857)	775 394
Leasehold improvements	896 759	(896 759)	-	507 066	(114 783)	392 283
Leased assets	827 945	(827 942)	3	827 946	(766 274)	61 671
Total	5 820 683	(4 757 857)	1 062 826	6 071 538	(4 004 770)	2 066 767

Reconciliation of property, plant and equipment - 2012

	Opening Balance	Additions	Disposals	Depreciation	Total
Office equipment	837 419	27 125	(5 458)	(121 729)	737 357
IT equipment	775 394	129 847	(11 181)	(568 594)	325 466
Leasehold improvements	392 283	389 692	-	(781 975)	-
Leased assets	61 671	-	-	(61 668)	3
	2 066 767	546 664	(16 639)	(1 533 966)	1 062 826

Reconciliation of property, plant and equipment - 2011

	Opening Balance	Additions	Disposals	Classified as held for sale	Depreciation	Total
Land and buildings	12 184 818	3 233 462	-	(15 097 280)	(321 000)	-
Office equipment	945 705	26 930	-	-	(135 216)	837 419
IT equipment	1 297 292	127 107	(1 938)	-	(647 067)	775 394
Leasehold improvements	45 787	442 825	-	-	(96 329)	392 283
Leased assets	311 224	-	-	-	(249 553)	61 671
	14 784 826	3 830 324	(1 938)	(15 097 280)	(1 449 165)	2 066 767

South African Council for Educators
Annual financial statements for the year ended 31 March 2012

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand 2012 2011

4. Intangible assets

	2012			2011		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Registration database - internally generated	1 030 123	(478 545)	551 578	1 030 123	(272 520)	757 602
Computer software - other	616 268	(305 987)	310 281	1 339 125	(995 631)	343 494
CPTD database - internally generated	2 806 953	(1 403 477)	1 403 476	2 806 954	(842 086)	1 964 867
Total	4 453 344	(2 188 009)	2 265 335	5 176 202	(2 110 237)	3 065 963

Reconciliation of intangible assets - 2012

	Opening Balance	Additions	Disposals	Amortisation	Total
Registration database - internally generated	757 603	-	-	(206 025)	551 578
Computer software - other	343 494	77 675	(26)	(110 862)	310 281
CPTD database - internally generated	1 964 867	-	-	(561 391)	1 403 476
	3 065 964	77 675	(26)	(878 278)	2 265 335

Reconciliation of intangible assets - 2011

	Opening Balance	Additions	Amortisation	Total
Registration database - internally generated	751 131	197 267	(190 796)	757 602
Computer software - other	277 742	158 255	(92 503)	343 494
CPTD database - internally generated	2 526 259	-	(561 392)	1 964 867
	3 555 132	355 522	(844 691)	3 065 963

5. Trade and other receivables

Trade receivables	387 374	216 512
Deposits for leased property	5 706 956	195 804
Staff loans	292 861	238 209
Other receivables	125 619	52 092
	6 512 810	702 617

6. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	1 695	185
Bank balances	13 127 211	6 439 238
Short-term deposits	16 730 356	7 495 285
	29 859 262	13 934 708

South African Council for Educators
Annual financial statements for the year ended 31 March 2012

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand 2012 2011

7. Finance lease obligation

Minimum lease payments due

Within one year	-	96 523
	-	96 523
Less: future finance charges	-	(2 688)
Present value of minimum lease payments	-	93 835

Present value of minimum lease payments due

Within one year	-	93 835
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It is the entity's policy to lease certain motor vehicles and equipment under finance leases.

The average lease term was 4 to 5 years and the average effective borrowing rate was 13% (2011: 13%)

8. Trade and other payables

Trade payables	1 446 745	2 163 832
Fees received in advance	28 302	94 032
Deferred government grant	2 852 187	-
Provision for leave pay	1 289 356	2 021 282
Provision for bonus	222 758	198 521
Accrued expenses	84 536	712 724
Other payables	104 682	4 382
	6 028 566	5 194 773

9. Revenue

Rendering of services	51 332 193	45 742 259
Registration fees	2 030 021	1 517 004
Reprinted certificates	107 880	96 025
	53 470 094	47 355 288

10. Operating surplus

Operating surplus for the year is stated after accounting for the following:

Operating lease charges	935 782	854 170
Surplus on sale of fixed assets	7 514	3 868
Amortisation on intangible assets	878 278	844 691
Depreciation on property, plant and equipment	1 533 966	1 449 165
Employee costs	16 780 288	19 204 306
Internal audit fee	484 789	991 086

South African Council for Educators
Annual financial statements for the year ended 31 March 2012

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2012	2011
11. Investment revenue		
Interest revenue		
Bank	861 511	135 851
Other	132 119	47 002
	993 630	182 853
12. Fair value adjustments		
Decrease in value of investment property	(1 997 280)	-
13. Finance costs		
Finance charges	19 625	43 807
14. Taxation		
No provision has been made for 2012 tax as the entity is exempt from tax in terms of Section 10(1)(cA)(i)(bb) of the Income Tax Act (Act No. 58 of 1962).		
15. Auditors remuneration		
Fees	807 947	1 370 260
16. Cash generated from operations		
Surplus for the year	17 192 940	12 601 861
Adjustments for:		
Depreciation and amortisation	2 412 244	2 293 856
Surplus on sale of fixed assets	(7 514)	(3 868)
Interest received	(993 630)	(182 853)
Finance costs	19 625	43 807
Fair value adjustments	1 997 280	-
Other non-cash items	5 569	-
Changes in working capital:		
Trade and other receivables	(5 810 193)	5 708 822
Trade and other payables	833 793	(3 813 787)
	15 650 114	16 647 838
17. Operating lease commitments		
Office accommodation is leased in terms of an operating lease.		
The future minimum lease payments payable under the non-cancellable leases are as follows:		
Minimum lease payments due		
Within one year	4 800 000	581 432
Thereafter	10 934 880	-
	15 734 880	581 432

South African Council for Educators
Annual financial statements for the year ended 31 March 2012

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand 2012 2011

18. Executive management remuneration

2012	Basic	Bonus	Fringe benefits	Other	Total
R. Brijraj	838 504	8 618	413 540	115 520	1 376 182
M. Mapindani	629 291	59 007	258 610	151 000	1 097 908
M. Dipholo	610 962	57 288	236 098	-	904 348
	2 078 757	124 913	908 248	266 520	3 378 438

2011	Basic	Bonus	Fringe benefits	Other	Total
R. Brijraj	879 251	239 056	435 073	36 061	1 589 441
M. Mapindani	658 879	230 393	270 715	201 146	1 361 133
M. Dipholo	639 688	136 721	248 084	-	1 024 493
	2 177 818	606 170	953 872	237 207	3 975 067

19. Irregular expenditure

Reconciliation of irregular expenditure

Opening balance	250 138	250 138
Movements for the year	-	-
	250 138	250 138

20. Fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful expenditure

Opening balance	700 045	227 298
Add: Fruitless and wasteful expenditure relating to current year:		
Penalties and interest due to SARS	1 583	452 116
Penalty levied by supplier	-	20 631
	701 628	700 045

South African Council for Educators
Annual financial statements for the year ended 31 March 2012

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2012	2011
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21. Related parties

Related party balances

All national departments of government are regarded to be related parties in accordance with Circular 4 of 2005: Guidance in terms of "State Controlled Entities" in the context of IAS 24 (AC 126) - Related Parties, issued by the South African Institute of Chartered Accountants. No transaction is implicated simply by the nature or existence of relationships between these entities, however the balances below were recorded relating to transactions with related parties as defined above:

Amounts owing from related parties

South African Post Office	91 449	71 676
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Amounts owing to related parties

State Information Technology Agency (Proprietary) Limited	636 136	399 717
Unemployment Insurance Fund	-	14 086
South African Post Office	11 048	8 188
Telkom SA Limited	12 124	15 740

South African Council for Educators
Annual financial statements for the year ended 31 March 2012

STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Notes	2012	2011
Revenue			
Membership fees		51 332 193	45 742 259
Registration fees		2 030 021	1 517 004
Reprinted certificates		107 880	96 025
	9	53 470 094	47 355 288
Other income			
Government grant		4 442 813	2 417 957
Interest received	11	993 630	182 853
Surplus on disposal of fixed assets		7 514	3 868
Sundry income		281 763	141 284
		5 725 720	2 745 962
Expenses (Refer to page 28)		(39 985 969)	(37 455 582)
Operating surplus			
	10	19 209 845	12 645 668
Finance costs	13	(19 625)	(43 807)
Fair value adjustments	12	(1 997 280)	-
Total comprehensive surplus for the year		17 192 940	12 601 861

The supplementary information presented does not form part of the annual financial statements and is unaudited

South African Council for Educators
Annual financial statements for the year ended 31 March 2012

STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Notes	2012	2011
Operating expenses			
Advertising and publicity		(182 702)	(52 613)
Auditors remuneration	15	(807 947)	(1 370 260)
Bad debts		(110 795)	(24 080)
Bank charges		(78 976)	(90 867)
Code of conduct		(1 624 130)	(768 017)
Cleaning		(5 711)	(5 643)
Consulting fees		(915 585)	(713 915)
CPTD project		(4 442 813)	(4 362 887)
Depreciation, amortisation and impairments		(2 412 244)	(2 293 856)
Employee costs		(16 780 288)	(19 204 306)
Fines and penalties		(1 583)	(437 425)
Hire of equipment		(300 813)	(1 960)
Insurance		(268 630)	(234 735)
Internal audit fee		(484 789)	(991 086)
Lease rentals on operating lease		(935 782)	(854 170)
Leasehold expense		(127 680)	-
Legal expenses		(118 928)	(31 913)
Loss on redundant assets written off		(5 569)	-
Motor vehicle expenses		(27 450)	(27 268)
Postage		(49 626)	(21 681)
Printing and stationery		(402 815)	(265 898)
Professional development		(1 088 743)	(116 611)
Publicity and communications		(2 228 318)	(894 442)
Registration costs		(969 358)	(179 753)
Repairs and maintenance		(421 695)	(59 887)
Research		(421 949)	(248 800)
Security		(515 518)	(429 155)
Staff welfare		(164 666)	(135 071)
Subscriptions		(250 233)	(264 799)
Telephone and fax		(818 334)	(661 441)
Training		(95 910)	(84 177)
Travel - local		(2 648 687)	(2 498 164)
Utilities		(265 811)	(104 060)
Workmens compensation		(11 889)	(26 636)
		(39 985 969)	(37 455 582)

The supplementary information presented does not form part of the annual financial statements and is unaudited



South African Council for Educators

**Private Bag X127
Centurion
0046**

**240 Lenchen Avenue
Centurion
0046**

Tel: (012) 663 9517
Tel: (012) 663 9238
www.sace.org.za
info@sace.org.za

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