



ANNUAL REPORT PRESENTATION TO THE PORTFOLIO COMMITTEE ON BASIC EDUCATION

23 NOVEMBER 2021

Purpose

To report on:

- the **achievements and challenges** of the South African Council for Educators (SACE) for the 2020/21 financial year.
- the **performance** of Council against the planned targets of the pre-determined objectives in the Annual Performance Plan for the financial year 2020/21.
- the Council's **expenditure** for the Financial Year 2020/21.

Presentation Outline

PART A

Overview of the Service Delivery Environment and Context

PART B

Programme Performance

PART C

Annual Financial Statements

Programmes of SACE

- The **ANNUAL PERFORMANCE PLAN** summarises the priorities of SACE as outlined in the Strategic Plan 2020/2025.
- The activities of SACE have been structured into five programmes as elaborated in the Annual Performance Plan 2020/21:

PROGRAMME 1: Administration

PROGRAMME 2: Registration

PROGRAMME 3: Ethics

PROGRAMME 4: Continuing Professional Teacher Development Management (System)

PROGRAMME 5: Professional Standards

PART A: OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT AND CONTEXT

VISION

Inspiring a credible teaching profession

MISSION

To register fit-to-practice educators and lecturers, promote their continuing professional development, and maintain the profession's professional teaching and ethical standards

SACE VALUES OF THE TEACHING PROFESSION

ACCOUNTABILITY

DIGNITY

INTEGRITY

QUALITY

RESPECT

RESPONSIBILITY

**SERVICE
ORIENTED**

TRANSPARENCY

TOLERANCE

LEGISLATIVE AND POLICY ENVIRONMENT...

National Development Plan: Vision 2030

SACE Act, 2000

South African Council for Educators Act, 2000 as amended

NQF Amended Act, 2019

National Qualifications Framework Act, 2008

NPFTED, 2007

National Policy Framework for Teacher Education and Development South Africa

ISPFTED, 2011

Integrated Strategic Planning Framework for Teacher Education and Development in South Africa, 2011–2025

Employment of Educators Act, 1998

The Revised Personnel Administrative Measures, 2016

South African Schools Act, 1996

The Revised Policy On The Minimum Requirements For Teacher Education Qualifications, 2015

Education Labour Relations Council and PSCBC Resolutions

Policy on Minimum Requirements for Programmes Leading to Qualifications in Higher Education for Early Childhood Development Educators, 2017

Performance Delivery Environment

- This Annual report signals the first year of implementing Council's 2020 – 2025 strategic plan. It is also the last Annual Report for the outgone 2017-2021 Accounting Authority.
- The period under review experienced unprecedented COVID-19 pandemic and steep learning curve in navigating and understanding the dynamics and complexities of regulating the teaching profession under the pandemic.
- Council has been able to service its members, although under limited conditions. Therefore, it acknowledges that some of the service and performance standards affected by the entity's inadequate systems and oversight during the national lockdown periods, may not be at the desired levels as reflected in the AGSA presentation to the Portfolio Committee and APP programmes.
- Consequently, poor performance has been observed in programmes such as, the Professional Development and Ethical Standards, for some internal reasons and those that were beyond Council's control..
- Through the developed remedial action plan and oversight processes, Council is committed to draw lessons from the period under review and improve its services to the teaching profession and business operations systems for the better.

Performance Delivery Environment Cont...

2019/2020	2020/2021
11 APP INDICATORS	27 APP INDICATORS
7 (64%) ACHIEVED	14 (52%) ACHIEVED

- Additional 4 (15%) indicators out of 27 were partially achieved at 90% level and above and 9 (33%) out of 27 indicators were not achieved during the period under review.
- The 2020/21 performance decline of 12% as compared to 2019/2020, can be attributed to the effect of COVID-19 pandemic disruptions in the schooling sector that had the ripple effect on Programme 3 (Ethical Standards) and Programme 4 (Professional Development) in particular, along with some of the internal systems and processes that were not adequate to mitigate the situation.

Performance Delivery Environment Cont...

- Overall, **60 285** registration transactions of provisionally registered student teachers, newly qualified educators updating from provisional to full registration status and other categories of registration, were conducted as compared to **79 084** in 2019/2020.
- While professional registration of educators, student teachers and college lecturers were achieved, the situation was not the same for Programme 3 (**ethical standards**) and Programme 4 (**professional development**). These two programmes experienced the lowest performance of their time in areas where schools, teachers and learners were required to achieve the targets.
- The situation was particularly aggravated by the negative audit findings in Programme 4, which are being addressed and monitored closely through Council, Internal Audit and Risk Committee and Department of Basic Education.

Performance Delivery Environment Cont...

- Council received unqualified audit report; however, the audit is not clean.
- The misstatements identified in the audit report and reflected in the AGSA presentation are being addressed through the Council-approved remedial action plan and close Council oversight process.
- Some of the key remedial actions include the following:
 - **Organisational reflective and planning session to:**
 - Review the overall organisational performance and learn from the audit findings
 - Use the lessons to review the APP 2021/2022 and develop the 2022/2023 APP
 - Develop the remedial action plan
 - Heighten systems and processes for credible and reliable performance information in line with the DPME / National Treasury Frameworks

Performance Delivery Environment Cont...

- Orientation and Re-orientation of the 2021 – 2025 Council and Council Committees members on their oversight role in September / October 2021
- Reviewed 2021/2022 APP to address some of the issues that led to the audit findings in terms of the wording of targets and Technical Indicator Descriptors in the 2020/2021 APP.
- The revised APP has been submitted to the DBE on the 31st October 2021, with relevant amendment Addendums, for the Minister's approval.
- Dedicated and focused extended management quarterly report review sessions in line with the performance information framework and external audit standards.

PART B: PROGRAMME AND SUB – PROGRAMME PLANS

2020/2021 Pre-determined Objectives

Total number of Indicators	Achieved	Percentage
27	14	52%

Performance Indicators not reached

Performance Indicator	Annual Target	Annual Output	Difference
Number of research reports produced	3	2	-1
Percentage of employees assessed through performance development system	100%	52%	-48%
Number of research-based seminars/ conferences conducted	1	0	-1
Percentage of employees assessed through performance development system	100%	52%	-48%
Percentage of invoices paid within 30 days	100%	90,9%	-6,8%
Percentage of educators applying through the online system for professional certification	50% (12 500)	17% (10 096/60 285 x100)	-33% (2 404)
Percentage of investigations on new cases finalised	50%	0.9% (4 finalised out of 443 cases received)	-49.1

Performance Indicators not reached

Performance Indicator	Annual Target	Annual Output	Difference
Percentage of investigations on roll-over cases finalised	50%	13.1% (60 cases finalised out of 456 rolled-over cases)	-36.9
Percentage of disciplinary hearings on new cases finalised	30%	0.6% (3 cases finalised out of 443)	-29.4
Percentage of disciplinary hearings on roll-over cases finalised	40%	11% (52 roll-over cases finalised out of 456 cases)	-29
Number of analysis reports produced on sanctioned educators	2	1	-1
Percentage of selected practicing signed-up educators verified for the continuing professional development uptake	40%	7.36% (1626/22 104 X100)	-32.64%
Number of educators supported on professional matters	50 000	-	-

Comparison of the Pre-determined Objective 2019/20 and 2020/21

2019/20

Total number of indicators	Achieved	Percentage
11	8	72

2020/21

Total number of indicators	Achieved	Percentage
27	14	52%

PROGRAMME 1: ADMINISTRATION

PROGRAMME 1: ADMINISTRATION

- This is a new Programme for the 2020 – 2025 strategic plan and Council is reporting on it for the first time.
- **Purpose of the Programme:**
 - The purpose of this programme is to implement and manage the policy directives and priorities of the Council to ensure the functional proficiency of SACE through appropriate support services.
- **Outcome:**
- Efficient and effective governance
- **Sub-Programmes**
 - **Executive and Governance**
 - **Planning, Monitoring & Evaluation Reporting and Research**
 - **Corporate Services**
 - **Financial Management**
 - **Communication And Stakeholder Relations:**
 - **Information And Communication Technology**

Programme 1: Administration

Key performance indicators, planned targets and actual achievements

KEY PERFORMANCE INDICATOR	PLANNED TARGET 2020/2021	ACTUAL ACHIEVEMENT 2020/2021	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2020/2021
Number of Council and EXCO meetings	10	14	+4
Number of quarterly performance reports submitted to DBE	4	4	0
Number of research reports produced	3	2	-1
Number of research-based seminars/ conferences conducted	1	0	-1

Programme 1: Administration

Key performance indicators, planned targets and actual achievements

KEY PERFORMANCE INDICATOR	PLANNED TARGET 2020/2021	ACTUAL ACHIEVEMENT 2020/2021	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2020/2021
Percentage of employees assessed through performance development system	100%	52%	-48%
Communication strategy developed and monitored	1	1	-
Percentage of invoices paid within 30 days	100%	90,9%	-6,8%
Approved ICT policy	1	1	-

Programme 1: Administration

Key performance indicators, planned targets and actual achievements

KEY PERFORMANCE INDICATOR	ACTUAL ACHIEVEMENT 2019/2020	ACTUAL ACHIEVEMENT 2020/2021	COMMENT
Number of Council and EXCO Meetings	-	14	-
Number of quarterly performance reports submitted to DBE	-	4	-
Number of research reports produced	2	2	No increase
Number of research-based seminars/ conferences conducted	9	0	A decrease by 9

Programme 1: Administration

Key performance indicators, planned targets and actual achievements

KEY PERFORMANCE INDICATOR	ACTUAL ACHIEVEMENT 2019/2020	ACTUAL ACHIEVEMENT 2020/2021	COMMENT
Percentage of employees assessed through performance development system	-	52%	-
Communication strategy developed and monitored	-	1	-
Percentage of invoices paid within 30 days	-	90,9%	-
Approved ICT policy	-	1	-

PROGRAMME 2: REGISTRATION

Programme 2: Registration

Programme 2: Registration

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

Outcome:

- Fit-to-Practice Registered Educators

• Sub-Programmes:

- **Sub-programme 2.1:** Registration of Educators and Lecturers
- **Sub-programme 2.2:** Data Management

Programme 2: Registration

Key performance indicators, planned targets and actual achievements

KEY PERFORMANCE INDICATOR	PLANNED TARGET 2020/2021	ACTUAL ACHIEVEMENT 2020/2021	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2020/2021
Number of educators registered	25 000	60 285	+35 285
Percentage of educators applying through the online system for professional certification	50% (12 500)	17% (10 096/60 285 x100)	-33% (2 404)
Number of statistical reports produced on the status of the profession	2	2	-

Programme 2: Registration

Key performance indicators, planned targets and actual achievements

KEY PERFORMANCE INDICATOR	ACTUAL ACHIEVED 2019/2020	ACTUAL ACHIEVEMENT 2020/2021	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2020/2021
Number of educators registered	79 084	60 285	18 799 (23.22%) decrease
Percentage of educators applying through the online system for professional certification	-	17% (10 096/60 285 x100)	-
Number of statistical reports produced on the status of the profession	-	2	-

Programme 2: Highlights and Challenges

- Programme 2 ensured that all the 60 285 registrants are fit-to-practice into the profession through the screening and vetting process – SAPS police clearance and Department of Constitutional Development’s National Register of Sexual Offences.
- Only 13 applicants were found to have criminal records in terms of the following areas:
 - assault, murder, theft / fraud, substance abuse, shoplifting, drunken driving, and others.
- While pandemic challenges decreased the number of registration by **18 799 (23.22%)** as compared to **79 084** in 2019/2020, Council managed to exceed its target by **35 285**.
- Upon reflection, there has been under-targeting of the indicator due to the historical figures, as well as inconsistent and fluctuating teacher education graduate outputs, particularly due to the initial teacher education distance mode which accounts to 60% of the country’s output.

Programme 2: Highlights and Challenges

- Council experienced slow turn around turn in cases where:
 - the office was unavoidably closed on different occasions due to national lock down;
 - Applications submitted through private agencies who fail to fulfil their promises to educators;
 - Incomplete documents on the online application system
 - Educators preferring to apply through the SACE offices walk-in centres over the online registration system
 - Higher Education Institutions academic year that ended on the 31st of March 2021 and delays in graduations
 - Slow postal services; and
 - delays in the issuing of the police clearance certificates by the SAPS
- Strategic Collaborations with the following institutions assisted in facilitating the registration processes:
 - South African Police services gazetted providers
 - Department of Justice and Constitutional Development
 - Department of Home Affairs
 - Umalusi
 - Higher education institutions

PROGRAMME 3: PROFESSIONAL ETHICS

Programme 2: Ethics

Purpose of the programme:

- The purpose of this programme is to promote and maintain ethical standards in the profession

Outcome:

- Maintained Ethical Standards

Sub-Programmes:

- Investigations
- Disciplinary Hearings
- Sanctions

Programme 3: Ethics

Key performance indicators, planned targets and actual achievements

KEY PERFORMANCE INDICATOR	PLANNED TARGET 2020/2021	ACTUAL ACHIEVEMENT 2020/2021	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2020/2021
Percentage of investigations on new cases finalised	50%	0.9% (4 finalised out of 443 cases received)	-49.1
Percentage of investigations on roll-over cases finalised	50%	13.1% (60 cases finalised out of 456 rolled-over cases)	-36.9

Programme 3: Ethics

Key performance indicators, planned targets and actual achievements

KEY PERFORMANCE INDICATOR	ACTUAL ACHIEVEMENT 2019/2020	ACTUAL ACHIEVEMENT 2020/2021	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2020/2021
Percentage of investigations on new cases finalised	-	0.9% (4 finalised out of 443 cases received)	
Percentage of investigations on roll-over cases finalised	-	13.1% (60 cases finalised out of 456 rolled-over cases)	

Programme 3: Ethics

Key performance indicators, planned targets and actual achievements

KEY PERFORMANCE INDICATOR	PLANNED TARGET 2020/2021	ACTUAL ACHIEVEMENT 2020/2021	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2020/2021
Percentage of disciplinary hearings on new cases finalised	30%	0.6% (3 cases finalised out of 443)	-29.4
Percentage of disciplinary hearings on roll-over cases finalised	40%	11% (52 roll-over cases finalised out of 456 cases)	-29

Programme 3: Ethics

Key performance indicators, planned targets and actual achievements

KEY PERFORMANCE INDICATOR	ACTUAL ACHIEVEMENT 2019/2020	ACTUAL ACHIEVEMENT 2020/2021	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2020/2021
Percentage of disciplinary hearings on new cases finalised	-	0.6% (3 cases finalised out of 443)	-
Percentage of disciplinary hearings on roll-over cases finalised	-	11% (52 roll-over cases finalised out of 456 cases)	-

Programme 3: Ethics

Key performance indicators, planned targets and actual achievements

KEY PERFORMANCE INDICATOR	PLANNED TARGET 2020/2021	ACTUAL ACHIEVEMENT 2020/2021	DEVIATION FROM TARGET TO ACTUAL ACHIEVEMENT 2020/2021
Number of analysis reports produced on sanctioned educators	2	1	-1

KEY PERFORMANCE INDICATOR	ACTUAL ACHIEVEMENT 2019/2020	ACTUAL ACHIEVEMENT 2020/2021	DEVIATION FROM TARGET TO ACTUAL ACHIEVEMENT 2020/2021
Number of analysis reports produced on sanctioned educators	-	1	-

Programme 3 HIGHLIGHTS

- Generally, Programme 3 performed poorly, due to disruptions in the schooling system and lack of access to the children as witnesses in the main.
- This denied justice to the same children and escalated the number of roll-over cases into the new financial year by 440.
- Council received 443 cases of misconduct against educators divided as follows:

Quarter	No. of Educator Misconduct Cases Received
Quarter 1 (April – June)	42
Quarter 2	106
Quarter 3 (40
Quarter 4 (January – March)	255 (received at the end February 2021 from the PEDs)
TOTAL	443

- As reflected in the table above 56% (255 out of the 443) cases of the educator misconduct cases were received at the end of February 2021 (Case dumping).

Nature of Professional Misconduct Allegations against Educators - 2020/2021

- Just like in 2019/2020, the top three categories of cases of professional and unethical misconduct against educators during the period under review are –
 - **Corporal Punishment and Assault**
 - **Sexual misconduct, rape, indecent assault, sexual assault and sexual harassment, and**
 - **Verbal abuse or use of improper language, victimization, harassment, defamation and others**

Number of Educators Removed Indefinitely from the Register of Educators in 2020/2021

Frequency	Nature of Misconduct	Province					TOTALS
		MP	GP	FS	NW	WC	
2	Severe assault of learners	2					2
5	Sexual misconduct		2	1	1	1	5
1	Sexual harassment of a colleague		1				1
1	Locking up learner in storeroom	1					1
1	Assault of a colleague			1			1
1	Sexual harassment of learners		1				1
11		3	4	2	1	1	11

PROGRAMME 4: CPTD SYSTEM

Programme 4: Continuing Professional Teacher Development Management (System)

Programme Purpose:

- To ensure that educators engage in life-long learning to improve their professional competence

Outcome:

- Improved teacher competence

• Sub-Programmes

- **Sub-programme 4.1:** Continuing Professional Teacher Development Management System
- **Sub-programme 4.2:** Member Support
- **Sub-programme 4.3:** Quality Management

Programme 4: Continuing Professional Teacher Development Management (System)

Key performance indicators, planned targets and actual achievements

Performance Indicator	Planned Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement for 2020/2021
Percentage of selected practicing signed-up educators verified for the continuing professional development uptake	40%	7.36% (1626/22 104 X100)	-32.64%
Percentage of signed up final year initial teacher education students	65%	25.7% (2780/10815 X100)	-39.3%
Number of educators supported on professional matters	50 000	-	-
Percentage of professional development providers approved	70%	100% (67/67 x 100)	+30%

Programme 4: Continuing Professional Teacher Development Management (System)

Key performance indicators, planned targets and actual achievements

Performance Indicator	Planned Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement for 2020/2021
Percentage of professional development activities endorsed	80%	100% (913/913 x 100)	+20%
Percentage of endorsed activities monitored	60%	-	-

Programme 4: Continuing Professional Teacher Development Management (System)

Key performance indicators, planned targets and actual achievements

Performance Indicator	Actual Achieved 2019/2020	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement for 2020/2021
Number of educators supported on professional matters	10 000	-	Decreased by 10 000

Programme 4: HIGHLIGHTS cont...

- This programme also performed poorly, particularly, in areas performance indicators that deal with educators, mainly due to their unavailability and their focus on curriculum recovery with the little time that they had.
- Also, the student teachers who studied online throughout the academic year, could not be accessed easily for the orientation on and sign-up for participation in the CPTD-System upon graduation.
- The challenges with the programme performance was escalated by the audit findings against this programme's outputs.
- While some work has been done, the challenges around unclean data, inadequate record keeping and evidence, and activities that cut across two financial years.

- The remedial action plan referred to earlier on, covers Programme 4 extensively.
- Equally, the trend of underspending on this programme has been taken seriously by Council and measures to monitor quarterly spending on the programme have been heightened.
- The last two quarters of 2021/2022 have seen some reasonable improvement in terms of overachieving some of the indicator targets and aligning with the performance information framework.

PROGRAMME 5: PROFESSIONAL STANDARDS

Programme 5: Teacher Professionalisation

Programme Purpose:

The purpose of this programme is to:

To Improve and maintain the status and image of the teaching profession and ensure the quality of initial teacher education and ongoing professional development through quality assurance mechanisms and standards.

Outcome:

Improved teacher professionalism

Sub-Programmes

Sub-programme 5.1: Initial Teacher Education

Sub-programme 5.2: Newly Qualified Educators

Sub-programme 5.3: Practising Educators

Programme 5: Professional Standards

Key performance indicators, planned targets and actual achievements

Performance Indicator	Planned Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement for 2020/2021
Development of the teacher professionalisation policy	Draft policy produced	Draft policy of the teacher professionalisation policy was produced	-
Policy framework registering student educators from year 1	Development and consultation of the policy framework	Draft Policy framework for registering student teachers from year one is available	-
Development of the Professional Certification Framework and Policy for educators registering with Council	Approved Research Report on Professional Certification	Draft Research Report on Professional Certification	-
Development of the teacher designation	Approved teacher designation	Draft teacher designation available.	-
Development of re-certification framework	Draft Framework developed	Draft Framework developed	-

PART C

ANNUAL FINANCIAL STATEMENTS

Statement of Financial Position as at 31 March 2021

	Note(s)	2021	2020
Assets			
Current Assets			
Receivables from exchange transactions	4	996 568	588 216
Receivables from non-exchange transactions	5	354 159	374 441
Cash and cash equivalents	6	105 626 344	107 894 193
		106 977 071	108 856 850
Non-Current Assets			
Property, plant and equipment	2	77 636 387	63 528 667
Intangible assets	3	2 660 676	2 145 128
		80 297 063	65 673 795
Total Assets		187 274 134	174 530 645
Liabilities			
Current Liabilities			
Payables from exchange transactions	8	10 800 244	14 037 453
Unspent CPTD grant	7	3 763 639	3 836 832
		14 563 883	17 874 285
Total Liabilities		14 563 883	17 874 285
Net Assets		172 710 251	156 656 360
Accumulated surplus		172 710 251	156 656 360

Notes: Financial Position

- **Total assets increased by 7.3% -**
 - property, plant and equipment
 - cash equivalents
- **Non-current assets increased by 22%**
 - acquisition of Limpopo and KZN offices
- **Current liabilities decrease of 18.5%**
 - Decrease of Accrued expenses 31.03.2021
- **Accumulated surplus increase of 10%**
 - Unspent CPTD grant
 - Unspent operating expenses due to covid-19 interruptions
- **Financial position of SACE is favourable – going concern.**

Statement of Financial Performance

	Note(s)	2021	2020
Revenue			
Revenue from exchange transactions			
Registration and reprints	10	9 195 207	9 971 198
Recoveries	12	19 755	-
Other income	12	9 318	41 956
Interest received	13	2 003 222	4 629 426
Gain on disposal of property, plant and equipment		-	4 785
Total revenue from exchange transactions		11 227 502	14 647 365
Revenue from non-exchange transactions			
Transfer revenue			
Government grants	14	12 951 193	18 832 932
Membership fees	15	79 464 717	77 730 525
Fines	11	640 616	798 000
Total revenue from non-exchange transactions		93 056 526	97 361 457
Total revenue	9	104 284 028	112 008 822
Expenditure			
Employee benefit costs	16	(58 435 915)	(56 223 424)
Depreciation and amortisation	17	(3 077 915)	(2 765 423)
Lease rentals on operating lease		(1 462 524)	(1 262 496)
Debt Impairment	18	(584 983)	(2 119 421)
Loss on disposal of assets and liabilities		(862)	-
Operating Expenses	19	(24 667 938)	(44 453 940)
Total expenditure		(88 230 137)	(106 824 704)
Surplus for the year		16 053 891	5 184 118

Notes: Financial Performance

- **Revenue from Operating Transactions decreased by 23.3%**
 - Low interest generation – purchase of assets
- **decrease of 31.2% on CPTD subsidy spending**
 - Less physical contact with educators Covid – 19 disruptions
- **Total Revenue decrease of 6.9%**
 - CPTD spending
 - Decrease of collection of subscription; registration fees and interest
- **Personnel Expenditure increased by 3.9%**
 - Inflation related increase.
- **Operating Expenditure decreased by 44.5%**
 - Adjustment of business operation
 - Cost-cutting measures
- **Total Expenditure decreased by 7.4%**
 - Decreased Operating cost.

Notes: Financial Performance/cont

- **SACE operated within its collected revenue of 104 million**
- **Surplus of R16 million realised**
 - Approval has been obtained to retain surplus for contingency and improving operating infrastructure.

Statement of Changes in Net Assets

	Accumulated surplus	Total net assets
Balance at 01 April 2019	151 472 242	151 472 242
Changes in net assets		
Surplus for the year	5 184 118	5 184 118
Total changes	5 184 118	5 184 118
Balance at 01 April 2020	156 656 360	156 656 360
Changes in net assets		
Surplus for the year	16 053 891	16 053 891
Total changes	16 053 891	16 053 891
Balance at 31 March 2021	172 710 251	172 710 251

Notes: Changes in Assets

- **Total Net Assets increased by 10.2%**
 - Surplus for the year

Cash Flow Statement

	Note(s)	2021	2020
Cash flows from operating activities			
Receipts			
Membership, registration, reprints and other receipts		88 862 509	88 541 418
Grants		12 878 000	20 000 000
Interest received		2 003 222	4 629 426
		103 743 731	113 170 844
Payments			
Employee costs		(56 671 907)	(56 223 424)
Payment suppliers and others		(31 637 627)	(43 185 276)
		(88 309 534)	(99 408 700)
Net cash flows from operating activities	20	15 434 197	13 762 144
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(16 629 261)	(2 673 335)
Proceeds from sale of property, plant and equipment	2	-	19 144
Purchase of intangible assets	3	(1 072 781)	(83 141)
Net cash flows used in investing activities		(17 702 042)	(2 737 332)
Net increase in cash and cash equivalents		(2 267 845)	11 024 812
Cash and cash equivalents at the beginning of the year		107 894 193	96 869 381
Cash and cash equivalents at the end of the year	6	105 626 348	107 894 193

Notes: Cash Flow

- Cash inflow into SACE decreased by 8.3%
 - Decrease in CPTD subsidy spending
 - Decrease of collection of subscription; registration fees and interest
- Net cash flows from operations increased by 12.1%
- decrease in operating cost(outflow).
- Cash and Cash equivalents on the 31st March 2021 was R105.6 mil – necessary approval has been obtained.

Auditors Report

- Few misstatements of information were identified and corrected on the spot;
- Emphasis of matter was raised on reported performance information regarding professional Development
 - Alignment of APP and performance reporting
 - Insufficient performance records
- Remedial actions being implemented
- SACE received an Unqualified Audit opinion for 2020/21.



THANK YOU
SACE INSPIRING A
CREDIBLE
TEACHING
PROFESSION