









AGRICULTURE SECTOR EDUCATION TRAINING AUTHORITY

ANNUAL REPORT

2015-2016

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To the Honourable Minister of Higher Education and Training

Dr Bonginkosi Emmanuel Nzimande

and Deputy Minister, Mr Mduduzi Manana

2015/2016 Financial Year





It is my pleasure to present to you the Annual Report of the Agriculture Sector Education and Training Authority for the financial year ended 31 March 2016.

Professor Gilingwe P Mayende

Chairperson: Accounting Authority of AgriSETA









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PART A: **GENERAL INFORMATION**







PUBLIC ENTITY'S GENERAL INFORMATION

Registered name: Agriculture Sector Education Training Authority(AgriSETA)

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External Auditors: Auditor-General of South Africa

Banking Institution: Standard Bank of South Africa

Company Secretary: Not applicable









LIST OF ABBREVIATIONS/ACRONYMS

AET Adult Education and Training

AFETC Agricultural Further Education and Training Colleges

AGM Annual General Meeting

AgriSETA Agricultural Sector Education and Training Authority

AGSA Auditor-General of South Africa

APAC Association of Principals of Agricultural Colleges

APP Annual Performance Plan

AQPs Assessment Quality Partners

ASB Accounting Standard Plan

ATR Annual Training Reports

CBOs Community Based Organisations

CEO Chief Executive Officer
CFO Chief Financial Officer

DAFF Department of Agriculture Forestry and Fisheries

DEA Department of Environmental Affairs

DHET Department Of Higher Education and Training
DPSA Department of Public Service and Administration
DRDLR Department of Rural Development and Land Reform

DTI Department of Trade and Industry

EC Eastern Cape

ECSA Engineering Council of South Africa
EPWP Expanded Public Works Programme

ETQA Education and Training Quality Assurance

FAWU Food and Allied Workers Union
FLP Further Learning Programmes

GRAP Generally Recognised Accounting Practices

HIV/AIDS Human Immunodeficiency Virus/Acquired Immuno Deficiency Syndrome

HRD Human Resources Development

HRDS Human Resources Development Strategy –South Africa

HRM Human Resources Matters

ISRDS Integrated Sustainable Rural Development Strategy

KZN KwaZulu-Natal

ME Monitoring and Evaluation

MG Mandatory Grant









MIS Management Information System

NAFU National African Farmers Union

NFP National Planning Framework

NGOs Non-Governmental Organisation

NSDS III National Skills Development Strategy

NSF National Skills Fund

NVC New Venture Creation

NW North West

NYDA National Youth Development Agency
OHSA Occupational Health and Safety Act

PESTEL Political Economic Social Technological Environmental Legislative

PFMA Public Finance Management Act

PPPs Private-Public Partnerships
PSR Public Service Regulations

QCTO Quality Council on Trades and Occupations

REMCO Remuneration Committee

RPL Recognition of Prior Learning

SAPA South African Poultry Association

SAQA South African Qualifications Authority

SARS South African Revenue Service

SCM Supply Chain Management

SDF Skills Development Facilitators

SETA Sector Education Training Authority

SP Skills Planning

SSCs Sub-Sector Committees
SSCs Sector Skills Committees

TPS Transactions Process System

TVET Technical Vocational Education and Training

WGA Wool Growers Association
WIL Work Integrated Learning

WSP Workplace Skills Plan









FOREWORD BY THE CHAIRPERSON

Professor Gilingwe P Mayende

Chairperson of the Accounting Authority

Introduction



I am honoured to present AgriSETA's 2015/16 Annual Report with the Annual Financial Statements (AFS). It is also with great pleasure that the report reflects that our SETA has once again obtained an unqualified audit opinion from the Auditor-General of South Africa (AGSA).

During the year under review AgriSETA continued on the upward trajectory of delivery on all key strategic and operational aspects of its mandate. As elaborated in more detail in various parts of this report, we are continuing to pursue the mission of our organisation, which is to create and promote opportunities for job-creation and socio-economic growth for agricultural enterprises, in conjunction with other stakeholders in the agricultural sector, through the promotion of relevant, quality and accessible training and development in both the primary and secondary sectors.

AgriSETA continues to strive to meet the various levels of interest and power of its Stakeholders, which include but

not limited the following, employed and unemployed learners, employers, organised labour, public and private Technical Vocational Education and Training Institutions (TVETs). Our SETA is thus constantly and continuously improving its stakeholder relations and management through, inter alia, regular feedback sessions during our road shows, as well as the involvement and participation of all our stakeholders in our strategy development processes.

During the year under review we also continued to provide support to the Department of Higher Education and Training (DHET) around its programmes that are aimed at building an expanded, effective and integrated post-school education and training, as articulated in the White paper for Post School Education and Training that was adopted in 2014. These were implemented within the context of seeking to meet the strategic objectives as set out in the National Skills Development Strategy III (NSDS III). Pursuant to the vision articulated in NSDS III, our SETA also continued during the year under review to improve its performance in the following key focus areas:

- Embedding the delivery of our skills development programmes within those of TVET institutions, beginning with colleges of agriculture;
- Promoting the upskilling of agricultural co-operatives;
- Provision of skills development support for land reform beneficiaries; and
- Providing support to national rural development programmes.

In addition to the above, AgriSETA piloted the implementation of its initiative in the area of Recognition of Prior Learning (RPL) using for this purpose Glen Agricultural College in the Free State. This RPL programme is to be rolled out on a nationwide scale from the 2016/17 financial year onward.

The 2015/16 financial year also marks the end of the five-year term of office of our SETA's









Accounting Authority. With the term having been extended by another two years to 2017/18, to allow for the structuring of the SETA landscape initiated by the Minister of Higher Education and Training, Dr BE Nzimande, we are looking forward to another two years that will also be marked by effective service delivery.

I am also happy to report that during the 2015/16 financial year we have been able to align our strategic planning closer to the National Treasury Framework and the Medium Term Strategic Framework (MTSF).

Additionally, we adapted our planning and service delivery processes to the injunction set out in the National Development Plan (NDP), that by 2030 every South African should have access to education and training of the highest quality, leading to significant improved learning outcomes. From our point of view, this means taking the necessary steps towards addressing the employer and skills development needs of the agricultural sector of our country's economy. In our Annual Performance Plan (APP) we identified 29 performance indicators and also set out performance targets for each performance indicator. Our strategy development process was guided by our legislative and policy mandates, as well as the planned policy initiatives.

High level overview of AgriSETA's strategy and the performance of the public entity in its respective sector

The strategy development process at AgriSETA involved crafting a Strategic Plan (SP), an Annual Performance Plan (APP) and a Sector Skills Plan (SSP). In addition to these key strategy documents, stakeholder analysis and management constitutes an important part of strategy development as they are affected by our strategy and influence performance. As highlighted above, we thus placed much emphasis on improving and sustaining our relations with our key stakeholders.

Strategic Relationships

As we analyse the situation within our economic sector on a continuous basis, this assists in identifying the different categories of our stakeholders, as guided by our legislative mandate. Through this process AgriSETA has identified the following categories of its stakeholders: internal, external, connected, primary and secondary. Each category requires a different level of attention corresponding to varying levels of interest, involvement and influence vis-a-vis our sectoral skills development activities.

Challenges faced by the Accounting Authority

The new proposed SETA landscape has presented a new set of challenges, mainly from a human resources management point of view. In this regard, the recruitment and selection of new and potential staff has become a challenge for us, which we believe is also the case with other SETAs. However, with guidance from the Board, the SETA has pursued a strategy for internal development and recruitment as an interim response to this challenge continuous necessitated changes in our SETA's strategy to address the new emerging social and economic challenges.

The year ahead

The financial year 2016/2017 will be the second financial year of the 2015/2016 to 2019/20 5 year planning cycle. In our Annual Performance Plan (APP) we have set out Strategic Objectives aligned to the budget programmes. Each strategic objective is aligned to a performance indicator and a performance target. Performance information will be monitored and evaluated on a quarterly basis so as to anticipate areas in which we are under-performing.

The proposed new SETA landscape and drought situation will continue to present challenges. However, we are very positive about the outcome of the current restructuring process, as it will bring about uniformity to the proposed SETA structures under the leadership of the Department of Higher Education and Training.









The management of AgriSETA has also been tasked to explore strategies to grow revenue by either identifying new streams of revenue or penetrating the existing streams.

Acknowledgements / Appreciation

Firstly, as the Chairperson of the Accounting Authority and together with my fellow members of the Board we would like to thank the current and also the previous Chairperson of our Portfolio Committee and all of the Committee members, a word of appreciation is also extended to the Select Committee on Education and Recreation and all its members, the Committee of the National Council of Provinces responsible for Higher Education and Training the Executive Authority led by the Hon. Dr. BE Nzimande, his Deputy Hon Min. M Manana, the Director General of DHET, Mr G Qonde and members of his management team and staff.

Secondly, we also would like to thank all of our stakeholders, to mention a few, the Department of Agriculture Forestry and Fisheries (DAFF) at the national and provincial levels, the Department of Rural Development and Land Reform (DRDLR), organised employers and organised labour in the agricultural sector who have been part of our strategy development and implementation.

Last but not least, I would like to extend word of gratitude to the Chief Executive Officer (CEO), management and staff of AgriSETA, for their effective participation in and contribution towards the achievement of the objectives of the organisation.

Professor GP Mayende

AgriSETA Chairperson

31 May 2016









VOORSITTERS'VERSLAG

Professor Gilingwe P Mayende

Voorsitter van die Beheerraad

Inleiding

Ek is geëerd om die AgriSETA se 2015/16 jaarverslag en finansiële state voor te lê. Dit is ook aangenaam dat die verslag toon dat ons SETA weereens 'n ongekwalifiseerde ouditverslag van die Ouditeur-Generaal van Suid-Afrika (AGSA) gekry het.

Gedurende die afgelope jaar het die AgriSETAdie opwaartse styging van dienslewering voortgesit op alle belangrike strategiese en operasionele aspekte van sy mandaat. Soos in meer detail in verskeie dele van hierdie verslag beskryf, streef ons steeds die doel van ons organisasie na om geleenthede te skep en te bevorder vir werkskepping en sosio-ekonomiese groei vir landbou-ondernemings, in samewerking met ander belanghebbendes in die landbousektor, deur die bevordering van relevante, gehalte en toeganklike opleiding en ontwikkeling in beide die primêre en sekondêre sektore.

Die AgriSETA streef daarna om aan die verskillende behoeftes van sy onderskeie rolspelers te voldoen, insluitend maar nie beperk tot leerders, werkende en werklose leerders, werkgewers, tegniese beroepsgerigte onderwys- en opleidingsinstansies, sowel as diensverskaffers. Ons SETA is dus voortdurend en aanhoudend besig om verhoudings en bestuur van belanghebbendes te verbeter deur, onder andere, gereelde terugvoersessies asook die betrokkenheid en deelname van alle belanghebbendes in ons strategie-ontwikkelingsprosesse.

Gedurende hierdie jaar het ons het ook voortgegaan om ondersteuning te bied aan die Departement van Hoër Onderwys en Opleiding (DHOO) met sy programme wat daarop gemik is om 'n uitgebreide, doeltreffende en geïntegreerde naskoolse onderwys en opleiding stelsel te bou, soos verwoord in die Witskrif vir Naskool se Onderwys en Opleiding van 2014. Dit is aanvaar binne die konteks dat dit voldoen aan die strategiese doelwitte soos uiteengesit in die Nasionale Vaardigheidsontwikkelingstrategie III (NSDS III). Op grond van die visie verwoord in die NSDS III, het ons SETA ook voortgegaan om gedurende die verslagjaar sy prestasie in die volgende sleutel fokusareas te verbeter:

- insluiting in die lewering van ons vaardigheidsontwikkelingsprogramme binne dié van tegniese en beroepsgerigte onderwys- en opleidingsinstellings, wat begin met landbou kolleges
- voortsetting van die opgradering van koöperatiewe instansies voorsiening van vaardigheidsontwikkeling ondersteuning vir begunstigdes van grondhervorming
- verskaffing van steun aan nasionale landelike ontwikkelingsprogramme.

Bykomend tot die bogenoemde, het AgriSETA die implementering geloods van sy inisiatief op die gebied van erkenning van vorige geleerdheid (EVG) en het Glen Landboukollege in die Vrystaat daarvoor gebruik. Dié EVG-program sal landwyd implimenteer word van die 2016/17 finansiële jaar af.

Die 2015/16 finansiële jaar is ook die einde van die ampstermyn van die SETA se Rekeningkunde Gesag se vyf-jaar termyn. Die termyn is met 'n verdere twee jaar verleng









tot 2017/18 om voorsiening te maak vir die herstrukturering van die SETA landskap wat deur die Minister van Hoër Onderwys en Opleiding, Dr BE Nzimande begin is en ons sien uit na nog twee jaar wat ook gekenmerk sal word deur effektiewe dienslewering.

Ek is ook bly om te meld dat ons gedurende die 2015/16 finansiële jaar daarin geslaag het om ons strategiese doelwitte in lyn te bring met die beplanningraamwerk van die Nationale Treasurie en beplanningsstelsel vir die jaarlikse Mediumtermyn Strategiese Raamwerk. In ons Jaarlikse Prestasieplan (JPP) het ons 29 prestasie-aanwysers geïdentifiseer en ons het ook prestasieteikens vir elke prestasie-aanwyser uiteengesit. Ons strategie ontwikkelingsproses is gelei deur ons wetgewende en beleidsmandate, asook die beplande inisiatiewe beleid.

Daarbenewens het ons ons beplanning en diensleweringsprosesse aangepas by die voorwaardes wat uiteengesit is in die Nasionale Ontwikkelingsplan (NDP) en dat elke Suid-Afrikaner teen 2030 toegang moet hê tot onderwys en opleiding van die hoogste gehalte, wat sal lei tot 'n aansienlike verbetering van leeruitkomste. Uit ons oogpunt beteken dit dat die nodige stappe geneem word om die werkgewer en werkernemers se vaardigheidsontwikkelingsbehoeftes in die landbousektor van ons land se ekonomie aan te spreek.

Hoëvlak oorsig van die AgriSETA strategie en die afsonderlike prestaie van die openbare entiteit in sy eie sektor

Die strategie ontwikkelingsproses by AgriSETA behels die formuleering van 'n Strategiese Plan, 'n JPP en 'n Sektorale Vaardigheidsplan behels. Bo en behalwe hierdie belangrike strategiese dokumente, vorm belanghebbendes se analises en bestuur 'n belangrike deel van die strategiese ontwikkeling want hulle word beïnvloed deur ons strategie en prestasie. Soos hierbo uitgelig, het ons ook baie klem geplaas op die verbetering en handhawing van ons verhoudings met ons belanghebbendes.

Strategiese verhoudings

Aangesien ons die situasie in ons ekonomiese sektor deurlopend ontleed help dit om die verskillende kategorieë van ons belanghebbendes, soos gelei deur ons wetgewende mandaat, te ontleed. Deur hierdie proses het die AgriSETA die volgende kategorieë van sy belanghebbendes geïdentifiseer: intern, ekstern, primêr en sekondêr. Elke kategorie vereis 'n ander vlak van aandag wat ooreenstem met verskillende vlakke van belangstelling, betrokkenheid en invloed ten opsigte van ons sektorale vaardigheidsontwikkeling aktiwiteite.

Uitdagings aan die Beheerraad

Die nuwe voorgestelde SETAlandskap bied 'n nuwe stel uitdagings, veral vanuit 'n menslike hulpbronbestuur oogpunt. In hierdie verband, is die werwing en keuring van nuwe en potensiële personeel 'n uitdaging vir ons, en ons glo dit is ook die geval met ander SETAs. Maar met die leiding van die Raad, het die SETA 'n strategie gevolg vir die interne ontwikkeling en werwing as 'n tussentydse reaksie op hierdie uitdaging.

Dit het veranderinge in ons SETA se strategie genoodsaak om aan die nuwe sosiale en ekonomiese uitdagings wat te voorskyn kom, aan te spreek.









Die jaar wat voorlê

Die 2016/17 finansiële jaar sal die tweede finansiële jaar wees van die 2015/16 tot 2019/20 vyf-jaarbeplanningsiklus. In ons JPP het ons strategiese doelwitte gestel in lyn met die begrotingsprogramme. Elke strategiese doelwit is in lyn met 'n prestasie-aanwyser en 'n prestasie teiken. Prestasie-inligting word gemonitor en geëvalueer op 'n kwartaallikse grondslag ten einde gebiede waar ons onderpresteer vooruit te bepaal.

Die voorgestelde nuwe SETA landskap - en droogte situasie sal voortgaan om uitdagings te bied. Ons is egter baie positief oor die uitkoms van die huidige herstruktureringsproses, want dit sal eenvormigheid verseker in die voorgestelde SETA strukture onder leiding van die DHOO.

Die bestuur van die AgriSETAis ook opdrag gegee om strategieë te verken om inkomste te laat groei deur óf die identifisering van nuwe bronne van inkomste of deur die bestaande bronne binne te dring.

Erkenning/waardering

Eerstens, as voorsitter van die Beheerraaden my mede-lede van die Raad wil ons graag die huidige en ook die vorige voorsitter van ons Portefeuljekomitee en al die komiteelede bedank, die Uitvoerende Owerheid onder leiding van die agbare Dr BE Nzimande, sy adjunk agbare Minister M Manana, die direkteur-generaal van DHOO, Mnr G Qonde en lede van sy bestuurspan en personeel.

In die tweede plek wil ons ook graag al ons belanghebbers te bedank soos die Departement van Landbou Bosbou en Visserye op nasionale en provinsiale vlak, die Departement van Landelike Ontwikkeling en Grondhervorming, georganiseerde werkgewersunies en georganiseerde arbeidsunies in die landbousektor, wat deel was van ons strategiese ontwikkeling en implementering.

Laaste maar nie die minste nie, wil ek graag 'n woord van dank rig aan die hoof uitvoerende beampte, bestuur en personeel van die AgriSETA, vir hul doeltreffende deelname aan en bydrae tot die bereiking van die doelwitte van die organisasie.

Professor GP Mayende AgriSETA Voorsitter

31 Mei 2016









UMBIKO KA SIHLALO

AMAZWI OKWENDLALELA ATHULWA NGUSIHLALO

Usolwazi Gilingwe P Mayende

Usihlalo Wesigungu Se-akhawuntingi

Isingeniso

Nginentokozo yokwethula uMbiko Wonyaka ka-2015/2016 kanye Nezitatimende Zezimali ze- AgriSETA. Kuphinde kube yinjabulo enkulu futhi ukuthi umbiko ubonisa ukuthi i-SETA yethu iphinde yathola umbiko wocwaningomali ongenagcobho uqhamuka kuMcwaningimabhuku-Jikelele waseNingizimu Afrika (i-AGSA).

Ngonyaka wezimali obuyekezwayo i-AgriSETA iqhubeka nomzamo wayo wokufeza yonke imisebenzi yamasu neyokusebenza yesibopho sayo. Njengoba kuchaziwe ngokubanzi ezingxenyeni ezihlukahlukene zalo mbiko, siyaqhubeka nesabelo senhlangano yethu, esiwukudala nokukhuthaza amathuba okudalwa kwemisebenzi kanye nokukhula kwezimo zenhlalo yomphakathi nezomnotho zamabhizinisi ezolimo, ngokubambisana nabanye okusetshenziswana nabo emkhakheni wezolimo, ngokusebenzisa ukukhuthazwa kwentuthuko noqeqesho olutholakala kalula futhi olusezingeni eliphezulu kumkhakha omkhulu nomncane.

I-AgriSETA iyaqhubeka nokusebenzela ukuhlangabezana nezidingo zalabo esebenzisana nabo abahlukahlukene, kubandakanya kodwa kungagcini ngabafundi, abasebenzi abaqashiwe kanye nabangaqashiwe, abaqashi, Izikhungo Zoqeqesho Nemfundo Yezobuchwepheshe, kanye nabahlinzeki bezinsizakalo. Ngakho-ke i-SETA yethu ihlala futhi iyaqhubeka nokuthuthukisa ubudlelwano bayo nalabo esebenzisana nabo kanye nokuphatha, phakathi kokunye, ngokusebenzisa izithangami zokuxoxisana ngesikhathi semibukiso yasemgwaqweni, kanye nokubandakanya kanye nokubamba iqhaza kwabo bonke esisebenzisana nabo ezinhlelweni zokuthuthukiswa kwesu lethu.

Ngonyaka wezimali obuyekezwayo siqhubeke nokusekelakuMnyango Wezemfundo Ephakeme Nokuqeqesha (i-DHET) maqondana nezinhlelo zawo okuhloswe ngazo ukwakha uqeqesho nemfundo etholakala emva kokuphothulwa kwemfundo yamabanga aphakeme edidiyelwe neyimpumelelo, njengoba kubekiwe kuMthetho Ohlongozwayo Woqeqesho Nemfundo Etholakala emva Kokuphothula Amabanga Aphakeme owamukelwa ngo-2014. Lokhu kwaqala ukusetshenziswa ngenhloso yokuhlangabezana nezinhloso zomgomo ezibekwe Eqhingeni Likazwelonke Lokuthuthukiswa Kwamakhono III (i-NSDS III). Ukufeza lo mbono obekwe ku-NSDS III, i-SETA yethu iphinde yaqhubeka ngaphansi konyaka obuyekezwayo ukuthuthukisa ukusebenza kwayo kulezi zindawo ezibalulekile okuqxilwe kuzo ezilandelayo:

Ukuhlanganisa ukufezwa kwezinhlelo zethu zokuthuthukiswa kwamakhono kanye nalezo zezikhungo zemfundo ama-TVET, kuqalwe ngamakolishi ezolimo;

Ukukhuthaza ukuhlomiswa ngamakhono kwemifelandawonye yomphakathi:

Ukuhlinzekwa kosekelo lokuthuthukiswa kwamakhono kulabo abahlomule ekuhlelweni kabusha komhlaba; kanye









Nokulekelela ezinhlelweni zikazwelonke zokuthuthukiswa kwezindawo zasemakhaya.

Ngaphezu kwalokhu okubalulwe ngenhla, i-AgriSETA ihlole ukusebenza kwezinhlelo zayo endaweni Yokwamukelwa Kwemfundo Oyithole Ngokusebenza (i-RPL) isebenzisa Ikolishi Lezolimo i-Glen, eFreyistata. Lolu hlelo lwe-RPL luzosatshalaliswa izwe lonke kusukela onyakeni wezimali ka-2016/17 kuya phambili.

Unyaka wezimali ka-2015/16 ngunyaka wokuphela kwesikhathi sokusebenza seminyaka emihlanu seSigungu Se-akhawuntingi se-SETA. Njengoba isikhathi silulwe ngeminye iminyaka emibili kuya koka-2017/18, ukuze kuhlelwe kabusha ukuma kwe-SETA okwaqalwa nguNgqongqoshe Wezemfundo Ephakeme Nokuqeqesha, uDkt. BE Nzimande, sibheke phambili kweminye iminyaka emibili ezophinda ibonakale ngokuhlinzekwa kwezidingo.

Ngiyajabula futhi ukubika ukuthi ngonyaka wezimali ka-2015/16 sikwazile ukuhlobanisa izimpumelelo zezinjongo zethu zamasu nohlelo lokuhlela loHlaka Lwamaqhinga Esikhathi Esiphakathi Nendawo lonyaka nonyaka (i-MTSF). Ohlelweni Lwethu Lokusebenza Lonyaka (i-APP) sihlonze izinkomba zokusebenza ezingu-29 futhi sabeka imikhawulo yokusebenza yenkomba ngayinye yokusebenza. Inqubo yethu yokuthuthukisa isuku lokusebenza iholwa amagunya ethu omthetho nawenqubomgomo kanye nezinhlelo zengubomgomo ehleliwe.

Ngaphezu kwalokhou, siguqule izinhlelo zethu zokuhlela kanye nokuhlinzekwa kwezidingo ziya kumyalelo obekwe oHlelweni Lwentuthuko Lukazwelonke (i-NDP), ukuthi ngoka-2030 bonke abantu baseNingizimu Afrika kufanele bathole imfundo noqeqesho olusezingeni eliphezulu, nokuyoholela kumiphumela yokufunda eyenziwe ngcono. Ngokombono wethu, lokhu kusho ukuthatha izinyathelo ezidingekayo ekuxazululeni izidingo zomqashi nezokuthuthukiswa kwamakhono emkhakheni wezolimo womnotho wezwe lethu.

Ukubhekwa okusezingeni eliphezulu kwesu le-AgriSETA kanye nokusebenza kwesikhungo sikahulumeni kumkhakha waso.

Inqubo yokuthuthukisa amasu e-AgriSETA ibandakanye ukubhalwa koHlelo Oluyisu (i-SP), Uhlelo Lokusebenza Lonyaka (i-APP) kanye noHlelo Lwamakhono Omkhakha (i-SSP). Ngaphezu kwale mibhalo ebalulekile yamasu, ukuhlaziywa kwalabo okusetshenziswana nabo kanye nokuphathwa kwamaziko yingxenye ebalulekile yokuthuthukiswa kwesu njengoba kuphathelene nesu lethu futhi kuguqula indlela esisebenza ngayo. Njengoba kugcizelelwe ngenhla, sigxila kakhulu ekwenzeni ngcono kanye nasekusimamiseni ubudlelwano bethu nalabo esisebenzisana nabo ababalulekile.

Ubudlelwano obungamasu

Njengoba sihlaziya isimo emkhakheni wethu wezomnotho ngokuqhubekayo, lokhu kusisiza ekuqapheleni imikhakha ehlukene yalabo esisebenzisana nabo, njengoba kuholwa yigunya lethu lomthetho. I-AgriSETA iqaphela le mikhakha elandelayo njengalabo esebenzisana nabo: abangaphakathi, abakhulu nabancane. Umkhakha ngamunye udinga amazinga ahlukene okunakwa ahambisana namazinga ahlukene entshisekelo, ukubamba iqhaza kanye nomthelela mayelana nemisebenzi yethu yokuthuthukiswa kwamakhono.

Izinselele ezibhekene neSigungu Se-Akhawuntingi

Ukuhlelwa kabusha kwe-SETA okuhlongoziwe kulethe izinselele eziningana, kakhulukazi ngasekuphathweni kwabasebenzi. Mayelana nalokhu, ukuqashwa kanye nokukhethwa kwabasebenzi abasha kuyinselele kuthina, nokuyinto esikholelwa ukuthi iyinselele









nakwamanye ama-SETA. Nokho, ngokuholwa yiSigungu, i-SETA isebenzisa isu lokuthuthukisa nokuqasha abasebenzi ngaphakathi njengesisombululo sesikhashana sale nselelo.

Unyaka esibheke kuwo

Unyaka wezimali ka-2016/17 kuzoba unyaka wezimali wesibili ka-2015/16 kuze kube oka-2019/20 kumjikelezo wokuhlela weminyaka e-5. Ohlelweni Lwethu Lokusebenza Lonyaka (i-APP) sibeke Izinhloso Ezingamasu ezihambisana nezinhlelo zesabelomali. Inhloso eyisu ngayinye ihambisana nenkomba yokusebenza kanye nomkhawulo wokusebenza. Imininingwane mayelana nokusebenza izoqashelwa futhi ihlolwe njalo ngesigamu sonyaka ukuze kusheshe kubonakale izindawo esingasebenzi kahle kuzo.

Ukuhlelwa kwe-SETA okusha okuhlongoziwe kanye nesimo sesomiso kuzoqhubeka nokuletha izinselele. Nokho, sinethemba elikhulu mayelana nemiphumela yohlelo lwamanje lokuhlela kabusha, njengoba luzoletha ukufana ezinhlakeni ezihlongoziwe ze-SETA ngaphasi kobuholi boMnyango Wezemfundo Ephakeme Nokuqeqesha.

Abaphathi be-AgriSETA baphinde bathwaliswa umsebenzi wokuvela namasu okukhulisa imali engenayo ngokuhlonza imithombo emisha yemali engenayo noma ngokugxila kumithombo yemali engenayo esetshenziswa njengamanje.

Amazwi okubonga

Okokuqala, njengoSihlalo weSigungu Se-akhawuntingi kanye namalungu eSingungu engisebenza nawo sithanda ukubonga uSihlalo wamanje kanye nowangaphambilini ikanye nawo wonke amalungu eKomidi, siphinda sidlulisa ukubonga Ekomidini Elikhethekile Lezemfundo Nokungcebeleka kanye nawo wonke amalungu alo, iKomidi Lomkhandlu Kazwelonke Wezifundazwe elibhekelele Ezemfundo Ephakeme Noqeqesho, Isigungu Esiphezulu esiholwa nguMhlonishwa uDkt. BE Nzimande, iSekela lakhe uMhlonisha uNgqongqoshe M Manana, uMqondisi-Jikelele we-DHET, uMnu G Qonde kanye namalungu ethimba labaphathi nabasebenzi abangaphansi kwakhe.

Okwesibili, sithanda ukubonga bonke esisebenzisana nabo, uma sibala abambalwa, uMnyango Wezolimo, Ezamahlathi Nezokudoba (i-DAFF) emazingeni kazwelonke nawezifundazwe, Umnyango Wezokuthuthukiswa Kwezindawo Zasemakhaya Nezinguquko Kwezomhlaba (i-DRDLR), abaqashi kanye nabasebenzi emkhakheni wezolimo ababe yingxenye yokuthuthukiswa nokuqaliswa kokusetshenziswa kwesu lethu.

Okokugcina, ngithanda ukudlulisa amazwi okubonga Esikhulwini Esiphezulu Esiphethe (i-CEO), abaphathi nabasebenzi be-AgriSETA, ngokubamba iqhaza kwabo ngokuzimisela kanye nasekufakeni isandla ekufezweni kwezinhloso zenhlangano.

Usolwazi GP Mayende Usihlalo we-AgriSETA

31 Nhlaba 2016









PEHELO YA MODULASETULO

SELELEKELA KA MODULASETULO

Moporofesara Gilingwe P Mayende

Modulasetulo wa Bolaodi ba Ditjhelete

Tse eteletseng pele

Ke ikutlwa ke hlomphehile ho fana ka Tlaleho ya Selemo ka seng le Dipehelo tsa Ditjhelete tsa AgriSETA selemong sa ditjhelete sa 2015/2016. Hape ke ka thabo e kgolo hore tlaleho e bontsha hore SETA ya rona e boetse e fumane tlhatlhobo ya ditjhelete e hlokang sekodi ho tswa ho Mohlahlobi-Kakaretso wa Ditjhelete wa Afrika Borwa (AGSA).

Nakong ya selemo sena se tlasa tekolo AgriSETA e tswetse pele ho fihlela maemo a hodimo a phano mabakeng oohle a mawa a tshebetso tshebetso ya thomo ya yona. Jwalo ka ha ho hlakisitswe ka botlalo dikarolong tse fapafapaneng tsa tlaleho ena, re tswela pele ho phehella morero wa mokgatlo wa rona, e leng wa ho bopa le ho hodisa menyetla ya tlhahiso ya mesebetsi le kgolo ya moruo wa kahisano bakeng sa dikgwebo tsa temo, ka tshebedisano mmoho le bankakarolo ba bang lekaleng la tsa temo, ka kgothaletso ya thupello le ntshetsopele tse imatahanyang, tsa boleng le tse fumanehang ho ka bobedi makala a temo ya mathomo le a tswelliso ya dihlahiswa tsa temo.

AgriSETA e tswelapele ho hahamalla ho fihlella ditlhoko tsa bankakarolo ba yona ba fapaneng, ho kenyeletsa empa ho sa felle ka baithuti ba sebetsang le ba sa sebetseng, bahiri, ditsha tsa Thuto ya Makala a Mosebetsi wa Setekginiki le Thupello, hammoho le bafani ba ditshebeletso. SETA ya rona e tsitlallela le ho tswela pele ho ntlafatsa dikamano le bankakarolo le botsamaisi ka ho hlophisa matsholo a ho etela dibaka,moo teng bankakarolo ba tsebiswang ka tseo re di etsang le ho ba kenyelletsa ditsamaisong tsa ntshetsopele ya lewa la rona.

Nakong ya selemo sena se tlasa tekolo re boetse re tswela pele ho fana ka tshehetso ho Lefapha la Thuto e Phahameng le Thupello (DHET) mabapi le mananeo a lona a reretsweng ho aha thuto le thupello ya ka mora materiki e atolositsweng, e hlwahlwa le e kopanetsweng, jwalo ka ha ho lohothuwe ho Pampiri e Tshweu bakeng sa Thuto le Thupello ya Kamora Materiki e amohetsweng ka 2014. Tsena di ile tsa kenngwa tshebetsong ho ipapisitswe le dikateng tsa ho fihlella merero ya lewa jwalo ka ha e tekilwe ho Lewa la Naha la Ntshetsopele ya Maitsebelo III (NSDS III). Bakeng sa ho phehella pono ena jwalo ka ha e lohothuwe ho NSDS III, SETA ya rona hape e tswelletse pele selemong sena sa tekolo ho ntlafatsa tshebetso dibakeng tse latelang tsa bohlokwa tse tsepamiseditsweng maikutlo:

Ho theha phano ya rona ya ntshetsopele ya maitsebelo ka hara ditsha tsa TVET, re qala ka dikoletjhe tsa temo;

Re kgothaletsa ho ntlafatsa maitsebelo a dikoporasi tsa temo;

Phano ya tshehetso ya ntshetsopele ya maitsebelo bakeng sa bakgolamolemo ba puseletso le tlhabollo ya mobu; le

Phano ya tshehetso ho mananeo a naha a ntshetsopele ya dibaka tsa mahae.

Ho tlatseletsa ho tse ka hodimo mona, AgriSETA e entse teko ya ho kenya tshebetsong boikitlaetso ba yona ntlheng ya Kananelo ya Thuto ya Peleng (RPL) e sebedisa Koletjhe ya Temo ya Glen ho la Foreisetata bakeng sa morero ona. Lenaneo lena la RPL le tla









fanwa naheng ka bophara ho tloha ka selemo sa ditjhelete sa 2016/17 ho ya pele.

Selemo sa ditjhelete sa 2015/16 se tshwaya ho fela ha nako ya dilemo tse hlano tsa ho ba mosebetsing ha Bolaodi ba Ditjhelete ba SETA ya rona. Ka ha nako e ekeditswe ka dilemo tse ding tse pedi ho isa ho 2017/18, bakeng sa ho fana ka sebaka sa ho bopa botjha maemo a SETA ho ya ka tshisinyo ya Letona la Thuto e Phahameng le Thupello, Ngaka BE Nzimande, re lebeletse dilemo tse ding tse pedi tse tla bonahala ka phano ya ditshebeletso e hlwahlwa.

Ke thabela hape ho tlaleha hore nakong ya selemo sa ditjhelete sa 2015/16 re kgonne ho matahanya phihlello ya rona ya merero ya lewa le tsamaiso ya moralo bakeng sa Moralo wa Nako e Mahareng wa Lewa (MTSF) wa selemo ka selemo. Ka hara Moralo wa Tshebetso wa Selemo ka seng (APP) re hlwaile ditshupane tse 29 tsa tshebetso mme hape ra teka dipheo tsa tshebetso bakeng sa tshupane ka nngwe ya tshebetso. Tsamaiso ya lewa la rona la ntshetsopele e ne e tataiswa ke dithomo tsa molao le tsa leano, hammoho le maikitlaetso a leano a rerilweng.

Ho tlatseletsa, re ahelletse ditsamaiso tsa rona tsa moralo le phano ya ditshebeletso ho tlhahiso e tekilweng ho Morero wa Naha wa Ntshetsopele (NDP), hore ka 2030 MoAfrika Borwa e mong le e mong a be a fumantshwa thuto le thupello ya boemo bo hodimo ka ho fetisisa, e tla lebisa ho diphetho tsa thuto tse ntlafetseng. Ho ya ka tjhebo ya rona, sena se bolela ho nka mehato e hlokahalang bakeng sa ho sebetsana le mohiri le ditlhoko tsa ntshetsopele ya maitsebelo tsa lekala la temo la moruo wa naha ya rona.

Tjhebo kakaretso ya boemo bo hodimo ya lewa la AgriSETA le tshebetso ya setheo se setjhaba ka hara lekala la yona

Tsamaiso ya ntshetsopele ya lewa ho AgriSETA e kenyeleditse ho lohuwa ha Moralo wa Tsamaiso ya ntshetsopele ya lewa ho AgriSETA e kenyeleditse ho lohuwa ha Moralo wa Lewa (SP), Moralo wa Tshebetso wa Selemo ka seng (APP) le Moralo wa Maitsebelo a Lekala (SSP). Ho tlatseletsa ho ditokomane tsena tsa bohlokwa tsa lewa, tekolo le tsamaiso ya bankakarolo ho bopa karolo ya bohlokwa ya ntshetsopele ya leano kaha di angwa ke lewa la rona le tshebetso ya kgahlamelo. Jwalo ka ha ho hlakisitswe ka hodimo mona, ke kahoo re tobokeditseng haholo tabeng ya ho ntlafatsa le ho baballa dikamano tsa rona le bankakarolo ba rona ba ka sehloohong.

Dikamano tsa lewa

Kaha re ntse re lekola maemo ka hara lekala la rona la moruo kgafetsa, sena se thusa bakeng sa ho hlwaya mekgahlelo e fapaneng ya bankakarolo ba rona, jwaloka ha re tataiswa ke thomo ya rona ya molao. Ka tsamaiso ena AgriSETA e hlwaile mekgahlelo e latelang ya bankakarolo ba yona: ba ka hare, ba ka ntle, ba imatahantseng, ba temo ya mathomo le ba tswelliso ya dihlahiswa tsa temo. Mokgahlelo ka mong o batla boemo bo fapaneng ba tjantjello bo tsamaelanang le maemo a fapafapaneng a kgahleho, bonkakarolo le kgahlamelo kamanong le mesebetsi ya ntshetsopele ya maitsebelo a lekala la rona.

Diphephetso tse tobaneng le Bolaodi ba Ditjhelete

Sebopeho se setjha se sisintsweng sa SETA se hlahisitse diphephetso tse ding tse ntjha, haholo holo tabeng ya botsamaisi ba mehlodi ya basebeletsi. Tabeng ena, ho thaothwa ha basebeletsi ba batjha le ba ka hirwang ke phephetso ho rona, eo re kgolwang hore e teng le ho diSETA tse ding. Leha ho le jwalo, ka tataiso e hlahang ho Boto, SETA e kgothalletsa lewa la khiro ho ntshetsa pele le ho thaota basebetsi ba ka hare jwaloka tharollo ya nakwana ho phephetso ena.









Selemo se re tobileng

Selemo sa ditjhelete sa 2016/17 e tla ba selemo sa bobedi sa ditjhelete sa 2015/16 ho isa ho 2019/20 sa moralo o tsamayang dilemo tse 5. Ka hara Moralo wa Tshebetso wa Selemo ka seng (APP) re tekile Merero ya Lewa e imatahantseng le mananeo a ditekanyetso. Moralo ka mong wa lewa o matahantswe le tshupane ya tshebetso le sepheo sa tshebetso. Tlhahiso leseding ya tshebetso e tla behwa leihlo le ho hlahlobuwa kotara ka nngwe hore re tle re tshwaye dintlha tseo re sa sebetseng hantle ho tsona.

Sebopeho se setjha se sisintsweng sa SETA le boemo ba komello di sa tswela pele ho hlahisa diphephetso. Leha ho le jwalo, re na le tshepo ka sephetho sa tsamaiso ya hajwale ya tlhabollo botjha, kaha se tla tlisa ho tshwana ho dibopeho tse sisintsweng tsa SETA tlasa boetapele ba Lefapha la Thuto e Phahameng le Thupello.

Botsamaisi ba AgriSETA bo fuwe mosebetsi wa ho fatolla mawa a ho hodisa lekeno mohlomong ka ho hlwaya metjha e metjha ya lekeno kapa ho kenella ho metjha e ntseng e le teng.

Dikananelo /Diteboho

Tabeng ya pele, jwaloka Modulasetulo wa Bolaodi ba Ditjhelete mmoho le bomphato ba ka e leng ditho tsa Boto re lakatsa ho leboha Modulasetulo wa ha jwale le wa mehleng wa Komiti ya Potefolio le ditho kaofela tsa Komiti, re rata ho fetisetsa lentswe la kananelo ho Komiti e ikgethang ya Thuto le Boithapollo le ditho tsa yona kaofela, Komiti ya Lekgotla la Naha la Diporofense e ikarabellang bakeng sa Thuto e Phahameng le Thupello, Bolaodi ba Phethahatso bo eteletsweng pele ke Mohlomphehi Ngaka BE Nzimande, Motlatsi wa hae Mohlomphehi Letona M Manana, Motsamaisi Kakaretso wa DHET, Monghadi G Qonde le ditho tsa hae tsa moifo wa botsamaisi le basebeletsi.

Tabeng ya bobedi, hape re rata ho leboha bankakarolo bohle ba rona, ho qolla ba seng bakae, Lefapha la Temo, Meru le tsa Ditlhapi (DAFF) maemong a naha le a diporofense, Lefapha la Tlhabollo ya Dibaka tsa Mahae (DRDLR), mekgatlo ya bahiri le mekgatlo ya basebetsi ka hara lekala la temo eo esale e le karolo ya rona ya ntshetsopele ya lewa le ho kenngwa tshebetsong ha lona.

Tabeng ya ho qetela, ke rata ho fetisetsa lentswe la teboho ho Mohlanka ya ka Sehloohong wa Phethahatso (CEO), botsamaisi le basebeletsi ba AgriSETA, bakeng sa bonkakarolo bo hlwahlwa le nyehelo ya bona bakeng sa ho fihlella merero ya mokgatlo wa rona.

Mayende

Moporofesara GP Mayende Modulasetulo wa AgriSETA 31 Motsheanong 2016









4. CHIEF EXECUTIVE OFFICER'S OVERVIEW

Mr. Jeremiah Madiba

Chief Executive Officer (CEO)

· General financial review of the public entity



Contrary to a business with a sole purpose of growing shareholders wealth through growing profits, AgriSETA as a public institution exists purely to deliver and provide a service within the post-school education and training arena of the agricultural economy sector. The objective of this financial reporting is to provide users with information on how efficiently and effective the resources allocated are used by the Accounting Authority through its management.

It is also with great pleasure that I report that once more AgriSETA has achieved an unmodified audit opinion, being a financially unqualified audit opinion. The Auditor-General of South Africa (AGSA) audited the organisation around three aspects, audit of financial statements, and audit of predetermined objectives (non-finance performance information as set out in the strategic planning documents such as the Strategic Plan, Annual Performance Plan (APP) and the Sector Skill Plan (SSP) and finally audit of compliance with legislation. We continued to experience challenges around the reporting and management of non-

finance performance information but this time the magnitude of these challenges compared to the previous financial years was noted.

The budget for 2015/16 approved by our Executive Authority was R354 214 million. The management collected actual revenue amounting to R373 426 million, achieving a favourable variance of R19 212 million compared to the previous financial year's actual collected revenue of R 326 613 million. This represents an increase of total revenue by 14%. The bulk of the 8% was as a result of increased levy income from participating employers and departments (which is revenue from non-exchange transactions).

Identifying followed by aggressive collection of revenue in order to completely fund our business operations remains a challenge for the SETA. Going forward, revenue collection and identifying all revenue streams will be a priority for the SETA so as to be able to do more with our sector economy. This strategic change has commenced already in the new financial year. Our income consists of revenue from non-exchange transactions which amounted to R353 869 million compared to (R313 336 million) 2014/15 and also revenue from exchange transactions totalling R19 557 million compared to (R13 277 million) 2014/15.

The total expenditure amounted to R284 431 versus total revenue of R373 426 million, resulting in a surplus of R 88 995 million. A total of 82% of total expenditure went to the employer grants and project expenditure, while 9% went towards general expenses, followed by 4% employee costs.

Our statement of position assets is represented by non-current assets in the form of buildings and cash and cash equivalents (current assets). It is worth noting that the National Skills Fund (NSF) debtor is receiving urgent management attention from both sides and as we present the report, a payment of R13 million has been received. The bank balance is represented by the commitment schedule total balance of R255 million (see note no. 26)

The organisation continues to implement accounting policies and notes in compliance with the Accounting Standard Board (ASB) policies as set out in the Annual Financial Statements presentation section.

· Spending trends of the public entity

I can confirm that the SETA's core business operations are directed towards supporting and improving the post education and training opportunities within the agricultural sector. All our expenditure is aligned to the APP, set out performance indicators and targets.

In most SETAs, the largest expenditure item is the project expense (relating to payments to training providers) as SETAs do not conduct the training themselves. This includes payments to public









TVET colleges and private TVET colleges for all learning interventions that learners are trained on. Our distribution of expenditure line items is consistent with large, generally considered, well performing SETAs (in terms of audit opinion expressed). Following the project expenses, its general expenses and followed by the employee costs, this pattern is evident in few SETAs considered to be best performing from a statutory perspective.

· Capacity constraints and challenges facing the public entity

All SETAs going-concern status will continue to be a key focus and challenge, untill the end of the current SETA lifespan which is 31 March 2018. The proposed SETA landscape has caused unintended anxiety and fears amongst the current staff and potential staff, resulting in difficulty in retaining and attracting staff from a Human Resources Management perspective. However, we soldier on, knowing that in life, change is inevitable and the only way to deal with it is to adapt to it. We take comfort knowing that Charles Darwin says: "It is not the strongest of the species that survives, nor the most intelligent, but the once most responsive to change."

Revenue collection and also the identification of new revenue streams remains a huge challenge for the Finance department supported by my office. Our business operations cover a very big and critical sector of our economy which is also very essential for food security, yet the revenue from levies deducted from the rural development (especially the new Land Reform recipients) is very minimal compared to other SETAs due to a low wage bill of the economic sector. The main challenge is to penetrate the existing industry, including the public sector and see how we can grow the revenue through aggressive collection.

As mentioned already, identifying new levy participating employers especially within the private and public institutions will be a main focus of finance supported by management. Also entering into relationships with key stakeholders have created new streams of revenue which has assisted to fund some of our mandates.

Stakeholder analysis and management remains a challenge for the organisation. We are continuously seeking ways to improve all the time. Stakeholders are critical to the success of the SETA and realising and acknowledging the different categories of stakeholders helps to manage their different interests and power, even better. This strategy is applied and managed by the Office of the CEO.

Increasing our visibility and delivery of service within the core rural areas of our country especially where most of the participating employers are located, remains a strategic objective for the organisation. It is for this reason that our strategy development set our strategic objectives with performance indicators and performance targets to achieve this.

Seeking new and developing of qualifications to address the constant changing agricultural industry remains a key focus area in our Education and Training Quality Assurance (ETQA) department.

Discontinued activities/activities to be discontinued

There are no activities which we will be discontinuing in the coming year or that were discontinued in the current financial year. We remain guided by legislations and policies developed by Department of Higher Education and Training (DHET).

New or proposed activities

Implementation of Recognition of Prior Learning (RPL) remains a key activity. This is guided by the fact that one finds low literacy level employees in the Agricultural Sector, yet some of them highly skilled. The other is the NSF initiatives as they assist in funding the initiatives of the rural economy.

Reguests for rollover of funds

We have not provided for surplus funds to be transferred to the NSF as we committed up to the prescribed limit.

• Supply Chain Management

AgriSETA is aware, realises, understands and acknowledges that proper and successful procurement rests upon certain core principles of behaviour-the Five Pillars of Procurement. They are best described as pillars because if any one of them is broken, the procurement system falls down. These five pillars are:

Value for Money

Open and Effective Competition









Ethics and Fair Dealing Accountability and Reporting Equity

I, as the Accounting Officer, strategically supports the Accounting Authority (Board) to manager the Supply Chain Management (SCM) governance framework, including its design, development and implementation, monitoring and evaluation of compliance.

The office of the CEO strategically supports the Accounting Authority in modernising and overseeing the procurement system to ensure that the procurement of goods, services and construction works is conducted in a fair, equitable, transparent, competitive and cost effective manner and in line with the Constitution and all relevant legislation. It also ensures that all discretionary funding, procured goods and services are procured in line with the applicable procurement legislation for Discretionary Grant funds.

Through the Office Manager: Finance and SCM, the organisation continuously updates its SCM policy with the legislation applicable to procurement and National Treasury, Instructions Notes, Circulars and Guidelines. This includes utilisation of the Central Supplier Database (CSD) as opposed to an internal supplier database, National Treasury Circular No. 3 of 2015/2016.

· All concluded unsolicited bid proposals for the year under review

There were no unsolicited bids during the 2015/16 financial year

• Outlook/Plans for the future to address financial challenges

As mentioned earlier in my opening remarks on the general financial review of the entity, the SETA strives to collect more revenue and also identify new revenue streams and sources of revenue in order to reach out to more out of school youth especially within our core deep rural areas within the agricultural sector. We have started a process to identify the total population of levy payers so as to identify new employers we could also attract to our SETA. This will be assisted by a Stakeholder Analysis and Management strategy which will clearly spell out a stakeholder management and engagement policy.

The management has also finalised a monitoring and evaluation policy which aligns our strategic planning process to the NT framework for SP and APP and Budget programs. This will assist the Board and its sub-committees to early detect poor performance areas and where necessary reallocating funds to urgent and priority areas. It's keeping our eyes on the ball all the time.

The SETA is working on a strategy that will work with the Department of Public Service Association (DPSA) to identify public institutions listed in the PFMA schedule that we could attract into our SETA so as to increase our revenue. Currently we only have few participating public institutions including provincial departments within the agricultural sector.

The finance department is strategic business unit of the organisation and participates in the process of strategic planning. This office is being strengthened by training and recruiting skilled and competent workforce.

Events after the reporting date

It is worth noting that Regulation 3 (12) of the Sector Education and Training Authorities (SETA) Grant Regulation is still being considered by the courts. This relates to the Mandatory grant being reduced to 20%. However, the DHET directive to all SETAs is that we maintain the status quo.

A new proposed SETA landscape is being considered by the Executive Authority with all other statutory structures.

Economic Viability

The SETA remains a viable entity with levies received regularly and continues carrying its mandate, which is Skills Development.

Acknowledgement/s or Appreciation

It is both rewarding and humbling to be a part of such a remarkable organisation. I have absolute faith that through the dedication, passion and innovative spirit of all of us at AgriSETA we will continue to positively contribute to the re-shaping of the agricultural sector in South Africa.

I would like to acknowledge the AgriSETA Accounting Authority for its commendable work as well as its unwavering support and leadership. The Accounting Authority ensured that the SETA performed well, despite having to align with new National Skills Development Strategy (NSDS) III









targets, demonstrating tireless effort and dedication in delivering on the national imperatives.

I would like to extend a special word of gratitude to our levy payers for entrusting us with your funds and co-championing skills development for the agricultural sector. To our service providers, we appreciate the seriousness with which you continue to deliver the skills needed in the sector on behalf of the SETA.

To all our staff at AgriSETA, I am overawed by the motivation, positive attitude and estimable conduct you have exhibited in ensuring the SETA's success.

To all our stakeholders, including the national and local government departments we work with, thank you for your professionalism and the amicable working relationship you have fostered with AgriSETA.

Other

It is worth noting that the Regulation 3 (12) of the Sector Education and Training Authorities (SETA) Grant Regulation is still being considered by the Courts. This relates to the Mandatory grant being reduced to 20%.

A new proposed SETA landscape is being considered by the Executive Authority with all other statutory structures.



Mr. Jeremiah (Jerry) Madiba Chief Executive Officer (CEO) 31 May 2016









HOOF-UITVOERENDE BEAMPTE SE OORSIG

4. HOOF UITVOERENDE BEAMPTE SE OORSIG

Mnr Jeremia Madiba Hoof Uitvoerende Beampte

· Algemene finansiële oorsig van die openbare entiteit

Iln teenstelling met 'n besigheid wat die uitsluitlike doel het om aandeelhouers se welvaart uit te brei deur groeiende winste, bestaan AgriSeta as 'n openbare instelling suiwer om 'n diens te lewer in die naskoolse onderwys en opleiding arena vir die landbou-ekonomiese sektor. Die doel van hierdie finansiële verslag is om gebruikers met inligting te voorsien oor hoe doeltreffend en effektief die toegekende bronne gebruik word deur die rekenpligtige owerheid deur middel van sy bestuur.

Dit is ook 'n plesier om te rapporteer dat die AgriSeta 'n ongewysigde ouditmening ontvang het, wat 'n finansieel ongekwalifiseerde ouditmening is. Die ouditeur-generaal van Suid-Afrika het die organisasie geoudit rondom drie aspekte:

- oudit van finansiële state,
- en oudit van voorafbepaalde doelwitte (nie-finansiering prestasie-inligting soos uiteengesit in die strategiese beplanningsdokumente soos die Strategiese Plan, Jaarlikse Prestasie Plan (JPP) en die Sektor Vaardigheid Plan (SVP) en
- · ten slotte die oudit van nakoming van wetgewing.

Ons het voortdurend uitdagings opgemerk rondom die verslagdoening en bestuur van nie-finansiële prestasie-inligting, maar hierdie keer word die grootte van hierdie uitdagings in vergelyking met die vorige finansiële jare se ervarings genoteer.

Die begroting vir 2015/16 wat deur ons uitvoerende owerheid goedgekeur is, was R354 214 miljoen. Die bestuur het werklike inkomste ingesamel ten bedrae van R373 426 miljoen, wat 'n gunstige afwyking is van R19 212 miljoen in vergelyking met die werklike inkomste van R 326 613 miljoen in die vorige finansiële jaar. Dit verteenwoordig 'n styging in totale inkomste van 14%. Die grootste deel van die 8% was as gevolg van 'n toename in heffingsinkomste van deelnemende werkgewers en departemente (wat inkomste is uit nie-valutatransaksies).

Identifisering gevolg deur aggressiewe invordering van inkomste ten einde ons sakebedrywighede heeltemal te finansier bly 'n uitdaging vir die SETA. In die toekoms sal die invordering van belasting en die identifisering van alle inkomstebronne 'n prioriteit wees vir die SETA ten einde daartoe in staat wees om meer te doen vir ons sektor se ekonomie. Hierdie strategiese verandering is reeds in gebruik in die nuwe finansiële jaar. Ons inkomste bestaan uit inkomste van nie-valutatransaksies wat R353 869 miljoen beloop in vergelyking met (R313 336 miljoen) 2014/15 en ook inkomste uit valutatransaksies met 'n totaal van R19 557 miljoen in vergelyking met (R13 277 miljoen) 2014/15.

Die totale uitgawes beloop R284 431 miljoen teenoor die totale inkomste van R373 426 miljoen, wat lei tot 'n surplus van R88 995 miljoen. 'n Totaal van 82% van die totale besteding was aan werkgewer toelaes en projek uitgawes, terwyl 9% algemene uitgawes was en 4% aan werknemer koste.

Ons verklaring van posisie bates word verteenwoordig deur nie-bedryfsbates in die vorm van geboue en kontant en kontantekwivalente (bedryfsbates). Dit is opmerklik dat die Nasionale Vaardigheidsfonds (NVF) as skuldenaar dringende bestuursaandag geniet van beide kante en terwyl ons die verslag voorlê, is 'n betaling van R13 miljoen ontvang. Die bankbalans word verteenwoordig deur die totale balans van die verbintenis skedule van R255 miljoen (sien aantekening nr. 26).

Die organisasie gaan voort om rekeningkundige beleid en notas te implementeer in ooreenstemming met die Rekeningkundige Standaard Raad (RSR) se beleid soos uiteengesit in die Finansiële Jaarstate Aanbieding Artikel.

Besetedingstendense van die openbare entiteit

Ek kan bevestig dat die SETA se kern sakebedrywighede toegespits is op die ondersteuning en die verbetering van latere onderwys- en opleidingsgeleenthede in die landbousektor. Al ons uitgawes is in lyn met die JPP, en uiteengesette prestasie-aanwysers en teikens.









In die meeste SETAs, is die grootste uitgawe-item die projek se koste (wat verband hou met betalings aan verskaffers van opleiding) want SETAs bied nie self die opleiding aan nie. Dit sluit in betalings aan openbare tegniese en beroepsgerigte onderwys- en opleidingskolleges (TBOO) en private TBOO kolleges vir alle opleidingsingrypings wat leerders bestudeer.

Ons verspreiding van lynitem uitgawes stem oor die algemeen grootliks ooreen met SETAs wat goed presteer (in terme van die ouditmening). Na aanleiding van die projek uitgawes, algemene uitgawes en die werknemer koste, is hierdie patroon te sien in min van die SETAs wat uit 'n statutêre perspektief beskou word as die beste presteers.

Kapasiteitsbeperkings en uitdagings vir die openbare entiteit

Alle SETAs se besigheidstatus sal voortgaan om 'n belangrike fokus en uitdaging wees tot aan die einde van die huidige SETA se leeftyd wat 31 Maart 2018 is. Die voorgestelde SETA landskap het onbedoelde angs en vrese onder die huidige personeel en potensiële personeel veroorsaak, wat lei tot probleme in die behoud van en die aantrek van personeel vanuit die menslike hulpbronbestuur perspektief. Maar ons gaan voort want in die lewe is verandering onvermydelik en die enigste manier om dit te hanteer, is om daarby aan te pas. Hier is Charles Darwin se woorde vertroostend: "Dit is nie die sterkste van die spesies wat oorleef, en ook nie die intelligentste nie, maar die een wat die ontvanklikste is vir verandering."

Inkomste-invordering en ook die identifisering van nuwe inkomstebronne bly 'n groot uitdaging vir die finansies departement wat deur my kantoor ondersteun word. Ons sakebedrywighede dek 'n baie groot en kritiese sektor van ons ekonomie wat ook baie noodsaaklik is vir voedselsekuriteit, maar die inkomste uit heffings wat afgetrek word van die landelike ontwikkeling (veral die nuwe Wet op Grondhervorming ontvangers) is uiters minimaal in vergelyking met ander SETAs as gevolg van 'n lae salarisrekening van die Landbousektor. Die grootste uitdaging is om die bestaande bedryf binne te dring, insluitend die openbare sektor en kyk hoe ons die inkomste kan vergroot deur middel van aggressiewe insameling.

Soos reeds genoem, die identifisering van nuwe heffingsdeelnemende werkgewers, veral binne die private en openbare instellings, sal 'n hooffokus van finansies wees wat deur die bestuur ondersteun word. Ook die vorming van verhoudings met sleutel rolspelers het nuwe bronne van inkomste geskep wat gehelp het om 'n paar van ons mandate te finansier.

Analise en bestuur van belanghebbendes bly 'n uitdaging vir die organisasie. Ons is voortdurend op soek na maniere om die hele tyd te verbeter. Belanghebbendes is van kritieke belang vir die sukses van die SETA en ons identifisering en erkenning van die verskillende kategorieë van belanghebbendes help ons om hul verskillende belange en vermoë selfs beter te bestuur. Hierdie strategie word toegepas en bestuur deur die kantoor van die Hoof Uitvoerende Beampte.

Om ons sigbaarheid en dienslewering binne die kern landelike gebiede van ons land te vergroot, veral waar die meeste van die deelnemende werkgewers geleë is, bly 'n strategiese doelwit vir die organisasie. Dit is om hierdie rede dat ons strategie ontwikkeling ons strategiese doelwitte met prestasie-aanwysers en prestasieteikens gestel het om dit te bereik.

Die strewe om kwalifikasies te ontwikkel om die konstante veranderende landboubedryf aan te spreek is steeds 'n belangrike fokusarea in ons onderwysstelsel en departementele opleiding kwaliteit-versekeringsliggaam.

· Gestaakte aktiwiteite / aktiwiteite wat gestaak moet word

Daar is geen aktiwiteite wat ons sal staak in die komende jaar of wat gestaak is in die huidige finansiële jaar nie. Ons word steeds gelei deur wetgewing en beleide wat deur die Departement van Hoër Onderwys en Opleiding (DHOO) ontwikkel is.

Nuwe of voorgestelde aktiwiteite

Die implementering van die Erkenning van Vorige Geleerdheid (EVG) bly 'n belangrike aktiwiteit. Dit is as gevolg van die feit dat werknemers met 'n lae vlak van geletterdheid in die landbousektor voorkom, maar sommige van hulle is hoogs opgeleid in ambagte. Die ander is die NVF inisiatiewe soos om hulle by te staan in die befondsing van die inisiatiewe van die landelike ekonomie.

· Versoeke vir die oorrol van fondse

Ons het nie voorsiening gemaak dat surplusfondse moet oorgedra word aan die NVF nie aangesien ons ons verbind tot die voorgeskrewe limiet.

Voorsieningskettingbestuur









AgriSETA is daarvan bewus, besef, verstaan en erken dat behoorlike en suksesvolle verkryging berus op sekere kernbeginsels van gedrag – die vyf pilare van die verkryging. Hulle word die beste beskryf as pilare want as enigeen van hulle breek stort die verkrygingstelsel ineen. Hierdie vyf pilare is:

- waarde vir geld
- · oop en effektiewe mededinging
- etiek en billike handel
- · aanspreeklikheid en rapportering
- · billikheid.

Ek, as die Beheeraad Beampte, ondersteun strategies die Rekeningpligtige Owerheid (Raad) om die voorsieningskettingbestuur se regeringsraamwerk, insluitend die ontwerp, ontwikkeling en implementering, monitering en evaluering van voldoening, te bestuur.

Die kantoor van die Hoof Uitvoerende Beampte ondersteun die Beheeraad strategies deur die modernisering en toesighouding oor die verkrygingstelsel om te verseker dat die verkryging van goedere, dienste en konstruksiewerk gedoen word op 'n regverdige, billike, deursigtige, mededingende en kostedoeltreffende wyse en in ooreenstemming met die Grondwet en alle relevante wetgewing. Dit verseker ook dat alle diskresionêre befondsing, verkryging van goedere en dienste in ooreenstemming met die toepaslike wetgewing verkry word vir diskresionêre toegekende fondse.

Deur die kantoorbestuurder van finansies en voorsieningskettingbestuur, dateer die organisasie voortdurend sy voorsieningskettingbestuur se beleid op in ooreenstemming met wetgewing wat van toepassing is op verkryging, Nasionale Tesourie, instruksies, notas, omsendbriewe en riglyne. Dit sluit in die gebruik van die Sentrale Verskaffersdatabasis (SVD), in teenstelling met 'n interne verskaffers databasis, Nasionale Tesourie Omsendbrief Nr 3 van 2015/2016.

Alle geslote ongevraagde bod voorstelle vir die jaar onder oorsig

Daar was geen ongevraagde aanbiedinge gedurende die finansiële jaar 2015/16 nie.

Vooruitsig / planne vir die toekoms is om finansiële uitdagings aan te spreek

Soos vroeër genoem in my opmerkings oor die algemene finansiële oorsig van die entiteit, streef die Seta daarna om meer inkomste te verdien en ook nuwe inkomstestrome en bronne van inkomste te identifiseer deur uit te reik na meer jeug wat skool verlaat veral binne ons diep landelike gebiede binne die landbousektor.

Ons het 'n proses begin om die totale bevolking van heffingbetalers te identifiseer om sodoende nuwe werkgewers te identifisser wat ons ook na ons Seta kan aanlok. Dit sal ondersteun word deur 'n Analise van Belanghebbendes en Bestuur Strategie wat duidelik 'n belanghebbende bestuur en betrokkenheid beleid uitspel.

Die bestuur het ook 'n monitering- en evalueringsbeleid gefinaliseer wat ons strategiese beplanningsproses in lyn bring met die Nasionale Tessourie Raamwerk vir SP en APP en begrotingsprogramme. Dit sal die Raad en sy subkomitees help om vroegtydig swak prestasie areas op te spoor en waar nodig fondse te herverdeel aan dringende en prioriteitsgebiede. Dit hou ons die hele tyd doelgerig.

Die Seta is besig met 'n strategie wat sal saamwerk met die Departement van Staatsdiens en Administrasie om openbare instellings wat in die Wet op Openbare Finansiële Bestuur skedule genoteer is, aan te trek na ons Seta sodat ons ons inkomste kan verhoog. Tans het ons slegs 'n paar deelnemende openbare instellings insluitende provinsiale departemente binne die landbousektor.

Die departement van finansies is die strategiese sake-eenheid van die organisasie en neem deel aan die proses van strategiese beplanning. Hierdie kantoor word versterk deur opleiding en werwing van 'n vaardige en bekwame werksmag.

• Gebeure na die verslagdoeningsdatum

Dit is opmerklik dat Regulasie 3 (12) van die Sektorale Onderwys- en Opleidingsowerhede (SETA) Toelae reglement nogsteeds aanvaar word deur die howe. Dit hou verband met die verpligte toelae wat verminder is na 20%. Maar die DHOO se opdrag aan alle SETAs was dat ons die status quo moet handhaaf.

'n Nuwe voorgestelde SETA landskap word deur die uitvoerende gesag oorweeg asook al die









ander statutêre strukture.

Ekonomiese lewensvatbaarheid

Die SETA is steeds 'n lewensvatbare entiteit met heffings wat gereeld ontvang word en gaan voort met die uitvoering van sy mandaat, wat vaardigheidsontwikkeling is.

Erkenning/s of waardering

Dit is terselfdertyd 'n dankbare en nederige posisie om 'n deel van so 'n merkwaardige organisasie te wees. Ek het absolute geloof dat deur die toewyding, passie en innoverende gees van almal by AgriSETA sal ons voortgaan om 'n positiewe bydrae te lewer tot die hervorming van die landbousektor in Suid-Afrika.

Ek wil graag die AgriSETA se Rekeningpligtige Owerheid erkenning gee vir hulle prysenswaardige werk asook hulle onwrikbare ondersteuning en leiding. Die Rekeningpligtige Owerheid verseker dat die SETA goed presteer, ondanks die feit dat dit moes aanpas by die nuwe Nasionale Vaardigheidsontwikkelingstrategie III teikens, en het onvermoeide inspanning en toewyding getoon in die lewering van die nasionale imperatiewe.

Ek wil graag 'n spesiale woord van dank rig aan ons heffing betalers vir die vertroue wat hulle in ons stel met hulle fondse en mede-voorspraak vir die vaardigheidsontwikkeling in die landbousektor. Aan ons diensverskaffers, ons waardeer die erns waarmee hulle voortgaan om die vaardighede wat nodig is in die sektor namens die SETA te lewer.

Aan al ons personeel by AgriSETA, ek is oorweldig deur almal se motivering, positiewe gesindheid en lofwaardige gedrag in die versekering van die SETA se sukses.

Aan al ons belanghebbendes, insluitend die nasionale en plaaslike regeringsdepartemente waarmee ons saamwerk, baie dankie vir julle professionaliteit en die vriendelike werksverhouding wat julle handhaaf met die AgriSETA.

Ander

Dit is opmerklik dat Regulasie 3 (12) van die Sektorale Onderwys- en Opleidingsowerhede (Seta) Toelae Regulasie steeds deur die howe oorweeg word. Dit hou verband met die vermindering van die verpligte toelae na 20%.

'n Nuwe voorgestelde Seta landskap word deur die uitvoerende gesag oorweeg met al die ander statutêre strukture.



Mnr Jeremia (Jerry) Madiba Hoof Uitvoerende Beampte 31 Mei 2016









UKUFINQA KUKA-CHIEF EXECUITIVE OFFICER

4. UBUYEKEZO LOMPHATHI OMKHULU

Mnu. Jeremiah Madiba Umphathi Omkhulu (i-CEO)

• Ubuyekezo jikelele lwezimali zesikhungo sikahulumeni

Ngokungafani nebhizinisi elinenhloso eyodwa yokukhulisa umcebo wabaninimasheya ngokukhulisa inzuzo, i-AgriSETA yisikhungo sikahulumeni esenza umsebenzi wokuhlinzeka uqeqesho nemfundo etholakala emva kokuphothula imfundo yamabanga aphezulu emkhakheni womnotho wezolimo. Inhloso yalokhu kubika ngezimali ukuhlinzeka abasebenzisi ngolwazi lokuthi zisetshenziswa kanjani izinsizakusebenza ezabiwe ngendlela efanele neyimpumelelo yiSigungu Esilawulayo ngokusebenzisa abaphathi.

Kuphinda kube yinjabulo ukubika ukuthi i-AgriSETA iphinde yathola umbiko wezimali ongashintshile, nokuwumbiko wezimali ezisetshenziswe ngendlela efanele. Umcwaningi Mabhuku-Jikelele waseNingizimu Afrika (i-AGSA) ucwaninge amabhuku esikhungo ngokubheka izinto ezintathu, ukucwaningwa kwezitatimende zezimali, kanye nokucwaningwa kwezinhloso ezinqunyiwe (ulwazi lokusebenzisa olungahlobene nezimali njengoba kubekiwe emabhukwini okuhlela ayisu anjengoHlelo Oluyisu, Uhlelo Lonyaka Lokusebenza (i-APP) kanye noHlelo Lwamakhono Omkhakha (i-SSP) kwase kugcinwa ngokucwaningwa kokuthobela umthetho. Siyaqhubeka nokuhlangabezana nezinselelo mayelana nokubika kanye nokusingatha ulwazi olungahlobene nokusebenza kwezimali kodwa ubukhulu balezi zinselelo uma kuqhathaniswa neminyaka yezimali edlule kungconywana.

Isabelomali sonyaka we-2015/16 esigunyazwe yiSigungu Esiphezulu sethu yizigidi ezi-354 214 zamarandi. Abaphathi baqoqe imali engenayo elinganiselwa kwizigidi ezi-373 426 zamarandi, safeza umehluko wezigidi ezi-19 212 zamarandi uma kuqhathaniswa nemali eqoqwe eminyakeni yezimali edlule eyizigidi ezi-326 613 zamarandi. Lokhu kusho ukukhula kwesamba semali engenayo ngama-13%. Imali eningi yama-8% iqhamuke kwintela ekhuphukile ekhokhwa ngabaqashi ababamba iqhaza kanye neminyango (nokuyimali engenayo eqhamuka kwimihlomulo engakhokhelwa).

Ukuhlonza kulandelwa ukuqoqwa ngamandla kwemali engenayo ukuze sixhase ngokuphelele imisebenzi yethu yebhizinisi kusalokhu kuyinselelo ku-SETA. Ngokuya phambili, ukuqoqwa kwemali engenayo kanye nokuhlonza yonke imithombo yemali engenayo kuzoba yinto eseqhulwini kwi-SETA ukuze sikwazi ukwenza umsebenzi othe xaxa ngomnotho womkhakha wethu. Le nguquko eyisu isiqalile vele kunyaka wezimali omusha. Imali yethu engenayo ibandakanya imali etholakala ngemihlomulo engakhokhelwa elinganiselwa ezigidini ezi-19 557 zamarandi uma kuqhathaniswa (nezigidi ezi-313 336 zamarandi) ngowe-2014/15 kanye nemali engenayo eqhamuka kumisebenzi ehlinzekwayo ekhokhelwayo elinganiselwa kuzigidi ezi-373 426 zamarandi uma kuqhathaniswa (nezigidi ezi-13 277 zamarandi) kunyaka we-2014/15.

Imali esetshenzisiwe elinganiselwa kwizigidi ezi-284 431 uma kuqhathaniswa nesamba semali engenile eyizigidi ezi-324 596 zamarandi, nokuholele emalini engaphezulu esele eyizigidi ezi-88 995 zamarandi. Isamba sama-82% semali yonke esetshenzisiwe sichithwe kuxhaso lwabaqashi kanye nezindleko zamaphrojekthi, kanti ama-9% asetshenziswe ezindlekweni jikelele, kulandele ama-4% asetshenziswe njengezindleko zabasebenzi.

Isitatimende sethu sokuma kwezimali zethu sikhonjiswa yimpahla yesikhathi eside njengezakhiwo kanye nokheshi nokulingana nokheshi (impahla engaguqulwa ibe yimali engukheshi). Kumele sikuveze ukuthi abakweleta Isikhwama Sikazwelonke Samakhono (i-NSF) babhekisiswa ngokushesha ngabaphathi bezinhlangothi zombili futhi njengoba sithula lo mbiko, sekwamukelwe inkokhelo yezigidi ezi-13 zamarandi. Ibhalansi esebhange ikhonjiswa yimali okumele ingene yesamba esiyizigidi ezi-255 zamarandi (bheka inothi la-26)

Inhlangano iyaqhubeka nokuqalisa ukusebenzisa amanothi kanye nezinqubomgomo ze-akhawuntingi ukuze sithobele izinqubomgomo zeSigungu Samazinga E-akhawuntingi (i-ASB) ebekwe kusigaba sokuthulwa kweZitatimende Zezimali Zonyaka.

Imikhuba yokusebenzisa imali ezikhungweni zikahulumeni

Ngingaqinisekisa ukuthi imisebenzingqangi ye-SETA ibhekiswe ekusekeleni kanye nasekwenzeni ngcono amathuba ezoqeqesho nemfundo yangemuva kokuphothula imfundo yamabanga









aphezulu emkhakheni wezolimo. Yonke imali esiyisebenzisayo ihambisana ne-APP, ebekwe emikhawulweni kanye nakuzinkomba zokusebenza.

Kuma-SETA amaningi, izindleko ezinkulu kakhulu yizindleko zamaphrojekthi (ezimayelana nokukhokhelwa kwabahlinzeki boqeqesho) kwazise ama-SETA awazenzeli wona qobo lwawo uqeqesho. Lokhu kubandakanya ukukhokhelwa kwamakolishi omphakathi angama-TVET kanye namakolishi azimele angama-TVET, ekhokhelelwa konke ukungenelela kokufunda okuqeqeshwa kukho abafundi.

Ukusabalalisa kwethu izinto esisebenzisa kuzo izimali kuhambisana nama-SETA amakhulu, ahlonishwayo futhi asebenza kahle (ngokombiko wokucwaningwa kwamabhuku esiwutholile). Okulandelwa yizindleko zamaphrojekthi, yizindleko jikelele zawo futhi kulandelwe yizindleko ezikhokhelwa abasebenzi, lo mkhuba uyabonakala kuma-SETA ambalwa athathwa njengasebenza kahle uma kubhekwa ngakwezomthetho.

• Izinkinga zabasebenzi nezinselelo ezibhekene nezikhungo zikahulumeni

Ukukhathazeka okuqhubekayo ngesimo sawo wonke ama-SETA kuzoqhubeka kube yinto okugxilwe kuyo futhi eyinselelo, kuze kube sekupheleni kwesikhathi samanje se-SETA mhla zi-31 Ndasa 2018. Izinguquko ezihlongoziwe ku-SETA zibangele ukukhathazeka nokusaba obekungahlosiwe kubasebenzi bamanje kanye nalabo okungenzeka babe ngabasebenzi, nokuholele ebunzimeni bokugcina kanye nokuheha abasebenzi uma kuya ngasezindatsheni zoKuphathwa Kwabasebenzi. Kodwa-ke siyaqhubeka, sazi ukuthi izinguquko azigwemeki empilweni futhi indlela yokubhekana nazo wukuthi uhambisane nazo. Siyaduduzeka ngokwazi ukuthi u-Charles Darwin uthi: "Akuzona nje kuphela izikhondlakhondla ezikwazi ukuphila, noma izihlakaniphi, kodwa yilabo abakwazi ukumelana nezinguquko."

Ukuqoqwa kwemali engenayo kanye nokuhlonzwa kwemithombo emisha yemali engenayo kuseyinselelo enkulu emnyangweni wezimali usekelwa yihhovisi lami. Imisebenzi yethu ithinta umkhakha obalulekile futhi omkhulu kakhulu womnotho wethu obaluleke kakhulu ukuze kube nokudla okwanele, kodwa imali engenayo eyintela edonswa entuthukweni yasemakhaya (kakhulukazi kulabo abahlomule Ekuhlelweni Kabusha Komhlaba) incane kakhulu uma kuqhathaniswa namanye ama-SETA ngenxa yesamba semali yamaholo esiphansi emkhakheni wezomnotho. Inselelo enkulu wukungena kumkhakha okhona njengamanje, kubandakanya umkhakha kahulumeni futhi sibone ukuthi singayikhulisa kanjani imali engenayo ngokuyiqoqa ngamandla.

Njengoba ngishilo ekuqaleni, ukuhlonza abaqashi abasha abakhokha intela kakhulukazi kuzikhungo ezizimele nezikahulumeni yilapho umnyango wezezimali ozogxila khona kakhulu usekelwa ngabaphathi. Ukwakha ubudlelwano nababalulekile esisebenzisana nabo kwakhe imithombo emisha yokuthola imali engenayo esize ekuxhaseni eminye imisebenzi esinikezwe amagunya kuyo.

Ukucutshungulisiswa kwalabo esisebenzisana nabo kanye nokubasingatha kusalokhu kuyinselelo kule nhlangano. Siyaqhubeka nokubheka izindlela zokwenza kagcono. Labo esisebenzisana nabo babalulekile empumelelweni ye-SETA futhi ukubona nokwamukela imikhakha ehlukahlukene yalabo esisebenzisana nabo kuyasiza ekusingatheni kangcono izintshisekelo zabo ezihlukahlukene kanye namandla abo. Leli su lisetshenziswa futhi lisingethwe yiHhovisi le-CEO.

Ukukhuphula ukubonakala kwethu kanye nokuhlinzeka izidingo ezindaweni zasemakhaya zezwe lethu kakhulukazi lapho okutholakala khona abaqashi abaningi ababambe iqhaza, kusalokhu kuyinhloso eyiqhinga enhlanganweni. Kungenxa yalesi sizathu ukuthi ukuthuthukisa iqhinga lethu kubeka izinhloso zesu lethu zihambisane nezinkomba zokusebenza kanye nemikhawulo esizibekele yona yokusebenza ukuze sifeze lokhu.

Ukubheka kanye nokuthuthukiswa kweziqu ezintsha ukuze kubhekwane nokuguquka kwemboni yezolimo kusalokhu kuyindawo esigxile kuyo emnyangweni wethu woKuqinisekisa Ezemfundo Nezinga Loqeqesho (i-ETQA).

Imisebenzi okungaqhutshekwa nayo/lmisebenzi okungeke kusaqhutshekwa nayo

Ayikho imisebenzi esizoyeka ukuyenza onyakeni ozayo noma ezonqanyulwa kulo nyaka wezimali ophezulu. Sisalokhu siholwa yizinqubomgomo kanye nemithetho ethuthukiswe nguMnyango Wezemfundo Ephakeme Nokuqeqesha (i-DHET).

Imisebenzi emisha nehlongoziwe

Ukuqaliswa kokusetshenziswa kokwaMukelwa Kolwazi Namakhono Owafunde Ngaphambilini









(i-RPL) kusalokhu kungumsebenzi ohamba phambili. Lokhu kuholwa yisimo sokuthi kutholakala izinga eliphansi labasebenzi abafundile Emkhakheni Wezolimo, kodwa abanye babo banamakhono aphezulu. Okunye yizinhlelo ze-NSF ezisiza ukuxhasa izinhlelo zomnotho wasemakhaya.

Izicelo zokudluliswa kwezimali

Asihlinzekanga ukuthi imali esele engaphezulu idluliselwe ku-NSF kwazise sizibophezele kwaze kwafika kumkhawulo onqunyiwe.

Ukuphathwa Kokuthenga

I-AgriSETA iyazi, iyabona, iyaqonda futhi iyavuma ukuthi ukuthenga okuyikho futhi okuyimpumelelo kulele emigomweni ethile ebalulekile yokuziphatha-Izinsika Ezinhlanu Zokuthenga. Zichazwa kancono njengezinsika ngoba uma enye yazo ingalandelwa, uhlelo lokuthenga alusebenzi kahle. Lezi zinsika ezinhlanu yilezi ezilandelayo:

- Ukufaneleka kwemali ekhokhwayo
- Ukuncintisana Okusobala Nokuyimpumelelo
- Imigomo yokuziphatha Nokusebenzisana Okungenzeleli
- Ukuphendula Ngemisebenzi kanye Nokubika
- Ukulingana

Mina, njengoMphathi Omkhulu, ngisekela ngokwamaqhinga Isigungu Esilawulayo (Ibhodi) ukuphatha uhlaka lokubusa lokuPhathwa Kokuthenga(i-SCM), kubandakanya ukubhalwa, ukuthuthukiswa nokusetshenziswa kwalo, ukuqapha kanye nokuhlola ukuhambisana nomthetho

Ihhovisi le-CEO lisekela ngokwamaqhinga Isigungu Esilawulayo ekwenzeni kube yisimanje nasekwengameleni uhlelo lokuthenga ukuqinisekisa ukuthi ukuthengwa kwezimpahla, izinsizakalo kanye nomsebenzi wokwakha kwenziwa ngendlela engenzeleli, elinganayo, esobala, encintisanayo, engabizi futhi ehambisana noMthethosisekelo kanye nayo yonke imithetho efanele. Liphinda liqinisekise ukuthi konke ukuxhasa ngokuzithandela, izimpahla nezinsizakalo ezithengiwe zithengwa ngokuhambisana nemithetho esebenzayo yokuthenga yezimali zoXhaso Olukhishwa Ngokuzithandela.

Ngokusebenzisa Ihhovisi Lemenenja: Ezezimali neSCM, inhlangano iyaqhubeka nokubuyekeza inqubomgomo yayo ye-SCM nomthetho osebenzayo ekuthengeni kanye nakuMnyango Kazwelonke Wezezimali, Amanothi Emiyalelo, Amasekhula Nemihlahlandlela. Lokhu kuhlanganisa nokusetshenziswa kweMininingwane Yabahlinzekimisebenzi Egcinwe Ndawonye (i-CSD) kunokusebenzisa imininingwane yabahlinzekimisebenzi yangaphakathi, Isekhula Yomnyango Kazwelonke Wezezimali ye-3 yowe-2015/2016.

Zonke iziphakamiso zokuhlinzeka imisebenzi ezingacelwangwa ezibe khona kulo nyaka obuyekezwayo

Azikho izicelo zokuhlinzeka imisebenzi ezingacelwanga ukuthi zilethwe ezibe khona kunyaka wezimali we-2015/16

Ukubukeka/Izinhlelo zangomuso zokubhekana nezinselelo zezezimali

Njengoba ngishilo emagameni engivule ngawo kubuyekezo jikelele lwezimali zesikhungo, i-SETA isebenzela ukuqoqa enye imali ethe xaxa kanye nokuhlonza imithombo emisha yemali engenayo ukuze sikwazi ukusiza enye intsha esezikoleni kakhulukazi ezindaweni ezisemakhaya emkhakheni wezolimo. Sesiluqalile uhlelo lokuhlonza bonke labo abakhokha intela ukuze sikwazi ukuhlonza abaqashi abasha esingabahehela ku-SETA yethu. Lolu hlelo luzosizwa wukuHlaziywa Kwesisebenzisana nabo kanye neSu Lokuphatha nokuzobeka ngokusobala uhlelo lokuphathwa kwalabo esisebenzisana nabo kanye nenqubomgomo yobudlelwano bethu nabo.

Abaphathi baphinde baphothula inqubomgomo yokuqapha nokuhlola neyenza uhlelo lwethu lokuhlela oluyisu luhambisane nohlaka lwe-NT lwe-SP ne-APP kanye nezinhlelo zeSabelomali. Lokhu kuzosiza iSigungu kanye nekomidi laso ukuthi babone kusenesikhathi lezo zindawo esingasebenzi kahle kuzo futhi lapho kufanele khona kwengezwe imali ezindaweni eziseqhulwini nezidinga ukubhekelelwa ngokushesha. Sigxile emsebenzini esiwenzayo ngaso sonke isikhathi.

I-SETA izama ukuqhamuka neqhinga elizosebenza noMnyango Wezemisebenzi Kahulumeni Nokuphathwa Kwayo (i-DPSA) ukuhlonza izikhungo zikahulumeni ezisohlwini lweshejuli ye-PFMA esingazihehela ku-SETA yethu ukuze sikhuphule imali engenayo. Njengamanje, sinezikhungo zikahulumeni ezimbalwa ezibamba iqhaza kubandakanya iminyango yezifundazwe emkhakheni wezolimo.









Umnyango wezezimali uwuphiko olusemqoka kakhulu lwehlangano futhi lubamba iqhaza ohlelweni lokuhlela lwenhlangano. Leli hhovisi liqiniswa ngokuqeqesha kanye nangokuqasha abasebenzi abanamakhono futhi abawaziyo umsebenzi.

Izimo emva kosuku lokubika

Kubalulekile ukuthi kwaziwe ukuthi Umthetho we-3 (12) woXhaso Lomkhakha Wezemfundo Noqeqesho usacutshungulwa yiziNkantolo. Lokhu kumayelana nokuncishiswa koxhaso Oluphoqelekile lube nga-20%. Kodwa-ke umyalelo oqhamuka kwi-DHET obheke kuwo wonke ama-SETA uthi kumele singaguquli lutho esimweni samanje.

Ukuhlelwa okusha kwe-SETA okuhlongoziwe kusacutshungulwa yiSigungu Esiphezulu kanye nazo zonke izinhlaka zomthetho.

Ukuzinza Komnotho

I-SETA isalokhu ingumkhakha ozinzile ngentela ehlala imukelwa futhi iyaqhubeka nokufeza igunya layo, okuwuKuthuthukisa Amakhono.

Ukubonga

Kuyathokozisa futhi kuyajabulisa ukuba yingxenye yale nhlangano emangalisayo. Ngiyakholwa ukuthi ngokuzinikela, ugqozi kanye nomoya wokusungula izinto ezintsha wethu sonke e-AgriSETA sizoqhubeka ngokufaka isandla ngendlela enhle ukushintsha umkhakha wezolimo eNingizimu Afrika.

Ngithanda ukubonga Isigungu Esilawulayo se-AgriSETA ngomsebenzi waso oncomekayo kanye nokuseseka kwaso okungenakunanaza kanye nobuholi. Isigungu Esilawulayo saqinisekisa ukuthi i-SETA isebenza kahle, naphezu kokudingeka kokwenziwa ihambisane nemikhawulo yeSu Lokuthuthukiswa Kwamakhono Kazwelonke Elisha (i-NSDS) III ibonisa umzamo wokungakhathali nokuzibophezela ekwenzeni imisebenzi kazwelonke.

Ngithanda ukudlulisa amazwi okubonga kulabo esisebenzisana nabo abakhokha intela ngokusethemba ngezimali zenu kanye nokuhlinzeka ukuthuthukiswa kwamakhono omkhakha wezolimo. Kubahlinzeki bezinsizakalo bethu, siyabonga ukuzimisela kwenu eniqhubeka nakho ekuhlinzekeni amakhono adingeka kulo mkhakha egameni le-SETA.

Kubo bonke abasebenzi bethu e-AgriSETA, ngihlabeka umxhwele wugqozi, umqondo omuhle kanye nokuziphatha okuhle enikubonisile ekuqinisekiseni impumelelo ye-SETA.

Kubo bonke esisebenzisana nabo, kuhlanganisa iminyango kahulumeni kazwelonke kanye neyohulumeni basemakhaya esisebenzisana nayo, siyanibonga ngokuziphatha kwenu kanye nobudlelwano bokusebenza obunobungani enibakhe ne-AgriSETA.

Okunye

Kubalulekile ukuthi kwaziwe ukuthi Umthetho we-3 (12) woXhaso Lomkhakha Wezemfundo Noqeqesho usacutshungulwa yiziNkantolo. Lokhu kumayelana nokuncishiswa koxhaso Oluphoqelekile lube nga-20%.

Ukuhlelwa okusha kwe-SETA okuhlongoziwe kusacutshungulwa yiSigungu Esiphezulu kanye nazo zonke izinhlaka zomthetho.



Mr. Jeremiah (Jerry) Madiba Umphathi Omkhulu (i-CEO) 31 Nhlaba 2016









TJHEBOKAKARETSO YA MOOFISIRI E MOHOLO WA PHETHAHATSO

4. TJHEBO KAKARETSO YA CEO

Monghadi Jeremiah Madiba Mohlanka ya ka Sehloohong wa Phethahatso (CEO)

Tekolo ya ditjhelete ya setheo sa mmuso

Ho fapana le kgwebo eo sepheo sa yona e leng feela ho hodisa leruo la boradiabo ka diphaello tse holang, AgriSETA jwaloka setheo sa setjhaba e reretswe feela ho fana ka tshebeletso ka hara lepatlelo la thuto le thupello ya kamora materiki ya lekala la moruo la temo. Morero wa ho teka tlaleho ena ya ditjhelete ke ho neha basebedisi tlhahisoleseding ya kamoo ho sebediswang ka bokgabane le ka bohlwahlwa mehlodi eo re e abetsweng e sebediswang ke Bolaodi ba Ditjhelete ka tsamaiso ya bona.

Hape ke ka thabo e kgolo ke tlalehang hore hape-hape AgriSETA e fihlelletse tlhatlhobo ya ditjhelete e hlwekileng,e leng kakanyo ya ditjhelete e hlokang sekodi. Mohlahlobi-Kakaretso wa Ditjhelete wa Afrika Borwa (AGSA) o hlahlobile mokgatlo dibakeng tse tharo, tlhatlhobo ya dipehelo tsa ditjhelete, le tlhatlhobo ya merero e bonetsweng pele (tlhahisoleseding e sa ameng ditjhelete jwaloka ha e tekilwe ka hara ditokomane tsa moralo wa lewa tse kang Moralo wa Lewa, Moralo wa Tshebetso wa Selemo ka seng (APP) Moralo wa Maitsebelo a Lekala (SSP) le qetellong tlhatlhobo ya boimatahanyo le molao. Re ile ra tswela pele ho ba le diphephetso mabapi le ho tlaleha le botsamaisi ba tlhahisoleseding e sa ameng ditjhelete empa kgetlong lena sekgahla sa diphephetso tsena ha ho bapiswa le tsa dilemo tse fetileng tsa ditjhelete se ile sa lemohuwa.

Ditekanyetso tsa 2015/16 tse tjhaelletsweng monwana ke Bolaodi ba Phethahatso e ne e le R354 214 milione. Botsamaisi bo bokeleditse lekeno la nnete le ka fihlang ho R373 426 milione, ba fihlella phapang e kgahlisang ya R19 212 milione ha ho bapiswa le selemo sa ditjhelete se fetileng moo ho neng ho bokeleditswe lekeno la R 326 613 milione. Sena se bontsha keketseho ya lekeno kaofela ka 13%. Boholo ba 8% bo bile ka lebaka la lekeno la lekgetho le eketsehileng ho tswa ho bahiri ba nkang karolo le mafapha (e leng lekeno le tswang ditumellanong tseo e seng tsa phapanyetsano).

Ho hlwaya ho latetsweng ke pokeletso e matla ya lekeno bakeng sa ho thusa ditshebetso tsa rona tsa kgwebo ka botlalo e dula e le phephetso bakeng sa SETA. Ho ya pele, pokeletso ya lekgetho le ho hlwaya metjha kaofela ya lekeno e tla ba ntlha e ka sehlohlolong bakeng sa SETA hore re tle re kgone ho etsa tse ngata ka moruo wa lekala la rona. Ho fetoha hona ha lewa ho se ho qadile selemong se setjha sa ditjhelete. Lekeno la rona le akga lekeno le tswang ditumellanong tseo e seng tsa phapanyetsano tse fihlileng ho R19 557 milione ha ho bapiswa le (R313 336 milione) ya 2014/15 hape le lekeno le tswang ditumellanong tsa phapanyetsano tse etsang R373 426 milione ha ho bapiswa le (R13 277 milione) ya 2014/15.

Ditjeho kaofela e bile R284 431 kgahlanong le lekeno kaofela la R324 596 milione, e leng se bakileng masalla a R 88 995 milione. Palo e etsang 82% ya ditjeho kaofela e ile ho dithuso tsa bahiri le ho ditjeho tsa porojeke, ha 9% e ile ya ba ya ditjeho tsa kakaretso, tsa latelwa ke 4% ya ditjeho tsa basebeletsi.

Pehelo ya rona ya maemo a thepa e emetswe ke thepa eo e seng ya hajwale ka sebopeho sa meaho le tjhelete le tekano ya tjhelete (thepa ya hajwale). Ke toka hore re ananele hore ya kolotang Letlole la Naha la Maitsebelo (NSF) o fuwa tjantjello e potlakileng ho tswa mahlakoreng ka bobedi mme ha re teka tlaleho ena, tefello ya R13 milione e se e fumanwe. Tjhelete e setseng bankeng e bontshwa ka sekejule sa boitlamo sa tjhelete e setseng e etsang R255 milione (sheba ntlha no. 26) Mokgatlo o tswela pele ho kenya tshebetsong maano a ditjhelete le dintlha ka ho imatahanya le maano a Boto ya Maemo a Tlhokomelo ya Ditjhelete (ASB) jwaloka ha a tekilwe ho karolo ya ho tekwa ha Dipehelo tsa Ditjhelete tsa Selemo ka seng.

Ditsela tsa tshebediso ya ditjhelete tsa setheo sa mmuso

Nka tiisa hore ditshebetso tsa kgwebo tsa mantlha tsa diSETA di lebisitswe bakeng sa ho tshehetsa le ho ntlafatsa menyetla ya thuto le thupello ya kamora materiki ka hara lekala la temo. Ditjeho tsa rona kaofela di matahantswe le APP, ditshupane tsa tshebetso tse tekilweng le merero eo re batlang ho e fihlella.

Ka hara boholo ba diSETA, karolo e kgolo ya tshebediso ya ditjhelete ke ditjeho tsa diporojeke (tse amanang le ditefello ho bafani ba ditshebeletso) kaha diSETA di sa tsamaise dithupello ka









botsona. Sena se kenyeletsa ditefello ho dikoletjhe tsa TVET tsa setjhaba le tsa poraefete bakeng sa dithuto kaofela tseo baithuti ba rupellwang ka tsona.

Qaqolohanyo ya dintlha tsa rona tsa metjha ya ditjeho e kgema le diSETA tse kgolo, tseo bohle ba di nkelang hloohong, tse sebetsang hantle (ho ya ka kakanyo ya tlhatlhobo e hlahisitsweng). Ho latela ditjeho tsa diporojeke, ditjeho tsa yona tsa kakaretso mme ho latela ditjeho tsa bahiri, paterone ena e ba pepeneneng ho diSETA tse mmalwa tse nkuwang di sebetsa hantle ka ho fetisisa ho ya ka leihlo la molao.

Ditshitiso tsa bokgoni le diphephetso tse tobileng setheo sa mmuso

Boemo ba diSETA kaofela ba hore ke dikgwebo tse ikemetseng bo tla dula e le taba ya bohlokwa e tla tsepamisetswa maikutlo le ho ba phephetso, ho fihlela qetellong ya ho ba teng ha diSETA tsa hajwale e leng la 31 Tlhakubele 2018. Sebopeho se sisintsweng sa diSETA se bakile letswalo le tshabo ntle le maikemisetso hara basebeletsi ba hajwale le ba ka nnang ba hirwa, mme sena se bakile mathata a ho baballa le ho hohela basebeletsi ho ya ka mmono wa Tsamaiso ya Kgiro ya Batho. Leha ho le jwalo, re lwana re ya pele, ka tsebo ya hore bophelong, diphethoho ha di thibelwe mme tsela e le nngwe feela ya ho sebetsana le diphethoho ke ho di tlwaela. Re ikgothatsa ka ho tseba hore Charles Darwin o re: "Ha se diphedi tse matla ka ho fetisisa tse phonyohang, kapa tse bohlale ka ho fetisisa, empa tse kgonang ho arabela diphethoho ka ho fetisisa."

Pokeletso ya lekeno le hape ho hlwauwa ha metjha e meng ya lekeno e dula e le phephetso e kgolo bakeng sa lefapha la Ditjhelete le tshehetswang ke kantoro ya ka. Dithebetso tsa rona tsa kgwebo di akaretsa lekala le leholo haholo le le hlokolosi la moruo wa rona leo hape le leng bohlokwa haholo bakeng sa polokeho ya dijo, leha lekeno le tswang lekgethong le hulwang ho tswa ho ntshetsopele ya mahae (haholoholo bakgolamolemo ba Tlhabolo ya Mobu) le tlase haholo ha ho bapiswa le la diSETA tse ding ka lebaka la mekgolo e tlase ya lekala la rona la moruo. Phephetso e kgolo ke ho kenella ka hara indaseteri e teng, ho kenyeletswa lekala la mmuso mme o bone kamoo re ka hodisang lekeno ka pokeletso e matla.

Jwaloka ha ke se ke boletse, ho hlwaya bahiri ba batjha ba nkang karolo tefong ya lekgetho haholoholo ka hara ditheo tsa poraefete le tsa mmuso e tla ba ntlha e tsepamisetswang maikutlo haholo ya ditjhelete mme e bile e tshehetswa ke tsamaiso. Hape ho kenela dikamano le bankakarolo ba bohlokwa ho hlahisitse metjha e metjha ya lekeno le thusitseng bakeng sa ho thusa ka ditjhelete ho tse ding tsa dithomo tsa rona.

Tekolo ya bankakarolo le tsamaiso di dula e le phephetso bakeng sa mokgatlo. Re dula re batlana le ditsela tsa ho ntlafala ka dinako tsohle. Bankakarolo ba hlokolosi bakeng sa katleho ya SETA mme ho lemoha le ho ananela mekgahlelo e fapaneng ya bankakarolo ho a thusa bakeng sa ho laola ditabatabelo tsa bona tse fapaneng le matla a bona, ka tsela e betere. Lewa lena le sebediswa le ho tsamaiswa ke Kantoro ya CEO.

Ho eketsa ponahalo ya rona le phano ya ditshebeletso ka hara dibaka tsa mahae tsa mantlha tsa naha ya rona haholoholo moo boholo ba basebeletsi ba nkang karolo ba dulang teng, e dula e le lewa la morero wa mokgatlo. Ke ka lebaka lena hore ntshetsopele ya lewa la rona le thehang merero ya rona ya lewa ka ditshupane tsa tshebetso le dipheo tsa tshebetso bakeng sa ho fihlella sena.

Ho batlana le ho hlahisa mangolo a matjha bakeng sa ho tobana le indaseteri e dulang e fetofetoha ya temo e dula e le taba ya bohlokwa e tsepamiseditsweng maikutlo ka hara lefapha la Tiisetso ya Boleng ba Thuto le Thupello (ETQA).

Mesebetsi e kginnweng/mesebetsi e tla kginwa

Ha ho na mesebetsi e tla kginwa selemong sena se tlang kapa e kginnweng selemong sa hajwale sa ditjhelete. Re dula re tataiswa ke molao le maano a hlahiswang ke Lefapha la Thuto e Phahameng le Thupello (DHET).

Mesebetsi e metjha kapa e lohothwang

Ho kenngwa tshebetsong ha Kananelo ya Thuto ya Peleng (RPL) e dula e le mosebetsi wa bohlokwa. Sena se tataiswa ke taba ya hore motho o fumana hore ho na le basebeletsi ba mangolo a tlase a thuto ka hara Lekala la Temo, empa ba bang ba bona ba na le maitsebelo. Taba e nngwe ke ya maikitlaetso a NSF kaha a thusa bakeng sa ho thusa ka ditjhelete ho maikitlaetso a moruo wa dibakeng tsa mahae.

Dikopo bakeng sa ditjhelete tse salletseng

Ha re so fane ka taelo ya hore ditjhelete tsa masalla di fetisetswe ho NSF ka ha re itlametse ho









sebeletsa hodima tekano e laetsweng.

Tsamaiso ya Motjha wa Phano (SCM)

AgriSETA e a tseba, e a hlokomela, e a utlwisisa le ho ananela hore ditheko tse nepahetseng di itshetlehile hodima dipehelo tse itseng tsa boitshwaro – Ditshiya tse Hlano tsa Ditheko. Di hlaloswa betere ka ho fetisisa jwaloka ditshiya hobane ha e nngwe ya tsona e robeha, tsela ya tsamaiso ya ditheko e ya putlama. Ditshiya tsena tse hlano ke:

- · Boleng ba tjhelete
- Phehisano e Bulehileng le ho ba Hlwahlwa
- Boitshwaro bo botle kgwebong le ho sebetsa ntle le Leeme
- Boikarabello le ho Tlaleha
- Tekatekano

Nna, jwaloka Mohlanka ya Ikarabellang ho tsa Ditjhelete, ke na le lewa la ho tshehetsa Bolaodi ba Ditjhelete (Boto) ho tsamaisa moralo wa puso wa (SCM), ho kenyeletswa le sebopeho sa yona, ntshetsopele le ho kenya tshebetsong, bodisa le tekolo ya boimatahanyo.

Kantoro ya CEO ka lewa la yona e tshehetsa Bolaodi ba Ditjhelete ka ho ntjhafatsa le ho beha leihlo tsela ya tsamaiso ya ditheko ho netefatsa hore theko ya thepa, ditshebeletso le le mesebetsi ya kaho di etswa ka tsela e hlokang leeme, ka ho lekana, ka ponaletso, ka phehisano e hlwahlwa le ka mokgwa o baballang tjhelete mme di kgema le Molaotheo le melao kaofela e amehang. Hape e netefatsa hore tjhelete kaofela ya mabaka a itseng a sa rerwang, thepa le ditshebeletso di rekwa ho ipapisitswe le melao e teng ya ditheko bakeng sa Ditjhelete tsa Dithuso tsa Mabaka a itseng a sa rerwang.

Ka Motsamaisi wa Kantoro: lefapha la Ditjhelete le SCM, mokgatlo o dula o lokisa botjha leano la ona la SCM ho ya ka molao wa ditheko le wa Lefapha la Matlotlo a Setjhaba, Ditsebiso tsa Ditaelo, Ditsebiso tse Potolohang le Ditataiso. Sena se kenyeletsa ho sebediswa ha Dathabeisi e Bohareng ya Bafani ba Ditshebeletso (CSD) kgahlanong le dathabeisi ya ka hare, sheba Lengolo la Tsebiso la Lefapha la Matlotlo a Setjhaba No. 3 la 2015/2016.

Ditshisinyo tsohle tse sa batluwang bakeng sa selemo sena se tlasa tekolo

Ho ne ho sa batluwa boiketo nakong ya selemo sa ditjhelete sa 2015/16

Diketsahalo tsa kamora letsatsi la ho tlaleha

Ke lokela ho supa hore Molawana 3 (12) wa (SETA) wa Taolo ya Dithuso o ntse o sekasekwa ke makgotla a dinyewe. Sena se amana le ho fokotswa ha Ditjhelete tsa dithuso ho ya ho 20%. Leha ho le jwalo, taelo ya DHET ho diSETA kaofela ke hore maemo a tla dula a sa fetoha.

Sebopheho se setjha sa SETA se ntse se sekasekwa ke Bolaodi ba Phethahatso le mahlakore a mang kaofela a molao.

Tjhebelopele/Meralo ya kamoso ho tobana le diphephetso tsa ditjhelete

Jwaloka ha ke boletse pejana ha ke ne ke tshwaela ha ke qala ka puo ya ka mabapi le tekolo ya kakaretso ya ditjhelete tsa setheo, SETA e hahamalla ho bokeletsa lekeno le tomanyana mme hape le ho hlwaya ditsela tse ntjha le mehlodi ya lekeno bakeng sa ho fihlella batjha ba bangatanyana ba sa keneng sekolo haholoholo ka hara dibaka tsa rona tsa mantlha tse harehare dibakeng tsa mahae ka hara lekala la temo. Re se re qadile tsamaiso ya ho hlwaya palo kaofela ya balefi ba lekgetho hore re tle re hlwaye bahiri ba batjha bao re ka ba hohellang ho SETA ya rona. Sena se tla thuswa ke Tekolo ya Bankakarolo le lewa la Botsamaisi tse tla hlakisa ka botlalo tsamaiso ya bankakarolo le leano la ditherisano.

Botsamaisi hape bo se bo phethetse leano la bodisa le tlhatlhobo le matahanyang tsamaiso ya rona ya lewa la moralo ho moralo wa motheo wa Nt bakeng sa SP le APP le mananeo a Ditekanyetso. Sena se tla thusa Boto le dikomiti tsa yona tse nyenyane ho hlwaya dibaka tse sebetsang hampe mme moo ho hlokahalang hore matlole a fetolelwe ho lebiswa ho mabaka a hlokang tjhelete ka potlako le a ka sehlohlolong. Re lokela ho dula re fadimehile ka dinako tsohle.

SETA e sebetsana le lewa le tla sebetsa le Lefapha la Mokgatlo wa Tshebeletso ya Mmuso (DPSA) ho hlwaya ditsha tsa setjhaba tse hlahellang ho sekejule sa PFMA tseo re ka di hohellang ho SETA ya rona hore re tle re eketse lekeno la rona. Hajwale re na le feela ditsha tse mmalwa tsa setjhaba tse nkang karolo ho kenyeletswa mafapha a diporofense ka hara lekala la temo.

Lefapha la ditjhelete ke yuniti ya lewa la kgwebo la mokgatlo mme e nka karolo tsamaisong ya









lewa la moralo. Kantoro ena e matlafatswa ke thupello le ho thaothwa ha lebotho la basebetsi le nang le maitsebelo le boghetseke.

Ho kgema le moruo

SETA e dula e le setheo se kgemang le tsa moruo moo makgetho a fumanwang kamehla le ho tswela pele ho phethisa thomo ya yona, e leng Ntshetsopele ya Maitsebelo.

Dikananelo/Matanki

Ho a putsa le ho kokobetswa hore ke be karolo ya mokgatlo o babatsehang tjena. Ke na le tumelo ya hore ka boitelo, lerato le moya wa ntjhafatso kaofela ha rona mona AgriSETA re tla dula re nyehela ka bokgabane bakeng sa ho bopa botjha lekala la temo ka hara Afrika Borwa.

Ke rata ho ananela Bolaodi ba Ditjhelete ba AgriSETA bakeng sa mosebetsi wa bona o babatsehang mmoho le tshehetso ya bona le boetapele tse sa thekeseleng. Bolaodi ba Ditjhelete bo netefaditse hore SETA e sebetse hantle, ho sa natswe hore e ile ya tlameha ho imatahanya le dipheo tsa Lewa la Naha La Ntshetsopele ya Maitsebelo (NSDS) III le letjha, bo bontsha mekutu le boitelo bo matla bakeng sa ho phethahatsa merero ya naha.

Ke rata ho fetisetsa lentswe la teboho le ikgethang ho balefi ba rona ba lekgetho bakeng sa ho re tshepela ditjhelete tsa bona le ho re tshehetsa ka ntshetsopele ya maitsebelo bakeng sa lekala la temo. Ho bafani ba rona ba ditshebeletso, re ananela maikemisetso a lona a matla ao le tswelang pele ka ona ho fana ka maitsebelo a hlokahalang ka hara lekala lena lebitsong la SETA.

Ho basebeletsi bohle ba AgriSETA, Ke dubakane maikutlo, ka boitshwaro bo botle le boikitlaetso boo le bo bontshitseng bakeng sa ho netefatsa katleho ya SETA.

Ho bankakarolo ba rona bohle, ho kenyeletswa mafapha a naha le a lehae ao re sebetsang le ona, ke a le leboha ka boporofeshenale le dikamano tse ntle tsa tshebetso tseo le di bopileng le AgriSETA.

Tse ding

Ke lokela ho supa hore Molawana 3 (12) wa (SETA) wa Taolo ya Dithuso o ntse o sekasekwa ke makgotla a dinyewe. Sena se amana le ho fokotswa ha Ditjhelete tsa dithuso ho ya ho 20%. Leha ho le jwalo, taelo ya DHET ho diSETA kaofela ke hore maemo a tla dula a sa fetoha.

Sebopheho se setjha sa SETA se ntse se sekasekwa ke Bolaodi ba Phethahatso le mahlakore a mang kaofela a molao.



Mr. Jeremiah (Jerry) Madiba Mohlanka ya ka Sehloohong wa Phethahatso (CEO) 31 Motsheanong 2016









STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

All information and amounts disclosed in the Annual Report is consistent with the Annual Financial Statements audited by the Auditor-General.

The Annual Report is complete, accurate and is free from any omissions.

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

The Annual Financial Statements (Part E) have been prepared in accordance with the Generally Recognised Accounting Practices (GRAP) standards applicable to the public entity.

The Accounting Authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The Accounting Authority is responsible for establishing, and implementing a system of internal control has and been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In our opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2016.

Yours faithfully

July 2016

Chief Executive Officer
Mr Jeremiah (Jerry) Madiba

Chairperson of the Board Prof Gilingwe P Mayende July 2016







STRATEGIC OVERVIEW

Vision

The Agricultural Sector Education and Training Authority (AgriSETA) will be a true and legitimate partner to the stakeholders that represent the agricultural sector. AgriSETA will be a recognised and much appreciated vehicle to speed up training and development in order to establish sustainable, prosperous enterprises, also within rural communities, and a competent workforce.

Through trust and honest efforts, AgriSETA will gain credibility which will enhance communication and create understanding among all stakeholders. AgriSETA will stand tall as a successful authority that has improved productivity and the viability of enterprises, and has conquered the menace of illiteracy and the scourge of unemployment.

Our success will benefit everyone. Workers will be proud of their widely-recognised abilities and will enjoy a well-deserved, higher standard of living. Employees and employers countrywide, keen to participate in training will inundate our offices with requests for learnerships and skills programmes.

AgriSETA will be particularly recognised for its efforts to develop its learners as whole beings. Personal horisons will be recreated and an array of unique, market-related skills across the total value chain will be stimulated to help establish prosperous and stable enterprises. These critical skills will be jealously nurtured and protected by a highly specialised industry.

AgriSETA will serve as a model of excellence and perform like a smooth-running engine – quietly yet powerful – setting new standards, acclaimed both locally and internationally. Loyalty to one another will be our trademark. The tenacity to secure funds for achieving our objectives will be our obsession and quality will be our passion. AgriSETA will challenge the peril and inherent risk of agriculture in Africa with versatility and vigor, to meet the changing demands of the business world.

MISSION

AgriSETA creates and promotes opportunities for social, economic and employment growth for Agri-enterprises, in conjunction with other stakeholders in agriculture, through relevant, quality and accessible education, training and development in both primary and secondary agriculture.

VALUES

Integrity: By **Integrity** the AgriSETA means "in all our relationships, interactions and transaction, we will honour the spirit and letter of our agreements with our customers, colleagues, stakeholders and the communities we serve."

Transparency: By **Transparency** the AgriSETA means "our decision making processes will at all times be subject to examination and the rationale behind such decisions will be openly revealed to affected and/or participating parties within or outside of the Authority."

Respect: By **Respect** the AgriSETA means "we will govern our day to day operations and interpersonal interactions with respect for the cultures, customs and mores of the diverse backgrounds, environments and aspirations of our customers, colleagues, stakeholders and society."

Empowerment: By **Empowerment** the AgriSETA means "AgriSETA members will have the









authority to take the responsibility for decisions within the scope of their role definitions. In this they will be supported and their ability to innovate will be recognised."

7. LEGISLATIVE AND OTHER MANDATES

7.1 Constitutional Mandates

We, as an organisation uphold, defend and respect the Constitution of the Republic of South Africa, 1996 (Act of 108 of 1996) as the supreme law of the land.

AgriSETA is a Public Institution listed in Public Finance Management Act (PFMA) Schedule 3 (OTHER PUBLIC ENTITIES), Part A. National Public Entities. (Schedule 3 Part A).

AgriSETA derives its legislative mandate from the Acts listed below and passed by the Parliament of Republic of South Africa.

Legislation	Relevant
Skills Development Act (SDA), 1998 (Act No. 97 of 1998)	Entire Act
Skills Development Levies Act (SDLA), 1999 (Act No. 9 of 1999)	Entire Act
National Qualifications Framework Act (NQFA), 2008 (Act No. 67 of 2008	Entire Act
Public Finance Management Act (PMFA), 1999 (Act No. 1 of 1999)	Chapter 6, 9 &10
National Treasury Regulations	Entire Act
Labour Relations Act	Entire Act
Basic Conditions of Employment Act	Entire Act

POLICY MANDATES

Within the context of the Sector Education and Training Authority (SETA), appropriate key policies were developed and can be summarised as such:

- 1. White Paper for Post School Education and Training approved by Cabinet November 2013
- 2. National Skills Development Strategy (2011-2016) NSDS III. The National Skills Development Strategy (2011-2016) NSDS III is informed and guided by the overarching government programmes, such as:
- 3. National Skills Accord (NSA) as one of the first outcomes of social dialogue on the New Growth Path
- 4. Industrial Policy Action Plan (2013/14–2015/16)
- 5. Comprehensive Rural Development Programme (CRDP)
- 6. Human Resources Development Strategy for South Africa (HRD-SA) 2010-2030
- 7. National Development Plan (NDP) 2030
- 8. Industrial Policy Action Plan (IPAP)
- 9. The Integrated Sustainable Rural Development Strategy (ISRDS)

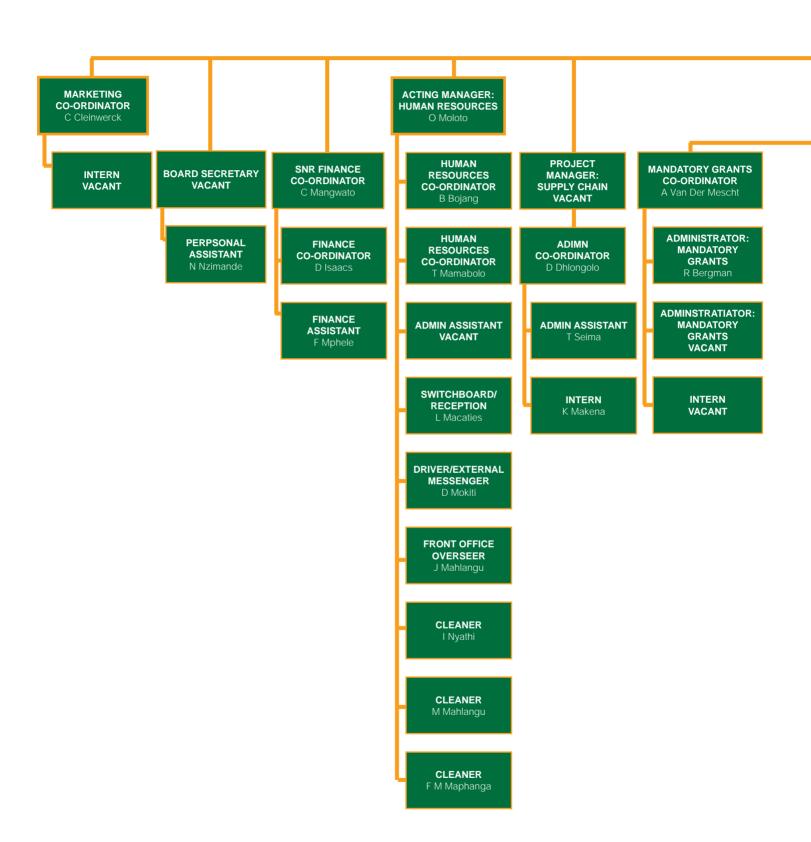








ORGANISATIONAL STRUCTURE

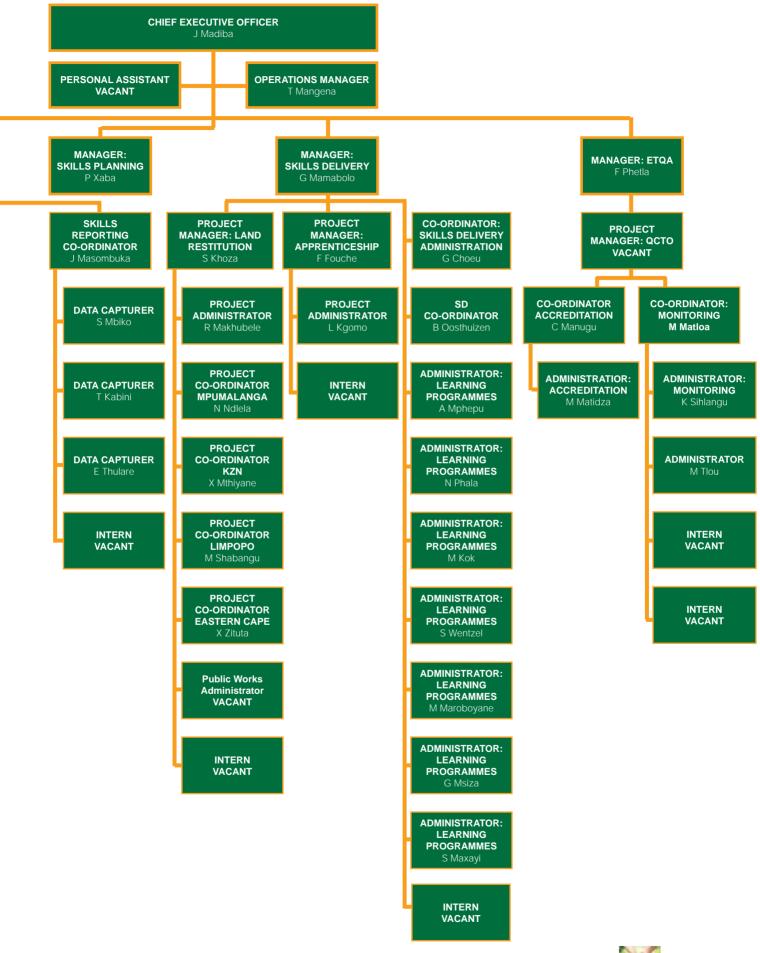


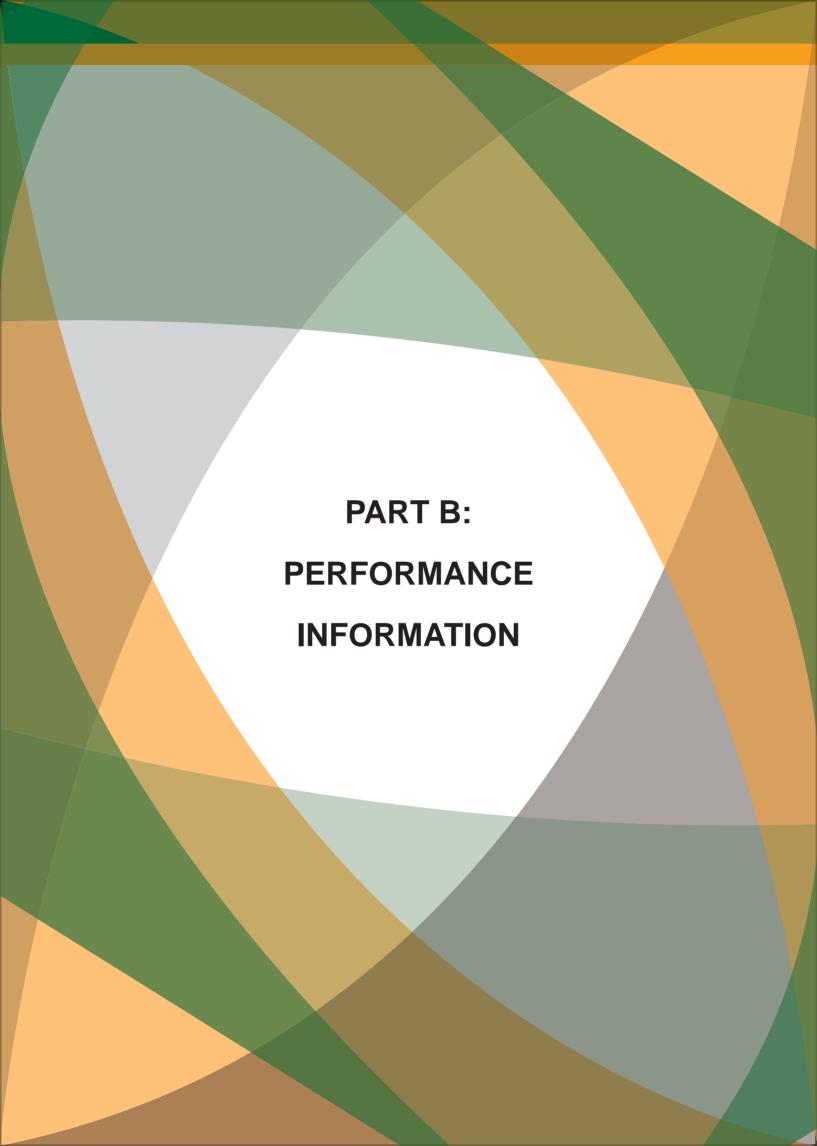


















1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa (AGSA) currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 119 of the Auditors Report, published as Part E: Financial Information.

2. SITUATIONAL ANALYSIS

2.1. Service Delivery Environment

Introduction

The Higher Education and training system lies in the White Paper for Post-School Education and Training, building an expanded, effective and integrated post-school system. It is a vehicle with which to drive and deepen transformation of the entire post-schooling arena within South African context. We as an organisation continue to work with universities (mainly public & private) and also the college system. These strong relationships will be seen in our performance information as outlined in page 51 to 72

The funding of our business operations comes from the levies collected through SARS from the participating employer's wages bill. It is very important to realise and acknowledge that more than 80% of these employees of the participating employers are unskilled and earning very low minimum wage. The fraction of employees from the participating employers above management is very low. The SETA continues to identify strategies which will grow, revenue like identifying through working with SARS and DPSA.

During the financial year ending 31 March 2016, AgriSETA made significant progress towards the achievement of our Strategic Objectives as set out in our Strategic Plan (SP) and Annual Performance Plan (APP) for 2015/16. A detailed report of the performance indicators and targets is found in page 51 to 72

. In our presentation of the performance targets we also explain various strategies that would be used to address some of the challenges faced. The strategic objectives were as follows;

Strategic Objective 1: Establish a credible mechanism for skills planning and delivery in agricultural sector.

Strategic Objective 2: Establish PPPs to encourage better use of work-place skills development

Strategic Objective 3: Support agricultural and rural development processes and strategies to promote food security and growth of the rural economy.

Strategic Objective 4: Enhancing agricultural education and training systems to be more responsive to the needs of the sector

Strategic Objectives 5: Increase the capacity of the public sector and other relevant sectors to improve service delivery and provide appropriate support for agricultural and rural development









Strategic objective 6: Administer the Mandatory Grant system to ensure effective Workplace Skills Planning (WSPs) and Annual Training Reporting (ATR) of the companies and efficient disbursement of the mandatory grant funding.

SETA Landscape

The current SETA landscape has been extended till 31 March 2018. A new proposed SETA landscape has been tabled to the Executive Authority and process led by our Executive Authority is under way considering this proposed landscape. The new proposed landscape will have significant material wholesale changes if approved and in operation. Our landscape is largely characterised and informed by the Human Resources Development Strategy for South Africa (HRD-SA). In any country, HRD refers to the formal and explicit activities that will enhance the ability of all individuals to reach their full potential. By enhancing skills, knowledge and abilities of individuals, HRD serves to improve the productivity of people in their areas of work, whether these are in informal or formal settings.

Rural Focus

AgriSETA acknowledges the great work on Integrated Sustainable Rural Development Strategy (ISRDS) and as part of its efforts and commitments confirms that the bulk of its business operations, including the learners with the below listed higher institutions are in the rural areas. Major challenges facing the development of rural areas worldwide include the following: political marginalisation, spatial dispersion and economic dependency on urban areas. This economic dependency on urban areas lies in the fact that all SETA' offices are in the urban areas and rural areas are only reached through career guidance workshops and access by information technology is limited due to lack of infrastructure and funds.

This is one area that the Board, management and staff will continue to grow and support going forward, including new venture creation (NVC), mentorship and farmer development and commodity organisations.

AgriSETA has a dedicated business section that deal with rural development and works very close with local participants, such as department of rural development and land reform and also rural communities. This unit forms part of the strategic business units of the organisation and participates during our strategically planning sessions.

Universities

AgriSETA through memorandum of understanding (MOA) entered with public universities and also private and colleges (TVET and Agricultural) supported learners with the following, funding of learning interventions (skills programmes and learnerships and artisan development) bursaries, internships, graduate placements. This support further extended to building capacity within these institutions of higher learning. AgriSETA also operationally has attempted to contribute to the solution of political expectations of the students through closer interactions with rural agricultural colleges and universities.

Colleges

Within our higher and learning education and training space we have the following College systems: Technical and vocational education and training colleges (TVET); Community Colleges; other public colleges and Agricultural Colleges. We continue to partner with these colleges especially the public TVET and Agricultural colleges through increasing access to these colleges using our career guidance workshops and school visits.









Capacitating the human resources of these colleges is one of our strategies of strengthening the colleges. This does not however extend to infrastructure and we are forced to stand and watch infrastructure in some of these colleges deteriorate, e.g. one historical building and also the tennis courts facilities at Tompi Seleka Agricultural College in Limpopo. We trust that the infrastructure will be saved from further deterioration. We are aggressively working with these colleges in programmes and qualifications so that many of these colleges offer our programmes and qualifications and also develop more relevant qualifications as will be seen in our performance information page 50 to 70. When we talk about linking work place with colleges we will also show how we do this and the numbers that we achieve on page 50 to 70 of our performance information report.

Learning Interventions

The following learning interventions are funded through our discretionary grant funds, Adult, Education and Training (AET), Artisan Development, Skills Programmes, Learnerships, Bursaries, Graduate Placements and Work Integrated Learning. We continue to offer our own accredited Learnerships and Skills Programmes using accredited training private providers and public TVET Colleges. This forms part of our core business operations and budget. We also fund public TVET accredited courses through our discretionary grant and this will be seen in our performance information.

Linking Education and the Workplace

In a speech by the Prime Minister of Singapore, Goh Chok Tong at the Nation's 30th Independence Anniversary Celebrations in August 1993 he stated that, "the future belongs to the countries whose people make the most productive use of information, knowledge and information technology-these are now the key factors for economic successes, not natural resources." As a SETA we are strategically supporting the higher education and training system with addressing the mismatch between supply and demand and long term creating globally competitive human resources.

Workplace experience, candidacy, internships and work integrated learning for our students and graduates continues to be a challenge and the SETA realises this hence its supports through funding on a short term basis graduates term of employment at employers workplace. Our efforts and contributions towards these challenges will be highlighted in our performance information.









2.2. Organisational environment

Successes	Challenges	Opportunities for 2016/17
An unmodified audit opinion expressed by the AGSA.	Identifying new Revenue streams	Identify new Revenue streams through partnerships with key stakeholders
Partnerships with rural Agricultural colleges & also rural TVET Colleges for Graduate placements, Internships programs and WIL	Revenue collection methods and strategies	Grow revenue through penetration of the existing revenue streams and locating new streams
Partnerships with Stakeholders in Youth and Career Development initiatives especially in the Rural Areas	Stakeholder analysis and management strategies	
	Human Resources Recruitment and Selection challenges plus retention of Key Staff	
	Increasing Rural presence and Provincial presence	

2.3. Key policy developments and legislative changes

2.3.1. White Paper on Post-School Education and Training

The White Paper sets out a framework that brings together in a coherent and articulated manner three major components of Post-School Education and Training, skills development and employment.

The White Paper sets out strategies to improve the capacity of the post-school education and training system to meet South Africa's needs. It outlines policy directions to guide the Department of Higher Education and Training (DHET) and the institutions for which it is responsible in order to contribute to building a developmental state with a vibrant democracy and a flourishing economy.

- Development of occupationally directed programmes that address real skills needs within the Agricultural Sector
- Emphasis on skills development within government departments, including Department
 of Agriculture Forestry and Fisheries (DAFF), Department of Environmental Affairs (DEA),
 Department of Trade and Industry (DTI) and Department of Rural Development and Land
 Reform (DRDLR), inter-departmental coordination of skills development initiatives are
 ideal
- Expansion of the role of public colleges and universities in the provision of occupational skills to the sector

The AgriSETA will play a more prominent role in promoting and facilitating linkages between colleges and employers. An increased emphasis will be placed on the development of curricula that respond to the local labour market needs or that respond to particular needs from employers and government to meet specific development goals.

The single biggest implication and re-alignment for the AgriSETA is the crucial role that AgriSETA will play in facilitating partnerships between employers and educational institutions.









Public Finance Management Act (PFMA) (Treasury Regulations)

Public entities received four circulars and four instructions that will have an impact on operations in the coming financial year. Two significant circulars will be highlighted:

- The new National Treasury Travel Policy Framework effective from 01 July 2016 replaces the current Travel Policy of AgriSETA. All public entities will be utilising a single policy on travel and accommodation
- National Treasury Instruction 4 of 2016/17 replaces all current provisions in the AgriSETA SCM Policy

The National Treasury Instruction 4 of 2016/17 overrides the current provisions on SCM Policy regarding the register of prospective suppliers. All prospective providers of goods and services must be registered on the National Treasury central database.

2.4. Strategic Outcome Oriented Goals

Strategic Objective 1: Credible institutional mechanisms

Sector intelligence remains the backbone of planning and implementing initiatives that will address the needs of the sector. The importance of the re-establishment of Sector Skills Committees (SSCs) remains a priority to ensure that initiatives within the sectors are implemented, based on information received from the sector. In the period under review, not all SSCs could be established but a concerted effort will be made to have these committees functional in the new financial year. The establishment of research capacity could not be established and remains a challenge to attract candidates with the correct competencies required for this position. The position will be re-advertised in the new financial year. AgriSETA managed to submit its Sector Skills Plan within the required time frame and was adjudged to be under the top five skills plans submitted to DHET.

Strategic Objective 2: Professional, Vocational, Occupational and Workplace learning-decent work

The White Paper on Post-School Education and Training highlight the increased focus of the role of SETAs as a link between workplaces and learners. Significant progress was made with the placement of learners that benefitted from learnerships and skills programmes into workplaces. The availability of external funding provided opportunities for an increased number of beneficiaries exposed to the world of work. Foundational learning programmes were redesigned to be credit bearing and will be fully implemented in the 2016/17 financial year. Candidacy programmes that aim to assist candidates to professionally register with the Engineering Council of South Africa (ECSH) started in the year under review and will continue into the new financial year.

The allocation of bursary allocations increased steadily but the collection of supporting documentation remains a challenge that impacts on the reporting completions.

Monitoring and Evaluation were further strengthened through a combination of AgriSETA ETQA processes, external providers and increased site visits from skills delivery staff members to ensure that targets and objectives of projects were achieved, this is set to continue in the new financial year.









Strategic Objective 3: Rural Development and Cooperatives

To strengthen the rural development processes through capacity building with a key focus on land reform and Cooperatives (Learnerships, Skills Programmes Mentorships and Farm Together programme)

Cooperative development and land reform remain central to the SETA drive towards rural development. The 2015/2016 financial year saw an increased allocation of SETA Discretionary Funds to support skills development aspirations through rural agriculture initiatives. Project implementation was focussed on the following: Non-Governmental Organisations (NGOs), Community Based Organisations (CBOs), Non-Levy Paying organisations and Cooperatives.

The AgriSETA allocated more than R30 million towards the aforementioned interventions, and it is perhaps an opportune time to boast about the success of some of these interventions in changing the lives of ordinary rural dwellers through creation of employment, thus bringing to fruition the aspirations of the NSDS III regarding providing skills for rural development. A case in mind is the support the SETA provided to Korema Cooperative through a mentorship programme for two consecutive years. The result of this intervention saw sustenance of 20 jobs by this Cooperative and expansion of their operations from production to processing and packaging. This Cooperative is led by the youth and it confirms the notion that agriculture can easily be a catalyst for growth and employment for our youth.

The AgriSETA prides itself for the sterling effort in building and nurturing partnerships with like-minded stakeholders, ranging from government to private sector. The 2015/2016 financial year, was one of the progressive years pertaining to partnerships for rural development. The following partnerships were concluded and maintained:

- 1. National Skills Fund (NSF): The SETA continued the existing project with the NSF to support land reform and Cooperatives, an amount of R10 million was spent on a range of training and capacity building interventions to support a total of 40 Cooperatives and land reform projects across four provinces (Limpopo, Mpumalanga, KwaZulu-Natal (KZN) and Eastern Cape (EC)).
- 2. Department of Public Works: The partnership with this department flowed from the previous financial year, and a total of 2 700 Expanded Public Works Programme (EPWP) participants enrolled in variety of skills programmes ranging from Horticulture to Tea Production.
- 3. Wool Growers Association: Communal sheep shearing has gained momentum as an economic activity, supporting the majority of rural households in the remote parts of the EC and KZN. The Wool Growers Association (WGA) identified a need to support this initiative through the provision of necessary skills in animal health and shearing. They further assisted community sheep shearers to organise themselves into business units which can transact on behalf of all the members. The SETA recognised this contribution and made funds available to support this project. A total of R900 000 was allocated for this purpose.
- 4. Tongaat Hulett Sugar: Extension services play a critical role in agriculture especially the emerging sector. The majority of the rural agriculture initiatives require hand holding to master the trade through the support and guidance of extension offices. It therefore remains an imperative for the SETA to support this important function so as to sustain relevancy. The SETA entered into a partnership with Tongaat Hulett Sugar in supporting their extension services to better serve all the farmers in the sugar industry, including community producers and land reform initiatives. A total of R2 million was allocated for









extension services.

5. The Department of Rural Development and Land Reform (DRDLR): The partnership with the DRDLR flows from previous financial years and was maintained because of its relevance. The SETA made R7 million available in the financial under review to support land reform initiatives in Limpopo, KZN, Mpumalanga, EC and North West provinces.

Other partnerships were concluded with the following entities: EC Rural Development Agency for placement of graduates, Chris Hani Cooperative Development Centre supporting more than 20 Cooperatives through the Farm Together Programme, and Eastern Cape Incubation Centre for Entrepreneurship through placement of 42 graduates. It remains true that greater impact in rural development is achievable through strong partnerships and the AgriSETA remains committed to collaborations.

Strategic Objective 4: Agricultural Education and Training Systems

Progress:

The White Paper on Post-School Education and Training, elevated the role of Technical Vocational Education and Training (TVET) Colleges in providing occupationally directed training. AgriSETA will continue to support TVET Colleges to expand on their mandate as catalyst for educational change. The implementation of RPL remained slow with the implementation continuing into the new financial year. The development of new qualifications is continuing to accelerate in response to the needs of industry; however, the support and establishment of Assessment Quality Partners (AQPs) remain sluggish.

Strategic Objective 5: Mandatory Grant administration

Our levy income increases and continues to grow every year. The participation in the Mandatory Grants claiming process also rises slightly every year. Communication is sent to stakeholders to inform and remind all of the final submission due date. The improvement of Workplace Skills Plan/Annual Training Report (WSP/ATR) submissions is only possible if the application system (Indicium) is continuously refined, modernised and improved.

In our national annual roadshows, we included a session dedicated to Skills Development Facilitators (SDFs), which target specific areas relating to the Mandatory Grant claiming process. We also provided training on the on-line system (Indicium) on the day, in all nine provinces. In addition to training, we also support our SDFs with up-to-date manuals and a step-by-step system user and submission guidelines. We have been praised for our user-friendly system and useful manuals by many stakeholders.

The information collected via the ATRs and WSPs is crucial for various reasons, including strategic planning and research and development purposes. Thus, the quality of the information on the applications is of great importance.

Strategic Objective 6: Youth and career development

The National Skills Development Strategy (NSDS III) and the White Paper for Post-School Education and Training emphasises that "An important area of concern to both the schools and the post-school system is ensuring that all young people in the latter years of schooling (and those in their early years of post-school education) receive appropriate and adequate career guidance and advice."

AgriSETA attended career exhibitions nationally, reaching out to Secondary Schools, Universities, TVET Colleges and unemployed youth.









During the year under review, AgriSETA reached out to learners specifically in the rural areas where there is a dire need to lure learners into this profession.

As most youth think that the sector is mainly for the older generation, emphasis at the career guidance sessions are on the scarce skills in the sector. At secondary schools, sessions are held within classrooms to explain the careers in detail.









3. PERFORMANCE INFORMATION BY PROGRAMME/ACTIVITY/OBJECTIVE

3.1 Strategic Objective 1: Establish a credible mechanism for skills planning and delivery in the agricultural sector

Objective Statement 1: Facilitating a common understanding of the dynamic of the sector and its human development needs to support inclusive growth and development of the sector.

Purpose: To ensure that the Human Resource Development (HRD) information is available and contributes to skills development planning

Sub-programmes:

- SO 1.1. Reliable sector intelligence and information to support planning, monitoring and evaluation
- SO 1.2. Learning and skills development communicated to youth
- SO 1.3. Strengthen Sector Skills Committees (SSCs)









Key performance indicators, performance planned targets and actual achievements

Performance Indicator (Specific outputs)	Actual Achievement 2014/2015	Planned Target 2015/ 2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for	Comments on deviation
				2015/2016	
1.1.1 Skills planning, monitoring and evaluation system established, through:	nd evaluation system	established, through:			
SP policy developed and approved	0 x Policy	1 x Policy	1 x Policy	0	Target achieved
Research Agenda developed and approved	0 x Research Agenda	1 x Research Agenda	1 x Research Agenda	0	Target achieved
SSP developed and submitted	1 x SSP submitted on due date	1 x SSP submitted on due date	1 x SSP submitted	0	Target achieved
Research partnership established		1 x research partnership with university	0 x research partnership with university		A Memorandum of agreement could not be concluded before year-end, despite negotiations being at an advanced stage. We are aiming to conclude it in the 2016/17 financial year
1.1.2 Learning and skills development needs and opport	nent needs and oppor	rtunities communicated, through:	d, through:		
Printing and distribution of careers info guides during the financial year	8 000 x careers info guides (pamphlet) distributed (Est.)	5 000 x careers info guides distributed 8 x careers expos participated 100 x schools visited and 5 000 x learners exposed to career guidance	5 000 x careers info guides distributed 8 x careers expos participated 873 x schools visited and 5 000 learners exposed to career guidance	0	Target achieved
Participation in careers expo's during 2015/16 Through appointed stakeholders, visit schools and provide learners with career guidance	16 x careers expos participated 100 x schools visited and 5 000 x learners exposed			0	Target achieved









Performance Indicator (Specific outputs)	Actual Achievement 2014/2015	Planned Target 2015/ 2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviation
				-773 schools visited	Both targets achieved and one exceeded as a result of partnering with our stakeholders, departments & DHET we were able to reach out to more schools
1.1.3. SSCs strengthened and utilised	1 x meeting with SSC's	12 SSCs (10 existing to be strengthened	7 SSC's established	വ	Target not achieved 5 SSC's not fully re-established
		and 2 to be established) each exposed to	0 individual meetings	2	Target not achieved
		2 individual meetings	2 plenary meetings held		Not all SSCs re- established
		1 plenary meeting			Target exceeded
					Additional meetings held









Strategies to overcome areas of under-performance:

In an effort to ascertain the 'demand' for skills by employers within our economic sector, we have realised that business (applied) research is essential for success. To address this essential success component in the short term, we approached key stakeholders who are experts within the business (applied) research arena, with the view that in the medium term they will develop and train our internal staff members to conduct business applied research.

One of the other evident challenges in recording and reporting of performance information is lack or poor Monitoring and Evaluation (M&E) policy. Management has finalised an M&E policy with guidelines of recording and reporting the performance indicators and performance targets captured, both in the annual performance report and also the DHET Service Level Agreement. On a quarterly basis, the actual achievement will be reported and approved by the Audit and Risk committee, making year-end reporting easier. The quarterly recording and reporting will follow the annual report guideline and template. The above will also assist in our contract management, as at times, due to poor administrative processes, the good work of the SETA is not reported due to error of omission. Learners are being trained but are not reported due to poor systems of reporting. We have also engaged our IT service provider to implement new controls in the Transactions Process Systems (TPS) and Management Information Systems (MIS). Implementing an Executive Support System (ESS) similar to intelligence reporting is being discussed as the ICT steering committees.

Changes to planned performance targets:

We did not change or amend the initial planned performance targets and performance indicators during the course of the financial year.

3.2 Strategic Objective 2: Establish PPPs to encourage better use of work-place skills development

Objective Statement 2: Building and supporting partnerships to facilitate access to learning programmes and enhance the quality of learning programmes and raise the skills base of the sector.

Purpose: To impact on the productivity and profitability of the agricultural sector through skills development

- SO 2.1 Work based vocational/occupational learning for workers
- SO 2.2 Work integrated exposure to bridge educational gaps
- SO 2.3 Address middle level skills
- SO 2.4 Address high level skills
- SO 2.5 Create awareness regarding HIV/AIDS









Key performance indicators, performance planned targets and actual achievements

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Performance Indicator (Specific outcomes)	Actual Achievement 2014/2015	Planned Target 2015/ 2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviation
2.1.1 Learnerships (18.1)	586 enrolled	1 262 enrolled	899 enrolled	363	Target not achieved. Due to the late lifting of the SETA expenditure capping
	361 completions	621 successfully completed	1 249 successfully completed	- 628	Target achieved due to partnering with our stakeholders in some learning interventions
2.1.2 Skills programmes (18.1) Ring-fence 40 forklift	399 enrolled	2 375 enrolled including	3 469 enrolled including 40 forklift learners	- 1 094	Both targets were achieved due to non-SETA funded learners and also partnering with stakeholders
	413 completions	1 188 successfully completed, which included 20 forklift learners	3 547 completions including 20 forklifts learners	- 2 359	Both targets were achieved due to non-SETA funded learners
• Ring-fence 50 learners @ R30 000 each for learnerships in AET	931 enrolled	850 enrolled, which included 50 AET learnerships	933 enrolled including 50 AET learners	- 83	Both target were achieved and one exceeded due to better and improved administrative process of collecting records used for reporting
	581 completions	425 successfully completed which included 25 AET learnerships	519 completions including the 25 AET learners	- 94	Target exceeded due to a combination of current and previous financial year learners who completed in the new year









Performance Indicator (Specific outcomes)	Actual Achievement 2014/2015	Planned Target 2015/ 2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviation
2.1.4 Commodity organisations supported Approximate R575 000 per organisation budgeted Projects at the discretion of the	20 supported	18 organisations	15 supported	ന	Target not achieved as a result of ineffective administrative processes for this project and we only finalised and concluded the agreements very late
organisation AgriSETA to ensure alignment with NSDS					
2.2.1 Internships awarded	285 placements	365 interns from colleges, universities or universities of technology placed which included 15 for AgriSETA and 50 for TVET colleges	268 total placements from colleges, universities and universities of technology with the 50 from TVET colleges	97	Target not achieved . Overall, mostly from universities due to the late lifting of the SETA expenditure capping and administrative challenges with our stakeholder
	94 completed	125 completions which included 8 from AgriSETA and 25 from TVET colleges	138 completed including 8 from AgriSETA and 25 from TVET colleges	- 13	Target exceeded due to the late completion of previous years allocation









Performance Indicator (Specific outcomes)	Actual Achievement 2014/2015	Planned Target 2015/ 2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviation
2.2.2 Graduateplacement75 ring fencedfor TVET/Agriccollege graduates	261 placed	325 placed which included 200 from university and 75 from TVET/Agric colleges	294 completed which included 169 from university and 75 from TVET colleges	31	Target not achieved. Graduates started late. Some employers cancelled projects very late and did not supply the required documentation timeously despite several follow ups
	261 completions	138 completions which included 100 from university and 38 from TVET colleges	41 completions (all from TVET colleges)	97	Target not achieved. Learner documentation not readily available to confirm completion and runs over multiple financial years
2.2.3 Candidacy Programme	No Target	25 potential professionals placed to complete candidacy programmes	14 professionals placed	11	Target not achieved. Project still in progress, runs over multiple years
	No Target	13 successful completions	0 completions	13	Target not achieved. Project still in progress, runs over multiple years
2.2.4 FLP (employed and unemployed)	39 enrolled	60 enrolled	0 enrolled	09	Not implemented. Programme redesigned to a full credit based programme with implementation in 2016/17
	0 completions	30 successful completions	0 completions	30	Not implemented. The programme was redesigned to a full credit based programme with implementation in 2016/17
2.3.1 Artisan training	227 enrolled	210 enrolled	335 enrolled	-125	Target achieved. Additional funding was made available









Performance Indicator (Specific outcomes)	Actual Achievement 2014/2015	Planned Target 2015/ 2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviation
	113 completed	105 successful completions	175 completed	-70	Target achieved. This is a multi-year project and learners from previous years completed
2.4.1 Bursaries for employed (post grad)	30 allocated	22 at Masters or PhD level enrolled	27 allocated	-5	Target exceeded. Additional applications approved
2.4.2 Bursaries for employed (under grad)	57 allocated	83 under graduates enrolled	68 allocated	15	Target not achieved due to learner drop outs and resignations
2.4.1 Bursaries for unemployed (post grad)	20 allocated	21 at Masters or PhD level enrolled	31 allocated	-10	Target exceeded. Additional applications approved
2.4.1 Bursaries for unemployed (under grad)	137 allocated	161 under graduates enrolled	203 allocated	-42	Target exceeded. Additional applications approved
2.5 HIV/AIDS included in all learning interventions Provide DVD to training providers	100 DVDs distributed	Distribute 100 HIV/ AIDS DVDs at roadshow	704 distributed	-604	Target exceeded. DVDs distributed at AGM, road shows and exhibitions









Strategies to overcome areas of underperformance:

One of the evident challenges in reporting of both enrolled and completed learners is the poor Monitoring and Evaluation processes. Management has finalised an M&E policy with guidelines of recording and reporting the performance indicators and performance targets captured, both in the annual performance report and also the DHET Service Level Agreement. On a quarterly basis, the actual achievement will be reported and approved by the Audit and Risk committee, making-year end reporting easier. The quarterly recording and reporting will follow the annual report guideline and template. The above will also assist in our contract management, as at times, due to poor administrative processes, the good work of the SETA is not reported due to error of omission. Learners being trained but not reported due to poor systems of reporting. We have also engaged our IT service provider to implement new controls in the Transactions Process Systems (TPS) and Management Information Systems (MIS). The Executive Support System (ESS) similar to intelligent reporting is being discussed as the ICT steering committees.

Changes to planned performance targets:

Management did not review the performance indicators and performance targets during the course of the financial year.

3.3 Strategic Objective 3: Support agricultural and rural development processes and strategies to promote food security and growth of the rural economy

Objective Statement 3: Skills development located within the agriculture supply chain, contributing to growth in the rural economy.

Purpose: To contribute to food security and self-employment in the agricultural sector

- SO 3.1. Occupational learning aimed at rural people and structures
- SO 3.2. Support entrepreneurial development
- SO 3.3. Engage NGOs/CBOs in strategic partnership with agricultural organisations









Key performance indicators, performance planned targets and actual achievements

Performance Indicator (Specific outcomes)	Actual Achievement 2014/2015	Planned Target 2015/ 2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviation
3.1.1 Learnerships (18.2)	44 enrolled	650 enrolled	1 263 enrolled	-613	Target exceeded. External sourced funding increased throughput
	22 completed	325 successfully completed	470 completed	-145	Target exceeded. External sourced funding increased throughput
3.1 2 Skills programmes (18.2)	1 821 enrolled	1 891 SETA funded learners	1 651enrolled	240	Target not achieved. Due to the late lifting of the SETA expenditure capping
3.1.3 Mentorships and other learning programmes to support new farmers as per project needs (submissions received and evaluated against NSDS III criteria)	30 projects	25 projects to include mentoring and/or training	24 projects		Target not achieved through AgriSETA funding. Additional 9 projects were funded through the NSF funding
3.2.1 NVC programme implemented	No target	50 learners enrolled	50	0	Target achieved. Done in partnership with Services SETA and implemented through 18.2 learnerships
	No target	35 successfully completed	0	35	Target not achieved. Project still in progress
3.3.1 NGOs/CBOs/Co-ops supported with learning interventions AgriSETA to ensure that projects are contributing to the NSDS	241	200 institutions supported	220	-20	Target exceeded through additional source funding and partnerships









Strategies to overcome areas of under-performance:

The new M&E policy will assist in recording and reporting of the actual versus the targets. We are of the view that some learners actually trained but due to poor administrative systems could not be reported on. The improvement of contract management will also assist in recording and reporting of our achievements and failures.

Changes to planned performance targets:

Management did not review the performance indicators and performance targets during the course of the financial year.

Strategic Objective 4: Enhancing agricultural education and training systems to be more responsive to the needs of the sector

Objective Statement 4:

Building and supporting partnerships to facilitate access to learning programmes to enhance the quality of learning programmes and raise the skills base of the sector.

Purpose: To ensure that there are sufficient, high quality skills development institutions serving the agricultural sector

- SO 4.2 Develop occupationally directed qualifications
- SO 4.1 Promote growth of Agricultural Further Education and Training Colleges (AFETs) and TVET's involved in agriculture
- SO 4.3 Alignment to QCTO requirements
- SO 4.4 Expand on RPL









Key performance indicators, performance planned targets and actual achievements

Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/ 2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviation
4.1.1 Agric colleges supported with capacity building programmes	ız coneges	12 agricultural colleges 3 partnerships TVET colleges active in agriculture, 40 lecturers engaged in development programmes, Completion rate of 20 lecturers	colleges colleges	7	larget exceeded. Additional funding made available for support to TVET colleges
4.1.2. Partnership with DAFF and APAC maintained	2 meetings attended	Attend at least 4 meetings/ planning sessions per annum	4 meetings attended	0	Target exceeded. Additional meetings were held
4.1.3 Mainstream TVETCs supported through the placement of university agric graduates at colleges - 180 learners = R8 million	5	180 FET/TVET college graduates placed in the graduate placement programme/interns 90 completions	0	180	Target not achieved. Budget allocation is part of Discretionary funds target and forms part of 4.1.1 Availability of funding is a constraint
4.2.1 Qualifications developed and/or learning materials developed	3 qualifications developed	5 occupational directed qualifications and/or learning programmes developed (or in process)	7 qualifications developed	-5	Target exceeded. Additional qualifications developed to respond to the need of employers
4.3.1 AQPs and workplaces identified and established	0	4 AQPs established & active (minimum 2 working sessions each) & 4 workplaces approved	0	4	Target not achieved. QCTO system not fully in place
4.4.1 RPL projects implemented at Agric and TVET colleges	2 projects	6 colleges each to implement RPL project	6 projects	0	Target achieved. through appointed service provider









Strategies to overcome areas of under-performance:

One of the evident challenges in reporting of both enrolled and completed learners is poor Monitoring and Evaluation processes. Management has finalised an M&E policy with guidelines of recording and reporting the performance indicators and performance targets captured, both in the annual performance report and also the DHET Service Level Agreement. On a quarterly basis, the actual will be reported and approved by the Audit and Risk committee, making year-end reporting easier. The quarterly recording and reporting will follow the annual report guideline and template. The above will also assist in our contract management, as at times, due to poor administrative processes, the good work of the SETA is not reported due to error of omission. Learners are being trained but not reported on due to poor systems of reporting. We have also engaged our IT service provider to implement new controls in the Transactions Process Systems (TPS) and Management Information Systems (MIS). The Executive Support System (ESS) similar to intelligent reporting is being discussed as the ICT steering committees.

Changes to planned performance targets:

Management did not review the performance indicators and performance targets during the course of the financial year.

3.5 Strategic Objective 5: Increase the capacity of the public sector and other relevant actors to improve service delivery and provide appropriate support for agricultural and rural development

Objective Statement 5: Supporting skills development within the Department of Agriculture, Forestry and Fisheries (DAFF) and the Department of Rural Development and Land Reform (DRDLR) to provide appropriate support to agricultural enterprises, establishing sound social partner governance structures and systems, monitoring human development and evaluating impact.

Purpose: Supporting skills development within DAFF and DRDLR to provide appropriate support to agricultural enterprises, establishing sound social partner governance structures and systems, monitoring human development and evaluating impact

- SO 5.1. Develop capacities of AgriSETA structures
- SO 5.2. Develop leadership capacity in the sector
- SO 5.3. Develop delivery partnerships with public entities









Key performance indicators, performance planned targets and actual achievements

Performance Indicator (Specific outcomes)	Actual Achievement 2014/2015	Planned Target 2015/ 2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviation
5.1.1 Board and Standing Committees capacity built	Not reported	Each of 4 structures attend at least one intervention	0 interventions	4	Target not achieved. Implementation of the plan was done late and could not fit into the schedule of Board and its sub-committees
5.2.1 Leaders selected from both employer and employee structures and developed	Not reported	40 leaders exposed from at least 2 employer and 2 labour structures	25	15	Target not achieved Management acknowledges that the planning for this indicator started late as a result could not enrol the identified Leaders timeously on the course.
5.3.1 Partnership with Onderstepoort Veterinary School - Skills Programmes	To be excluded	10 skills programmes aimed at CPD for Vets and related specialists	0 skills programmes	10	Target not achieved Management acknowledges that the planning for this indicator started late as a result could not enrol the identified learners timeously.
5.3.2 Partnership with Onderstepoort Veterinary School - Bursaries	To be excluded	30 bursaries for veterinarian studies for disadvantaged students	0	30	Target not achieved Project training is part of the HW SETA skills plan
5.3.3 Partnership with DAFF re.development of Extension Officers	10	100 extensionists enrolled	233	-133	Target exceeded through partnerships with a key stakeholder (employer) Tongaat Hullet Sugar
		50 successfully completed	0	50	Target not achieved as completion is planned for the next financial year











3.3.1 Strategies to overcome areas of under-performance:

One of the evident challenges is poor Monitoring and Evaluation processes. Management has finalised an M&E policy with guidelines of recording and reporting the performance indicators and performance targets captured both in the annual performance report. On a quarterly basis, the actual performance will be reported and approved by the Audit and Risk committee, making year-end reporting easier and faster. The quarterly recording and reporting will follow the annual report guideline and template. The above will also assist in our contract management, as at times, due to poor administrative process, good work or areas of improvements for the SETA are omitted or not reported. We have also engaged our IT service provider to implement new controls in our information systems like the Transactions Process Systems (TPS) and Management Information Systems (MIS). Also the Executive Support System (ESS) similar to intelligent reporting is being discussed at the ICT steering committees as this will be tailored to the needs of the Executive Authority.

Changes to planned performance targets:

Management did not review the performance indicators and performance targets during the course of the financial year.

3.6 Strategic Objective 6: Administer the Mandatory Grant (MG) system to ensure effective Workplace Skills Planning (WSPs) and Annual Training Reporting (ATR) of the companies and efficient disbursement of the Mandatory Grant funding

Objective Statement 6: To promote active participation in the skills revolution by increasing Mandatory Grant activities.

Purpose: To promote active participation in the skills revolution

6.1.2. Sub-programmes:

SO 6.1 Develop and implement a new MG system

SO 6.2 Increase participation to 77%









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Comments on deviation	Target achieved	Target exceeded an additional road show held	Target not achieved as smaller employers were reluctant to participate	Target not achieved. Mandatory Grant payments are running over financial reporting periods. Many applications were placed under corrective support and could not be paid immediately	Target not achieved. Mandatory Grant payments are running over financial reporting periods. Many applications were placed under corrective support and could not be paid immediately	Target not achieved. Mandatory Grant payments are running over financial reporting periods. Many applications were placed under corrective support and could not be paid immediately
Deviation from planned target to Actual Achievement for 2015/2016	0	<u> </u>	40	277	296	462
Actual Achievement 2015/2016		10 road shows held	60 additional enterprises participated and submitted WSP/ATRs Targets to receive Mandatory Grant applications:	73 large firms	104 medium firms	338 small firms
Planned Target 2015/ 2016	1 new system	9 road shows held	100 additional enterprises participate and submit WSP/ATRs Targets to receive Mandatory Grant applications:	350 large firms	400 medium firms	800 small firms
Actual Achievement 2014/2015	1 system established	Not reported				
Performance Indicator (Specific outcomes)	6.1.1 A new and more accessible on-line MG system developed and implemented	6.2.1 Hold a special road show focussing on MG and also remunerate selected SDFs to increase registrations				









Strategies to overcome areas of under-performance:

Management has adopted a clearly formal/rational approach of stakeholder analysis and management that would assist us in analysing the different stakeholders with their level of interest and power. This analysis will assist us in classifying and managing the stakeholders accordingly. The stakeholder analysis and management adopted will follow the quadrant of Mendelow matrix. This will also assist in getting buy-in from stakeholders, especially the key stakeholders. This will assist us in our administrative processes as their documentation will be submitted timeously and accurately through our interactions.

Changes to planned performance targets:

Management did not review the performance indicators and performance targets during the course of the financial year.









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			2015/2016			2014 /2015
Strategic Objective 1: Establish a credible mechanism for skills planning and delivery in agricultural sector	Budget	Actual expenditure	(Over)/under expenditure	Budget	Actual expenditure	(Over)/- under expenditure
1.1.1 Skills planning, monitoring and evaluation system established through: SP Policy developed and approved approved approved approved	R1 000 000	RO	R1 000 000	R228 000	R90 000	R138 000
 1.2.1 Learning and skills development needs and opportunities communicated, through: Printing and distribution of career info guides during the financial year info guides during the financial year during 15/16 Through appointed stakeholders, visit schools and interacting directly with learners 	R 890 000	R1 974 14	-R692 585	R855 000	3 240	R 851 759
1.3.1 SSCs strengthened and utilised	R750 000	R746 253	R 3747	R1 125 996	R 16 354	R1 109 641
Strategic Objective 2: Establish PPPs to encourage better use of work-place skills development	Budget	Actual expenditure	(Over)/under expenditure	Budget	Actual expenditure	(Over)/under expenditure









			2015/2016			2014 /2015
2.1.1 Learnerships (18.1)	R13 280 625	R10 233 571	R3 047 054	R18 200 000	R4 997 345	R 13 202 655
2.1.2 Skills programmes (18.1)	R4 252 320	R5 974 900	-R1 722 580	R5 373 600	R2 648 834	R 4 686 167
Ring fence 40 forklift learners						
2.1.3 AET	R4 201 500	R1 683 539	R2 517 961	R6 793 600	R 4 056 067	R 2 737 532
Ring fence 50 learners @ R30 000 each for learnership in AET						
2.1.4 Commodity organisations supported	R 5 500 000	R 6 197 474	-R697 474	R 12 000 000	R 9 552 968	R 2 447 031
Approximate R500 000 per organisation						
Projects at the discretion of the organisation						
AgriSETA to ensure alignment with NSDS						
2.2.1 Internships awarded	R 12 162 000	R4 746 545	R7 415 455	R18 000 000	R12 918 819	R 5 081 181
15 Ring fenced for AgriSETA						
50 Ring fenced for TVET Colleges						
2.2.2 Graduate placement	R13 378 200	R 10 572 813	R2 805 387	R15 750 000	R 11 808 775.48	R 3 941 224
50 Ring fenced for TVET/Agric college graduates						
200 University placement						
Strategic Objective 1: Establish a credible mechanism for skills planning and delivery in agricultural sector	Budget	Actual expenditure	(Over)/under expenditure	Budget	Actual expenditure	(Over)/- under expenditure









			2015/2016			2014 /2015
2.2.3 Candidacy Programme	R1 621 622	RO	R1 621 622	Not Budgeted		
2.2.4 FLP (employed and unemployed)	R2 147 040	RO	R2 147 040	R4 125 000	R1 207 200	R2 917 800
2.3.1 Artisan training	R10 545 405	R4 649 000	R5 896 405	R9 754 500	R3 619 805	R6 134 694
2.4.1 Bursaries for unemployed (postand under-grad)	R7 049 700	R5 085 426	R1 964 274	R7 687 500	R 8 654 537	-R967 037
2.4.2 Bursaries for employed (post- and under-grad)	R3 081 049	R1 291 062	R1 789 987	R3 037 500	R3 011 065	R 26 434
2.5.1 HIV/AIDS incl. all learning intervention	R10 000	RO	R10 000	No line Budget		
Provide DVD to training providers						
Strategic Objective 3: Support agricultural and rural economy		development processes and strategies to promote food security and growth of the rural	s and strategies to	promote food se	curity and growth	of the rural
3.1.1 Learnerships (18.2)	R21 699 600	R15 610 154	R6 089 446	R24 704 000	R10 150 517	R14 553 482.8
3.1 2 Skills programmes (18.2)	R13 770 000	R8 760 994.6	R5 009 005.4	R3 276 000	R7 801 775	-R4 525 175.11
3.1.3 Mentorships to support new farmers	R17 500 000	R6 149 473	R11 350 527	R3 000 000	R5 444 270	-R2 444 270.62
3.2.1 NVC programmes implemented	R1 963 243	R1 260 230	R703 013	R2 724 000	R1 833 276	R890 724
3.3.1 NGO/CBO's/Co-ops supported with learning interventions AgriSETA to ensure that the projects contribute to the NSDS	No Project budget allocated					
Strategic Objective 4: Enhancing agricultural education and training systems to be more responsive to the needs of the sector	Budget	Actual expenditure	(Over)/under expenditure	Budget	Actual expenditure	(Over)/- under expenditure
4.1.1 Agric Colleges supported with capacity building programmes	R6 000 000	R3 285 625	R2 714 374	R9 600 000	R 1 799 956	R 7 800 043
4.1.2 Partnership with DAFF and APAC maintained	No project budget					









			2015/2016			2014 /2015
4.1.3 Mainstream TVETCs supported through the placement of university agric graduates at colleges - 180 learners = R8 million	Funded from Discretionary funding					
4.2.1 Qualifications developed and/or learning materials developed	R3 500 000	R578 000	R2 922 000	R3 420 000	R 1 035 517	R 2 384 482
4.3.1. AOPs and workplaces identified and established	R1 200 000	R14314	R1 185 685	R3 648 000	No Budget Allocation	
4.4.1 RPL projects implemented at Agric Colleges	R1 200 000	RO	R1200 000	R1 368 000	R216 023	R1 151 977
Strategic Objective 5: Increase public sector capacity and other relevant factors for improved service delivery and to provide appropriate support for agricultural and rural development	ector capacity and	other relevant fac	tors for improved	service delivery a	nd to provide app	ropriate support
5.1.1 Board and Standing Committees capacity built	R 500 000	RO	R500 000	R114 000	0	R114 000
5.2.1 Leaders selected and developed	R 1600 000	RO	R1 600 000	R5 130 000	0	R 5 130 000
from both employer and employee structures						
5.3.1 Partnership with Onderstepoort Veterinary School - Skills Programmes	R 2 000 000	RO	R2 000 000	Not implemented		
Strategic Objective 5: Increase public sector capacity and other relevant factors for improved service delivery and to provide appropriate support for agricultural and rural development	Budget	Actual expenditure	(Over)/under expenditure	Budget	Actual expenditure	(Over)/- under expenditure
5.3.2 Partnership with Onderstepoort Veterinary School - Bursaries	R 3 750 000 Funded by HW Seta	RO	0	Not		
5.3.3 Partnership with DAFF re. development of Extension Officers	R 2 000 000	RO	R2 000 000	not implemented		









2014 /2015 Strategic Objective 6: To administer the Mandatory Grant system to ensure effective workplace skills planning (WSPs) and annual training 2015/2016

reporting (ATR) of the companies and the disbursement of the Mandatory Grant funding	e disbursement o	f the Mandatory G	ant funding			
6.1.1 A new and more accessible on-line MG system developed and implemented	No budget allocated					
6.2.1 Hold a special road show focussing on MG and also remunerate selected SDFs to increase registrations	R 500 000	R 0	R500 000	R300 000	Not implemented due to capping	









REVENUE COLLECTION

	2014 /	2015			2015/2016	
Sources of Revenue	Estimate	Actual Amount Collected	(Over)/ Under Collected	Estimate	Actual Amount Collected	(Over)/ Under Collected
	R'000	R'000	R'000	R'000	R'000	R'000
Levy income	R 268 037	R 292 209	(R 24 172)	R 331 029	R 330 518	R 511
Penalties and Interest	R 0	R 6 169	(R 6 169)	R 6 191	R 8 463	(R 2 272)
Investment Income	R 8 800	R12 946	(R4 143)	R 12 794	R 18 440	(R 5 646)
Othere Income	R 0	R 334	-R334	R 0	R 1117	(R 1 117)
Total (Excluding Donor Funding)	R 276 837	R 311 655	-	R 350 014	R 358 538	-

The under collection of actual levies collected in the 2015/16 as compared to the budget is mainly attributable to the current adverse economic conditions, which resulted in less annual increases in salaries and wages within the Agricultural Sector.

The increase in actual levies collection when compared to the prior year is due to the increase in declaration submissions by levy payers.

The over collection in interest was due to an increase in funds invested during the financial year which resulted in increased cash holdings.

AgriSETA has used revenue collected to fund employer grants and project expenditure to the value of R 234 521 (2016) and R 188 254(2015) in order to meet its performance targets for the year.

4.1. Capital investment

Capital investment at AgriSETA consists mainly of assets used on a day to day basis. These include building, furniture and fittings and computer equipment. AgriSETA has purchased new assets amounting to R 467 000 in the current year, AgriSETA has assets that have reached the end of their useful lives and are currently not being utilised anymore by the entity. An assessment of these will be performed in the next year of assessment to determine whether these assets should be disposed off

- AgriSETA does not have infrastructure projects that have been completed in the current year.
- AgriSETA does not have infrastructure projects that are currently in progress.
- AgriSETA has no plans to close down or down-grade any current facilities
- AgriSETA does not have infrastructure projects

There has not been a significant change on the assets holding from the prior year to the current year of assessment. The carrying values of assets where R4 897(2016) as compared









to R4 882(2015). No assets were disposed in the current and prior year.

- Asset verifications were performed during the course of the year by staff responsible for assets to ensure that all assets are accounted for and that the asset register is up to date.
- 80% of assets at AgriSETA are in good condition while 15% are in fair condition and 5% of asset being in bad condition
- AgriSETA had no major maintenance projects to undertake during the period under review.

	2014 / 2015	2014 / 2015		2015	/ 2016	
Capital assets	Budget	Actual expenditure	(over) under expenditure	Budget	Actual expenditure	(over) under expenditure
Computer hardware	R449 000	R226 000	R229 000	R106 000	R130 000	(R24 000)
Computer software	R150 000	-	-	R159 000	-	-
Office equipment	R206 000	R135 000	R71 000	R109 180	R160 000	(R50 820)
Furniture and fittings	R300 000	R48 000	R252 000	R63 600	R117 000	(R53 400)
Buildings	R250 000	R338 000	(R88 000)	R120 000	R60 000	R60 000
Total	R1 355 000	R747 000	(R464 000)	R557 780	R467 000	(R90 780)









DEPARTMENTAL REPORTING

MARKETING AND COMMUNICATIONS

Annual Information sessions

Consultation meetings were held with stakeholders at the end of 2015 and beginning of January 2016, for the process involving the recommendations and public comment on the proposal for the new NSDS and the SETA's landscape. The submissions were submitted to the DHET at the end of February 2016.

Stakeholders who could not attend the meetings were informed at the annual road shows held during March 2016. Information was conveyed that the NSDS III would be extended until the end of March 2018 and this was well received by stakeholders. The CEO gave an overview of the proposed SETA landscape. Updates of the current SETA situation was well received by stakeholders with positive feedback received of the pilot RPL programme which was launched this year.

Annual General Meeting

Stakeholders attended the Annual General Meeting and were informed that the SETA had once again received an unqualified report. The Annual Financial Statements were presented as well as the performance targets and budget allocation for 2016/17 financial year.

Due to the Annual Report not being tabled in Parliament by the Minister of Higher Education and Training, Professor Mayende informed stakeholders in attendance that this could not be distributed, however, he presented his Chairperson Report.

Annual Seminar

With the current crisis in the agricultural sector, the SETA saw the need to inform stakeholders of the climate changes affecting the sector.

Speakers were invited from Stellenbosch University and University of South Africa who presented on the Renewable Energy in agriculture.

Mr Ulrich Terblanche from the University of Stellenbosch gave a brief technological overview and also mentioned that there is a basic training programme for school teachers to understand the basics of renewable energy and sustainability. The programme is currently being managed by Me Therese Lambrechts at the University of Stellenbosch and suggested that something similar could be implemented for the agricultural training."

Professor Godwel Nhamo of the University of South Africa presented on "Towards climate smart and green economy compatible in (S) African Agriculture.

The presentations were well received by the stakeholders and an eye opener to all in the sector to take cognisance of the current situation which affects all in the long term.

Excellence Awards

Each year, a competition is held amongst the AgriSETA stakeholders which recognises individuals and institutions for excelling in skills development training. As more applications were received, the evaluations and adjudication done by the Organising Committee was more intensive. Site visits are were done to shortlisted entrants for practical observations.









Winners were awarded at the Excellence Awards Dinner held in September 2016 and stakeholders were thanked for their participation with the SETA during the past year.

Below is an overview of the Excellence Awards winners.

Best Performing Learner: Adult Education and Training

Mr Daniel Dyanti - Employer: Abagold

Best Performing Learner: Adult Education and Training – Runner up

Ms Ntombizanele Mkrola - Employer: Abagold

Best Performing Learner: Learnership

Mr Bulela Gcumisa - Employer: Tongaat Hulett Sugar

Best Performing Learner: Learnership - Runner up

Ms Chantel Joubert - Employer: TWK

Best Performing Learner: Skills Programmes

Mr Evan Mathews - Employer: Red Rump Farming

Best Performing Learner: Skills Programmes - Runner up

Ms Johanna Odendaal - Employer: VKB Group

Best Performing Learner: Artisan Development

Mr Adrian Mars - Employer: Du Toit Vrugte Moreson

Best Performing Learner: Artisan Development - Runners up

Ms Jeanne - Marié Engelbrecht - Employer: TSB Sugar

Ms Hlakaniphile Mngomezulu - Employer: TSB Sugar

Best Performing Learner: Graduate Placement

Mr Kyle Fourie - Employer: British American Tobacco (BAT)

Best Performing Learner: Graduate Placement - Runners up

Mr Phathutshedzo Mapholi - Employer: Schoeman Boerdery - Moosrivier

Mr Sonwabo Ncera - Employer: Citrus Growers Association

Best Performing Learner: Internship

Mr Lunga Maphanga - Employer: Croc Valley

Best Performing Learner: Internship - Runner up

Ms Olivia Selowe - Employer: Citrus Academy/Champagne Citrus









Best Performing Learner: Bursary

Mr Jaco Du Plessis - Employer: Du Toit Agri

Best Performing Learner: Bursary - Runner up

Ms Simone Bosch - Employer: Suidwes Landbou

Leading Employer: AgriSETA Skills Development

TWK Agri Proprietary Limited

Leading Employer: AgriSETA Skills Development Runner up

Lushof Farms (Pty) Ltd - Graaff Fruit

Leading Private Provider - AgriSETA Skills Development

Koue Bokkeveld Training Centre

Thuto Ya Setshaba Training Services (Pty) Ltd

Best Governed Rural Development Project after AgriSETA's Land Reform Intervention

Bela Bela CPA

Special Award - Best Performing Learner: Bursary

Ms Anne Wiltshire - Employer: University of Stellenbosch









Youth and Career Development

The NSDS III and the White Paper for Post-School Education and Training emphasises that "An important area of concern to both the schools and the post-school system is ensuring that all young people in the latter years of schooling (and those in their early years of post-school education) receive appropriate and adequate career guidance and advice."

AgriSETA attended career exhibitions nationally reaching out to secondary schools, universities, TVET Colleges and unemployed youth.

During the year under review, AgriSETA reached out to learners specifically in the rural areas where there is a dire need to lure learners into this profession.

As most youth think the sector is mainly for the older generation, emphasis at the career guidance sessions are on the scarce skills in the sector. At secondary schools, sessions are held according to grades that learners are in, to explain the careers in detail.

The AgriSETA also had the opportunity to participate in the Nelson Mandela Week held at the Umfolozi TVET College in Richards Bay. There were various exhibitions for learners to attend, which were divided into sector specific villages. AgriSETA was in the village of the Science, Engineering and Technology. Exhibitions were visited by Grade 9 and 10 learners and were informed of their subject choices and what the career choices were for each subject stream. Grade 11 learners were informed of occupations and careers relevant in the agricultural sector. Scarce and critical skills and occupations high in demand were emphasised. The "Not in Education, Employment or Training" (NEET) learners were also informed of the various learnerships which is a start to lifelong learning to build a career. Artisan development which is needed in the sector is also communicated to the learners.

Career guidance booklets were handed to the learners, which has the various qualifications of the SETA, the institutions offering the specific qualifications, the potential employers and the type of jobs offered.

Meetings were attended with the Association of Principals of Agricultural Colleges (APAC) and partnerships were formed with all Agricultural Colleges, assisting them in capacity building and internships.

Invitations to attend career exhibitions are forwarded by various government departments, employer organisations within the agricultural sector and labour organisations.

The AgriSETA also attended meetings with the Department of Higher Education Career Development Services to discuss the development of a single post career guidance booklet for South Africa. The the various departments, such as, the Department of Basic Education (DBE), South African Qualifications Authority (SAQA) and National Youth Development Agency (NYDA) also will give input to.

With the assistance of Grain SA, agricultural careers were presented via DVDs throughout South Africa. Grade 9 learners are targeted as they make their choices for the Grade 10 at the end of Grade 9. The choices they make impacts their ultimate career choices when they exit the school system.





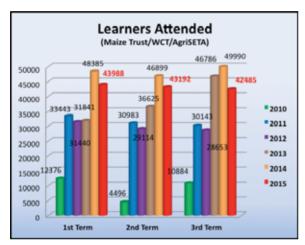


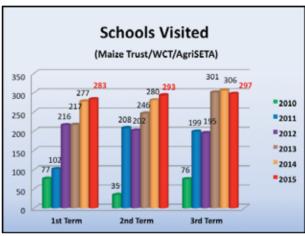


The Following DVDs were shown for the year under review:

- Food fibre and life (the story of how agriculture developed)
- Dig in what is agriculture all about? (you need more than land to farm)
- The Economy what's in it for me? (how does an economy work)
- Your lifeline the story of bread
- Careers with plants (showing all options for all talents and tastes)
- Careers with animals (showing all options for all talents and tastes)

The graphs below indicate the schools visited and the number of learners reached and informed of agriculture as a career.













EDUCATION TRAINING AND QUALITY ASSURANCE (ETQA)

Grants and Quality Assurance Committee	
Mr Ben Mtshali	Food and General Workers Union (Chairperson)
Mr Christopher Mason	South African Poultry Association (SAPA)
Ms Jacomien de Klerk	Citrus Academy
Mr Moleko Phakedi	Food and Allied Workers Union (FAWU)
Mr Augustinus Hendricks	National African Farmers Union (NAFU)
Ms Jacquie Breda	Food and Allied Workers Union (FAWU)
Ms Phelisa Nkomo	Ministerial Appointee

The Quality Assurance Landscape

With the SETA's licenses extended to 2018, the current Quality Assurance's license which was due to expire in March 2016, has been extended by the QCTO accordingly. The extension implies the continuity on the delegated functions, such as:

- 1.1.1 Accreditation of institutions
- 1.1.2 Registrations of practitioners
- 1.1.3 Assessments and monitoring of learners achievements
- 1.1.4 Certification of learners
- 1.1.5 Monitoring and reporting mechanisms
- 1.1.6 General maintenance of the database

The ETQA of AgriSETA has presented current policies for the above functions to the Grant and Quality Assurance Sub-committee for recommendation to the Accounting Authority. The policies were kept in the current format in order to be in line with the expiry period of the ETQA license which was extended to March 2018. The AgriSETA has a sizeable number of training providers which cover all provinces. The providers include those who come from other SETAs to do business in the agriculture sector. Members of the public expect the QCTO to open windows on accreditation on a large scale to enable stakeholders to start with their preparation and resourcing, to meet the new accreditation requirements timeously.

The new Quality Assurance Sub-framework, the Quality Council on Trades and Occupations whose key intention is to, amongst others, strengthen the current quality assurance regime and at the same time find right gears to hasten planned changes, has notably made some progress in the areas of qualification and structural development which includes the establishment of administration and monitoring units.

The new QCTO model can be summed up as 'an industry focused model' through which the industry leads the development of qualifications that bear the true reflection of fit for purpose and a greater response to economic emancipation. The QCTO is expected to move with the pace that anchors the enthusiasm of the participants to sustain the buy-in.

It was noted during the annual road shows that the stakeholders are very keen to equal the task of the new QCTO model and participate fully in the initiative, provide guidelines and way forward is clarified. It is encouraging to see this support, and it should not be disappointed by the incumbent regime. The registration processes and the new accreditation systems needs to be fast tracked so that the public can participate.









1. Recognition of Prior Learning (RPL)

The implementation of the RPL in the agriculture sector has been a critical NSDS III objective to achieve. From empirical context, it is argued that the agriculture sector is one of those economic sectors that are characterised by high levels of illiteracy in the workplaces. In its endeavour to establish agentive mechanisms to implement the RPL system and pin point the absences that may bring obstacles during the full scale rollout, the AgriSETA ETQA has extended the scope of the pilot by including more colleges of agriculture to explore more opportunities that shape the interplay between public value and redress of the past learning imbalances. The view to include more colleges in the pilot, such as:

- Elsenburg College of Agriculture (Western Cape)
- Tompi Seleka College of Agriculture (Limpopo)
- Glen College of Agriculture (Free State)
- Tsolo Agricultural Development Institute (Eastern Cape)
- Potchefstroom College of Agriculture (North West)
- Owen Sithole Agricultural College (Kwa Zulu Natal)

creates the nexus that brings close the confidence of the beneficiaries of this system and the education and training fraternity. The Grants and Quality Assurance Committee holds the view that these evolutionary processes must be premised around:

- Monitoring and evaluation in order to enhance public value
- · Assessment of viability on continuous bases
- The RPL policy must be aligned to the context of the whole AgriSETA RPL policy framework to ensure that the system does not succumb to reductionist conceptualisation of 'past one pass all'
- Consultation workshops with stakeholders must be conducted to gauge an understanding of RPL to advance good practice in the sector
- Building of capacity on RPL practitioners

The high premium prize to implementation in the sector is placed on educated guess from the Dutch lesson on the strategic triangle which denotes: "creating public value for the sector." The purpose of which is to create a career instrument that contributes to self confidence of the individual; makes the competencies gained through informal learning of individuals visible and also helps individuals to get qualified for jobs through sector certification or exemptions for formal education, which can lead to shorter education time, thus reducing costs. It makes people more flexible within companies and in the labour market. RPL is a starting point for personal development and as a ripple effect, increases the level of productivity in the organisation

1.1.1 **Legitimacy and support**

With all been articulated on creation of public value, the legitimacy and support occupy a central role in ensuring that the RPL system is promoted in a collective agreement amongst key stakeholders and is translated into implementation and action plans for the agriculture sector. The Dutch schools of thought reveal that RPL is an integrated part of career management as it









is used to endorse employee capabilities in such a way that there is mobility to cross different economic boundaries within sectors. The commitment of line management within companies in the sector also ensures that legitimacy is mantained by a common standard. The six colleges are positioned in a pattern that allows a braod sampling to realise the objectives of the pilot.

1.1.2 Operational and Administrative Feasibility

Attention should be given to operational and adminstrative capacity during the implementing RPL systems to ensure agricultural colleges and other stakehiolders are ready to deliver the desired results.

2. QUALITY COUNCIL FOR TRADES AND OCCUPATIONS (QCTO)

2.1 SYSTEM AND STRUCTURE DEVELOPMENT

While acknowledging the notable efforts in policy development and consultation with broader stakeholders, the QCTO does not seem to be able to make a breakthrough in finalising systems and structures that are critical in implementing the QCTO programmes. The accreditation of skills development providers, the process of registering occupational qualifications; certification of learners and the quality assurance architecture aligned to deliver on these areas do not seem to be on the immediate list of priorities. From the public eye, these areas require finality.

2.2 Institutional development

The system cannot take off without requisite and capable institutions to take it (the system) to the next level. Lessons deduced from the outgoing system, reveal that institutional capacity holds water in the implementation of new system.

2.3 AgriSETA submission of qualifications

Despite the slow pace of development of the QCTO systems and structure, a breakthrough is made in the process of handling qualifications, the Council is moving in assisting the ETQA to unlock the impasse of qualifications registration and it is hoped that it will (QCTO Council) put resources to focus on systems and structures to enable the model to take off the ground.









3. AgriSETA's involvement with Agriculture colleges

The Accounting Authority resolved to collaborate with Agricultural Colleges in an endeavour to, amongst others, respond to post school and NSDS III objectives focusing on rural youth, Cooperatives and the implementation of new occupational qualifications. The colleges of agriculture are strategically positioned to add value in the implementation of RPL, playing a role in assessment centres for new occupational qualifications. The 2016/2017 financial will be critical to channel AgriSETA grants to ensure that the colleges become effective vehicles to carry forward these key areas.

The following are the Agricultural Colleges:

- · Elsenburg College of Agriculture
- Tompi Seleka College of Agriculture
- Madzivhandila College of Agriculture
- Fort Cox College of Agriculture
- Grootfontein College of Agriculture
- Glen College of Agriculture
- Tsolo Agricultural Development Institute
- Lowveld College of Agriculture (now University of Mpumalanga)
- · Cedara College of Agriculture
- · Taung Agricultural College
- · Potchefstroom College of Agriculture
- Owen Sithole Agricultural College









SKILLS DELIVERY

Grants and Quality Assurance	Committee
Mr Ben Mtshali	Food and General Workers Union and (Chairperson)
Mr Christopher Mason	South African Poultry Association (SAPA)
Ms Jacomien de Klerk	Citrus Academy
Mr Moleko Phakedi	Food and Allied Workers Union (FAWU)
Mr Augustinus Hendricks	National African Farmers Union (NAFU)
Ms Jacquie Breda	Food and Allied Workers Union (FAWU)
Ms Phelisa Nkomo	Ministerial Appointee

OVERVIEW OF THE SKILLS DELIVERY DEPARTMENT

March 2016 marks the end of 2015/2016 financial year as well as the fifth year of NSDS III. The Skills Delivery Department, as the custodian of AgriSETA learning programmes, hereby presents a report covering departmental activities.

In 2011, AgriSETA Authority Accounting crafted three important interventions in the agricultural and rural development sector, namely:

- Youth Development
- TVET/Agricultural Colleges collaboration
- Co-operative development

Among the programmes delivered by the department, the department played a significant role in the Youth and Co-operative development through its Rural Development section. This did not go without noticeable challenges, which included amongst others, the following:

- 1. Increase access to training and skills development opportunities
- 2. Achieving fundamental transformation of inequalities
- 3. Skills shortages and mismatches

The department was therefore continually structured to meet these challenges in order to be ready to deliver on its mandate. The Discretionary Grant Policy is annually reviewed to be relevant to the sector needs as well as to be in line with the Grant Regulation which came into effect in December 2012. Human capacity remained stable as compared to 2014/15 financial year. The Skills Delivery Department continues to strive for human development and this is done through exposing youth to work opportunities through Internship programmes. The department provided two Interns with work opportunities for a period of twelve months.









The Skills Delivery Department is responsible for the following learning programmes:

- 1.1. AET (employed and unemployed)
- 1.2. Skills Programmes 18.1 & 18.2
- 1.3. Learnerships 18.1 & 18.2
- 1.4. Artisan Development 18.1 & 18.2
- 1.5. Bursary (employed and unemployed)
- 1.6. Graduate Placement
- 1.7. Internship
- 1.8. Mentorship

2. SKILLS DELIVERY: LEARNING PROGRAMMES

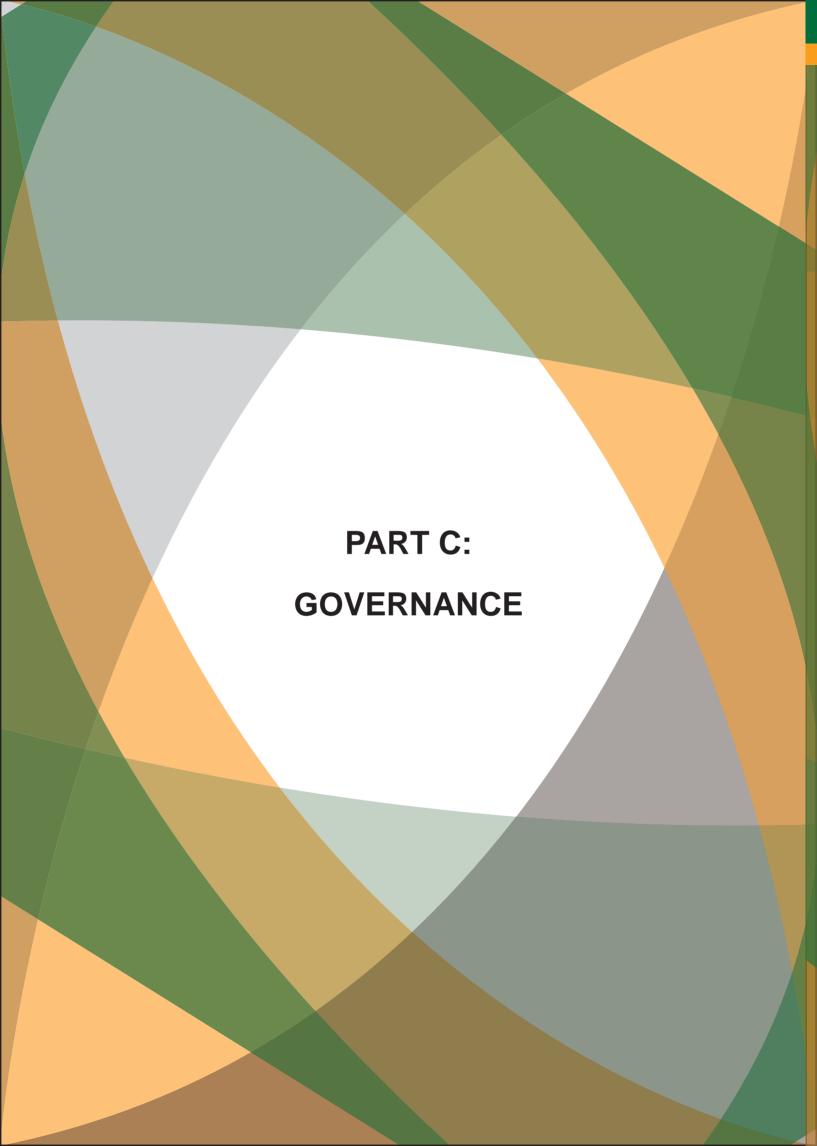
The Skills Delivery Department is responsible for the following learning programmes:

- 2.1. Adult Education and Training
- 2.2. Skills Programmes (18.1 & 18.2)
- 2.3. Learnerships (18.1 & 18.2)
- 2.4. Artisan Development (18.1 & 18.2) and FLP
- 2.5. Bursary (18.1 & 18.2)
- 2.6. Graduate Placement
- 2.7. Internship
- 2.8. Rural Development
- 2.9. New Venture Creation (NVC)
- 2.10. Mentorship and Farmer Development
- 2.11. Commodity Organisations

Rural Development and Artisan Development are key units in the Skills Delivery Department. Employed sections of the sector also befits from Skills Development Grants offered by AgriSETA.

AgriSETA has a physical presence in the four provinces, namely; Limpopo, Mpumalanga, Eastern Cape and Kwazulu-Natal, although we service the whole country. There are four provincial coordinators deployed in the four provinces responsible for Rural Development.

















Ms Phelisa Nkomo



MINISTERIAL APPOINTEES

Professor Gilir









Corporate governance embodies processes and systems by which public entities are directed, controlled and held to account. In addition to legislative requirements based on a public entity's enabling legislation, and the Companies Act, corporate governance with regard to public entities is applied through the precepts of the Public Finance Management Act (PFMA) and run in tandem with the principles contained in the King Report on Corporate Governance.

Parliament, the Executive and the Accounting Authority of the public entity are responsible for corporate governance.

2. PORTFOLIO COMMITTEES

The AgriSETA did not attend sessions with National Council of Provinces (NCOP), Select Committee on Education and Recreation and National Assembly Portfolio Committee on Higher Education and Training.

3. EXECUTIVE AUTHORITY

The SETA is monitored quarterly by the SETA Performance Management team which comprises of the Sector Liaison Manager, Mr Trevor Tjale and Ms Talent Mbeje.

The Quarterly Monitoring Reports of the SETA are submitted to the DHET on a quarterly basis. Dates of submission were:

First guarter submission - 15 July 2015

Second quarter submission - 15 October 2015

Third quarter submission - 15 January 2016

Fourth quarter submission - 15 April 2016

4. THE ACCOUNTING AUTHORITY/BOARD

Introduction

- AgriSETA is guided by the Accounting Authority/Board as its highest decision-making body. The Accounting Authority is appointed by the Minister of Higher Education and Training for a period of five years and consists of the Chairperson and 14 Board Members.
- The Accounting Authority is responsible and accountable for the public entity's performance and strategic direction.









The role of the Accounting Authority is as follows:

The roles and responsibilities of the Accounting Authority are to -

- Govern and manage the SETA in accordance with the PFMA, the Act and any other applicable legislation
- Ensure that the SETA achieves the objectives contemplated in item 5 of its Constitution and performs the functions contemplated in item 6 the Constitution
- Provide effective leadership and ensure that the SETA implements the goals of the NSDS III and the Performance Agreement with the Minister
- Provide a strategic direction for the SETA
- Liaise with stakeholders
- Ensure that the SETA complies with the relevant statutory requirements and the requirements of this Constitution
- Manage institutional risk
- Monitor the performance of the SETA
- Ensure that its members and the members of the committees established by it comply with the code of conduct

Board Charter

AgriSETA has adopted a Board Charter and it operates in terms of its Constitution which covers the following:

- Composition of the Board
- Roles and functions of the Board
- Powers of the Board
- · Delegation of authority
- · Terms of office of the Board
- · Establishment of Committees
- Meetings of the Board

The Board complies fully with all aspect and provisions of the AgriSETA Constitution.









Composition of the Accounting Authority

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit Committee/ Ministerial Task Team)
Prof Gilingwe P Mayende	Chairperson	March 2011	n/a	PhD	Academic Professor, researcher and writer; specialist in land reform related issues	Mayecon Consulting (Pty) Ltd	Executive Governance and Strategy Finance & Remuneration
Ms Phelisa Nkomo	Ministerial appointee	March 2011	n/a	Completing Masters in Economics Honours Degree in Economics	Economist and an ministerial advisor	n/a	Grants and Quality Assurance
Mr Thami Ka Plaatjie	Ministerial	March 2011	n/a	Masters: History BA (HON) History UED BA: History and Education	Researcher and ministerial advisor	n/a	Governance and Strategy









Name	Designation (in terms of the Public Entity Board	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit Committee/ Ministerial Task Team)
Mr Jack van Dyk	Employer representative	March 2011	n/a	Public Service Law Diploma - UNISA LRDP - US	The full spectrum of the Human Resources Management field, and ii) Labour Law	n/a	n/a
Mr Riaan Gerritzen	Employer representative	March 2011	n/a	NHD - Human Resources Management	Specialist in Human Resources Management and salary negotiations	n/a	Governance and Strategy Finance and Remuneration
Mr George Nefdt	Employer representative	March 2011	n/a	H.ED (Agric) CPP BA (HON)	Specialist in Human Resources Management	n/a	Executive Committee
Mr Augustinus Hendricks	Employer	March 2013	n/a	MBA	Agricultural Leadership	Wine Industry Development Association (WIDA) - National Agricultural Marketing Council (NAMC)	Grants and Quality Assurance
Ms Jacomien de Klerk	Employer representative	March 2011	n/a	Grade 12 Education and Training Agricultural Industry Affairs	Education and Training Agricultural Industry Affairs	n/a	Governance and Strategy Grants and Quality Assurance









Name	Designation (in terms of the Public Entity Board	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit Committee/ Ministerial Task Team)
Ms Jacqueline Bhana	Employer representative	Mach 2013	n/a	MA - Industrial Sociology BAdmin, Hons Industrial Relations; BA Soc.Sc.	Human Resources Specialist Executive Leadership	Tongaat Hulett Limited, Sugar - South Africa	Governance and Strategy Grants and Quality Assurance Executive Committee
Mr Katishi Masemola	Employee	March 2011	n/a	MA: Philosophy: Economic Policy Post Grad Certificate: Competition Law Bachelor of Arts	Labour Relations Specialist	Balondoloz Babeteki Financial Service	Executive Committee Grants and Quality Assurance Finance and Remuneration Governance and Strategy
Mr Atwel Nazo	Employee	March 2011	n/a	MA: Philosophy: Economic Policy Post Grad Certificate: Law Bachelor of Arts	Labour Relations Expert and Leader of an employee union in the Agri sector	Basemenzi	Executive Committee Governance and Strategy
Mr Ben Mtshali	Employee representative	March 2011	n/a	Post Grad Diploma: Public Management	Labour Relations Specialist	n/a	Grants and Quality Assurance









Name	Designation (in terms of the Public Entity Board	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit Committee/ Ministerial Task Team)
Mr Moleko Phakedi	Employee representative	March 2013	n/a	Current: LLB Undergraduate Portfolio investment Management Labour Relations Management Diploma in Computer	Labour Relations Specialist	Grain Bargaining Committee	Grants and Quality Assurance
Ms Jacqueline Breda	Employee representative	March 2011	n/a	Grade 8	Labour Relations Specialist	n/a	Governance and Strategy Grants and Quality Assurance
Mr Danie Schutte	Employee representative	February 2015	n/a	Post Grad TESOL B Com (Hons) Labour Relations B Com Human Resources Management Grade 12	Labour Relations Specialist	n/a	Grants and Quality Assurance









Board Meeting Attendance

Member Name	Capacity	Мау	June	July	August Special	Sep- tember	October	Novem- ber	Decem- ber	January Special	Febru- ary	į,	March	сh	Total per Member
Prof Gilingwe P Mayende	Chairperson	>		>	×	^	>	>		×	>	>	>	>	6
Ms. Jacquie Bhana	Member	>		×	>	>	>	>		×	>	>	×	×	7
Ms Jacqueline Breda	Member	>		>	>	>	>	>		×	×	>	×	×	7
Ms Jacomien De Klerk	Member	>		>	>	>	>	×		>	>	×	>	>	6
Mr Riaan Gerritzen	Member	>		×	>	>	×	×		>	>	>	>	×	7
Mr Augustinus Hendricks	Member	>		>	>	>	>	>		×	>	>	>	>	10
Mr Thami Ka Plaatjie	Member	×		>	>	>	^	×		>	×	>	×	>	7
Mr Katishi Masemola	Member	>		>	>	>	>	>		>	>	>	>	>	
Mr Ben Mtshali	Member	×		>	>	>	>	>		>	>	>	>	>	10
Mr Atwell Nazo	Member	>		>	>	>	>	>		>	>	>	>	>	
Mr George Nefdt	Member	>		×	>	×	>	×		×	×	×	>	>	2
Ms Phelisa Nkomo	Member	×		>	>	>	×	>		×	>	×	×	×	22
Mr Moleko Phakedi	Member	>		>	>	>	>	>		>	>	×	>	>	10
Mr Danny Schutte	Member	>		>	>	>	>	>		>	>	>	>	>	
Mr Jack Van Dyk	Member	>		>	^	^	^	^		\nearrow	>	>	^	>	11
15	Total Members	12		12	14		13	7		6	12	7	7	=	

 $\sqrt{}$ means attendance at the meeting / \mathbf{x} means non-attendance at the meeting









COMMITTEES

EXECUTIVE COMMITTEE MEETING ATTENDANCE

Committee Name Capacity		April	April May June	June	July	August	Sep-	October	Novem-	Decem-	January	Febru-	March	Total Per
					special		tember		per	per		ary		Member
Prof Gilingwe P Mayende	Chairperson		^		>		>					>	>	Ŋ
Mr Atwell Nazo	Member		>		>		>					>	>	2
Mr Katishi Masemola	Member		>		>		>					>	>	2
Mr George Nefdt	Member		×		>		×					>	×	2
Mr Riaan Gerritzen Member	Member		>		>		>					>	×	4
5	Total Members													

 $\sqrt{}$ means attendance at the meeting

× means non-attendance at the meeting

The alternate members for the Executive Committee are:

Mr Ben Mtshali of the Food and General Workers Union (FGWU) Ms Jacquie Bhana of Tongaat Hulett









FINANCE AND REMUNERATION COMMITTEE ATTENDANCE

Name	April	May	June	July	August	AugustSeptem-OctoberNovem-Decem-JanuaryFebru-Marchberberber	October	Novem- ber	Decem- ber	January	Febru- ary	March
Prof Gilingwe P Mayende							^					
Mr Atwell Nazo							>					
Ms Jacomien de Klerk							>					
Mr Riaan Gerrtizen							>					

Remuneration of board members

- The remuneration of Board members is determined per the Treasury Regulations
- All board members are remunerated as per the Treasury Regulation.
- Refer to the table for Remuneration to board members on page 97-98









On 31 March 2016 was the end of the term for the Audit & Risk Committee members. An advertisement was placed in the national newspapers, calling for new members to apply.

MEETINGS OF THE AUDIT & RISK COMMITTEE 2015/2016

Name	April	May June	June	July	August	Sep- tember	Octo- ber	Novem	ber	Decem- ber	Octo- November Decem- January ber	Febru- ary	March
Ms Antoinette Ngwenya		>		>				>	>	>		7	
Prof. Andre Louw		>		>				>	>	>		7	
Mr Faizal Docrat		>		>				>	>	7		>	
Mr Mark Oliver		>		>				>	>	7		>	
Mr Len Hansen		>		>				>	>	7		>	

MEETINGS OF THE GOVERNANCE AND STRATEGY COMMITTEE 2015/2016

Name	April	Мау	June	July	August	July August Sep- tember	Octo- ber	No- vember	Octo- No- De- ber vember cember	Janu- ary	February	<u> </u>	March
Prof Gilingwe P Mayende											×		
Ms Jacomien de Klerk											7		
Mr Katishi Masemola											7		
Mr Atwel Nazo											~		
Mr Ben Mtshali											~		
Mr Thami Ka Plaatjie											> ×		









Position	Surname	Initials	Title	Basic salary/ Meeting	Bonuses/ Performance Related	Expenses	Total
Members of The Accounting Authority	 ounting Author	ity		allowalice	rayments		
Board Members							
Chairperson	GP	Mayende	Prof	428 092		ı	428 092
Deputy Chairperson	⊢	Plaatjie	Mr	83 544		18 691	102 235
Member		Schutte	Mr	101 868		10 895	112 763
Member	Ű	Nefdt	Mr	1		I	I
Member	\neg	Bhana	Ms	8 514		ı	8 514
Member	۵	Nkomo	Ms	61 518		5 258	<i>LLL</i> 99
Member	AWH	Marais	Mr	1		1	ī
Member	ΚD	Masemola	Mr	135 624		2 919	138 543
Member	⋖	Hendricks	Mr	149 664		29 023	178 687
Member	BM	Mtshali	Mr	178 416		26 088	204 504
Member	SA	Nazo	Mr	206 545		23 518	230 063
Member	M	Phakedi	Mr	124 722		53 147	177 869
Member	\neg	Breda	Mrs	87 528		5 733	93 261
Member	JG	Van Dyk	Mr	79 314		24 849	104 163
Member	AGW	Gerritzen	Mr	1		20 424	20 424
Member	ſ	De Klerk	Mr	1		1	1
Total: Board Members	S			1 645 349	٠	220 546	1 865 895









Audit Committee				Basic salary/ Meeting allowance	Bonuses/ Performance related payments	Expenses	Total
Chairperson	AR	NGWENYA	Mr	88 372		6 784	95 156
Member	⋖	LOUW	Prof	33 756		1 202	34 958
Member	LL	DOCRAT	Mr	34 951		2 981	37 933
Member	MΗ	OLIVER	Mr	33 756		1 399	35 155
Member		Hansen	Mr	ı		I	1
Total: Audit Committee	iee						
Total: Members of the Accounting Authority	e Accounting Au	ıthority		190 835	•	12 366	203 201

Audit Committee	Surname	Initials	Title	Amount	
Stake holder payables				2016	2015
Tongaat Hulett Sugar Limited	Jacquie	В	Mrs	1275	2037
Vrystaat Co-Op BPK	Gerritzen	2	Mr	106	76
Rainbow Chickens Farms	Moloko	L/W	Mr	477	1981
Central University Of Technology - FS	Mayende		Prof	0	360
National African Farmers Union	Hendricks	A/J	Mr	178	693
Pannar Seed	Nefdt	C	Mr	∞	189
Citrus Academy	De Klerk		Ms	1761	1213
				3 805	6 570









Grants & Quality Assurance Committee

The Grants and Quality Assurance committee discharges its function as per the South African Qualifications Authority Act 58 of 1995, which includes the following:

- 1. Making recommendations to Accounting Authority about matters concerning the function of ETQA
- 2. Oversees the implementation of:
 - ✓ Accreditation of providers
 - ✓ Monitoring of learning provision
 - ✓ Registration of practitioners in the sector
 - ✓ Execution of ETQA budgets
 - ✓ Maintenance of National Learners Record Database
 - ✓ Resourcing and staffing of the ETQA department
 - ✓ Capacity building projects;
- 1. Monitor the implementation of policies
- 2. Monitor national programmes and implementation of government programmes
- 3. Attend national programmes and conferences
- 4. It is the task of the Grants and Quality Assurance. Committee to oversee the disbursement of Discretionary Funds, to consider applications for funding and to approve submissions. It is their task to inform the Accounting Authority and gain its ratification for proposals on disbursing funds. It is their task to ensure that any application considered is aligned to the NSDS and the SSP.









MEETINGS OF THE GRANTS AND QUALITY ASSURANCE COMMITTEE 2015/2016

Name	April	Мау	June	July	August	Sep- Octo- tember ber	Octo- ber	Novem- ber	Novem- Decem- Janu- ber ber ary	Janu- ary	Febru- March ary	March
Mr Ben Mtshali			>					<i>></i>			>	^
Mr Danny Schutte								>			>	>
Ms Jacqueline Breda								>			>	
Mr Moleko Phakedi								>			×	>
Ms Jacomien de Klerk								>			>	>
Mr Augustinus Hendricks								>			>	>
Ms Phelisa Nkomo								×			>	^
Mr Christopher Mason								>			×	>









5. **RISK MANAGEMENT**

- AgriSETA has an approved risk policy and risk register in place
- Risks are addressed by departments on a continuous basis and an integrated register is revised annually during the SETAs annual strategic planning session
- In defining risks, the AgriSETA works in close collaboration with its appointed internal auditors. During the latter part of the previous financial year, the Internal Auditors facilitated a session with AgriSETA staff to also identify strategic risks (in addition to operational risks identified by various departments)
- At each standing Audit and Risk Committee meeting, risks are submitted and considered by the committee. In the case of AgriSETA, the Risk Committee forms an integral part of the Audit Committee. Quarterly the Internal Auditors will submit directly to the Audit and Risk Committee their objective view of risks inherent to the institution

6. INTERNAL CONTROL UNIT

Internal controls were reviewed and monitored by management. AgriSETA appointed Outsourced Risk and Compliance Assessment (Pty) Ltd (ORCA) during the reporting year, to assist with Internal Audit matters.

7. INTERNAL AUDIT AND RISK COMMITTEE

It is the task of the Audit and Risk Committee to meet at least quarterly (prior to the Accounting Authority meetings) to consider:

- Finances of the SETA
- · Internal Auditors quarterly reports
- Fraud and Fraud Hotline related matters
- Any misappropriation of funds









The table below discloses relevant information on the Audit and Risk Committee as at the reporting date

Name	Qualifications	Internal or external	If internal, position in the public entity	Date appointed	Date resigned	No. of meetings attended
Ms Antoinette Ngwenya (Chairperson)	B Com MBA	External	N/A	May 2012	Term expired 31 March 2016	9
Mr Faizal Docrat	MBA Professional: CISA, CISM, CGEIT, IRMSA-IRA	External	N/A	May 2012	Term expired 31 March 2016	9
Mr Len Hansen	BA Degree B Com	External	N/A	May 2012	Term expired 31 March 2016	9
	B Com(Hons) MCom					
	Higher Education Teacher's Diploma					
	Management Development Programme (certificate)					
Mr Mark Oliver	Diploma: Operations Management (Damelin College)	External	NA	May 2012	Term expired 31 March 2016	9
	Current: Advance Diploma in Management ADM (UWC)					
Prof Andre Louw	MSc Agric, DSc (Agric)	External	N/A	May 2012	Term expired 31 March 2016	9









The table below are the newly appointed Audit and Risk Committee members for as at the reporting date

Name	Qualifications	Internal or external	Internal or exter- If internal, posi- Date appointed tion in the public entity	Date appointed	Date Resigned	No. of Meetings attended
Dr Nomusa Zethu Qunta	Phd	External	N/A	May 2016	Newly appointed	_
(Chairperson)	Master of Commerce					
	B Comm B Admin					
Mrs Makgolane	MDP M Com CA	External	N/A	May 2016	Newly appointed	
Mary Prioro	B Com (Hons)					
	B Com (Accounting)					
Ms Antoinette	MBA	External	N/A	May 2016	Returning member	
Ngwei iya	B Com					
Mr Mark Olivier	Diploma: Operations Management (Damelin College)	External	N/A	May 2016	Returning member	
	Current: Advance Diploma in Management ADM (UWC)					
Dr George Buys	Phd	External	N/A	July 2016	Newly appointed	
	MBA					
	B.Min (Hons)					
	L.TH					









8. COMPLIANCE WITH LAWS AND REGULATIONS

AgriSETA is classified and operates under the schedule 3 A in terms of the Public Finance Management Act. The entity complied with the following prescripts which govern the SETA:

- The National Treasury Regulations.
- The National Skills Development Strategy III.
- The New SETA Grant Regulations.
- National Development Plan Vision 2030.
- Medium Term Strategic Framework 2014-2019.
- Human Resources Development Strategy for South Africa, 2030.
- The Skills Development Act, 1998 (Act No.97 1998) as amended in 2008.
- The Skills Development Levies Act, 1999 (Act No.9 of 1999).
- The Public Finance Management Act, 1999 (Act No.1 of 1999) as amended by Act No.29 of 1999.

9. Fraud and Corruption

- AgriSETA has a Fraud Prevention Policy in place and implements it actively
- Apart from the policy, AgriSETA has a formal and well communicated Fraud Hotline in place
 which is managed by an external autonomous provider. Each year, during the annual road
 show, stakeholders are made aware of the hotline and invited to use it if they suspect any
 wrong-doing. This is also permanently displayed on the AgriSETA website and also appears
 under the signature of staff members' e-mails.
- Cases are reported anonymously (if so preferred) via:
 - Fraud Hotline toll free number
 - Email
 - Fax
 - Post

The service provider will immediately record the complaint and forward it directly to the Internal Auditors and the CEO. Cases are then handed down to the relevant manager to investigate and conclude. All these cases are then reported upon at the next Audit and Risk Committee meeting

10. MINIMISING CONFLICT OF INTEREST

AgriSETA employees are required to sign a Declaration of Interest so as to inform the SETA of any potential conflicts of interests.









11. CODE OF CONDUCT

The Accounting Authority approved a "Code of Conduct" Policy for AgriSETA employees. The Code is designed to outline the ethical standards and norms adhered to and upheld by AgriSETA in the provision of services and doing business. The Code acts as a guideline to employees in terms of what is expected of them from an ethical point of view, both in their individual conduct and in their relationship with others. Compliance with the Code is expected to enhance professionalism. The Code applies to all AgriSETA staff members.

12. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

A Health and Safety Committee is established at the AgriSETA.

13. COMPANY/BOARD SECRETARY

The SETA currently does not have a Board Secretary.

14. SOCIAL RESPONSIBILITY

AgriSETA is still in partnership with AgriSA in distributing a DVD which highlights the Code of Best Practice for HIV/AIDS which is freely available for companies to distribute to their employees.











Audit and Risk Committee members

Control of the last

The Audit and Risk Committee composition is reflected below as follows:

NAME	CONSTITUENCY	DESIGNATION
Ms A R Ngwenya	Independent	Chairperson
Mr F Docrat	Independent	Member
Mr A Louw	Independent	Member
Mr M Olivier	Labour	Member
Mr L Hansen	Employer	Member

NAME	CONSTITUENCY	DESIGNATION
Dr Nomusa Zethu Qunta	Independent	Chairperson
Mrs Makgolane Mary Pholo	Independent	Member
Ms Antoinette Ngwenya	Independent	Member
Mr Mark Olivier	Labour	Member
Dr George Buys	Independent	Member

AUDIT COMMITTEE REPORT FOR THE PERIOD ENDING ON THE 31 MARCH 2016

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

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from the section of the Public Finance Management Act and Treasury Regulation 3.1.13.

The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted, revealed certain weaknesses, which were then raised with the management and the Board.

The following internal audit work was completed during the year under review:

- · Supply Chain Management
- Information Technology
- · Predetermined Objectives
- · Financial and non-financial reporting
- · Risk Management
- Human Resources









The following were areas of concern:

- Information Technology
- · Risk management

In-Year Management and Monthly/Quarterly Reports

AgriSETA has submitted monthly and quarterly reports to the Executive Authority.

Evaluation of Financial Statements

We have reviewed the Annual Financial Statements prepared by AgriSETA.

Auditor's Report

We have reviewed AgriSETA's implementation plan for audit issues raised in the prior year and we are satisfied that the matters have been adequately resolved, except for the following:

- Commitments
- Predetermined Objectives

The Audit Committee concurs and accepts the conclusions of the external auditor on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements be accepted and read together with the report of the auditor.

40

Dr Nomusa Qunta

Chairperson of the Audit Committee

29 July 2016



PART D: HUMAN RESOURCES DEVELOPMENT







1. Introduction

Overview of Human Resources Matters at the public entity

The Board of AgriSETA, under the provision of the Chairperson's leadership has acknowledged the strategic importance of the relation between the Human Resource Management (HRM) strategy and the business strategy. The Senior Manager: HRM is part of the senior management which forms the strategic management team and also participates in the strategic planning of the business strategy. The Board has adopted an Integrative Linkage of strategic planning and HRM function which is dynamic and is based on continuing interaction between the strategic management and HRM function. This assists the AgriSETA to compete in an increasingly dynamic and changing environment.

At the end of current financial year ending March 2016, the total staff compliment stands at 54. In addition to support one of the NSDS III goals, AgriSETA supports graduate placements, work-integrated learning (WIL) and Internships for out of school and not in employment youth, and annually recruits interns in various departments within the organisation.

The management, through the leadership of the Board has been advised to align the HR plans as close as possible to the Department of Public Service and Administration (DPSA) strategic human resource planning guideline and toolkit. This has been agreed to by management.

Set Human Resources priorities for the year under review and the impact of these priorities

To drive high performance within this HRM business unit, we set to improve our processes around the following HRM functions; Recruitment and Selection, Training and Development, Performance Management (including appraisal and feedback), Compensation and Employee Relations. For all of the above mentioned HRM functions, we have policies in place that were approved by the Board of the AgriSETA. Our Performance Management Policy was improved to address some of the highlighted weakness, especially around appraisal and reward thereof. In order to develop Managers and senior managers were sent and went on to complete the Senior Management Programmes and Management Development Programmes. The supervisory line management (coordinators) were enrolled for Supervisory and Specialist Programmes, or soft skills courses for the rest of the staff, which is an ongoing process. Huge efforts were also made to stabilise relations with organised labour during the negotiations process.

Workforce planning framework and key strategies to attract and recruit a skilled and capable workforce

The process of HR planning took place during the HRM strategic business unit's planning session, guided by the Business strategic planning session. The process involved HR forecasting of staff within departments, goal setting and considered employment equity and skill development. This was done in light of the current proposed SETA landscape due in March 2018. The scanning of the environment both internal scanning and external scanning (using areas of analysis contained in the PESTEL acronym).

- Political (regulators, politicians)
- Economic (world and public service fads, trends or megatrends)
- Social (cultural change, expectations, demographics developments)









- Technological
- Environmental
- Legislative

All this was captured in our NSDS III and the AgriSETA Annual performance plan (APP) workforce planning, talent attraction, workforce development and retention 2015/2016.

Our key strategy is retaining the current workforce that we have invested in training and developind and ensuring that the knowledge, skills set and expertise of those carrying out the mandate of our SETA, remains current and relevant.

The Board of AgriSETA acknowledges that the HRM planning is an important activity in that it provides for:

- More effective and efficient use of people at work
- Greater employee satisfaction
- Better developed employees
- · More effective employment equity planning

Employee performance management framework

The Board of AgriSETA recognises that despite the challenges, management has achieved some of the strategic goals as set out in the strategic plan and the annual performance plan. It is in this regard that the Accounting Authority has approved the Performance Incentive Bonus Scheme. The management and the Accounting Authority believes that good performance should be rewarded. A total of 5 % of the salary bill has been set aside for distribution as performance based bonuses to eligible employees, to recognise their excellent performance.

Other measures include recognising above average performance in a non-monetary manner. This will include discretionary extra ordinary rewards, where the employer will give recognition to employees who make a significant contribution in areas that are nominated by the fellow colleagues as furthering a positive working environment. Other non-financial rewards will be made by Heads of Departments in recognising the contribution of employees in a team, formal acknowledgment in meetings, a certificate to acknowledge work well done, and items of appreciation, such as, a book or a gift voucher.

The alignment of key performance indicators with the organisational objectives was implemented by finalising performance contract for all employees which was approved by the Accounting Authority.

Employee Wellness Programmes

Mr Johann Engelbrecht retired after a long and loyal service for which the institution is grateful.

The CEO introduced a Social Committee to ensure that employees are involved in activities that will promote a cohesive work environment. This has increased employee satisfaction and serves as an incentive for employees to arrive prepared and willing to conquer the tasks of the day. The activities improved on unnecessary stress and tension among employees. As might be expected, when employees do not get along together, work suffers. Thus, cohesion in the work place could ultimately be the rise or demise of an organisation's success.









The Committee relied on raising funds for functions, but besides the financial challenges, the following events were organised by the Social Committee:

April Staff Outing to Fountains Valley

May Africa Day with a relevant DVD shown and a competition for the

naming of boardrooms

June Blood Education Session and Youthful Soup Day

July A memorial service was held for one of the Social Committee members who

passed away

August Women's Day lunch

September Social outing after the Annual General Meeting

December World Aids Day

Policy Development

A reviewed HR Policy Framework is a guiding document which is aligned with the current legislation to regulate employer-employee relations. AgriSETA reviews all HR policies annually to address the gaps. The Remuneration Committee (REMCO) assisted in approving the Succession Planning Policy and the Remuneration Policy for implementation in 2016/17 fiscal year.

Employee health and wellness is a crucial component of the organisation. It involves analysing the general status of the health and wellness of the workforce. The Occupational Health and Safety Act (OHSA) 85 of 1993 provides the legislative framework for employee wellness. Specific issues relating to proactive and holistic health and safety management in AgriSETA included, amongst others, the following:

- Health screening and safety auditing
- Education
- Fitness programmes and recreation facilities
- Work and family life interactions
- Occupational mental health, stress and work employee assistance
- HIV and AIDS in the workplace









Highlight Achievements

The HR priorities during the financial year included the following:

- · Recruiting/Staffing: Talent Management and Employment Equity
- Change Management (proposed SETA landscape)
- System and Information Capacity: Training and Development
- Performance Management and Occupational Health and Safety
- Employee Health and Safety

During the financial year under review, despite budget constraints, work plans were developed around strategies to address the identified key priorities. Firstly, the AgriSETA HR reward strategy was reviewed and approved by the AgriSETA Governing Board. This was followed by a job evaluation process across the organisation to ensure that all positions are graded and rewarded accordingly. All departments were assisted in establishing departmental objectives and contracting for all employees.

Establishment of a weekly Operational Committee meeting comprising of senior management supervisory, has improved communications interdepartmentally and organisational performance.

The HR department managed to timeously submit all statutory reports, including achieving the Employment Equity plan targets. Training and Development which commenced for all levels of management was completed with graduation certificates awarded.

Challenges faced by the Public Entity

One of the greatest unintended challenges brought by the proposed SETA landscape is an increased staff turnover (either across the whole SETA or within a specific unit) relates to dismissals and resignations for a number of different reasons, including better opportunities, dissatisfaction, end of contract and voluntary departure based on poor performance.

Budgetary constraints have also played a major part in the management not being able to implement some strategies identified to address the HR priorities. The management tried leveraging with expertise through selected partnerships with other organisations and institutions were fully explored. Due to budgetary constraints, the management identified key stakeholders to work with in increasing their revenue base.

The strategic nature of the AgriSETA with high demand for skills throughout the country the demands placed on staff increases as the mandate is extended with funded projects introduced apart from the normal annual objectives and with limited resources.

Future Human Resources Plans/Goals 2015/2016

In order to contextualise HR planning, it is important to understand the National Planning Framework (NPF) adopted by the National Cabinet in the approved multi-year cycle. The management intends to conduct more training and workshops to assist staff to effectively adopt and implement the full NW framework for HR planning. This will also be done in line with the DPSA, the Public Service Regulations, 2001 (PSR) and the Treasury Regulations, 2002. In-fact all HR plans will be done strictly line-by-line in terms of the DPSA guidelines. Currently, we only adopted parts of it and in future the full HR Plan will be guided by it.

Plans to introduce an E-recruitment system that will enable the HR office to be more efficient in the Recruitment and Talent Acquisition process.









Human Resources Oversight Statistics March 2014 to April 2015

Personnel Cost by Programme/Activity/Objective

Programme	Programme Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Programme Personnel Expenditure as a % of total Personnel Expenditure. (R'000)	Programme Personnel Expenditure as a % Expenditure as a % of total Personnel Expenditure (R'000)	Number of employees	Number of cost per employee (R'000)
Admin	38 974	10 415	18%	27%	28	372
Discretionary	172 482	10 869	81%	%9	33	329
National Skills Fund	1371	2 403	1%	175%	5	481
Total	212 827	23 687	100%	10%	99	359

Personnel Cost by Salary Band

Level	Personnel Expenditure (R'000)	Personnel Expenditure % of personnel exp. to total (R'000)	No. of employees	Average personnel cost per employee (R'000)
Top Management	1 484	%9	1	1 484
Senior Management	996 /	34%	10	797
Professional Qualified	6 178	26%	70	412
Skilled	7 122	30%	28	254
Semi-skilled	567	2%	6	63
Unskilled	370	2%	3	123
TOTAL	23 687	100%	99	359









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Directorate/Business Unit	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as % of Personnel Cost	No. of employees trained	Average training cost per employee (R'000)
Skills Delivery Unit	7 655	64	1	14	5
Corporate Services Unit	6 103	26	0	10	3
ETQA Unit	3 150	39	_	9	7
Skills Planning	3 101	17	_	9	3
CEO's Office	3 678	15	0	4	4
Total	23 687	161		40	20

Directorate/Business Unit	2015/2016 Number of Employees	2015/2016 Approved posts	2015/2016 Vacancies	% of vacancies
Top Management	1	1	1	6
Senior Management	2	9	3	27
Professionally Qualified	4	4	~	6
Skilled	14	17	က	27
Semi-skilled	20	18	3	27
Unskilled	13	5	0	0
TOTAL	25	51	#	

Employment and vacancies

Employment changes

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management		0	0	, -
Senior Management	9	_	3	4
Professional Qualified	4	0		8
Skilled	17	_	2	16
Semi-skilled	20	4	4	20
Unskilled	8	2	3	14
TOTAL	56	8	12	58









Reasons for staff leaving

Reason	Number	Number % of total no. of staff leaving
Death	1	9
Resignation	7	39
Dismissal		9
Retirement		9
III health	0	0
Expiry of contract	8	44
Other	0	0
Total	18	

Labour Relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written Warning	0
Dismissal	
Total	1









Equity Target and Employment Equity Status

Levels	MALE							
		AFRICAN		COLOURED		INDIAN		WHITE
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management		-	0	0	0	0	0	0
Senior Management	3	2	0	0	0	0	0	_
Professionally Qualified	_	_	0	0	0	0	—	2
Skilled	3	2	0	—	0	0	0	0
Semi-skilled	9	4	0	0	0	0	0	0
Unskilled	3	3	0	0	0	0	0	0
TOTAL	17	13	0	1	0	0	1	က
Levels	FEMALE							
		AFRICAN		COLOURED		INDIAN		WHITE
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	0	_	0	0	0	0	0	├
Professionally Qualified	_		0	0	0	0	0	0
Skilled	6	5	4	3	0	0	←	2
Semi-skilled		7	4	3	_		—	2
Unskilled	5	3	0	0	0	0	0	0
TOTAL	26	17	00	9			2	00
Levels	DISABLED STAFF	/FF						
		AFRICAN		COLOURED		INDIAN		WHITE
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0
Professionally Qualified	_	_	0	0	0	0	0	0
Skilled	0	0		0	0	0	0	0
Semi-skilled	0	0	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	1	7	0	0	0	0	0	0









Report of the Auditor-General to

Parliament on the Agriculture Sector Education and Training Authority

Report on the financial statements

Introduction

1. I have audited the financial statements of the Agriculture Sector Education and Training Authority (AgriSETA) set out on (pages 123 to 155, which comprise the statement of financial position as at 31 March 2016, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget information with actual information for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

The Accounting Authority's Responsibility for the financial statements

The Accounting Authority is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Skills Development Act, 1998 (Act No.97 of 1998) (SDA), and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

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









Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Agriseta as at 31 March 2016 and its financial performance and cash flows for the year then ended, in accordance with the SA Standards of GRAP and the requirements of the PFMA and SO A. Report on other legal and regulatory requirements

Report on the legal and regulatory requirements

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

Predetermined objectives

- 8. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information of the following selected strategic goals presented in the annual performance report of the public entity for the year ended 31 March 2016:
- Strategic goal 2: Establish private-public partnerships to encourage better use of workplace skills development on pages 67 to 68
- Strategic goal 3: Strengthening the agricultural and rural development processes and strategies to promote food security and the growth of the rural economy on pages 68
- 9. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
- 10. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned strategic goals. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPI).
- 11. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
- 12. The material findings in respect of the selected strategic goals are as follows:

Strategic goal 2: Establish private-public partnerships to encourage better use of workplace skills development









Reliability of reported performance information

- 13. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure reliable reporting of actual achievements against planned strategic goals, indicators and targets. The reported achievements against planned targets of 21% indicators were not reliable when compared to the evidence provided.
- 14. I did not raise any material findings on the usefulness of the reported performance information for Strategic goal 2: Establish private-public partnerships to encourage better use of workplace skills development.
- 15. I did not raise any material findings on the usefulness and reliability of the reported performance information for Strategic goal 3: Strengthening the agricultural and rural development processes and strategies to promote food security and the growth of the rural economy.

Additional matter

16. I draw attention to the following matters:

Achievement of planned targets

17. Refer to the annual performance report on pages 51 to 66 for information on the achievement of the planned targets for the year. This information should be considered in the context of the material findings on the reliability of the reported performance information in paragraph 13 of this report.

Adjustment of material misstatements

18. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of strategic goal 2: establish private-public partnerships to encourage better use of workplace skills development and Strategic goal 3: Strengthening the agricultural and rural development processes and strategies to promote food security and the growth of the rural economy. As management subsequently corrected only some of the misstatements, I raised material findings on the reliability of the reported performance information.

Compliance with legislation

19. I performed procedures to obtain evidence that the public entity had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

Internal control

20. I considered internal control relevant to my audit of the financial statements, performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report included in this report.









Leadership

- 21. Management did not exercise oversight responsibility regarding performance reporting and related compliance with the FMPPI.
- 22. Action plans for implementation of the audit recommendations were not adequately monitored resulting in recurrence of material audit findings on performance information.

Financial and performance management

23. Internal control deficiencies were identified in the preparation of accurate and complete performance information which was mainly due to inadequate review by management. This resulted in material misstatements raised in performance information which were subsequently corrected.

Other reports

Investigations

24. An investigation by the Public Protector relating to an internal management matter was launched in 2013 and is still ongoing at the time of this report. The Public Protector has not yet issued a report on the investigation.

Pretoria

31 July 2016

Huditor- general











Index

The reports and statements set out below comprise the Annual financial Statements:

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Abbreviations

COID Compensation for Occupational Injuries and Diseases

CRR Capital Replacement Reserve

DBSA Development Bank of South Africa

SA GAAP South African Statements of Generally Accepted Accounting Practice

GRAP Generally Recognised Accounting Practice

GAMAP Generally Accepted Municipal Accounting Practice

HDF Housing Development Fund

IAS International Accounting Standards

IMFO Institute of Municipal Finance Officers

IPSAS International Public Sector Accounting Standards

ME's Municipal Entities

MEC Member of the Executive Council

MFMA Municipal Finance Management Act

MIG Municipal Infrastructure Grant (Previously CMIP)

CEO Chairperson

AgriSETA 28 July 2016









(20/AgriSETA/1/07/11)

Statement of Financial Position as at 31 March 2016

Figures in Rand thousand	Note(s)	2016	2015
Assets			
Current Assets			
Consumables	6	492	586
Receivables from exchange transactions	8	274	4 772
Receivables from non-exchange transactions	9	5 861	1 970
NSF Receivables	7	19 895	18 628
Cash and cash equivalents	10	307 513	297 889
		334 035	323 845
Non-Current Assets			
Property, plant and equipment	3	4 897	4 882
Intangible assets	4	25	39
		4 922	4 921
Total Assets		338 957	328 766
Liabilities			
Current Liabilities			
Payables from exchange transactions	12	33 596	23 285
Payables from non exchange transactions	13	36 032	50 669
Provisions	11	5 666	78 927
Government Grant and Donor Funding Received in Advance		960	2 176
	•	76 254	155 057
Total Liabilities		76 254	155 057
Net Assets		262 703	173 709
Reserves			
Capitalisation reserve		3 107	3 107
Discretionary grant reserve		258 318	169 377
Administartion reserve		977	1 039
Employer grant reserve		301	186
Total Net Assets		262 703	173 709









(20/AgriSETA/1/07/11)

Statement of Financial Performance

Figures in Rand thousand	Note(s)	2016	2015
Revenue			
Revenue from exchange transactions Other income		1 117	334
Interest received - investment	22	18 440	12 943
Total revenue from exchange transactions		19 557	13 277
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & Donor Funding	17	9 189	6 061
Skills development Levy: Income from non-exchange transactions	16	330 518	292 209
Reversal of NSF provision for uncommitted funds 2015		4 433	-
Skills Development Levy: Penalties and Interest from non-exchange transactions		8 463	6 169
National Skills Fund Income		1 266	8 897
Total revenue from non-exchange transactions		353 869	313 336
Total revenue	15	373 426	326 613
Expenditure			
Employee Costs	20	(12 625)	(11 857
Transfer of uncommitted capped funds to NSF	21	(12 020)	(85 016
Depreciation and amortisation		(462)	(386
Finance costs	23	· -	(1
National Skills Fund Expense		(1 266)	(8 897
Goverment Grants and Donor Expense		(9 189)	(6 061
Lease Expense	5	(257)	(62
Employer grants and project expenditure	18	(234 521)	(188 254
General Expenses	19	(2 611)	(24 062
Total expenditure		(284 431)	(324 596
Operating surplus		(88 995)	(2 017
Surplus for the year		(88 995)	(2 017









(20/AgriSETA/1/07/11)

Financial Statements for the year ended 31 March 2015

Statement of Changes in Net Assets

Figures in Rand thousand	Administration Employer grant Discretionary Capitalisation Total reserves Accumulated reserve reserve surplus	mployer grant reserve	Discretionary reserve	Capitalisation reserve	Total reserves	Accumulated surplus
Balance at 01 April 2014	952	192	167 439	3 107	171 690	•
Changes in net assets Surplus for the year	1	•	•	,	•	2 019
Allocation of Accumulated surplus	(83 395)	27 878	57 536	•	2 0 1 9	(2 019)
Excess reserves transferred to Discretionary reserve	83 482	(27 884)	(25598)	•	•	
Total changes	87	(9)	1 938	1	1	
Balance at 01 April 2015	1 039	186	169 377	3 107	173 709	
Changes in net assets Surplus for the vear	•	•	•	•	•	88 995
Allocation of Accumulated surplus	5 978	28 343	54 674	•	88 995	(88 882)
Excess reserves transferred to Discretionary reserve	(6033)	(28 228)	34 267	•	•	
Total changes	(61)	115	88 941			
Balance at 31 March 2016	226	301	258 318	3 107	262 703	•
Note(s)	33					









(20/AgriSETA/1/07/11)

Cash Flow Statement

Figures in Rand thousand	Note(s)	2016	2015
Receipts			
Cash receipts from stakeholders and customers		343 766	290 237
Interest income		18 440	12 943
Special Project funds received/paid		-	334
		362 206	303 514
Payments			
Cash paid to stakeholders, suppliers and employees		(352 212)	(218 611
Net cash flows from operating activities	25	10 099	84 903
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(467)	(764
Purchase of other intangible assets	4	(8)	(41
Net cash flows from investing activities		(475)	(805)
Cash flows from financing activities			
Repayment of finance lease liabilty			(56)
Net increase/(decrease) in cash and cash equivalents		9 624	84 042
Cash and cash equivalents at the beginning of the year		297 889	213 847
Cash and cash equivalents at the end of the year	10	307 513	297 889









(20/AgriSETA/1/07/11)

Statement of Comparison of Budget and Actual Amounts

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and	Reference
Figures in Rand thousand					actual	
Statement of Financial Performa	ance					
Revenue						
Revenue from exchange transactions						
Other income nterest received - investment	- 12 794	-	- 12 794	1 117 18 440	1 117 5 646	34
Total revenue from exchange transactions	12 794	-	12 794	19 557	6 763	
Revenue from non-exchange ransactions						
Transfer revenue			4		4.000	
Government grants & subsidies	4 200	-	4 200	9 189	4 989	34
evies	331 029	-	331 029	330 518	(511) 4 433	34
Reversal of NSF provision for uncommitted funds 2015	-	-	-	4 433	4 433	
Penalties and interest	6 191	_	6 191	8 463	2 272	
National Skills Fund income	0	0	0		1 266	
Fotal revenue from non- exchange transactions	341 420	-	341 420	(353 869)	12 449	
Total revenue	354 214	-	354 214	(373 426)	19 212	
Expenditure						
Personnel	(13 214)	-	(13 214)) (12 625)	589	34
Depreciation and amortisation	-	-	-	(462)	(462)	
NSF expenditure	-	-	-	(1 266)	(1 266)	
Donor Funding expense	-	-	-	(9 189)	(9 189)	
_ease expense	-	-	-	(257)	(257)	
Employer grants and project expenditure	(289 224)	-	(289 224)	(20:02:)	54 703	34
General Expenses	(29 095)	-	(29 095)	(26 111)	2 984	34
Total expenditure	(331 533)	-	(331 533)	(284 431)	47 102	
Surplus before taxation	22 681	-	22 681	88 995	66 314	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	22 681	-	22 681	88 995	66 314	









(20/AgriSETA/1/07/11)

Accounting Policies

1. Presentation of Annual Financial Statements

The principal accounting policies adopted in the preparation of these financial statements are set out below and are, in all material respects, consistent with those of the previous year, except as otherwise indicated.

The Annual Financial Statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999), and directives issued by the Accounting Standards Board.

These Annual Financial Statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

1.1 Presentation currency

These Annual Financial Statements are presented in South African Rand, which is the functional currency of the entity.

1.2 Going concern assumption

These Annual Financial Statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months

1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make judgements, 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. The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at year end, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

The Seta reviews the estimated useful lives of property, plant and equipment and intangible assets at each reporting date. Refer to note 1.4 and 1.5.

The Seta's licence was extended by the Minister of Higher Education and Training until 31 March 2018:

1.4 Property, plant and equipment

The capitalisation reserves included in net assets related to building and is transferred directly to accumulated surplus or deficit when the building is derecognized.

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

Property, plant and equipment is stated at cost less any subsequent accumulated depreciation and adjusted for any impairments. Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight line method. Land is not depreciated as it is deemed to have an indefinite useful life. Building is not depreciated because the market value exceeds the depreciable amount.

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

Item	Average useful life
Furniture and fixtures	10 years
Motor vehicles	2 years
Office equipment	5 years
IT equipment	3 years

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

The gain or loss on disposal of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount and are taken into account in determining operating surplus. Where the carrying amount of an item of property, plant and equipment is greater than its estimated recoverable service amount, it is written down immediately to its recoverable amount (i.e. impairment losses are recognized).









(20/AgriSETA/1/07/11)

Accounting Policies

1.5 Intangible assets

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

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 or service potential. 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 each reporting date.

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

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

Internally generated goodwill is not recognised as an intangible asset.

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

ItemUseful lifeComputer software2 years









(20/AgriSETA/1/07/11)

Accounting Policies

1.6 Financial instruments

Classification

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

Financial Assets

Investments are recognised and derecognised on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Financial assets can be classified into the following specified categories: financial assets as 'at fair value through profit or loss' (FVTPL), 'held-to-maturity investments', 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All financial assets of AgriSETA were categorised as loans and receivables.

· Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL where the financial liability is either held for trading or it is designated as at FVTPL. All financial liabilities of AGRISETA were classified as other financial liabilities.

• Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter year.

Initial recognition and measurement

Financial instruments are recognised initially when the entity becomes a party to the contractual provisions of the instruments.

Subsequent measurement

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

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.









(20/AgriSETA/1/07/11)

Accounting Policies

1.6 Financial instruments (continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the surplus or deficit.

Receivables from exchange transactions

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit 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 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

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

Trade and other receivables are classified as loans and receivables.

Payables from exchange transactions

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

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.

1.7 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.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Finance leases-lessee

Finance leases consistent with the definition set out in the Treasury Regulations refer to a contract that transfers the risks, rewards, rights and obligations incident to ownership to the lessee and is recorded as a purchase of equipment by means of long-term borrowing. All other leases are classified as operating leases.

Payments made under operating leases (leases other than finance leases) are charged to the Statement of Financial Performance on a straight-line basis over the lease term. When an operating lease is terminated before the lease term has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the year in which termination takes place.









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Accounting Policies

1.7 Leases (continued)

Operating leases-lessee

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

1.8 Consumables

Consumables are recognised as an asset on the date of acquisition and it is measured at the lower of cost or net reliasable value. It is subsequently recognised in surplus or deficit as it is consumed.

1.9 Non-current assets held for sale and disposal groups

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition in regarded as being met only when the sale is highly probable and the asset is available for immediate sale in the 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.

The gain or loss on disposal of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount and are taken into account in determining operating surplus.

1.10 Impairment of cash-generating assets

Cash-generating assets are those assets held by the entity with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets held with the primary objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the entity; or
- (b) the number of production or similar units expected to be obtained from the asset by the entity.

Criteria developed by the entity to distinguish cash-generating assets from non-cash-generating assets are as follows:









(20/AgriSETA/1/07/11)

Accounting Policies

1.11 Employee benefits

Short-term employee benefits

Provisions are recognised when AgriSETA has a present obligation as a result of a past event and it is probable that this will result in an outflow of economic benefits that can be estimated reliably. Long-term provisions are discounted to net present value.

The cost of employee benefits is recognised during the year in which the employee renders the related service. Employee entitlements are recognised when they accrue to employees. A provision is made for the estimated liability as a result of services rendered by employees up to the Statement of Financial Position date. Provisions included in the Statement of Financial Position are provisions for leave (based on the current salary rates) and termination benefits. Termination benefits are recognized and expensed only when the payment is made.

No provision has been made for retirement benefits as AgriSETA does not provide for retirement benefits for its employees. employees.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the entity's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

1.12 Provisions and contingencies

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation. Contingent assets and contingent liabilities are not recognised.
 Contingencies are disclosed in the notes to the Annual Financial Statements.

1.13 Revenue from non-exchange transactions

Non-exchange revenue transactions result in resources being received by the AgriSETA, usually in accordance with a binding arrangement. When the AgriSETA receives resources as a result of a non-exchange transaction, it recognises an asset and revenue in the year that the arrangement becomes binding and when it is probable that AgriSETA will receive economic benefits or service potential and it can make a reliable measure of the resources transferred.

Where the resources transferred to the AgriSETA are subject to the fulfilment of specific conditions, it recognises an asset and a corresponding liability. As and when the conditions are fulfilled, the liability is reduced and revenue is recognised. The asset and the corresponding revenue are measured on the basis of the fair value of the asset on initial recognition.

Non-exchange revenue transactions include the receipt of levy income from the Department of Higher Education, income from the National Skills Fund, and grants from the national government.

Funds allocated by the National Skills Fund for Special Projects.

Funds transferred by the National Skills Fund (NSF) are accounted for in the financial statements of AgriSETA as a liability until the related eligible special project expenses are incurred, when the liability is extinguished and revenue recognised.

Property, plant and equipment acquired for NSF Special Projects are capitalised in the financial statements of AgriSETA, as AgriSETA controls such assets for the duration of the project. Such assets could, however, only be disposed of in terms of agreements and specific written instructions by the NSF.









(20/AgriSETA/1/07/11)

Accounting Policies

1.13 Revenue from non-exchange transactions (continued)

Measurement

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

Rates, including collection charges and penalties interest

Interest and penalties received on the skills development levy are recognised upon receipt.

Levies

Levies are recognised as revenue when:

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

Levies are based on declarations completed by levy payers. The estimate of levies revenue when a levy payer has not submitted a declaration are based on the following factors:

- the extent and success of procedures to investigate the non-submission of a declaration by defaulting levy payers;
- internal records maintained of historical comparisons of estimated levies with actual levies received from individual levy payers;and
- historical information on declarations previously submitted by defaulting levy payers;

The accounting policy for the recognition and measurement of skills development levy income has been amended on the basis of a revised interpretation of the Skills Development Act, Act No. 97 of 1998 and the Skills Development Levies Act, Act No. 9 of 1999 as amended.

In terms of section 3(1) and 3(4) of the Skills Development Levies Act, 1999 (Act No. 9 of 1999 as amended), registered member companies of AgriSETA pay a skills development levy of 1% of the total payroll cost to the South African Revenue Services (SARS), who collects the levies on behalf of the Department of Higher Education and Training (DHET). Companies with an annual payroll cost less than R 500 000 are exempted in accordance with section 4 (b) of the Skills Development Levies Act, No. 9 of 1999 as amended, effective 1 August 2005.

80% of skills development levies are paid over to AgriSETA (net of the 20% contribution to the National Skills Fund). AgriSETA was not in a position to verify that SARS has collected all potential skills levy income.

Levy income is recognised on the accrual basis.

Revenue is adjusted for transfers between AgriSETA and other SETAs due to employers changing SETAs. Such adjustments are separately disclosed as inter-SETA transfers. The amount of the inter-SETA adjustment is calculated according to the most recent Standard Operating Procedure issued by the Department.Skills. Development Levy (SOL) transfers are recognised on an accrual basis when it is probable that future economic benefits or service potential will flow to AgriSETA and these benefits can be measured reliably. This occurs when the Department makes an allocation to the AgriSETA, as required by section 8 of the Skills Development Levies Act, 1999 (Act No. 9 of 1999) as amended according to the Standard Operating Procedure re-issued by the Department of Higher Education and Training.

When a new employer is transferred to AgriSETA, the levies transferred by the former SETA are recognised as revenue and allocated to the respective category to maintain its original identity.

Other grants and donations

Conditional government grants and other conditional donor funding received is recorded as deferred income when they become receivable and is then recognised as income on a systematic basis over the year, necessary to match the grants with the related costs which they are intended to compensate. Unconditional grants received are recognised when the amounts have been received.









(20/AgriSETA/1/07/11)

Accounting Policies

1.14 Investment income

Interest income is accrued on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the year to maturity.

1.15 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.16 Fruitless and wasteful expenditure

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

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial

All fruitless and wasteful expenditure is recognised against the respective class of expense in the year in which they are incurred.

1.17 Irregular expenditure

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with, a requirement of any applicable legislation, including:

- The PFMA, as amended.
- The Skills Development Act (the Act), 1998 (Act No. 97 of 1998) as amended. Irregular expenditure is recognised against the respective class of expense in the year in which it is incurred.

1.18 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or if the related party or another entity are subject to common control. Where such a situation exists the nature and type of transactions and relationships between the parties are disclosed in the notes to the Annual Financial Statements.

1.19 Revenue from exchange transactions

Revenue from exchange transactions is recognised when it is probable that future economic benefits or service potential will flow to AGRISETA and these benefits can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable. The only exchange revenue received by AGRISETA is the interest earned on the investment. Unconditional grants received are recognised when the amounts have been received.

1.20 Grants and Project Expenditure

A registered employer may recover a maximum of 20% of its total levy payment as a mandatory grant (excluding interest and penalties) by complying with the criteria in accordance with the Skills Development Act, 1998 SETA Grant regulations regarding monies received and related matters (the SETA Grant Regulations)

Mandatory

Grants

Grants equivalent to 20% of the total levies received by AgriSETA during the corresponding financial year, if the employer meets the criteria in the SETA Grant Regulations.









(20/AgriSETA/1/07/11)

Accounting Policies

1.20 Grants and Project Expenditure (continued)

Discretionary grants and Project Expenditure

AgriSETA may allocate discretionary grants to employers who have submitted an application for a discretionary grant in the prescribed form within the agreed upon cut-off year. The grant payable and the related expenditure are recognised when the application has been approved.

AgriSETA may out of any surplus monies determine and allocate funds to employers, education and training providers and workers of the employers who have submitted an application for the funds in the prescribed form within the agreed upon cut-off year.

Project expenditure comprises:

- costs that relate directly to the specific contract;
- costs that are attributable to contract activity in general and can be allocated to the project; and
- such other costs as are specifically chargeable to the SETA under the terms of the contract.

Such costs are allocated using methods that are systematic and rational and are applied consistently to all costs having similar characteristics.

Project costs are recognised as expenses in the year in which they are incurred.

Retrospective adjustments by SARS

AgriSETA refunds amounts to employers in the form of grants, based on information from SARS. Where SARS retrospectively amends the information on levies collected, it may result in grants that have been paid to certain employers that are in excess of the amount the SETA is permitted to have granted to employers. Apayers. ble relating to the overpayment to the employer in earlier years is raised at the amount of such grant overpayment, net of bad debts and provision for irrecoverable amounts.

1.21 Segment Reporting

Segments are identified by the way in which information is reported to management, both for purposes of assessing performance and making decisions about how future resources will be allocated to the various activities undertaken by AgriSETA. The major classifications of activities identified in budget documentation would usually reflect the segments for which AgriSETA reports information to management.

Segment information is either presented based on service or geographical segments. Service segments relate to a distinguishable component of AgriSETA that provides specific outputs or achieves particular operating objectives that are in line with AgriSETA's overall mission. AgriSETA's service segments are mandatory, discretionary and administration activities. These segments are based on the Skills Development Levies Act, 1999 and the SETA Grant Regulations.

1.22 Grants and Projects

Mandatory and discretionary grant payments

A liability is recognised for mandatory grant payments once the specific criteria set out in the SETA Grant Regulation has been complied with by member companies and it is probable that AgriSETA will approve the grant application for payment. The liability is measured at the net present value of the expected future cash outflow as determined in accordance with the Act. This measurement involves an estimate, based on the amount of levies received.

Discretionary projects

No provision is made for projects approved at year-end, unless the service in terms of the contract has been delivered. Where a project has been approved, but has not been accrued for or provided for, it is disclosed as commitments in the notes to the financial statements.









(20/AgriSETA/1/07/11)

Accounting Policies

1.23 Reserves

Equity is classified based on the restrictions placed on the distribution of monies received in accordance with the regulations issued in terms of the Skills Development Act, 1998 (Act 97 of 1998) statement of changes in equity as follows:

- Administration reserve
- Employer grant reserve
- Discretionary reserve
- Unappropriated surplus

Employer levy payments are set aside in terms of the Skills Development Act and the regulations issued in terms of the Act, for the purpose of:

	2015/16 %	2014/15 %
Administration & QCTO costs of AgriSETA	10.5	10.5
Employer Grant Fund Levy	20	20
Discretionary grants and projects	69.5	69.5
Received by AgriSETA	80	80
Contribution to the National Skills Fund	20	20
	100	100

In addition, contributions received from public service employers in the national or provincial spheres of government may be used to fund AgriSETA administration costs.

Interest and penalties received from SARS as well as interest received on investments is utilised for discretionary grant projects.

Surplus funds in the administration and unallocated funds in the employer grant reserve are moved to the discretionary fund reserve. Provision is made in the mandatory grant reserve for newly registered companies, participating after the legislative cut-off date.

1.24 Taxation

No provision has been made for taxation, as AgriSETA is exempt from income tax in terms of section 10 of the Income Tax Act , 1962 (Act 58 of 1962).









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Notes to the Annual Financial Statements

Figures in Rand thousand	2016	2015
Figures in Nand thousand	2010	2013

2. New standards and interpretations

2.1 Standards issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2016 or later periods:

Standard	I/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
•	GRAP 18: Segment Reporting	01 April 2017	
•	GRAP 20: Related parties	01 April 2017	
•	GRAP 32: Service Concession Arrangements: Grantor	01 April 2016	
•	GRAP 108: Statutory Receivables	01 April 2016	
•	IGRAP 17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset	01 April 2016	
•	GRAP 16 (as amended 2015): Investment Property	01 April 2016	
•	GRAP 17 (as amended 2015): Property, Plant and Equipment	01 April 2016	
•	GRAP 109: Accounting by Principals and Agents	01 April 2017	
•	GRAP 21 (as amended 2015): Impairment of non-cash- generating assets	01 April 2017	
•	GRAP 26 (as amended 2015): Impairment of cash- generating assets	01 April 2017	
•	Directive 12: The Selection of an Appropriate Reporting Framework by Public Entities	01 April 2018	









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Notes to the Annual Financial Statements

Figures in Rand thousand	2016	2015
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Property, plant and equipment

		2016			2015	
	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	1 288	-	1 288	1 288	-	1 288
Buildings	2 655	-	2 655	2 595	-	2 595
Furniture and fixtures	1 849	(1 414)	435	1 732	(1 297)	435
Motor vehicles	252	(252)	-	252	(252)	-
Office equipment	1 286	(982)	304	1 125	(874)	251
IT equipment	1 804	(1 612)	192	1 674	(1 384)	290
Project assets	38	` (15)	23	38	` (15)	23
Total	9 172	(4 275)	4 897	8 704	(3 822)	4 882

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Depreciation	Total
Land	1 288	-	-	1 288
Buildings	2 595	60	-	2 655
Furniture and fixtures	434	117	(114)	437
Office equipment	252	160	(111)	301
IT equipment	290	130	(214)	206
Project assets	23	-	(13)	10
	4 882	467	(452)	4 897

Reconciliation of property, plant and equipment - 2015

	Opening	Additions	Depreciation	Total
	balance			
Land	1 288	-	-	1 288
Buildings	2 257	338	-	2 595
Furniture and fixtures	491	48	(105)	434
Motor vehicles	64	-	(64)	-
Office equipment	184	135	(67)	252
IT equipment	207	226	(143)	290
Project assets	10	17	(4)	23
	4 501	764	(383)	4 882

Intangible assets

	2016			2015		
	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	204	(179)	25	196	(157)	39









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Notes to the Annual Financial Statements

	res in Rand thousand				2016	2015
4.	Intangible assets (continued)					
Rec	onciliation of intangible assets - 2016					
		Opening	Additions	Amortisation	Total	
Cor	nputer software	balance 39	8	(22)	25	5
Rec	onciliation of intangible assets - 2015					_
		Opening	Additions	Amortisation	Total	
Cor	nputer software	balance 5	41	(7)	39)
5.	Operating lease expense					
Min - w	mum lease payments due thin one year				68	158
	between two to five years				91	-
	rating lease payments of R 257 000 consists ehicle and printer machine.	of payments made	to AVIS, N&G	Rentals and Firs	t Technology	for the renta
The	lease term for a vehicle is on a month to mor 6 to arrive at an minimum lease payments for		l expenses hav	ve been escalate	d by an inflati	onary rate o
	lease terms for both vehicle and equipment t		escalation clu	ase, as result the	e lease paym	ents equals
the	GRAP 13 straightlining. A disclosure of durati	on and average mo	nthly navment	s has been made	,	-
			mining payments	s nas been made	J.	
6.	Consumables		muny payment	s nas been made	.	
	Consumables sumable stores		nuny payment	s nas peen made	492	586
Con			nuny payment	s ilas been illade		586
7. Ope	NSF Receivable ning Balance		nuny payment	s ilas been illade	492 2015/16 18 628	2014/15 9 731
7.	sumable stores NSF Receivable ning Balance sed and recognised as revenue - conditions m		nuny payment	s ilas been illade	492 2015/16 18 628 1 266	2014/15 9 731 8 897
7. Ope	sumable stores NSF Receivable ning Balance sed and recognised as revenue - conditions mance year end		nuny payment	s ilas been illade	492 2015/16 18 628	2014/15 9 731
Con 7. Ope Utili Bala 8.	NSF Receivable ning Balance sed and recognised as revenue - conditions mance year end Receivables from exchange transactions		nuny payment	s ilas been illade	492 2015/16 18 628 1 266 19 895	2014/15 9 731 8 897
Con 7. Ope Utili Bala 8.	sumable stores NSF Receivable ning Balance sed and recognised as revenue - conditions mance year end		nuny payment	s ilas been illade	492 2015/16 18 628 1 266	2014/15 9 731 8 897
Confine Confin	NSF Receivable ning Balance sed and recognised as revenue - conditions mance year end Receivables from exchange transactions bayments al Development Loan Account f Debtors		nuny payment	S Has been Hade	492 2015/16 18 628 1 266 19 895	2014/15 9 731 8 897 18 628
7. Ope Utilii Bala 8. Prep Rura Staf	NSF Receivable ning Balance sed and recognised as revenue - conditions mance year end Receivables from exchange transactions bayments al Development Loan Account		nuny payment	s ilas beeli illade	492 2015/16 18 628 1 266 19 895	2014/15 9 731 8 897 18 628
7. Ope Utilii Bala 8. Prep Rura Staf	NSF Receivable ning Balance sed and recognised as revenue - conditions mance year end Receivables from exchange transactions bayments al Development Loan Account f Debtors tless and Wastefull Expenditure Control		nuny payment	s ilas beeli illade	492 2015/16 18 628 1 266 19 895	2014/15 9 731 8 897 18 628 - 4 515 3 5 247
7. Opequilia Bala 8. PrepRura Staf Frui Sun	NSF Receivable ning Balance sed and recognised as revenue - conditions mance year end Receivables from exchange transactions bayments al Development Loan Account f Debtors tless and Wastefull Expenditure Control	et	nuny payment	S Has been made	492 2015/16 18 628 1 266 19 895	2014/15 9 731 8 897 18 628 - 4 515 3 5 247
Con 7. Ope Utilii Bali 8. Prep Rura Strui Sun 9.	NSF Receivable ning Balance sed and recognised as revenue - conditions mance year end Receivables from exchange transactions bayments al Development Loan Account f Debtors tless and Wastefull Expenditure Control dry Receivables Receivables from non-exchange transactions Receivables from non-exchange transactions	et	nuny payment	S Has been made	492 2015/16 18 628 1 266 19 895	2014/15 9 731 8 897 18 628 - 4 515 3 5 247 4 772
7. Ope Utilii Bala 8. Prep Rurs Stari Sun Dep Inte	NSF Receivable ning Balance sed and recognised as revenue - conditions mance year end Receivables from exchange transactions bayments al Development Loan Account f Debtors tless and Wastefull Expenditure Control dry Receivables Receivables from non-exchange transactions	et	nuny payment	S Has been made	492 2015/16 18 628 1 266 19 895 5 269 274	2014/15 9 731 8 897 18 628









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Notes to the Annual Financial Statements

Figures in Dond the coord	0046	0045
Figures in Rand thousand	2016	2015

10. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand and in banks and investments in fixed deposits. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement can be reconciled to the related items in the balance sheet as follows:

	307 513	297 889
Short-term deposits	264 302	239 552
Bank balances	43 209	58 337
Cash on hand	2	-

As required in Treasury Regulation 31.2, National Treasury approved the banks where the bank accounts are held. The weighted average interest rate on short-term bank deposits was 3.00% (2015: 5.87%).

The Skills Development Act Regulations state that a SETA may, if not otherwise specified by the Public Finance Management Act, invest the monies in accordance with the investment policy approved by the relevant SETA.

Treasury Regulation 31.3 requires that, unless exempted by the National Treasury, the SETA as a public entity that is listed in Schedule 3A of the Act must invest surplus funds with the Corporation for Public Deposits. As at the 31st March 2016 all AgriSETA's surplus funds were held in the Corporation for Public Deposits

11. Provisions

Reconciliation of provisions - 2016

	Opening Balance	Additions	Utilised/Paid during the year o	Reversed during the year	Total
Levies Incorrectly received	6 582	(916)	-	-	5 666
Provision for Grants payable	13 116	-	(13 116)	-	-
Provision for uncommitted funds current year	59 229	-	(54 796)	(4 433)	-
	78 927	(916)	(67 912)	(4 433)	5 666

Reconciliation of provisions - 2015

	Opening Balance	Additions	Utilised/Paid during the year	Total
Levies Incorrectly received	6 585	-	(3)	6 582
Provision for Grants payable	21 767	13 116	(21 767)	13 116
Provision for uncomitted funds	-	59 229	-	59 229
	28 352	72 345	(21 770)	78 927

An amount of R5 666 000 (2015: R6 581 000) relates to levies incorrectly contributed by employers, and paid over by SARS and DHET, after being exempted from contributing skills development levies due to legislation which came into effect 1 August 2005

In terms of the Skills Development Circular No.09/2013 issued by the DHET on 25 August 2013, SETAs are able to utilise exempted amounts contributed after the expiry date of five years stipulated in terms of section 190(4) of the Tax Administration Act

The provision of R59.2 million payable to NSF as a result of uncommitted surplus was made in the prior year, of this amount R54.7million was paid to NSF in the current year, after NSF rejected the SETA's application for retention of funds. The amount of R4.4 million resulting from overprovision was reversed and recommitted in the current year. There is no surplus surrender provision made in the current year, because as at 31 March 2016, AgriSETA uncommitted funds were below the 5% threshold as required by Grant Regulations.









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Notes to the Annual Financial Statements

Figures in Rand thousand	2016	2015
12. Payables from exchange transactions		
Trade payables	26 517	8 171
Provision for Bonuses Accruals	315 6 032	327 13 952
Provision for Leave Pay	732 33 596	835 23 285

The carrying amount of trade and other payables approximate their fair value due to relatively short-term maturity of these financial liabilities

13. Payables from non-exchange transactions

Skills Development Grants Payable-Mandatory	34 577	22 896
InterSETA payables	139	1 354
Payable for uncommitted funds 2013/14	-	25 787
Levy Creditors	1 316	632
	36 032	50 669

14. Financial instruments disclosure

Categories of financial instruments

2016

Financial assets

	At amortised cost	Total
Cash and cash equivalents	307 513	307 513
Receivables from exchange transactions	275	275
Receivables from non exchange transactions	5 861	5 861
	313 649	313 649

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	34 206	34 206
Trade and other payables from non exchange transactions	34 716	34 716
	68 922	68 922

2015

Financial assets

	At amortised cost	Total
Cash and cash equivalents	297 889	297 889
Receivables from exchange transactions	4 771	4 771
Receivables from non exchange transactions	1 970	1 970
	304 630	304 630









(20/AgriSETA/1/07/11)

Figures in Rand thousand	2016	2015
. Financial liabilities	At amortised	Total
	cost	rotai
Trade and other payables from exchange transactions	23 916	23 916
Trade and other payables from non exchange transactions	50 037	50 037
	73 953	73 953
15. Revenue		
Other income	1 117	334
Interest received - investment	18 440	12 943
Government grants & subsidies Levies	9 189 330 518	6 061 292 209
Reversal of NSF provision for uncommitted funds 2015	4 433	292 209
Levies: Penalties & Interest	8 463	6 169
National Skills Fund Income	1 266	8 897
	373 426	326 613
The amount included in revenue arising from exchanges of goods or services		
are as follows:	4 447	00.4
Other income Interest received - investment	1 117 18 440	334 12 943
	19 557	13 277
The amount included in revenue arising from non-exchange transactions is as		
follows: Non exchange revenue		
Government grants and subsidies	9 189	6 061
Levies	330 518	292 209
Reversal of NSF provision for uncommitted funds 2015	4 433	- 0.400
Levies: Penalties and Interest National Skills Fund Income	8 463 1 266	6 169 8 897
Tradional Grand Income	353 869	313 336
16. Levies		
Levy transfer-Administration	42 258	37 653
Levy transfer- Discretionary Grants	196 657	176 862
Levy transfer-Mandatory Grants Levy transfer- Dept of Agriculture Discretionary	82 077 6 351	74 210 2 323
Levy transfer- Dept of Agriculture Admin	3 175	1 161
	330 518	292 209
17. Government grants and subsidies		
Government grant and donor funding income	9 189	6 061
18. Employer grants and project expenditure		
Mandatory expenditure	53 734	46 332
Discretionary expense	180 787	141 922
	234 521	188 254
		Mary Lab









(20/AgriSETA/1/07/11)

Notes to the Annual Financial Statements

19. General expenses Accounting & Information Technology fees		
Accounting & Information Technology fees		
A du carticina	9 022	7 143
Advertising	863	1 799
Auditors remuneration	2 295	1 759
Bank charges	69	68
Cleaning	102	54
Repair and Maintanance	809	385
Consulting and professional fees	266	854
Bad Debts	6	21
Internal Audit fees	264	721
Entertainment Ovality Council for Trade and Occupations (OCTO)	163	156
Quality Council for Trade and Occupations (QCTO)	1 065	702
Insurance	161	184
Impairment and losses	5	197
Marketing	122	197
Postage and courier Printing and stationery	456	226
Research and development costs	845	489
Security (Guarding of property)	181	398
Staff welfare	51	107
Subscriptions and membership fees	18	58
Telephone and fax	545	547
Training	814	577
Travel - local	3 482	3 652
Assets expensed	25	8
Electricity	497	414
Recruitment Costs	400	350
Board Members' Remuneration & Travel costs	2 620	2 192
Library charges	-	5
Workshop costs	965	892
	26 111	24 060
20. Employee related costs		
Basic	9 797	9 093
Bonus	876	808
Medical aid - company contributions	285	222
UIF	49	45
SDL	158	159
Leave pay provision charge	397	459
Defined contribution plans	1 063	1 071
Dominion Contribution plants	12 625	11 857
24 Transfer of uncommitted connect funds		
21. Transfer of uncommitted capped funds		
Surrender uncommitted funds	_	25 787
Transfer of uncommitted capped funds current year	_	59 229
Transfer of uncommitted capped funds current year		

The provision of R59.2 million payable to NSF as a result of uncommitted surplus was made in the prior year R54.7 million of this amount was paid to NSF in the current year, after NSF rejected the SETA's application for retention of funds. The amount of R 4.4 million resulting from overprovision was reversed and recommitted in the current year.









(20/AgriSETA/1/07/11)

Figures in Rand thousand	2016	2015
22. Investment revenue		
Interest revenue		
Interest received- investment Interest received-Bank	16 749 1 691	11 670 1 273
Interest received-bank	18 440	12 943
23. Finance costs		
Finance leases		1
24. Auditors' remuneration		
Fees	2 295	1 759
25. Cash flows from operating activities.		
Surplus Adjustments for:	88 995	2 019
Depreciation and amortisation Depreciation Project assets	462 14	386
Finance costs - Finance leases	-	1
Impairment and losses Interest income	5 (18 440)	(12 943)
Changes in working capital:	,	` '
(Increase)/Decrease in exchange,non-exchange and NSF receivables current year Increase/(Decrease) in payables from exchange, non-exchange, consumables	(660) (78 717)	(8 148) 90 645
provisions current year	(10 111)	50 040
Investment income already accounted for in the face	18 440	12 943
	10 099	84 903









(20/AgriSETA/1/07/11)

Figures in Rand thousand	2016	2015
26. Commitments and Contingencies		
Discretionary projects		
2008/2009		
Mentorship	_	61
Rural Developments Projects	200	2 439
Mentorship	-	528
	200	3 027
2010/2011 projects		
Apprentice 18.2	-	390
2011/2012 projects		
Apprentice 18.1	-	527
Apprentice 18.2	-	1 147
FLP 18.1	-	534
FLP 18.2 Project monitoring	-	72 3 873
Project monitoring	<u> </u>	6 153
2012/2013 projects	<u> </u>	0 133
ABET Employers	66	323
ABET Rural	-	39
Apprentice 18.1	132	2 182
Apprentice 18.2	1 279	3 047
Bursaries 18.1	56	159
Bursaries 18.2	376	231 410
Commodity LS 18.1	376	573
LS 18.2	-	281
NVC	-	594
SP 18.1	-	131
Rural structures	-	100
	1 909	8 070
2013/2014 projects	475	1 121
ABET Employers ABET Rural	475 52	1 134 482
Artisans - 18.1	6 777	9 376
Artisans - 18.2	6 807	11 310
Busaries - 18.1	565	2 877
Busaries - 18.2	188	2 692
Commodity	-	1 282
FLP 18.1	-	186
FLP 18.2	-	1 062
Internships Graduate Placement	248 198	4 403 1 804
LS 18.1	1 233	3 531
LS 18.2	-	1 890
NVC	167	502
SP 18.1	398	1 299
SP 18.2	-	366
New Farmer Support	-	176
Rural Development Projects	-	1 628
FET Graduate Placements Stakeholder Capacity building	-	685 495
otations do outputty building	17 108	47 180
	17 100	47 100









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Figures in Rand thousand		2016	2015
26. Commitments and C 2014/2015 projects	ontingencies (continued)		
ABET Employers		1 117	1 558
ABET Rural	10.1	124	520
Artisans -	18.1	5 458	6 816
Artisans -	18.2 18.1	13 366	17 639
Busaries -	18.2	4 2 1 9	7 120
Busaries -	10.2	3061	9 463
Commodity FLP -	18.1	305 284	1 224 944
FLP -	18.2	204	198
Graduate Placement	10.2	450	3 334
Internships		3 129	9 483
LS -	18.1	386	5 587
LS -	18.2	2 084	6 199
NVC		527	908
SP -	18.1	145	1 129
SP -	18.2	84	623
Farmer Development	. 5.2	-	175
Stakeholder capacity buildin		-	1 260
Agric College Support		978	1 852
Recognition of Prior Learning	(RPL)	-	200
Assurance Quality Partner (A		-	108
Special Projects		-	2 101
		35 717	78 443
2015/16 projects			
Artisans -	18.1	-	2 900
Wil KZN		-	9 675
Artisans -	18.2	-	6 650
Learnerships	18.1	14 085	-
Skills programs	18.1	2 302	-
AET		2 529	-
Commodity		2 068	-
Internships		16 907	-
Graduate Placements		8 914	-
Artisan Development		51 251	-
Bursaries Post grad	18.1	410	-
Bursaries Under grad	18.1	1 494	-
Bursaries Post grad	18.2	2 003	-
Bursaries Under grad	18.2	10 136	-
Bursaries continuation		8 905	-
CEO Project continuation		1 335	-
CEO Project new		2 329 4 838	-
Ministerial Projects Learnership	18.2	21 280	-
Skills programmes	10.2	1 390	-
Mentorship		19 093	-
NVC		556	_
UIF		15 849	_
NSF		1 207	_
Agri College		2 070	_
Occupational Qualification		1 618	_
AQP		86	_
RPL		6 730	_
Admin		3	_
Leadership Development		1 767	_
Extension Officer Developr	nent	2 000	-
		203 155	19 225









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Notes to the Annual Financial Statements

Figures in Rand thousand	2016	2015

26. Commitments and Contingencies (continued)

The full amount of R259 130 000 (2015: R169 378 000) available in discretionary reserve has been approved and allocated for future projects and skills priorities. Of the allocated balances R255 948 000 has been contracted. A request for accumulation of discretionary surplus has been submitted to National Treasury through DHET.

Year 15 split between pivotal and non-pivotal

The Grant Regulations require at least an 80/20 split for discretionary projects between pivotal and non-pivotal programmes. AgriSETA has performed the calculation based on current year project allocations. During the current year the SETA has allocated 91% of its 2016 projects to pivotal programmes and 9% to non-pivotal programmes

26.2 Contingencies

26.2.1 Retention of Surplus Funds

In terms of section 53 (3) of the PFMA, public entities listed in Schedule 3A and 3C to the PFMA may not retain cash surpluses that were realised in the previous financial year without obtaining the prior written approval of National Treasury. During September 2015, National Treasury Issued Instruction No.3 of 2015/16 which gave more detail to the surplus definition. According to this instruction, a surplus is based on the cash flow from operating activities and net investing activities in financial assets.

A submission has been made to the National Treasury on the 31st May 2016 to retain the following surplus

Cash flow from Operating Activities

10 099









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Notes to the Annual Financial Statements

Figures in Dond thousand	2016	2015
Figures in Rand thousand	2016	2015

26. Commitments and Contingencies (continued)

26.2.2 First time employer registrations

The Skills Development legislation allows an employer, registering for the first time, 6 months to submit an application for a mandatory grant. At the reporting date it is estimated that, as a result, additional mandatory grant expenditure of R301 000 (2015: R186 000) - will be payable. The amount is contingent on the number of submission received and approved.

27. Related parties

Relationships Controlling entity

Department of Higher Education and Training

Related party balances

Amounts included in Trade receivable regarding related parties FP&M SETA FOOD BEV SETA SERVICES SETA	- - -	58 8 9
Amounts included in Trade payables regarding related parties CHIETA W&R SETA MERSETA SERVICES HW SETA BANK SETA CETA OTHER	- - - - - 139	3 42 4 63 4 2 1 1 235
Related party transactions	133	1 200
Purchases from related parties CHIETA W&R SETA MERSETA FOODBEV FP&M SETA TETA QCTO NSF	- - - - 1 065	2 9 57 15 3 9 702 154
Sales to related parties W&R SETA FOODBEV FASSET SERVICES CHIETA	- - - - -	302 326 1 220 9

Remuneration of Key Management

The key management personnel (as defined by IPSAS 20, Related Party Disclosures) of the SETA are: the members of the Accounting Authority and the members of the senior management group.

The Accounting Authority consists of members appointed in terms of its constitution; the Chief Executive Officer and the Chief Financial Officer attend meetings of the Accounting Authority but are not members of the Accounting Authority. The aggregate remuneration of members of the Accounting Authority and the number of members receiving remuneration within this category, are:









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Notes to the Annual Financial Statements

Figures in Rand thousand	2016	2015
27. Related parties (continued)		
Accounting Authority	2015/16	2014/15
Aggregate remuneration	1 866	1 536
Number of Persons	14	14
Senior Managment		
Aggregate remuneration	8 937	6 425
Number of persons	13	10
	-	-
Stake holder Payables: Nature of relationship	2015/16	2014/15
ongaat Hulett Sugar Limited: Bhana Jacquie	1 275	2 037
rystaat Co-op BPK: Riaan Gerritzen	106	97
Rainbow Chickens Farms: Jacqueline Ambrose/Winston Molokomme	477	1 981
Central University of Technology - FS: Prof GP Mayende	-	360
lational African Farmers Union: Augustinus Hendricks/Joe Gondo	178	693
Pannar Seed: George Nefdt	8	189
Citrus Academy: Jacomien de Klerk	1 761	1 213
	3 805	6 570

28. Risk management

Liquidity risk

AgriSETA manages liquidity risk through proper management of working capital, capital expenditure and actual vs. forecasted cash flows and its cash management policy. Adequate reserves and liquid resources are also maintained.

2015/16 Payables from exchange transactions	Carrying amount (34 206)	Contractual cash flows (34 206)	6 months or less (34 206)	6-12 months	1-2 years
Subtotal	(34 206)	(34 206)	(34 206)	-	-
	(34 206)	(34 206)	(34 206)	_	-
2014/15	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years
Payables from exchange transactions	(23 916)	(23 916)	(23 916)	-	-
Subtotal	(23 916)	(23 916)	(23 916)	-	-
	(23 916)	(23 916)	(23 916)	-	-









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Notes to the Annual Financial Statements

Figures in Rand thousand	2016	2015

28. Risk management (continued)

Credit risk

The SETA limits its counter-party exposure by only dealing with well-established financial institutions approved by National Treasury. The SETA's exposure is continuously monitored by the Accounting Authority. Credit risk in respect of SARS is limited as it is a government entity of sound reputation.

Credit risk with respect to levy paying employers is limited due to the nature of the income received. The SETA's concentration of credit risk is limited to the Agriculture sectors in which the SETA operates. No events occurred in the Agriculture industry during the financial year that may have an impact on the accounts receivable that has not been adequately provided for. The SETA is exposed to a concentration of credit risk, as significant amounts is owed by the South African Revenue Services (SARS). This concentration of risk is limited as DHET is a government entity with sound reputation.

Financial assets exposed to credit risk at year end were as follows:

2015/16 Ageing of receivables from exchange transactions Ageing of cash and cash equivalent	Gross	Impairment	Total 2016
	275	-	275
	307 513	-	307 513
	307 788	-	307 788
2014/15 Ageing of receivables from exchange transactions Ageing of cash and cash equivalent	Gross	Impairment	Total 2015
	4 772	-	4 772
	297 889	-	297 889
	302 661	-	302 661

The SETA does not have any material exposure to any individual or counter-party. The SETA's concentration of credit risk is limited to the industry in which the SETA operates. No events occurred in the industry during the financial year that may have an impact on the accounts receivable that has not been adequately provided for. Accounts receivable are presented net of allowance for doubtful debt.

Market risk

Interest rate risk

AgriSETA manages interest rate risk by effectively investing surplus cash in term deposits with the Corporation for Public Deposits according to Fassets investment policy.

2015/16	Floating rate	Non-Interest Bearing	Total
Cash	307 511	2	307 513
Receivables from exchange transactions	133	141	274
Payables from from exchange transactions	-	(34 206)	(34 206)
	307 644	(34 063)	273 581
2014/15	Floating rate	Non-Interest Bearing	Total
Cash	297 889		297 889
Receivables from exchange transactions	-	4 771	4 771
Payables from from exchange transactions	-	(23 916)	(23 916)
	297 889	(19 145)	278 744









(20/AgriSETA/1/07/11)

Notes to the Annual Financial Statements

Figures in Rand thousand	2016	2015

29. 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.

The Minister has extended the SETA licence until 31 March 2018. There are no known instances that cast doubt on AgriSETA's ability to continue as a going concern except the uncertainty caused by the new SETA landscape post 2018. There are ongoing engagements and consultations between the Minister, the Accounting Authority and the executive regarding the new SETA landscape which is currently set to take effect on 1 April 2018.

30. Events after the reporting date

There were no significant event after balance sheet date.

31. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure	136	136
Fruitless and wasteful expenditure for the year	-	2
Less: Amounts recovered in the current year	-	(2)
Less: Amounts condoned during the year	(134)	-
	2	136

The fruitless and wasteful expenditure for prior year related to the cancellation fees, an overseas trip and interest incurred on late payment of invoices.

During the year AgriSETA received condonation R134,000 relating cancellation fees, overseas trip and interest incurred on late payment of invoices.

The remaining balance of R2 000 relates to penalties and interests, the SETA is in the process of recovering these funds.

32. Irregular expenditure

Opening balance	1 206	981
Add: Irregular Expenditure - current year	-	225
Less: Amounts condoned	(1 145)	-
Less: Amounts incorrectly classified as irregular expenditure.	(61)	-
	_	1 206

Details of irregular expenditure

The prior year irregular expenditure relates to the following. 1) amount by which the payment made to the supplier exceeded the original bid value (R162 000). 2) amount paid to the winning supplier for which there is no evidence that the bid was submitted before the closing date (R47 000).3) amount paid to the supplier without obtaining 3 quotations (R15 000) and balance of R981 000 relates to four service providers who were used multiple times resulting in the cost exceeding the threshold which required supply chain management processes which were not followed. The services provided, included security, catering, courier and secretarial work. The R981 000 irregular expenditure was incurred in 2012

During the year AgriSETA received condonation of R1 145 000 relating to the Irregular expenditure from prior years. The amount of R61 000 incorrectly classified as irregular is as a result of a typo error in the financials of the year 2012/13.









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Notes to the Annual Financial Statements

Figures in Rand thousand				-	2016	2015
33. Accumulated Surplus						
2015/16	Administation reserve	Mandatory reserve	Discretionary Grant reserve	Special Projects	Project	Total
Levies	45 433	82 077	203 008	- riojecis	_	330 518
Interest Received	-10 -100		-	_	18 440	18 440
Other Income	_	_	_	_	1 117	1 117
Penalties and Interest	-	-	-	-	8 463	8 463
NSF reversal of uncommitted funds	-	-	-	-	4 433	4 433
National Skills Fund Income	_	-	-	1 266	-	1 266
Donations for Special Projects	-	-	-	9 189	-	9 189
Administration expense	(39 455)	-	-	-	-	(39 455)
Employer and discretionary grant expense	(0)	(180 787)	(180 138)	-	-	(273 165)
Donation for Special Projects	-	-	-	(9 189)	-	(9 189)
National Skills Fund expenses	-	-	-	(1 266)	-	(1 266)
Subtotal	(0)	(180 787)	(180 138)	(10 561)	-	(283 726)
	5 978	28 343	22 221	-	32 453	89 995
2014/15	Administation	Mandatory	Discretionary	Special	Project	Total
	reserve	reserve	Grant reserve	Projects		
Levies	37 653	74 210	180 346	-	-	292 209
Interest Received	-	-	-	-	12 943	12 943
Other income	334	-	-	-	-	334
Penalties and Interest	-	-	-	-	6 169	6 169
National Skils Fund Income	-	-	-	8 897	-	8 897
Donations for Special Projects	-	-	<u>-</u>	6 061	-	6 061
Administration expense	(121 381)	-	-	-	-	(121 381)
Employer grants expense	-	(46 332)	(141 922)	-	-	(188 254)
Donations for Special Projects	-	-	-	(6 061)	-	(6 061)
National Skills Fund expenses	-	-	-	(8 897)	-	(8 897)
Finance Costs	(1)		-	-	-	(1)
Subtotal	(83 395)	27 878	38 424	-	19 112	2 019
	(83 395)	27 878	38 424	-	19 112	2 019

34. Comparison of budget and actual amounts

Notes to comparison of actual and budget amounts

Legislation requires that the SETA annually, in September submit a budget to the Minister for approval. Any subsequent changes required to the initial budget are approved by AgriSETA's Board.

Levies

The under-collection of levies is mainly attributed to current adverse economic conditions, which has resulted in less annual increases of salaries and wages within the Agicultural Sector.

Government Grants and subsidies

The over-collection of Departmental levies was due to the HR budget of the Departments exceeding AgriSETA's estimate.

Interest Received

The over-collection of interest was due to an increase in funds invested during the financial year which resulted in increased cashholdings.









(20/AgriSETA/1/07/11)

Notes to the Annual Financial Statements

Figures in Rand thousand 2016 2015

34. Comparison of budget and actual amounts (continued)

The actual figures are below budget. This is due to overbudgeting for employer and projects expenses, however the actual expenditure has increased by 24% compared to prior years.

Administration Expenditure

The variance is as a result of cost savings on various expense items. The AgriSETA's administration expenditure is within the legislative requirement limit of 10.5%.

35. Segment Reporting

AgriSETA reports to management on the basis of three functional segments namely; administration, mandatory and discretionary. Management uses these segments in determining strategic objectives and allocating resources. The reporting of these segments is also appropriate for external reporting purposes. Refer to Annexure A for the applicable disclosure of the segment reporting.









Financial information Annexure A - Segment Reporting Information about the the surplus, assets and liabilities reconciliations

(20/AgriSETA/1/07/11)

2016	Administration	Mandatory	Discretionary	Unallocated	Total
REVENUE	K.000	K.000	K,000		K.000
Revenue from non-exchange transactions					
Skills development levy: Income	45,433	82,077	203,008		330,518
Skills development levy: Penalties and interest	•	•	8,463		8,463
Reversal of NSF provision for uncommitted funds 2015			4,433		4,433
NSF Income				1,266	1,266
Government Grants And Donor income				9,189	9,189
Revenue from exchange transactions					
Other income		1	1,117		1,117
Investment income	1	•	18,440		18,440
Total segment revenue	45,433	82,077	235,461	10,455	373,426
EXPENSES					
Employee cost	(12,625)	1			(12,625)
Deprection and amortisation	(462)	1			(462)
National Skills Fund Expense				(1,266)	(1,266)
Government Grants And Donor Expense				(9,189)	(9,189)
Other administration expenses	(26,368)	1			(26,368)
Employer grant and project expenditure	ı	(53,734)	(180,787)		(234,521)
Total segment expenditure	(39,455)	(53,734)	(180,787)	(10,455)	(284,431)
Total surplus	5,978	28,343	54,674		88,995
ASSETS					
Non-current assets	4,922		1		4,922
Consumables	492	1			492
Account receivables from exchange transactions	5	1	269		274
Account receivables from non-exchange transactions	•	5,861	ı		5,861







Financial information Annexure A - Segment Reporting Information about the the surplus, assets and liabilities reconciliations

(20/AgriSETA/1/07/11)

NSF Receivables				19,895	19,895
Cash and cash equivalents (Unallocated asset)	•	•	•	307,513	307,513
Total assets	5,419	5,861	269	327,408	338,957
	Administration	Mandatory	Discretionary	Unallocated	Total
	R'000	R'000	R'000		R'000
Liabilities					
Trade and other payables from non-exchange		34,577	139		34,716
Trade and other payables from exchange transactions	33,596	1	1,316		34,912
Provisions		5,666			5,666
Government Grant and Donor funding received in advance				096	096
Total liabilities	33,596	40,243	1,455		76,254
2015	Administration	Mandatory	Discretionary	Unallocated	Total
	R'000	R'000	R'000		R'000
REVENUE					
Revenue from non-exchange transactions					
Skills development levy: Income	38,814	74,210	179,185		292,209
Skills development levy: Penalties and interest	•	1	6,169		6,169
NSF Income				8,897	8,897
Government Grants And Donor income				6,061	6,061
Revenue from exchange transactions					
Other income	•	1	334		334
Investment income		•	12,943		12,943
Total segment revenue	38,814	74,210	198,631		326,613
EXPENSES					
Employee cost	(11,857)	•	•		(11,857)
Transfer of uncommitted funds			(85,016)		(85,016)
Deprection and amortisation	(386)	•	•		(386)







155,057

80,913

22,896

23,285



Financial information
Annexure A - Segment Reporting
Information about the the surplus, assets and liabilities reconciliations

(20/AgriSETA/1/07/11)

National Skills Fund Expense Government Grants And Donor Expense				(8,897)	(8,897)
Other administration expenses	(24,125)	ı	•		(24,125)
Employer grant expenses		(46,332)	(141,922)		(188,254)
Total segment expenditure	(36,368)	(46,332)	(226,938)		(324,596)
Total surplus	75,182	120,542	425,569		2,017
	Administration	Mandatory	Discretionary	Unallocated	Total
	R'000	R'000	R'000		R'000
ASSETS					
Non-current assets	4,921	1			4,921
Consumables	586	ı	1		586
Account receivables from exchange transactions	∞	ı	247	4,515	4,772
NSF Receivables				18,628	18,628
Account receivables from non-exchange transactions	1	1,970	1		1,970
Cash and cash equivalents (Unallocated asset)		1	1	297,889	297,889
Total assets	5,515	1,970	247	321,032	328,766
Liabilities					
Trade and other payables from non-exchange		22,896	1,354	25,787	50,037
Trade and other payables from exchange transactions	23,285	ı	632		23,917
Provisions			78,927		78,927
Government Grant and Donor funding received in advance				2,176	2,176









Notes





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