

Vote 1**Department of the Premier****Adjusted budget summary**

| R thousand | 2015/16 | | | | |
|--|--|-----------------------|------------------------|----------------|---------------|
| | Main appropriation | Special appropriation | Adjusted appropriation | Decrease | Increase |
| Total amount to be appropriated | 283 896 | | 311 001 | (1 091) | 28 196 |
| <i>of which economic classification:</i> | | | | | |
| Current payments | 280 076 | | 307 074 | (1 091) | 28 089 |
| Transfers and subsidies | 798 | | 798 | | |
| Payments for capital assets | 3 022 | | 3 129 | | 107 |
| Payments for financial assets | | | | | |
| <i>of which source of funding:</i> | | | | | |
| Equitable Share | 246 189 | | 273 294 | (1 091) | 28 196 |
| Conditional Grants | | | | | |
| Earmarked funds | | | | | |
| Provincial Receipts | 37 707 | | 37 707 | | |
| Direct charge against the Provincial Revenue Fund | 283 896 | | 311 001 | (1 091) | 28 196 |
| Amount not to be appropriated - Aid Assistance | 23 985 | | 23 985 | | |
| Executive Authority | MEC for Office of the Premier | | | | |
| Accounting Officer | Director General: Office of the Premier | | | | |
| Website address | www.Premier.fs.gov.za | | | | |

Aim

To enable the Premier to fulfil his constitutional obligations and other functions through the effective and efficient utilisation of resources of the Free State Provincial Government.

Changes to programme purposes, objectives and measures

Programme 3: Policy and governance

Rights of children and HIV/AIDS functions were transferred to Social Development and Department of health respectively with personnel costs in the period under review. And the official transferred to Health will be transferred back to the Department due to the needs of the department.

Adjusted Estimates of Provincial Revenue & Expenditure 2015

Table 1.1(a): Adjusted Estimates per programme

| 2015/16 | | | | | | | | |
|------------------------------|--------------------|-----------------------|----------------------------|----------------------|------------------------|-------------------|--------------------------------|------------------------|
| Programme | Main appropriation | Special appropriation | Adjustment appropriation | | | | Total adjustment appropriation | Adjusted appropriation |
| | | | Unforeseeable /unavoidable | Virements and shifts | Declared unspent funds | Other adjustments | | |
| R'thousand | | | Roll-overs | | | | | |
| 1. Administration | 138 867 | | 252 | 1 862 | | 8 546 | 10 660 | 149 527 |
| 2. Institutional Development | 101 213 | | 560 | (2 432) | (91) | 9 217 | 7 254 | 108 467 |
| 3. Policy and Governance | 43 816 | | 60 | 570 | (1 000) | 9 561 | 9 191 | 53 007 |
| Total | 283 896 | | 872 | | (1 091) | 27 324 | 27 105 | 311 001 |

Economic classification

Table 1.1(b): Adjusted Estimates by economic classification

| Economic classification | Main appropriation | Special appropriation | Adjustments Appropriation | | | | Total adjustment appropriation | Adjusted appropriation |
|---|--------------------|-----------------------|----------------------------|----------------------|------------------------|-------------------|--------------------------------|------------------------|
| | | | Unforeseeable/ unavoidable | Virements and shifts | Declared unspent funds | Other adjustments | | |
| R'thousand | | | Roll-overs | | | | | |
| Current payments | 280 076 | | 765 | 687 | (1 091) | 27 324 | 27 685 | 307 761 |
| Compensation of employees | 221 570 | | | (15 000) | (1 000) | 23 924 | 7 924 | 229 494 |
| Goods and Services | 58 506 | | 765 | 15 687 | (91) | 3 400 | 19 761 | 78 267 |
| Interest and rent on land | | | | | | | | |
| Transfers and subsidies to | 798 | | | (76) | | | (76) | 722 |
| Provinces and municipalities | | | | | | | | |
| Departmental agencies and accounts | | | | | | | | |
| Universities and technikons | | | | | | | | |
| Public corporations and private enterprises | | | | | | | | |
| Foreign governments and international organisations | | | | | | | | |
| Non-profit institutions | | | | | | | | |
| Households | 798 | | | (76) | | | (76) | 722 |
| Payments for capital assets | 3 022 | | 107 | (611) | | | (504) | 2 518 |
| Buildings and other fixed structures | | | | | | | | |
| Machinery and equipment | 2 192 | | 107 | 208 | | | 315 | 2 507 |
| Cultivated assets | | | | | | | | |
| Software and other intangible assets | 830 | | | (819) | | | (819) | 11 |
| Land and subsoil assets | | | | | | | | |
| Heritage assets | | | | | | | | |
| Payments for financial assets | | | | | | | | |
| Total | 283 896 | | 872 | | (1 091) | 27 324 | 27 105 | 311 001 |

Programme 1: Administration

Table 1.1.1: Adjusted Estimates

| | | 2015/16 | | | | | | | |
|--|--------------------|-----------------------|--------------------------|----------------------------|----------------------|------------------------|--------------------------------|------------------------|-------------------|
| Subprogramme | Main appropriation | Special appropriation | Adjustment appropriation | | | | Total adjustment appropriation | Adjusted appropriation | |
| | | | Roll-overs | Unforeseeable /unavoidable | Virements and shifts | Declared unspent funds | | | Other adjustments |
| R'thousand | | | | | | | | | |
| 1. Premier support | 15 025 | | 21 | | (1 932) | | 667 | (1 244) | 13 781 |
| 2. Executive Council support | 3 322 | | 7 | | 314 | | 66 | 387 | 3 709 |
| 3. Director General | 97 999 | | 193 | | 7 210 | | 2 729 | 10 132 | 108 131 |
| 4. Financial Management | 22 521 | | 31 | | (3 730) | | 5 084 | 1 385 | 23 906 |
| Total | 138 867 | | 252 | | 1 862 | | 8 546 | 10 660 | 149 527 |
| Economic classification | | | | | | | | | |
| Current payments | 137 881 | | 233 | | 1 814 | | 8 546 | 10 593 | 148 474 |
| Compensation of employees | 125 216 | | | | (10 100) | | 8 546 | (1 554) | 123 662 |
| Goods and Services | 12 665 | | 233 | | 11 914 | | | 12 147 | 24 812 |
| Interest and rent on land | | | | | | | | | |
| Transfers and subsidies to Households | 423 | | | | 34 | | | 34 | 457 |
| Households | 423 | | | | 34 | | | 34 | 457 |
| Payments for capital assets | 563 | | 19 | | 14 | | | 33 | 596 |
| Buildings and other fixed structures | | | | | | | | | |
| Machinery and equipment | 563 | | 19 | | 14 | | | 33 | 596 |
| Payments for financial assets | | | | | | | | | |
| Total | 138 867 | | 252 | | 1 862 | | 8 546 | 10 660 | 149 527 |

Programme 2: Institutional Development

Table 1.1.2: Adjusted Estimates

| | | 2015/16 | | | | | | | |
|--|--------------------|-----------------------|--------------------------|----------------------------|----------------------|------------------------|--------------------------------|------------------------|-------------------|
| Subprogramme | Main appropriation | Special appropriation | Adjustment appropriation | | | | Total adjustment appropriation | Adjusted appropriation | |
| | | | Roll-overs | Unforeseeable /unavoidable | Virements and shifts | Declared unspent funds | | | Other adjustments |
| R'thousand | | | | | | | | | |
| 1. Strategic Human Resources | 32 324 | | 56 | | (4 900) | | 7 362 | 2 518 | 34 842 |
| 2. Information Communication Technology | 29 375 | | | | (12 481) | (91) | | (12 572) | 16 803 |
| 3. Legal Services | 7 859 | | 19 | | | | 112 | 131 | 7 990 |
| 4. Communication Services | 31 655 | | 485 | | 14 949 | | 1 743 | 17 177 | 48 832 |
| Total | 101 213 | | 560 | | (2 432) | (91) | 9 217 | 7 254 | 108 467 |
| Economic classification | | | | | | | | | |
| Current payments | 98 924 | | 472 | | (1 637) | (91) | 9 217 | 7 961 | 106 885 |
| Compensation of employees | 61 629 | | | | (4 900) | | 9 217 | 4 317 | 65 946 |
| Goods and Services | 37 295 | | 472 | | 3 263 | (91) | | 3 644 | 40 939 |
| Interest and rent on land | | | | | | | | | |
| Transfers and subsidies to Households | | | | | | | | | |
| Households | | | | | | | | | |
| Payments for capital assets | 2 289 | | 88 | | (795) | | | (707) | 1 582 |
| Buildings and other fixed structures | | | | | | | | | |
| Machinery and equipment | 1 459 | | 88 | | 24 | | | 112 | 1 571 |
| Cultivated assets | | | | | | | | | |
| Software and other intangible assets | 830 | | | | (819) | | | (819) | 11 |
| Payments for financial assets | | | | | | | | | |
| Total | 101 213 | | 560 | | (2 432) | (91) | 9 217 | 7 254 | 108 467 |

Programme 3: Policy and Governance

Table 1.1.3: Adjusted Estimates

| Subprogramme | 2015/16 | | | | | | | | |
|--------------------------------------|--------------------|-----------------------|--------------------------|----------------------------|----------------------|------------------------|--------------------------------|------------------------|-------------------|
| | Main appropriation | Special appropriation | Adjustment appropriation | | | | Total adjustment appropriation | Adjusted appropriation | |
| | | | Roll-overs | Unforeseeable /unavoidable | Virements and shifts | Declared unspent funds | | | Other adjustments |
| R'thousand | | | | | | | | | |
| 1. Special Programmes | 12 284 | | 60 | | 1 173 | | 1 045 | 2 278 | 14 562 |
| 2. Intergovernmental relations | 10 674 | | | | (431) | | | (431) | 10 243 |
| 3. Provincial Policy Management | 20 858 | | | | (172) | (1 000) | 8 516 | 7 344 | 28 202 |
| Total | 43 816 | | 60 | | 570 | (1 000) | 9 561 | 9 191 | 53 007 |
| Economic classification | | | | | | | | | |
| Current payments | 43 271 | | 60 | | 510 | (1 000) | 9 561 | 9 131 | 52 402 |
| Compensation of employees | 34 725 | | | | | (1 000) | 6 161 | 5 161 | 39 886 |
| Goods and Services | 8 546 | | 60 | | 510 | | 3 400 | 3 970 | 12 516 |
| Interest and rent on land | | | | | | | | | |
| Transfers and subsidies to | 375 | | | | (110) | | | (110) | 265 |
| Non-profit institutions | | | | | | | | | |
| Households | 375 | | | | (110) | | | (110) | 265 |
| Payments for capital assets | 170 | | | | 170 | | | 170 | 340 |
| Buildings and other fixed structures | | | | | | | | | |
| Machinery and equipment | 170 | | | | 170 | | | 170 | 340 |
| Payments for financial assets | | | | | | | | | |
| Total | 43 816 | | 60 | | 570 | (1 000) | 9 561 | 9 191 | 53 007 |

Special Appropriation

Not applicable

Details of adjustments to estimates of Provincial Revenue and Expenditure 2015**Roll-overs – R0.872 million**

The rollover is allocated into the three programmes as follows:

Programme 1: Administration

The approved rollover of R0.252 million will be utilised for the procurement of Capital Assets and Goods and Services.

Programme 2: Institutional Enhancement

The approved rollover of R0.560 million will be utilised for the procurement of Capital Assets and Goods and services.

Programme 3: Policy and Governance

The approved rollover of R0.60 million will be utilised for the procurement of Goods and Services.

Unforeseeable and Unavoidable Expenditure

Not applicable to the department

Virements and Shifts**Details on virements and shifts within a department**

Table 1.2: Details on virements and shifts

| Programmes | | | | | |
|---------------------------------------|--|-----------------|--------------------------------------|---|---------------|
| 1. Administration | | (11 163) | | | 13 025 |
| 2. Institutional Development | | (17 381) | | | 14 949 |
| 3. Policy and Governance | | (1 402) | | | 1 972 |
| FROM: | | | TO: | | |
| Programme by Economic classification | Motivation | R' thousand | Programme by Economic classification | Motivation | R' thousand |
| Programme 1 | | | Programme 1 | | |
| Compensation of employees | A shift to finance operational costs | (10 100) | Goods and services | For operational costs | 10 100 |
| Goods and services | A shift to finance operational costs | (685) | Goods and services | For operational costs | 685 |
| Households | A shift to finance households costs | (293) | Households | For households costs | 293 |
| Capital assets | A shift to finance capital assets | (85) | Capital assets | For capital assets costs | 85 |
| | | | Goods and services | For operational costs from Programme 2 | 1 862 |
| Percentage of programme budget | | 8% | | | |
| Programme 2 | | | Programme 2 | | |
| Goods and services | Funds earmarked for IT strategy were reclassified | (7 256) | Goods and services | To finance Provincial Communication strategy and operational costs | 10 049 |
| Goods and services | Funds for operational costs was reclassified | (2 793) | Goods and services | For operational costs | 4 900 |
| Goods and services | Funds for operational costs was reclassified into Programme 1 | (1 612) | | | |
| Capital assets | Funds for Machinery and equipment inti Programmes 1 & 3 | (381) | | | |
| software and other intangible assets | Funds for software and intangible assets into Programme 3 | (439) | | | |
| Compensation of employees | A shift to finance operational costs | (4 900) | | | |
| Percentage of programme budget | | 17% | | | |
| Programme 3 | | | Programme 3 | | |
| Goods and services | Earmarked funds of china week was reprioritised to finance operational costs | (716) | Goods and services | To finance operational costs | 1 250 |
| Goods and services | To finance operational costs | (534) | Goods and services | To finance operational costs from Programme 2 | 570 |
| Transfers and subsidies | To finance overspending of transfers and subsidies and capital assets | (87) | Transfers and subsidies | To cover overspending of Capital assets and Transfers and subsidies | 12 |
| Capital assets | To finance overspending of capital assets | (65) | Capital assets | Funds for software and intangible assets | 140 |
| Percentage of programme budget | | 3% | | | |
| Total | | (29 946) | | | 29 946 |

Virements

Programme 1: Administration

A virement of **R1.862 million** from capital assets and goods and services in programme 2 was shifted to Programme 1 - goods and services to finance operational costs.

Programme 2: Institutional Development

A saving to a total amount of **R2.432 million** was identified in Programme 2 and shifted to Programme 1 and Programme 3.

Programme 3: Policy and Governance

A virement of **R0.570 million** was shifted from Programme 2 Software and intangible assets and Goods and services to finance operational costs of Programme 3.

Shifting of Funds within Main Division

Programme 1: Administration

A total amount of **R10.100 million** has been shifted from Compensation of Employees to Goods and services to finance Communication Strategy.

A total of **R0.685 million**, **R0.293 million** and **R0.085 million** were shifted within from goods and services, transfers and subsidies and capital assets respectively.

Programme 2: Institutional Development

A total amount of **R14.947 million** was shifted within the programme which **R10.049 million** was shifted within Goods and services to finance communication strategy and the remaining **R4.900 million** was shifted from Compensation of employees to finance operation costs.

Programme 3: Policy and Governance

A total amount of **R1.402 million** was shifted within the programme of which **R1.250 million** was shifted within Goods and services and **R0.152 million** was reprioritised within Capital assets and Transfers and subsidies.

Within the total of R1.402 million an amount of **R0.716 million** that was appropriated as earmarked fund for china week was reprioritised to finance operational costs in programme 3.

The amounts of **R0.065 million**, **R0.087 million** and **R0.534 million** were shifted within from goods and services, transfer and subsidies and capital assets respectively to curve overspending between responsibilities.

Declared unspent Funds – (R1.091 million)

A reduction of **R1.000 million** for non-financial function was surrendered back to Provincial Treasury and a further reduction of **R0.091 million** was reprioritised to the Department of Social Development towards the fight against gangsterism.

Other adjustments – R27.324 million

Funds shifted between votes following transfer of function

A further **R1.200 million** was received back from the Department of Health for HIV function official who did not transfer as planned; and

A **R2.000 million** was received for the strengthening of monitoring and evaluation section.

Funds shifted within a vote following a function shift

Not applicable

Adjustment due to significant and unforeseeable economic and financial events

The Department of the Premier received an additional **R20.124 million** for the improvement in conditions of service.

R4.000 million was received from the Department of Police, Roads and Transport for transport economists.

Use of funds in emergency situation

Not applicable

Self-financing expenditure

Not applicable in the department

Gifts, donations and sponsorships - R0.000 million

Not applicable in the department

Direct charge against the provincial Revenue Fund - R0.000 million

Not applicable

Expenditure outcome for 2014/15 and actual expenditure for 2015/16

Table 1.3: Expenditure trends

| R thousand | 2014/15 Audited outcome | | | | | 2015/16 Actual expenditure | | | | |
|--------------------------------------|----------------------------|--|--------------|--|--------------|-------------------------------|---|--|---------------|--|
| | Adjusted appropriation | Apr 2014 - Sep 2014 (% of adjusted appropriation) | | Apr 2014 - Mar 2015 (% of adjusted appropriation) | | Adjusted appropriation | Adjusted appropriation /Total (%) | Apr 2015 - Sep 2015 (% of adjusted appropriation) | | |
| | | Apr 2014 - Sep 2014 | | Apr 2014 - Mar 2015 | | | | Apr 2015 - Sep 2015 | | |
| Programmes | | | | | | | | | | |
| 1. Administration | 138 563 | 67 871 | 49.0% | 137 737 | 99.4% | 149 527 | 48.1% | 72 697 | 48.6% | |
| 2. Institutional Development | 121 284 | 61 162 | 50.4% | 118 082 | 97.4% | 108 467 | 34.9% | 59 905 | 55.2% | |
| 3. Policy and Governance | 48 166 | 23 054 | 47.9% | 47 511 | 98.6% | 53 007 | 17.0% | 25 437 | 48.0% | |
| Subtotal | 308 013 | 152 087 | 49.4% | 303 330 | 98.5% | 311 001 | 100.0% | 158 039 | 50.8% | |
| Total | 308 013 | 152 087 | 49.4% | 303 330 | 98.5% | 311 001 | 100.0% | 158 039 | 50.82% | |
| Economic Classification | | | | | | | | | | |
| Current payments | 299 683 | 146 571 | 48.9% | 294 672 | 98.3% | 307 761 | 99.0% | 156 047 | 50.70% | |
| Compensation of employees | 206 424 | 102 686 | 49.7% | 204 681 | 99.2% | 229 494 | 73.8% | 110 385 | 48.10% | |
| Goods and services | 93 259 | 43 885 | 47.1% | 89 991 | 96.5% | 78 267 | 25.2% | 45 662 | 58.34% | |
| Interest and rent on land | | | | | | | | | | |
| Transfers and subsidies | 1 623 | 991 | 61.1% | 1 622 | 99.9% | 722 | 0.2% | 475 | 65.79% | |
| Departmental agencies and accounts | 2 | | 0.0% | 1 | 50.0% | | | | | |
| Non-profit institutions | | | | | | | | | | |
| Households | 1 621 | 991 | 61.1% | 1 621 | 100.0% | 722 | 0.2% | 475 | 65.79% | |
| Payments for capital assets | 6 707 | 4 525 | 67.5% | 6 578 | 98.1% | 2 518 | 0.8% | 1 488 | 59.09% | |
| Buildings and other fixed structures | | | | | | | | | | |
| Machinery and equipment | 6 627 | 4 525 | 68.3% | 6 498 | 98.1% | 2 507 | 0.8% | 1 488 | 59.35% | |
| Software and other intangible assets | 80 | | | 80 | 100.0% | 11 | 0.0% | | | |
| Payments for financial assets | | | | 458 | 0.0% | | 0.0% | 29 | 0.00% | |
| Total | 308 013 | 152 087 | 49.4% | 303 330 | 98.5% | 311 001 | 100.0% | 158 039 | 50.82% | |

Main Expenditure Trends for the first half of the 2015/16 Financial Year

Expenditure in the first six months of 2015/16 amounted to **R158.039 million** or **50.82 percent** of the adjusted appropriation of **R311.001 million** for the current financial year. All the programmes had spent as expected. In comparison to the previous financial year, there is an increase of **1.42 percent** increase in terms of spending which is mainly just the price increase.

The main decreases/increase related to:**Programme 1: Administration**

The expenditure in the first six months of the 2015/16 financial year amounted to R72.697 million or 48.6 percent of the adjusted budget. Expenditure outcome in previous year was 0.4 percent more.

2015 Adjusted Estimates of Provincial Revenue & Expenditure

Programme 2: Institutional Development

The expenditure in the first six months of the 2015/16 financial year amounted to R59.905 million or 55.2 percent of the adjusted budget. Expenditure outcome in previous year was 50 percent. An improvement in spending in the current financial year is due to the spending on the communication strategy.

Programme 3: Policy and Governance

The expenditure in the first six months of the 2015/16 financial year amounted to R25.437 million or 48 percent of the adjusted budget. Expenditure outcome in previous year was at 49 percent spending.

Current Payments

The 50.70 percent spending on current payments in the first six months is due to procured Goods and services in the Department of which it contribute 98.65 percent of appropriated budget.

Transfers and Subsidies

The R0.475 million or 60.36 percent spending on transfers in the first six months is due to unanticipated resignations and death of personnel in the department.

Payments for Capital Assets

The R1.488 million or 60.66 percent which is above the norm by 10.66 percent.

Departmental receipts

Table 1.4: Departmental receipts

| | 2014/15 | | | | 2015/16 | | | | | |
|---|-------------------|---------------------|---|---------------------|--|-----------------|-------------------|--|---------------------|--|
| | Audited outcome | | | | Actual receipts | | | | | |
| R thousand | Adjusted estimate | Apr 2014 - Sep 2014 | Apr 2014 - Sep 2014 of adjusted appropriation (%) | Apr 2014 - Mar 2015 | Apr 2014 - Mar 2015 of adjusted estimate (%) | Budget estimate | Adjusted estimate | Adjusted receipts estimate / Total (%) | Apr 2015 - Sep 2015 | Apr 2015 - Sep 2015 (% of adjusted estimate) |
| Departmental receipts | 5 179 | 2 900 | 56.00% | 6 056 | 116.93% | 5 484 | 4 949 | 100.00% | 2 912 | 58.84% |
| Tax receipts | | | 0.00% | | 0.00% | | | 0.00% | | 0.00% |
| Sales of goods and services other than capital receipts | 4 962 | 2 757 | 55.56% | 5 670 | 114.27% | 5 254 | 4 599 | 92.93% | 2 855 | 62.08% |
| Transfers received | | | 0.00% | | 0.00% | | | 0.00% | | 0.00% |
| Fines, penalties and forfeits | | | 0.00% | | 0.00% | | | 0.00% | | 0.00% |
| Interest, dividends and rent on land | 3 | 1 | 33.33% | 20 | 666.67% | 3 | 3 | 0.06% | 8 | 266.67% |
| Sales of capital assets | | | 0.00% | | 0.00% | | | 0.00% | | 0.00% |
| Financial transactions in assets and liabilities | 214 | 142 | 66.36% | 366 | 171.03% | 227 | 347 | 7.01% | 49 | 14.12% |
| Provincial Revenue Fund receipts (non-departmental receipts) | | | 0.00% | | 0.00% | | | 0.00% | | 0.00% |
| Restructuring proceeds from SASRIA | | | | | | | | | | |
| Structured levy account from SARB | | | | | | | | | | |
| Total departmental receipts | 5 179 | 2 900 | 56.00% | 6 056 | 116.93% | 5 484 | 4 949 | 100.00% | 2 912 | 58.84% |

Revenue trends for the first half of 2015/16

Over/ under collection due to following:

1. The Department of the Premier collects commission on insurance premiums and garnishees deducted from the salaries of officials.

The over-collection on the Item: **Services Rendered: Commission on Insurance & Garnishee** of R 159.57 is as a result of more garnishees and insurance premiums being processed by the Department than expected. The number of deductions varies every month.

2. The Department of the Premier publishes the Provincial Gazette. Revenue is generated from the Provincial Gazette through subscriptions, over the counter sales and notices advertised by Municipalities, Provincial Departments and Liquor License Applicants.

The over-collection on **“Sales of goods produced through Provincial Publications”** and the total collection was R1.263 million. The amount collected during September 2014 was R 622 231.50.

3. The Department of the Premier publishes the Tender Bulletin. Revenue is generated from the Tender Bulletin through subscriptions, over the counter sales and advertisements of tenders by various institutions and Provincial Departments.

The over-collection on **“Sales of goods produced through Publication in the Tender Bulletin”** and the total collection is R0.131 million.

4. The under-collection of R 800.00 on **“Sales: Scrap”** is due to four officials who were due to upgrade in September 2015. One official only purchased his old cellular handsets during October 2015. The other three upgrades are pending, due to lack of approval. Four upgrades are expected for October 2015, as well as the payment of R 200.00 for the one September 2015 upgrade.
5. The under-collection of R0.027 million on **“Interest Received”** is due to the writing off of the debt for which the interest was budgeted.
6. The under-collection of R0.004 million on the Item **“Debts Recovered”** for September 2015 was due to an over-estimation of the expected amount to be collected.

Changes to transfers and subsidies,

Table 1.5: Summary of changes to transfers and subsidies per programme

| | | 2015/16 | | | | | | | |
|--------------------------------------|--------------------|--------------------------|------------|----------------------------|---------------------|------------------------|-------------------|---------------------------|---------------|
| | | Adjustment appropriation | | | | | Total | Adjusted | |
| R thousand | Main appropriation | Special appropriation | Roll-overs | Unforeseeable /unavoidable | Virement and shifts | Declared unspent funds | Other adjustments | adjustments appropriation | appropriation |
| 1. Administration | 423 | | | | 34 | | | 34 | 457 |
| Economic sphere | | | | | | | | | |
| Current | | | | | | | | | |
| Economic classification item | 423 | | | | 34 | | | 34 | 457 |
| Item name | | | | | | | | | |
| 2. Institutional Development | | | | | | | | | |
| Economic sphere | | | | | | | | | |
| Current/Capital | | | | | | | | | |
| Economic classification item | | | | | | | | | |
| Item name | | | | | | | | | |
| 3. Policy and Governance | 375 | | | | (110) | | | (110) | 265 |
| Economic sphere | | | | | | | | | |
| Current | | | | | | | | | |
| Economic classification item | 375 | | | | (110) | | | (110) | 265 |
| Item name | | | | | | | | | |
| Total transfers and subsidies | 798 | | | | (76) | | | (76) | 722 |

Changes to provincial earmarked funds

Table 1.6(b): Summary of changes to provincial earmarked funds

| | | 2015/16 | | | | | | | |
|-------------------------------------|--------------------|--------------------------|------------|----------------------------|---------------------|------------------------|-------------------|---------------------------|---------------|
| | | Adjustment appropriation | | | | | Total | Adjusted | |
| R thousand | Main appropriation | Special appropriation | Roll-overs | Unforeseeable /unavoidable | Virement and shifts | Declared unspent funds | Other adjustments | adjustments appropriation | appropriation |
| 2. Institutional Development | 15 363 | | | | (7 256) | | | (7 256) | 8 107 |
| Economic sphere | | | | | | | | | |
| Current/Capital | | | | | | | | | |
| Earmarked fund | 15 363 | | | | (7 256) | | | (7 256) | 8 107 |
| IT strategy: Contr graphic design | | | | | | | | | |
| 3. Policy & Governance | 3 000 | | | | (1 200) | (1 000) | | (1 200) | 800 |
| Economic sphere | | | | | | | | | |
| Current/Capital | | | | | | | | | |
| Earmarked fund | | | | | | | | | |
| CoE (non-financial function) | 1 000 | | | | | (1 000) | | | |
| International Investment Promoters | 2 000 | | | | (1 200) | | | (1 200) | 800 |
| Total earmarked funds | 18 363 | | | | (8 456) | (1 000) | | (8 456) | 8 907 |

Note: Foreign Investment was appropriated under Programme 1 during the main budget but the function was correctly captured under Programme 3

The IT strategy was gazetted in the 2014/15 financial year and the implementation was postponed to 2015/16 financial year.

Aid assistance

2015 Adjusted Estimates of Provincial Revenue & Expenditure

The department received financial assistance amounting to **R23.985 million** in the current financial year for skills developments from National Skill Development.

Table 1.9: Aid assistance

| | | 2015/16 | | | | | | | |
|-----------------------------|--------------------|--------------------------|----------------------------|---------------------|------------------------|-------------------|---------------------------|------------------------|--|
| | | Adjustment appropriation | | | | | Total | | |
| R thousand | Main appropriation | Special appropriation | Unforeseeable /unavoidable | Virement and shifts | Declared unspent funds | Other adjustments | adjustments appropriation | Adjusted appropriation | |
| 1. Administration | 23 985 | | | | | | | 23 985 | |
| Economic sphere | | | | | | | | | |
| Current/Capital | | | | | | | | | |
| Aid assistance/ donor | | | | | | | | | |
| Training and development | 23 460 | | | | | | | 23 460 | |
| Administrative fees | 525 | | | | | | | 525 | |
| Total aid assistance | 23 985 | | | | | | | 23 985 | |

Revised Infrastructure project list

Not applicable to the department