

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

ANNEXURE 1A : STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2012/13
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

ANNEXURE 1B : STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT		2012/13
	Amount	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Amount received by municipality	Amount spent by municipality	Total Available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000

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 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

ANNEXURE 1C : STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION			TRANSFER		2012/13 Appropriation Act
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	
	R'000	R'000	R'000	R'000	R'000	%
PROV DA: FS GAMBLING & LIQUOR AUTHORITY	51,309	-	-	51,309	51,309	100%
PROV DA: FS TOURISM AUTHORITY	41,864	-	-	41,864	41,864	100%
COM: LICENCES (RADIO & TV)	84	-	-	84	38	45%
	93,257	-	-	93,257	93,211	95,734

ANNEXURE 1D : STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

NAME OF HIGHER EDUCATION INSTITUTION	TRANSFER ALLOCATION				TRANSFER		2012/13 Appropriation Act
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Amount not transferred	
	R'000	R'000	R'000	R'000	R'000	R'000	%
Central University of Technology: FS	2,000	-	-	2,000	-	2,000	0%
	2,000	-	-	2,000	-	2,000	-

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

ANNEXURE 1E : STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION			SPENT			2012/13 Appropriation Act
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
Public Corporations							
Transfers							
FREE STATE DEVELOPMENT CORPORATION	22,545	-	-	22,545	22,545	100%	27,245
	22,545	-	-	22,545	22,545		27,245
Subsidies	-	-	-	-	-	-	-
Total	22,545	-	-	22,545	22,545		27,245
Public Corporations							
Transfers							
OTHER TRANSFERS PRIVATE ENTERPRISE (OELOFSE)	17,000	-	-	17,000	17,000	100%	-
PAYMENT OF FIRE CLAIMS	3,239	-	-	3,239	3,222	99%	-
	20,239	-	-	20,239	20,222		-
Subsidies							
	20,239	-	-	20,239	20,222		-
Total							
TOTAL	42,784	-	-	42,784	42,767		27,245

ANNEXURE IF : STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

[illegible]

Total

ANNEXURE 1G : STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

[illegible]

Total

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

ANNEXURE 1H : STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2012/13 Appropriation Act
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
H/H EMPL S/BEN: INJURY ON DUTY	-	-	-	-	9		-
H/H EMPL S/BEN: LEAVE GRATUITY	650	-	-	650	588	90%	416
	650	-	-	650	597		416
Total	650	-	-	650	597		416

ANNEXURE 1I : STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP		2013/14 R'000	2012/13 R'000
Subtotal			-	-
Received in kind				
Subtotal			-	-
TOTAL			-	-

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

ANNEXURE 1J : STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE	REVENUE	EXPENDITURE	CLOSING BALANCE
		R'000	R'000	R'000	R'000
Received in cash					
CATHSSETA	Learnership	-	(1,205)	981	224
Subtotal		-	(1,205)	981	224
Received in kind					
Subtotal					
TOTAL		-	(1,205)	981	224

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

**ANNEXURE 1K : STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS
 AND PAYMENTS MADE AS AN ACT OF GRACE**

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2013/14	2012/13
	R'000	R'000
Paid in cash		
Dutch reformed Church Winburg	-	10
Progressive Women Movement (via Mr Zondo)	-	36
Rekhonne Community Project - Christmas hampers for the elderly	-	28
AHI Free State - Stars & Planets	-	147
Mapoko Research International - Books for SMMEs	-	75
Metso ya Lefa Trading - Photo frames for the Techno Girl project	-	12
AHI - school competition	-	20
Jumanji african Tour - Transporting 60 Women from Lejweleputsa to KZN.	-	80
K Ntsala - Transport people from Henneman and Ventersburg to Bloemfontein	-	7
Hamba Natfi Travel - Transport musical group Ala Yen to Gauteng	-	9
Floyd Consulting - Corporate gifts at the FS Provincial Tourism Introspection Event	-	49
Goudveld Multi Sport - Game Auction Marathon	40	-
Goudveld Multi Sport - Triathlon at the Game Auction	25	-
Connex Travel - KG Cooper, Director at SWAG Creatives - Overseas Trip	47	-
Free State Liquor Traders (paid via FSGLA)	50	-
Lebogang Funani via Burgandy Rosse t/a Food Beverage - Settlement of fees at the food & Beverage Institute	6	-
Soul Harvesting Summit	75	-
Cherry Festival - Marketing and book production costs in support of the festival.	100	-
Lema Music Productions - Book launch	12	-
Scenic Beauty Creative Services - Accommodation, Transport, Registration - SACCA	42	-
Reholele Training - Transport National Tourism Career	28	-
Oscar Nite - Oscar Nite yellow Carpet Event	100	-
Have Faith Trading & Projects - Merriespruit Disaster Commemoration	100	-
Prezident Entertainment - Book Launch (every child has a dream)	10	-
Hip Town - 60s Festival (good olden days music festival)	100	-
Reholele Training - Transport National Tourism Career	51	-
Subtotal	786	473

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
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**ANNEXURE 1K : STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS
 AND PAYMENTS MADE AS AN ACT OF GRACE (CONTINUED...)**

NATURE OF GIFT, DONATION OR SPONSORSHIP (continued) (Group major categories but list material items including name of organisation)	2013/14	2012/13
	R'000	R'000
Made in kind		
Free accommodation entrance and exhibition stalls at the game auction	36	18
Game Donation to 2 farmers Mr Phahla & Mr Tlhapuletsa	-	83
Game Donation to 2 farmers Mr Morumo & Mr Dube	-	45
Game Meat donation to Social development	-	48
Assets donated	-	36
Game meat donation to various non profit organisations	173	
Free accommodation from 24 - 28 June 2013 at the Junior Powerboat Training Camp	12	
Subtotal	221	230
Remissions, refunds, and payments made as an act of grace		
	-	-
	-	-
Subtotal		
TOTAL	1,007	703

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

ANNEXURE 1L : STATEMENT OF AID ASSISTANCE RECEIVED

GRANT TYPE	APR 2013	MAY 2013	JUN 2013	JUL 2013	AUG 2013	SEP 2013	OCT 2013	NOV 2013	DEC 2013	JAN 2014	FEB 2014	MAR 2014	MAR 2014
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Old age	-	-	-	-	-	-	-	-	-	-	-	-	-
War Veterans	-	-	-	-	-	-	-	-	-	-	-	-	-
Disability	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant in Aid	-	-	-	-	-	-	-	-	-	-	-	-	-
Foster Care	-	-	-	-	-	-	-	-	-	-	-	-	-
Care Dependency	-	-	-	-	-	-	-	-	-	-	-	-	-
Child Support Grant	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-

ANNEXURE 2A : STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/ PROVINCIAL PUBLIC ENTITIES

NAME OF PUBLIC ENTITY	State Entity's PFMA Schedule type (state year end if not 31 March)	% Held 2013/14	% held 2012/13	Numbers of shares held		Cost of investment		Net Asset value of investment		Profit/ (Loss) for the year		Losses Guaranteed	
				2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13
				R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	YES/NO	YES/NO

TOTAL

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

ANNEXURE ZB : STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (CONTINUED)

[illegible]

TOTAL

ANNEXURE 3A : STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2014 – LOCAL

[illegible]

TOTAL

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

**ANNEXURE 3A (CONTINUED): STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2014 –
 FOREIGN**

GUARANTOR INSTITUTION	GUARANTEE IN RESPECT OF	Original guaranteed capital amount	Opening balance 1 April 2013	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2014	Guaranteed interest for year ended 31 March 2014	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000

TOTAL

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

ANNEXURE 3B : STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2014

NATURE OF LIABILITY	Opening Balance 1 April 2013 R'000	Liabilities incurred during the year R'000	Liabilities paid/ cancelled/ reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2014 R'000
Claims against the department					
Random Chemicals	21	-	-	-	21
PKX Capital	12,441	-	-	-	12,441
CS Oosthuysen, CC Oosthuysen & WA Duursema	1,600	-	1,600	-	-
WJ Wessels & Others	2,200	-	2,200	-	-
Home Made Retail	12,272	-	-	-	12,272
Trade Blaze Eleven	191	-	-	-	191
Maria E Schutte	-	503	-	-	503
Abraham P Van den Berg & Others vs MEC of DETEA	-	2,134	-	-	2,134
Letsatsi la Afrika	23	-	-	-	23
Subtotal	28,748	2,637	3,800	-	27,585
Environmental Liability					
Subtotal	-	-	-	-	-
Other					
Subtotal	-	-	-	-	-
TOTAL	28,748	2,637	3,800	-	27,585

The settlement amount was reached at R3 221 916.10 as the case has been resolved.

The amount of R1 600 000 and R2 200 000 was a reasonable estimate at the time the claim was lodged as a result the original claim has been settled.

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

ANNEXURE 4 : CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2014 R'000	31/03/2013 R'000	31/03/2014 R'000	31/03/2013 R'000	31/03/2014 R'000	31/03/2013 R'000
DEPARTMENT						
Education	436	-	-	-	436	-
	-	-	-	-	-	-
TOTAL	436	-	-	-	436	-

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

ANNEXURE 5 : INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Department of the Premier	-	170	-	-	-	170
COGTA	-	1	-	-	-	1
Fleet	-	1,363	-	-	-	1,363
Justice	378	-	-	-	378	-
Subtotal	378	1,534	-	-	378	1,534
Non-current						
Subtotal	-	-	-	-	-	-
TOTAL	378	1,534	-	-	378	1,534
OTHER GOVERNMENT ENTITY						
Current						
SABC	36	-	-	-	36	-
Subtotal	36	-	-	-	36	-
Non-current						
Subtotal	-	-	-	-	-	-
Subtotal	414	1,534	-	-	414	1,534

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

ANNEXURE 6 : INVENTORY

INVENTORY	Note	QUALITY	2012/13 R'000	QUALITY	2012/13 R'000

Opening Balance
 Add/(Less): Adjustments to prior year balance
 Add: Additions/Purchases - Cash
 Add: Additions - Non-cash
 (Less): Disposals
 (Less): Issues
 Add/(Less): Adjustments

CLOSING BALANCE

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

ANNEXURE 7A

MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2014

	Opening balance R'000	Current Year Capital WIP R'000	Completed Assets R'000	Closing balance R'000
HERITAGE ASSETS	-	-	-	-
Heritage Assets	-	-	-	-
MACHINERY AND EQUIPMENT	26,343	-	-	26,343
Transport assets	5,829	-	-	5,829
Computer equipment	6,133	-	-	6,133
Furniture and office equipment	6,819	-	-	6,819
Other machinery and equipment	7,562	-	-	7,562
SPECIALISED MILITARY ASSETS	872	-	-	872
Specialised military assets	872	-	-	872
BIOLOGICAL ASSETS	82,990	-	-	82,990
Biological assets	82,990	-	-	82,990
BUILDINGS AND OTHER FIXED STRUCTURES	-	21,242	-	21,242
Dwellings				
Non-residential buildings				
Other fixed structures		21,242		21,242
LAND AND SUBSOIL ASSETS	-	-	-	-
Land				
Mineral and similar non-regenerative resources				
COMPUTER SOFTWARE	45	-	-	45
Computer Software	45	-	-	45
MASTHEADS AND PUBLISHING TITLES	-	-	-	-
Mastheads and publishing titles				
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	-	-	-
Patents, licences, copyright, brand names and trademarks				
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-	-	-	-
Recipes, formulae, prototypes, designs, models				
SERVICES AND OPERATING RIGHTS	-	-	-	-
Services and operating rights				
SERVICES AND OPERATING RIGHTS	110,250	21,242	-	131,492

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

ANNEXURE 8A

INTER-ENTITY ADVANCES PAID (note 14)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000

TOTAL

-	-	-	-	-	-
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ANNEXURE 8B

INTER-ENTITY ADVANCES RECEIVED (note 21 AND note 22)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000

TOTAL

-	-	-	-	-	-
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ANNUAL FINANCIAL STATEMENTS
OF THE NATURE CONSERVATION TRUST FUND
FOR THE YEAR ENDED 31 MARCH 2014



the detea

the department of economic
development, tourism and
environmental affairs
FREE STATE PROVINCE

ANNUAL REPORT 2013/2014

VOTE 3 : DEPARTMENT OF ECONOMIC DEVELOPMENT,
TOURISM AND ENVIRONMENTAL AFFAIRS

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TRUST FUND

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1. MANAGEMENT REPORT

MANDATE OR PURPOSE OF THE ENTITY

The trust account was opened on 31 March 1984. The initial balance consisted of a donation made to the Provincial Government. No additional money was invested in the trust, any subsequent increases are the result of accumulated interest. Money was donated for the establishment and development of Provincial nature reserves for the Free State.

LEGISLATIVE FRAMEWORK OR ACT WITHIN WHICH THE ENTITY OPERATES

Nature Conservation (Ordinance 8 of 1969)

APPROVAL

The Annual Financial Statements set out on pages – to – have been approved by the Accounting Officer.



Mogokare Seleke

Accounting Officer

Department of Economic Development Tourism and Environmental Affairs

30 May 2014

2. REPORT OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL TO THE FREE STATE PROVINCIAL LEGISLATURE ON THE NATURE CONSERVATION TRUST FUND

INTRODUCTION

1. I have audited the financial statements of the Nature Conservation Trust Fund set out on pages 1 to 2, which comprise the statement of financial position as at 31 March 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and the notes, comprising a summary of significant accounting policies and other explanatory information.

ACCOUNTING OFFICER'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with Generally Recognised Accounting Practices (GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA), and for such internal control as management determines 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 my audit. I conducted the audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2001) (PAA), the General Notice issued in terms thereof and 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 Nature Conservation Trust Fund as at 31 March 2014, and its financial performance and cash flows for the year then ended in accordance with GRAP and the requirements of the PFMA.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

7. In accordance with the PAA and the General Notice issued in terms thereof, I report the following findings relevant to compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

COMPLIANCE WITH LAWS AND REGULATIONS

8. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key applicable laws and regulations as set out in the General Notice issued in terms of the PAA.

INTERNAL CONTROL

9. I considered internal control relevant to my audit of the financial statements, and compliance with laws and regulations. I did not identify any deficiencies in internal control which we considered sufficiently significant for inclusion in this report.

AUDITOR - GENERAL

Bloemfontein
31 July 2014



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3

TRUST FUNDS NATURE CONSERVATION ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2014

3. ACCOUNTING POLICIES

The financial statements have been, unless otherwise indicated, prepared in accordance with the following policies, which have been applied consistently in all material respects. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements. Deviances from the basis of preparation must be clearly stated and if possible the effect of non-compliance should be disclosed in the notes to the financial statements.

3.1. BASIS OF PREPARATION

These annual financial statements were prepared in accordance with Standards of Generally Recognized Accounting Practice (GRAP), as issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act, (Act No 1 of 1999).

The annual financial statements were prepared on the accrual basis of accounting and incorporate the historical cost conventions as the basis of measurement, except where specified otherwise.

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

3.2. REVENUE FROM EXCHANGE TRANSACTION

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

MEASUREMENT

Revenue shall be measured at the fair value of the consideration received or receivable.

INTEREST, ROYALTIES AND DIVIDENDS

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions shall be recognized when:

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

Revenue shall be recognized using the following accounting treatments:

- (a) Interest shall be recognized using the effective interest rate method as set out in the Standard of GRAP on Financial Instruments.
- (b) Royalties shall be recognized as they are earned in accordance with the substance of the relevant agreement.
- (c) Dividends or similar distributions shall be recognized when the owner's right to receive payment is established.

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TRUST FUNDS NATURE CONSERVATION ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2014

3.3. FINANCIAL INSTRUMENTS

INITIAL RECOGNITION

The department recognizes a financial asset or a financial liability in its Statement of Financial Position when, and only when, the entity becomes a party to the contractual provisions of the instrument. This is achieved through the application of trade date accounting.

The department classifies financial instruments or their component parts as a financial liabilities, financial assets or residual interests in conformity with the substance of the contractual arrangement and to the extent that the instrument satisfies the definitions of a financial liability, a financial asset or a residual interest.

Financial instruments are evaluated, based on their terms, to determine if those instruments contain both liability and residual interest components (i.e. to assess if the instruments are compound financial instruments). To the extent that an instrument is in fact a compound instrument, the components are classified separately as financial liabilities and residual interests as the case may be.

INITIAL MEASUREMENT

Financial instrument are measured initially at its fair value plus, in the case of a financial asset or a financial liability not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

SUBSEQUENT MEASUREMENT

Financial instruments at amortized cost are subsequently measured at amortized cost using effective interest method.

DERECOGNITION

A financial asset is derecognized at trade date, when:

The cash flows from the asset expire, are settled or waived;

- a) Significant risks and rewards are transferred to another party; or
- b) Despite having retained significant risks and rewards, the entity has transferred control of the asset to another entity.

GAINS AND LOSSES

For financial assets and financial liabilities measured at amortized cost or cost, a gain or loss is recognized in surplus or deficit when the financial asset or financial liability is derecognized or impaired or through the amortization process.

IMPAIRMENTS

The department assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets held at amortized cost:

The department first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant and individually or collectively for financial assets that are not individually significant. If the entity determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in the collective assessment of impairment.

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TRUST FUNDS NATURE CONSERVATION ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2014

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

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss shall be reversed either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date the impairment is reversed. The amount of the reversal is recognized in surplus or deficit.

3.4. EQUITY

Equity is the net difference between assets and liabilities. It is represented by Trust Fund Capital Account.

The Capital Account represents the net carrying value of assets. As such all decreases or increases with regard to assets, are to be debited or credited to this account, with a contra entry to the relevant asset accounts.

3.5. COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year. The comparative figures shown in these financial statements are limited to the figures shown in the previous year's audited financial statements and such other comparative figures reasonable expected to be available.

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 TRUST FUNDS NATURE CONSERVATION STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2014

	Notes	ENTITY	
		2014	2013
		ACTUAL R'000	ACTUAL R'000
REVENUE			
Revenue from exchange transactions	1	32	30
Other revenue		32	30
TOTAL REVENUE		32	30
EXPENDITURE		-	-
SURPLUS FOR THE PERIOD BEFORE TAX		32	30
TAXATION		-	-
SURPLUS FOR THE YEAR		32	30

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 TRUST FUNDS NATURE CONSERVATION STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2014

		ENTITY	
		2014	2013
Notes		ACTUAL R'000	ACTUAL R'000
ASSETS			
Non-Current Assets			
	Non-Current Investment	641	609
TOTAL ASSETS		641	609
EQUITY AND LIABILITIES			
Current Liabilities		0	0
Other Current Financial Liabilities			
TOTAL LIABILITIES		0	0
Net Assets		641	609
	Accumulated surplus	641	609
TOTAL LIABILITIES		641	609

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 TRUST FUNDS NATURE CONSERVATION STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2014

	Notes	ENTITY	
		Accumulated surplus Actual R'000	Total Net Assets R'000
Balance at 1 April 2012		579	579
Surplus for the period	1	30	30
Balance as at 31 March 2013		609	609
Surplus for the period	1	32	32
Balance as at 31 March 2014		641	641

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 TRUST FUNDS NATURE CONSERVATION CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

		ENTITY	
		2014	2013
Notes		ACTUAL R'000	ACTUAL R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
	Revenue from exchange transactions	32	30
	Net cash inflows from operating activities	32	30
CASH FLOWS FROM INVESTING ACTIVITIES			
	Capitalised interest on investment	(32)	(30)
	Net cash inflows from investing activities	(32)	(30)
Net increase in cash and cash equivalents			
	Cash and cash equivalents at the beginning of the year	0	0
	Cash and cash equivalents at the end of the year	0	0

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS: VOTE 3
 TRUST FUNDS NATURE CONSERVATION NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Notes	ENTITY	
	2014	2013
	ACTUAL R'000	ACTUAL R'000

1. Income from investments

Revenue from exchange transactions

32	30
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2. Non Current Assets

Capitalised interest on investment

641	609
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