

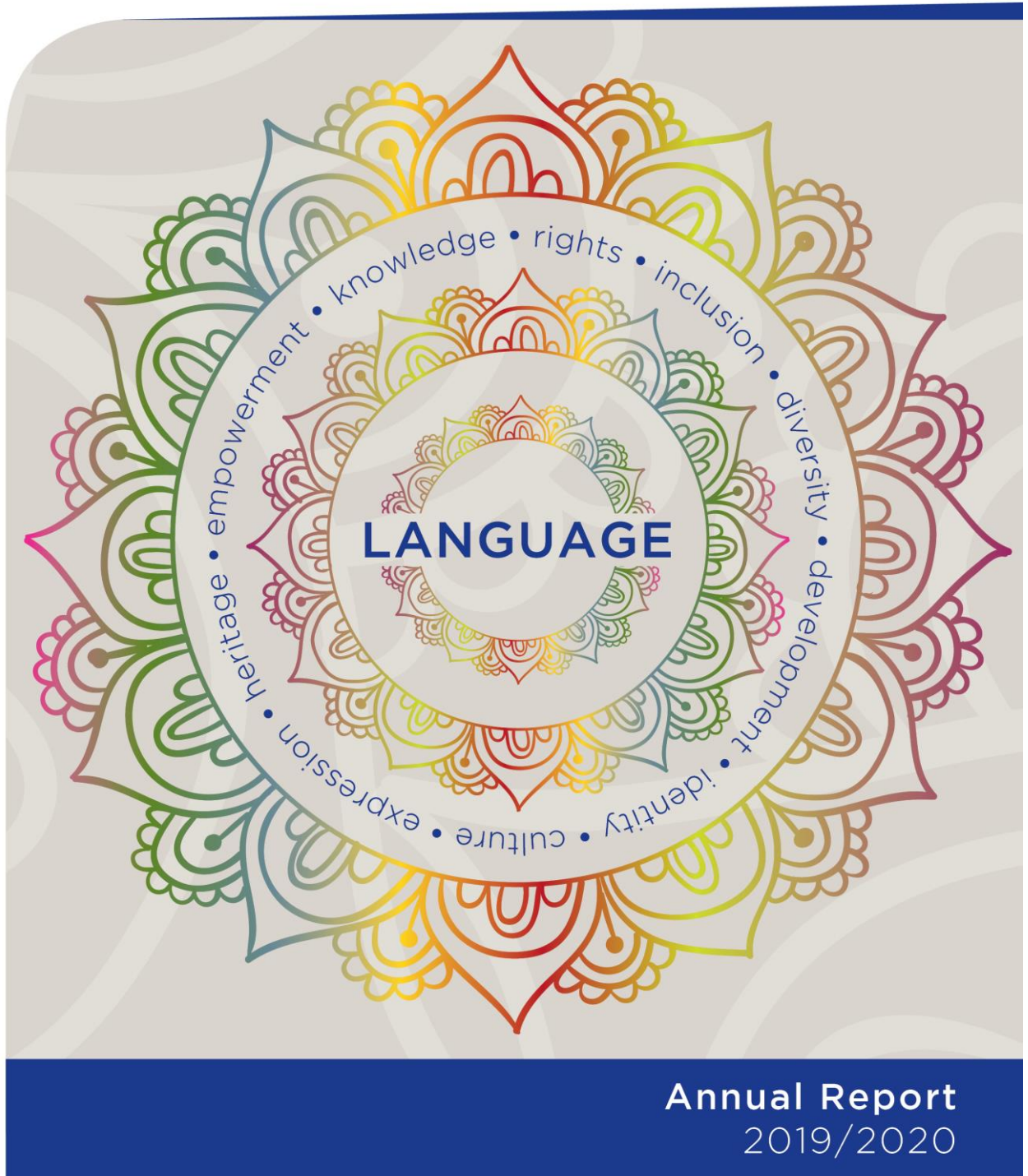


**Western Cape
Government**

Cultural Affairs and Sport



Western Cape Language Committee
Wes-Kaapse Taalkomitee
IKomiti yeeLwimi yeNtshona Koloni



Annual Report
2019/2020

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PART A: GENERAL INFORMATION

1. PUBLIC ENTITY'S GENERAL INFORMATION

REGISTERED NAME:	Western Cape Language Committee
REGISTRATION NUMBER (if applicable):	Not applicable
PHYSICAL ADDRESS:	Protea Assurance Building Greenmarket Square Cape Town 8000
POSTAL ADDRESS:	Private Bag X9067 Cape Town 8000
TELEPHONE NUMBER/S:	+27 21 483 3889
FAX NUMBER:	+27 21 483 9673
EMAIL ADDRESS:	nompumelelo.radebe@westerncape.gov.za
WEBSITE ADDRESS:	www.westerncape.gov.za
EXTERNAL AUDITORS:	Auditor General of South Africa
BANKERS:	Nedbank 5 th Floor Nedbank Clock Tower V&A Waterfront Cape Town 8001
COMPANY/ BOARD SECRETARY	N/A

2. LIST OF ABBREVIATIONS/ACRONYMS

AA	Accounting Authority
AGSA	Auditor-General of South Africa
AFS	Annual Financial Statements
DCAS	Department of Cultural Affairs and Sport
DERM	Directorate Enterprise Risk Management, Department of the Premier
DotP	Department of the Premier
ERM	Enterprise Risk Management
ERMECO	Enterprise Risk Management and Ethics Committee
GRAP	Generally Recognised Accounting Practice
King III	King Report on Corporate Governance, 2009
MEC	Member of the Provincial Executive Council
NTPSRMF	National Treasury Public Sector Risk Management Framework
PanSALB	Pan South African Language Board
PERSAL	Personnel Salary System
PFMA	Public Finance Management Act, 1999
PLCs	Provincial Language Committees
SASL	South African Sign Language
SBA	Stigting vir Bemagtiging deur Afrikaans
SCOPA	Standing Committee on Public Accounts
WCG	Western Cape Government
WCLC	Western Cape Language Committee

3. FOREWORD BY THE CHAIRPERSON



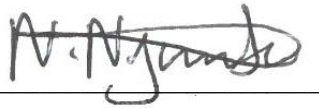
The Western Cape Language Committee has sought to monitor and enhance compliance by public and private bodies with their obligations under the Act for over two decades. This is done through various forms, including the monitoring of the three official languages of the Western Cape, the implementation of the Western Cape Language Policy, advising the provincial Minister tasked with language matters, as well as advising the Pan South African Language Board on language matters in or affecting the Western Cape Province. However, both formal and substantive compliance with the letter and spirit of the Act remain substantially low.

We welcome initiatives so far by various government departments to empower the people of the Western Cape through language as well as to enhance human dignity through mutual respect for language and the promotion of multilingualism. We urge the Legislature to note the conduct of many institutions that have continuously fallen short in their programmes to comply with the statutory obligations under the Act. As this report demonstrates, concerted efforts to comply with the Act and thereby enhancing social inclusion in the province require more extensive action. Transparency, accountability and public participation are crucial tenets of democracy and good governance. These rest on strong information flows and consistency in compliance with the Act remains crucial.

In this report, we also focus on promotion of South African Sign Language as well as other mother-tongue languages used in the Province. We welcome the work of various civil society organisations in promoting multilingualism and applaud the emerging jurisprudence of the courts in relation to the protection of languages.

Likewise, we underscore the importance of continued legislative reform and development in order to empower all the people of the Western Cape through language as well as to improve access to information. These include the need to prioritise the amendment of the Western Cape Provincial Language Act so as to align its objectives with the contemporary challenges prevailing in the Province.

We look forward to a productive partnership with the Legislature, the Department of Cultural Affairs and Sport, as well as many other stakeholders in entrenching a culture of human dignity through mutual respect for language and the promotion of multilingualism in South Africa's public and private sector.



Nkosikhulule Xhawulengweni Nyembezi

Chairperson: Western Cape Language Committee

30 October 2020

4. ACCOUNTING AUTHORITY OVERVIEW

During the year under review the Committee executed its mandate as required by the Western Cape Provincial Languages Act, Act 13 of 1998. Amongst others, the Act requires the Committee to monitor the use of the three official languages, actively promote the principles of multilingualism and promote, preserve and develop previously marginalised indigenous languages.

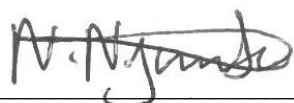
The Western Cape Language Committee attained its targets as set out in the Annual Performance Plan 2019/20. In addition, it ensured compliance to the Western Cape Language Policy which states that the Province should empower and affirm speakers of previously marginalised languages, create awareness about the needs of the hearing impaired and advance the use of those indigenous languages of historically diminished status used by the people of the Western Cape, such as the Khoi and San languages. The activities during the financial year 2019/20 illustrate the commitment of the Committee to fully execute its mandate.

The Traditional and Khoi-San Leadership Act was signed into law in 2019. The Act gives expression to the functions and roles of Traditional and Khoi and San leaders and structures. The Act will have a direct impact on the promotion, preservation and development of Khoi and San languages in the province. The Committee would therefore have to shape its approaches to accommodate the envisaged legislation.

During the year under review, the Western Cape Language Committee shared joint initiatives with other entities in the language sector to ensure a more cohesive and impact-driven approach to achieving its targets.

Source of Income	2019/20			2018/19		
	Estimate	Actual Amount collected	(Over)/ under collection	Estimate	Actual Amount collected	(Over)/ under collection
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Other Operating Income		586	(586)		590	(590)
Transfer Payment	258	258	-	247	247	-
Interest Income	77	14	63	20	20	-
Total	335	858	(523) *	267	857	(590)

*The over collection mainly relates to GRAP 23: Services-in-kind adjustment made for salaries of R586 000 related to the financial management staff of the Public Entity. Further detail is explained in the Annual Financial Statements of the WCLC, Note 8



Nkosikhulule Xhawulengweni Nyembezi
On behalf of the Accounting Authority
30 October 2020

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY

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 GRAP standards applicable to the Public Entity.

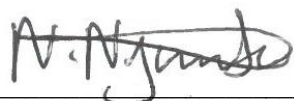
The Accounting Authority is responsible for the preparation of the annual financial statements and for the judgments made in this information.

The Accounting Authority is responsible for establishing and implementing a system of internal control, which has 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 2019.

Yours faithfully



Nkosikhulule Xhawulengweni Nyembezi
On behalf of the Accounting Authority
30 October 2020

6. STRATEGIC OVERVIEW

6.1. Vision

The empowerment of all the people of the Western Cape through language; the enhancement of human dignity through mutual respect for language and the promotion of multilingualism.

6.2. Mission

To monitor the use of the three official languages of the Western Cape; to monitor the implementation of the Western Cape Language Policy and to advise the Minister tasked with language matters and the Pan South African Language Board on language matters in or affecting the Province.

6.3. Values

Caring, Competence, Accountability, Integrity, Innovation and Responsiveness.

7. LEGISLATIVE AND OTHER MANDATES

7.1 Constitutional mandates

Section	Description
Constitution of the Republic of South Africa, 1996	
Section 6(3), (4) and (5): Language	The Western Cape Government must, by legislative and other measures, regulate and monitor its use of official languages. All official languages must enjoy parity of esteem and must be treated equitably. The WCLC collaborates with the Pan South African Language Board to promote the three official languages of the Province and to create conditions for the development and use of the Khoi, Nama and San languages and South African Sign Language. The WCLC, in collaboration with the Department of Cultural Affairs and Sport, is responsible for monitoring and evaluating the implementation of the Western Cape Language Policy, adopted in 2001, and must report to the Western Cape Provincial Parliament on this mandate at least once a year. DCAS has oversight of the WCLC and provides the Committee with administrative and financial support.
Section 30: Language and culture	The WCLC facilitates opportunities for the people of the Western Cape to exercise their language and cultural rights through the programmes and projects that it presents and supports.
Section 31: Cultural, religious and linguistic communities	The WCLC must ensure that its programmes and projects respect the cultural diversity of the population of the Western Cape.
Section 41: Principles of cooperative government and intergovernmental relations	The WCLC cooperates with all spheres of government in the execution of its mandate.
Schedule 4: Functional areas of concurrent national and provincial legislative competence	With regard to language policy and the regulation of official languages to the extent that the provisions of section 6 of the Constitution expressly confer legislative competence upon the Western Cape Provincial Parliament, the WCLC works closely with the national Department of Arts and Culture and associated organs of state on language policy matters.
Section 195: Basic values and principles governing public administration	DCAS officials responsible for executing the mandate of the WCLC must ensure the efficient, economic and effective use of resources. Programmes undertaken in the public sector should yield maximum benefits at the lowest possible cost.
Constitution of the Western Cape, 1997 (Act 1 of 1998)	
Section 5	For the purposes of the Western Cape Government: <ul style="list-style-type: none"> (a) the official languages Afrikaans, English and isiXhosa must be used; and (b) the languages enjoy equal status. The WCLC must monitor the use of Afrikaans, English and isiXhosa in the Western Cape. The WCLC must also implement practical and positive measures to help elevate the status and advance the use of those indigenous languages of the Western Cape whose status and use have historically been diminished.
Section 81 (d)	The Western Cape Government must adopt and implement policies to actively promote and maintain the welfare of the people of the Western Cape, including policies aimed at achieving the promotion of respect for the rights of cultural, religious and linguistic communities in the Western Cape.

7.2 Legislative mandates

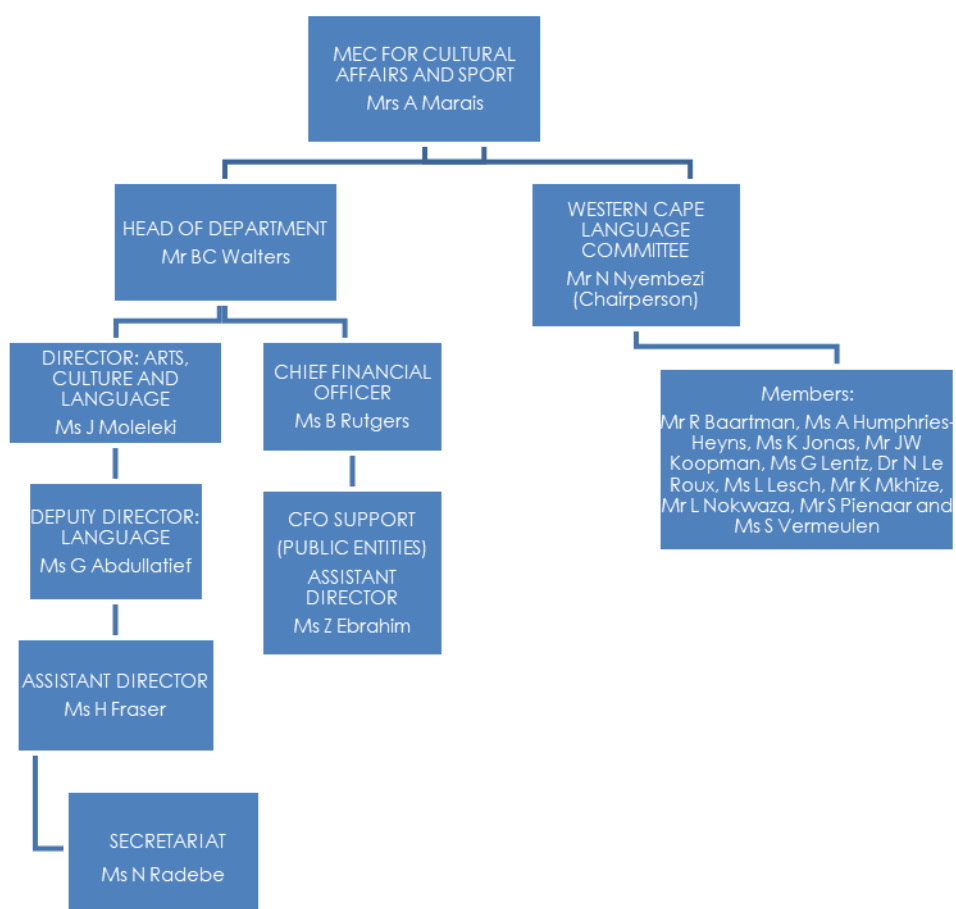
Legislation	Reference	Description
Public Finance Management Act (PFMA), 1999	Act 1 of 1999	The WCLC must submit quarterly and annual reports on its performance delivery and audited financial statements based on the strategic objective annual targets for each financial year.
Use of Official Languages Act, 2012	Act 12 of 2012	This Act specifically applies to national departments, national public entities and national public enterprises. If aspects of the Act were to have an impact on language policy and practice in the Western Cape, the WCLC would have a mandate to play a role.

Legislation	Reference	Description
Pan South African Language Board Act, 1995	Act 59 of 1995	The Western Cape Language Committee is recognised by the Pan South African Language Board. Amongst other things, this Act requires the Pan South African Language Board (PanSALB) to establish a provincial language committee (PLC) in every province. A PanSALB Western Cape PLC was established in August 2019.
Western Cape Provincial Languages Act, 1998	Act 13 of 1998	The WCLC must, among other things: <ul style="list-style-type: none"> • monitor the use of Afrikaans, English and isiXhosa by the Western Cape Government; • make recommendations to the MEC (Member of the Executive Council) and the Provincial Parliament on any proposed or existing legislation, practice and policy affecting language in the Western Cape; • actively promote the principle of multilingualism; • actively promote the development of previously marginalised indigenous languages; • advise the MEC and the Western Cape Cultural Commission on language matters in the Province; and • advise PanSALB on language matters in the Western Cape.
National Language Policy Framework (2003)	National Language Policy Framework (2003)	This policy provides a national framework for the application of the provisions of the Constitution and legislative mandates to all organs of state, including the Western Cape Language Committee. It also sets out principles and implementation strategies to be followed.
Western Cape Language Policy (published in the Provincial Gazette as PN 369/2001 of 27 November 2001)	Western Cape Language Policy (published in the Provincial Gazette as PN 369/2001 of 27 November 2001)	The WCLC is obliged to monitor the implementation of this policy.
Traditional and Khoi-San Leadership Act, 2019	Act 3 of 2019	The Act provides for: <ul style="list-style-type: none"> • the recognition of traditional and Khoi-San communities, leadership positions and for the withdrawal of such recognition; • the functions and roles of traditional and Khoi-San leaders; • the recognition, establishment, functions, roles and administration of kingship or queenship councils, principal traditional councils, traditional councils, Khoi-San councils and traditional sub-councils, as well as the support to such councils; • the establishment, composition and functioning of the National House of Traditional and Khoi-San Leaders; • establishment of provincial houses of traditional and Khoi-San leaders; • the establishment and composition of local houses of traditional and Khoi-San leaders; • the establishment and operation of the Commission on Khoi-San Matters; • a code of conduct for members of the National House, provincial houses, local houses and all traditional and Khoi-San councils; and • regulatory powers of the Minister and Premiers.

7.3 Policy mandates

Policy	Description
Western Cape Language Policy (published in the <i>Provincial Gazette</i> as PN 369/2001 of 27 November 2001)	The WCLC is obliged to monitor the implementation of this policy.

8. ORGANISATIONAL STRUCTURE



PART B: PERFORMANCE INFORMATION

1. AUDITOR–GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The 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 no 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 38 of the Report of the Auditors Report, published as Part E: Financial Information.

2. SITUATIONAL ANALYSIS

2.1. Service delivery environment

During the 2019/20 financial year, the Western Cape Language Committee continued to promote the importance of language through raising awareness and ensuring the implementation of the Western Cape Language Policy.

The Committee met its targets as per its Annual Performance Plan 2019/20. It exceeded its annual meeting target of six meetings by convening nine meetings and had one awareness campaign that monitored the implementation of the Western Cape Language Policy.

The Committee discussed its envisioned Strategic Plan 2020/25 and Annual Performance Plan 2020/21 on 17 October 2019 with a view to aligning its work around the services and programmes of the Department of Cultural Affairs and Sport.

2.2. Organisational environment

The Western Cape Language Committee is established in terms of Section 6 of the Western Cape Provincial Languages Act, No 13, 1998. According to the Act, members of the Committee are appointed for a three-year term. A maximum of 11 members may be appointed to the Committee. Members to the Committee are appointed through a public nomination and shortlisting process, facilitated by the relevant Committee in the Legislature, followed by appointment by the MEC.

The current Committee had an initial membership of ten members who were appointed on 1 November 2018.

During the first part of the year under review, two members resigned from the Committee. This did not bode well for the efficient functioning of the Committee as the expertise and contribution of a full contingency of members was the ideal for efficacy. The MEC subsequently appointed three additional members to the

Committee. Towards the latter part of the year, three more members resigned, leaving the Committee with a contingent of eight members.

The WCLC does not have permanent staff. In terms of Section 17 of the Western Cape Provincial Languages Act, No 13, 1998, officials in the Languages Services Unit of the Department of Cultural Affairs and Sport are responsible for the administrative support to the Committee. The CFO Support Unit assists with procurement and payments related to members and activities of the WCLC.

A special meeting was called whereby the WCLC members were informed of the findings and legalities related to the roles and responsibilities of the Accounting Authority of the Committee. At the meeting, a decision was adopted by the members that the WCLC Chairperson would fulfil the responsibility of an Accounting Authority on behalf of the public entity.

2.3. Key policy developments and legislative changes

The Traditional and Khoi-San Leadership Act was signed into law in 2019. The new law would require the Department to adopt a more systematic approach when addressing the languages of the Khoi and San, which are currently not declared official languages.

The Act provides for:

- the recognition of Traditional and Khoi-San communities, leadership positions and for the withdrawal of such recognition;
- the functions and roles of Traditional and Khoi-San leaders;
- the recognition, establishment, functions, roles and administration of kingship or queenship councils, principal traditional councils, traditional councils, Khoi-San councils and traditional sub-councils, as well as the support to such councils;
- the establishment, composition and functioning of the National House of Traditional and Khoi-San Leaders;
- establishment of provincial houses of Traditional and Khoi-San leaders;
- the establishment and composition of local houses of traditional and Khoi-San leaders;
- the establishment and operation of the Commission on Khoi-San Matters;
- a code of conduct for members of the National House, provincial houses, local houses and all Traditional and Khoi-San councils; and
- regulatory powers of the Minister and Premiers.

2.4. Strategic outcome-oriented goals

The strategic objective of the WCLC is to monitor the implementation of the Western Cape Language Policy and to provide advice to the Minister in achievement of this goal.

The key performance areas as set out in the Annual Performance Plan have been achieved by the Committee.

Strategic outcome-oriented goal 1	Monitor the implementation of the Western Cape Language Policy
Goal statement	To facilitate the monitoring of achievement in respect of the goals of the Language Policy within the Western Cape Government and to provide appropriate advice in this regard.

3. PERFORMANCE INFORMATION BY PROGRAMME/ACTIVITY/OBJECTIVE

Programme: Western Cape Language Committee

The purpose of the Western Cape Language Committee is to monitor the use of the three official languages of the Western Cape; to monitor the implementation of the Western Cape Language Policy and to advise the Minister tasked with language matters and the Pan South African Language Board on language matters in or affecting the Province.

The Committee participated in a number of collaborative initiatives in recognition of UNESCO's declaration of 2019 as 'The International Year of Indigenous Languages'.

In the previous year the Committee maintained its efforts of promoting the development of marginalised indigenous languages through the reprint of 2500 'Teach yourself Nama' booklets and audio CDs in February 2019. In 2019/20 the booklets and CDs were distributed as follows:

Recipient	Number of booklets and CDs distributed
Cape Town Central Library - Heritage celebration attendees	200
KhoeKhoegowab course members - Stellenbosch	90
KhoeKhoegowab course members - UCT	100
Communications - DCAS	10
Western Cape Provincial Archives - visitors	100
Museums - visitors	200
Other libraries - members	1400
Mamre community members (after oral history rollout)	10
Khoi representatives at Heritage Council meeting	20
Attendees at Khoi symposium in Genadendal	200
Khoekhoegowab learners in the Northern Cape	170

The Committee participated in a Heritage Day event arranged by 'Die Stigting vir Bemagtiging deur Afrikaans' (SBA) on 24 September 2019. The event entailed the introduction of a short story titled

'Fatima' that was drafted by Klavs Skovsholm, which was published in English, Afrikaans, isiXhosa and Arabic.

In addition, Mr Riaan Baartman, a member of the WCLC, collaborated with the SBA in translating a book titled 'Die Kokerboom' into Khoekhoegowab. Mr Baartman also engaged with the contributors of the Western Cape Government Better Together magazine and contributed an article on the importance of Khoekhoegowab.

In acknowledging the importance of collaborating with other language bodies and institutions, the Chairperson attended a Youth Dialogue at the University of the Western Cape on 2 August 2019. The theme of the dialogue was around the role of indigenous language in shaping the future of the African continent. This was a partnership with the Department of Cultural Affairs and Sport, the Swahili Language Board, the Department of Sport, Arts and Culture (DSAC), the University of the Western Cape (UWC), PanSALB and the Castle of Good Hope. The Chairperson further participated in the induction of the new PanSALB Western Cape Provincial Language Committee on 5 and 6 August 2019.

Members of the Committee attended the Khoekhoegowab graduation ceremony on 29 November 2019, facilitated by the University of Cape Town, in partnership with the Department of Cultural Affairs and Sport. The graduation ceremony was the culmination of a 12-week course attended by students of an introductory Khoekhoegowab language course.

The Committee's annual project, reflecting its commitment to promoting awareness of the Western Cape Language Policy, was articulated through an event that was hosted at the University of the Western Cape on 21 and 22 February 2020 in commemoration of International Mother Language Day. The theme of the event was the role of indigenous languages in shaping cultural identity and heritage. The event was jointly hosted by the Western Cape Language Committee, the Department of Cultural Affairs and Sport, the Iziko Museums of South Africa, the University of the Western Cape, the Pan South African Language Board, the Supu Supu Khoi Language Project and the Swahili Language Board.

3.1 Strategic objective: To monitor and advise on the implementation of the Western Cape Language Policy

Programme/activity/objective:					
Strategic objectives	Actual achievement 2018/2019	Planned target 2019/2020	Actual achievement 2019/2020	Deviation from planned target to actual achievement for 2019/2020	Comment on deviations
Number of interventions to monitor and advise on the implementation of the Western Cape Language Policy	9	8	11	+3	<p>The Committee exceeded its target of six meetings by convening an additional three.</p> <p>The reasons for the additional meetings were as follows:</p> <ol style="list-style-type: none"> 1. Induction meeting 2. Special meeting to receive feedback on Accounting Authority 3. Meeting to further deliberate on the Mother Language Day project

3.2 Key performance indicators, planned targets and actual achievements

Programme/activity/objective: Western Cape Language Committee							
Performance indicator	Actual achievement 2016/2017	Actual achievement 2017/2018	Actual achievement 2018/2019	Planned target 2019/2020	Actual achievement 2019/2020	Deviation from planned target to actual achievement for 2019/2020	Comment on deviations
Number of annual surveys/follow-up projects/awareness campaigns that monitor the implementation of the Western Cape Language Policy	2	1	1	1	1	-	-
Number of annual reports published for the WCLC	1	1	1	1	1	-	-
Number of meetings held to give effect to the Western Cape Language Policy	6	6	7	6	9	+3	<p>The Committee exceeded its target of six meetings by convening an additional three. The reasons for the additional meetings are as follows:</p> <ol style="list-style-type: none"> 1. Induction meeting 2. Special meeting to receive feedback on the legal opinion on the Accounting Authority 3. Meeting to further deliberate on the Mother Language Day project

Strategy to overcome areas of under performance

All planned targets as reflected in the 2019/20 Annual Performance Plan were achieved.

Changes to planned targets

The Committee exceeded its target of six meetings by convening an additional three.

Linking performance with budgets

The Western Cape Language Committee has aligned the key performance areas with the budget transferred by the Department of Cultural Affairs and Sport for the financial year under review.

	2019/20			2018/19		
Programme	Budget	Actual expenditure	(Over) under expenditure	Budget	Actual expenditure	(Over) under expenditure
	R`000	R`000	R`000	R`000	R`000	R`000
Goods and Services	335	915	(580)	267	848	(581)
Total	335	915	(580)	267	848	(581)

*The over expenditure mainly relates to GRAP 23: Services-in-kind adjustment made for salaries of R586 000 related to the financial management staff of the Public Entity. Further detail is explained in the Annual Financial Statements of the WCLC, Note 8.

4. Revenue collection

	2019/20			2018/19		
Source of Income	Estimate	Actual amount collected	(Over) under collection	Estimate	Actual amount collected	(Over) under collection
	R`000	R`000	R`000	R`000	R`000	R`000
Other operating income		586	(586)		590	(590)
Transfer payment	258	258	-	247	247	-
Interest income	77	14	63	20	20	-
Total	335	858	(523) *	267	857	(590)

*The over collection mainly relates to GRAP 23: Services-in-kind adjustment made for salaries of R586 000 related to the financial management staff of the Public Entity. Further detail is explained in the Annual Financial Statements of the WCLC, Note 8.

4.1. Capital investment

Not applicable

PART C: GOVERNANCE

1. INTRODUCTION

Governance, risk management and compliance are three pillars that work together for the purpose of assuring that the entity meets its objectives. compliance with the entity's policies and procedures, laws and regulations that translate into strong and efficient governance is considered key to the Entity's success. This report provides an overview of the governance embedded in the Entity.

2. PORTFOLIO COMMITTEES

The committees of the Provincial Parliament that have oversight of the WCLC are the Standing Committee on Cultural Affairs and Sport and the Standing Committee on Public Accounts (SCOPA).

Standing Committee on Cultural Affairs and Public Accounts	
Date of hearing	Matter under consideration
8 August 2019	Briefing by the Department of Cultural Affairs and Sport on its Annual Performance Plan for 2019/20.
31 October 2019	Deliberation on the 2018/19 Annual Reports of the Department of Cultural Affairs and Sport and its entities (Heritage Western Cape, Western Cape Language Committee, Western Cape Cultural Commission).
27 November 2019	Deliberation on Vote 13: Cultural Affairs and Sport in the schedule to the Western Cape Adjustments Appropriation, 2019.
11 March 2019	Discussion on Western Cape Appropriation Bill 2020 – Vote 13 Department of Cultural Affairs & Sport.

3. EXECUTIVE AUTHORITY

The Executive Authority executed oversight responsibility by monitoring financial and non- financial information for the period under review. The following reports were submitted for monitoring purposes:

Quarterly Performance Report	31 July 2019; 31 October 2019; 31 January 2020; and 30 April 2020.
In-year Monitoring Report	31 July 2019; 31 October 2019; 31 January 2020; and 30 April 2020.

4. THE WESTERN CAPE LANGUAGE COMMITTEE

4.1 Introduction

The WCLC is established in terms of the Western Cape Provincial Languages Act, 1998.

4.2 The role of the Committee

The Western Cape Provincial Languages Act, 1998, provides that the WCLC must, amongst other things:

- monitor the use of Afrikaans, English and isiXhosa by the Western Cape Government;
- make recommendations to the Provincial Minister and the Provincial Parliament on proposed or existing legislation, practice and policy dealing directly or indirectly with language in the Western Cape;
- actively promote the principle of multilingualism;
- actively promote the development of previously marginalised indigenous languages;
- advise the Provincial Minister and the Western Cape Cultural Commission on language matters in the Province; and
- advise PanSALB on language matters in the Western Cape.

4.3 Committee charter

The Western Cape Language Committee does not have a formal charter but is guided by the Western Cape Provincial Languages Act (Act 13 of 1998).

Composition of the Committee appointed for the period 1 April 2019 31 March 2020

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Areas of expertise	Board directorships (List the entities)	Other committees or task teams (e.g. Audit Committee/ Ministerial Task Team)	No. of meetings attended
Mr Nkosikhulule Nyembezi (Re-appointed)	Chairperson (as at 11 March 2019)	1 November 2018	N/A	MA: Public Admin	Legislative; Creative writing and Media networking	N/A	N/A	9
Ms Khanyiso Jonas	Deputy Chairperson (as at 11 March 2019)	1 November 2018	5 November 2019	MA General Linguistics; BA Hons (General Linguistics)	Teaching and Linguistics	N/A	N/A	4
Dr Daniel Stefanus Le Roux (Re-appointed)	Member	1 November 2018	1 November 2019	D Tech Drama; MA Drama; Higher Diploma in Education; Hons B Drama; and B Drama	Afrikaans literature; Arts; Drama; Language and Events Manager	N/A	N/A	6
Mr Johann Walter Koopman (Re-appointed)	Member	1 November 2018	9 April 2019	B.Ed. (Hons); DE III (Education); and ACE FET Maths	Teacher and SASL specialist	N/A	N/A	0
Mr Kwanda Regent Mkhize	Deputy Chairperson (as at 14 November 2019)	1 November 2018	N/A	Matric B Administration (final year)	Parliamentary monitor and gender equity unit	N/A	N/A	6
Mr Lungelo Garlick Nokwaza	Member	1 November 2018	N/A	BA; Higher diploma in Education; Advanced Diploma for the Educators of Adult; Honours Baccalaureus Admin; Degree of	Teaching and Literature, Review of Xhosa and English and language development	N/A	N/A	8

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Areas of expertise	Board directorships (List the entities)	Other committees or task teams (e.g. Audit Committee/ Ministerial Task Team)	No. of meetings attended
				Magister Philosophiae; Post grad Diploma in Law and Social Security; and Master of Arts				
Mr Salman Pienaar	Member	1 November 2018	1 June 2019	BA; BA Hons; MA and Diploma Energie	Language development; Book appraiser; President of the AHI Western Cape	N/A	N/A	0
Ms Stevlyn Diane Vermeulen	Member	1 November 2018	N/A	BA in Language and Culture; and Postgraduate short course in editing methodology	Language development; Culture and Editor	N/A	N/A	7
Ms Annette Humphries - Heyns	Member	1 November 2018	N/A	NID National Institute for the Deaf; Stellenbosch University; General Linguistics and SASL Literature NQF Level 8	Deaf Teaching Assistant for SASL in the classroom at school; Various projects for University of Stellenbosch and support SASL vocabulary/terminology development	N/A	N/A	8
Ms Genevieve Lentz	Member	1 June 2019	N/A	BA Language and Communications BA Hons. English Post Graduate Certificate in Education B-Tech Degree in Public Relations	Plan, organise and implement appropriate English Home Language and First Additional Language Instructional programs in a Learning Environment	N/A	N/A	6

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Areas of expertise	Board directorships (List the entities)	Other committees or task teams (e.g. Audit Committee/ Ministerial Task Team)	No. of meetings attended
Mr Riaan Baartman	Member	1 June 2019	N/A	Trainer of trainers (various ETDP Learning Programmes); Skills Facilitator; ETDP Assessor; Moderator; and Learning Programme Development	Facilitation and training	N/A	N/A	7
Ms Laurian Lesch	Member	1 June 2019	N/A	BA in Languages and Culture; BA(Hons) in African Languages; and Masters in African Languages	Language planning and policy, second language acquisition, editing and lexicography.	N/A	N/A	6

Remuneration of Committee members

The service benefit packages for office bearers of certain statutory and other institutions are defined by the Minister of Finance and described in a Provincial Treasury Circular. The Chairperson's rate is R461.00 per hour and the rate for members is R264.00 per hour.

Name	Remuneration R`000	Other allowance (T&S) R`000	Total R`000
Mr Nyembezi (Chairperson)	12	1	13
Ms Jonas	4	1	5
Mr Mkhize	5	0	5
Mr Nokwaza	7	1	8
Ms Vermeulen	5	2	7
Dr le Roux	4	1	5
Ms Humphries-Heyns	6	1	7
Ms Lesch	4	1	5
Ms Lentz	4	1	5
Mr Baartman	5	1	6
Total	56	10	66

5. RISK MANAGEMENT

The Western Cape Language Committee participates in the Enterprise Risk Management and Ethics Committee (ERMECO) of the Department of Cultural Affairs and Sport to assist the Accounting Authority in executing its responsibilities relating to risk management. This Committee is chaired by the Accounting Officer of the Department.

ENTERPRISE RISK MANAGEMENT AND ETHICS COMMITTEE RESPONSIBILITY

The Enterprise Risk Management and Ethics Committee (ERMECO) reports that it has complied with its responsibilities arising from Section 51 (1)(a)(i) of the Public Finance Management Act, Treasury Regulation 3.2.1 and Public Service Regulations of 2016, Chapter 2, Part 1, 2 and 3. The ERMECO also reports that it has adopted an appropriate formal Terms of Reference (approved by the ERMECO chairperson on 29 March 2019) and regulated its affairs in compliance with this Terms of Reference and has discharged all its responsibilities as contained therein.

ENTERPRISE RISK MANAGEMENT AND ETHICS COMMITTEE MEMBERS

The Chief Executive Officer of the Western Cape Language Committee represents the entity on the ERMECO of the Department. As per its Terms of Reference the ERMECO met four times (quarterly) during the year under review.

The table below discloses relevant information on ERMECO members:

Name	Position	No of meetings attended	Date appointed
Mr B Walters	Accounting Officer (Chairperson)	4	1/04/2019
Ms B Rutgers	Director: Financial Management – (CFO)	4	1/04/2019
Ms C Sani	Director: Library Service	3	1/04/2019
Mr D Esau	Deputy Director: Internal Control (Risk Champion)	4	1/04/2019
Mr D Flandorp	Deputy Director: Corporate Relations Unit (Ethics Officer)	3	1/04/2019
Mr G Mohamed	Director: Enterprise Content Management	4	1/04/2019
Mr G Redman	CD: Cultural Affairs	4	1/04/2019
Ms J Boule	CD: After-School Game Changer	4	1/04/2019
Ms J Moleleki	Director: Arts, Cultures and Language	4	1/04/2019
Dr L Bouah	CD: Sport and Recreation	2	1/04/2019
Dr M Dlamuka	Director: Museums, Heritage and Geographical Names Services CEO: HWC	4	1/04/2019
Ms N Dingayo	Director: Provincial Archive Service	3	15/03/2019
Mr S Julie	Director: Strategic and Operational Management Support	4	1/04/2019
Mr T Tutu	Director: Sport Promotion	4	1/04/2019
Mr P Hendricks	Director: Sport Development	4	1/04/2019

*Where members were unable to attend the ERMECO meeting, the meeting was, where possible, attended by a representative from the relevant programme.

The following is an indication of other officials who attended the ERMECO meetings for the year under review:

Name	Position	No of meetings attended
Ms A Haq	Director: Enterprise Risk Management (DotP)	2
Mr D Micketts	Chief Risk Advisor: Enterprise Risk Management (DotP)	4
Ms M Natesan	Deputy Director: Provincial Forensic Services (DotP)	4
Mr P Swartbooi	Director: Internal Audit (DotP)	2

ENTERPRISE RISK MANAGEMENT AND ETHICS COMMITTEE KEY ACTIVITIES

The Accounting Officer of the Department is the chairperson of the ERMECO. In executing its function, the ERMECO performed the following key activities during the year:

- reviewed the Department's Risk Management Policy, Strategy and Implementation Plan for recommendation by the Audit Committee and approval by the Accounting Officer. The Risk Management Policy, Strategy and Implementation Plan apply to all the Public Entities under the Department;
- set, reviewed and applied appropriate risk appetite and tolerances, and recommended same for approval by the Accounting Officer;
- reported to the Accounting Officer of the Department any material changes to the risk profile of the Entity;
- identified new and/or emerging risks and opportunities;
- assessed the implementation of the departmental Risk Management Policy, Strategy and Implementation Plan;
- evaluated the effectiveness and mitigating strategies to address the material strategic, operational, ethics and economic crime risks;
- reviewed the Fraud and Corruption Prevention and Response Plan recommended for approval by the Accounting Officer;
- discussed and considered the Social Cluster Audit Committee remarks;
- assessed the implementation of the departmental Ethics Management approach; and
- provided oversight on ethics management in the department.

KEY RISKS CONSIDERED AND ADDRESSED DURING THE YEAR

The following is a key risk for the Western Cape Language Committee that was reviewed on a quarterly basis, including assessing the mitigations in place:

- Appointment of an Accounting Authority and a fully representative WCLC. Management continues to manage the risk.

The WCLC's risks were presented at the quarterly ERMECO meetings. Senior managers were required to provide feedback on progress with implementation of action plans to reduce the likelihood of risks materialising and/or the impact should they materialise. ERMECO also referred risks back that should be analysed more extensively and recommended additional mitigations or actions to manage risks.

The Social Cluster Audit Committee provided independent oversight of the entity's system of risk management. The Audit Committee was furnished with Quarterly ERM progress reports and risk registers to execute their independent oversight role.

KEY EMERGING RISKS FOR THE FOLLOWING FINANCIAL YEAR

The key emerging risks which needs to be considered in the next financial year relates to the entity's ability to continue and recover its business during and after the COVID-19 pandemic.

CONCLUSION

There has been significant progress with the management of risks during the 2019/20 financial year. Good progress was made in embedding risk management and raising the risk maturity level within the WCLC, which has contributed to favourable public entity performance. Through the conducting of risk awareness sessions and training, it has led to improved risk maturity within the Department and WCLC. Risk awareness sessions are conducted on request via the 2019/20 FY implementation plan.

The increased risk maturity within the entity has led to improved risk response strategies for risks identified (in the public entity).

6. INTERNAL CONTROL UNIT

It is the responsibility of the Accounting Authority to continually assess and evaluate internal controls to ensure that control activities in place are effective, efficient and transparent and that they are improved when required. To achieve this, quarterly financial management improvement plan and key control meetings are held with the Auditor General, programme managers of the Department and the Minister. This is an ongoing process to ensure that DCAS maintains its clean audit outcomes.

The Department has devised an internal control strategy and plan that outlines a high-level plan on the implementation of internal control within its core functions.

7. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit provides management with independent, objective assurance and consulting services designed to add value and to continuously improve the operations of the Department. It should assist the Department to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes. The following key activities are performed in this regard:

- assess and make appropriate recommendations for improving the governance processes in achieving the Department's objectives;
- evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process;
- assist the Accounting Authority in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency and by developing recommendations for enhancement or improvement.

Internal Audit work completed during the year under review for the Department included five assurance engagements. Details of these engagements are included in the Audit Committee report.

The Audit Committee is established as an oversight body, providing independent oversight over governance, risk management and control processes in the Department, which include oversight and review of the following:

- internal audit function;
- external audit function (Auditor General of South Africa - AGSA);
- departmental accounting and reporting;
- departmental accounting policies;
- AGSA management and audit report;
- departmental in-year monitoring;
- departmental risk management;
- internal control;
- pre-determined objectives;
- ethics and forensic investigations.

The table below discloses relevant information on the audit committee members:

Name	Qualifications	Internal or external	If internal, position in the Department	Date appointed	Date resigned	No. of meetings attended
Mr Ameen Amod	MBA; CIA; CGAP; CRMA; BCOM	External	N/A	01 January 2019 (2 nd term)	N/a	7
Mr Ebrahim Abrahams	B Com Hons	External	N/A	01 January 2019 (1 st term)	N/a	7
Mr Pieter Strauss	B Acc; B Com Hons; CA (SA)	External	N/A	01 January 2019 (1 st term)	N/a	7
Ms Annelise Cilliers	B Compt Hons CA (SA)	External	N/A	01 January 2019 (1 st term)	N/a	7

8. COMPLIANCE WITH LAWS AND REGULATIONS

The Entity has systems, policies and processes in place to ensure compliance with laws and regulations.

If, after investigation, fraud, theft or corruption is confirmed, the employee who participated in such acts is subjected to a disciplinary hearing. The WCG representative initiating the disciplinary proceedings is required to recommend dismissal of the employee concerned. Where *prima facie* evidence of criminal conduct is detected, a criminal matter is reported to the South African Police Services.

9. FRAUD AND CORRUPTION

The relevant information is reported on in the Departmental Annual Report.

10. MINIMISING CONFLICT OF INTEREST

To ensure that there are no conflicts of interest in respect of committee members, all members sign a declaration of interest form prior to any meeting. If a conflict of interest should arise for a member, he or she is required to withdraw from the process.

11. CODE OF CONDUCT

Members are issued with a code of conduct which guides exemplary behaviour. The policy implemented by DCAS incorporates the WCLC.

12. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

DCAS provides the Western Cape Language Committee with office space, the policy implemented by the DCAS is therefore applicable to the Committee.

13. COMPANY/BOARD SECRETARY (IF APPLICABLE)

Not applicable

14. SOCIAL RESPONSIBILITY

Not applicable

15. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2020.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from **Section 38 (1) (a) (ii)** of the **Public Finance Management Act (PFMA)** and **National Treasury Regulations 3.1.13**. The Audit Committee also reports that it has adopted an appropriate formal Terms of Reference, has regulated its affairs in compliance with these Terms and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

In line with the PFMA and the King IV Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by an approved risk-based internal audit plan, Internal Audit assessing the adequacy of controls mitigating the risks, and the Audit Committee monitoring implementation of corrective actions.

The following internal audit engagements were approved by the Audit Committee and completed by Internal Audit during the year under review:

Assurance Engagements:

- Delegations Framework
- MOD Programme
- Language Services

- Library Services
- Transfer Payments – Sport

The Audit Committee's report on this matter will be finalised after the finalisation of the Audit Report.

In-Year Management and Monthly/Quarterly Report

The Audit Committee's report on this matter will be finalised after the finalisation of the Audit Report.

Evaluation of Financial Statements

The Audit Committee's report on this matter will be finalised after the finalisation of the Audit Report.

Compliance

The Audit Committee's report on this matter will be finalised after the finalisation of the Audit Report.

Performance Information

The Audit Committee's report on this matter will be finalised after the finalisation of the Audit Report.

Report of the Auditor General South Africa

The Audit Committee's report on this matter will be finalised after the finalisation of the Audit Report.



Mr Ameen Amod

Chairperson of the Social Cluster Audit Committee

Department of Cultural Affairs and Sport

Date: 30 September 2020

16. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table should be completed in accordance with the compliance to the BBBEE requirements as required by the BBBEE Act and as determined by the Department of Trade and Industry. Where there has been no or only partial compliance with the criteria, the entity should provide a discussion and also indicate the measures taken to comply.

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade and Industry.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	The Entity did not issue any licences, concessions or other authorisations in respect of economic activity in terms of any law.
Developing and implementing a preferential procurement policy?	No	<p>The following guidance specific to departments has been given from PT SCM:</p> <ol style="list-style-type: none"> 1. When the 2017 Regulations were issued, the Provincial Treasury presented to Cabinet the implementation challenges which inter alia included the raising of the threshold of the 80/20 point scoring system from a threshold of R1 million to R50 million will result in a “premium” increase for preferencing; introduction of pre-qualification criteria; introduction of a negotiation process and a passing over provision as a corrective measure for procuring entities to deal with the potential distortion of market related prices as a result of the introduction of prequalification criteria; contradiction in terms of the feasibility to sub-contract for a contract above R30 million, an organ of state must apply subcontracting to advance designated groups” and local production and content challenges.

		<p>2. Cabinet approved the following strategy for WCG:</p> <p>2.1 The issuance of an interim strategy to deal with the requirements of the PPPRs, as well as supply chain management governance requirements via Provincial Treasury Instructions (PTIs) that makes provision for the WCG to:</p> <ul style="list-style-type: none"> a. apply its discretion not to implement the pre-qualification criteria (i.e. regulation 4); b. apply its discretion not to implement regulation 6(9)(a)–(c) and 7(9)(a)–(c); c. conduct empowerment assessments for all procurement above R10 million (EME threshold), and further enabling departments to lower the threshold should its analysis so dictate; and d. implement regional indicators to target local suppliers using the e-procurement system and simultaneously consider the rotation of suppliers. <p>2.2 The development and implementation of an Economic Procurement Policy, in partnership with the Departments of Economic Development and Tourism and the Department of the Premier, that is aligned to Provincial Strategic Goal 1 (which covers job creation and infrastructure development) and is aligned to the Medium-Term Budget Policy Statement. The EPP has been drafted and finalised for implementation.</p> <p>2.3 The development and implementation of a broader economic transformation policy that seeks to:</p> <ul style="list-style-type: none"> a. promote private sector procurement towards targeted provincial economic growth areas; and b. further strengthen the partnership with the private sector by enabling access to the WCG supplier database. <p>2.4 Specific commodity focused strategies that target economic transformation e.g. security and catering strategies (PT led initiatives to look at transversal strategies and transversal contracts) will be a key focus to implement strategic</p>
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		<p>procurement initiatives. To date the Provincial Treasury has implemented a transversal security framework agreement in keeping with this for the Province.</p> <p>2.5 Leveraging the economies of scale principle by packaging projects into longer term contracts, longer than 3 years based on criteria such as a corporate social responsibility plan, quality of service, etc. The Entity continually assesses possible commodities for which longer term contracts can be entered into to leverage economies of scale.</p>
Determining qualification criteria for the sale of state-owned enterprises?	N/A	The Entity was not involved in the sale of state-owned enterprises.
Developing criteria for entering into partnerships with the private sector?	N/A	The Entity did not enter into any PPP arrangements.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	The Entity did not offer incentives, grants or investment schemes in support of Black Economic Empowerment.

PART D: HUMAN RESOURCES MANAGEMENT

1. HUMAN RESOURCE OVERSIGHT STATISTICS

1. INTRODUCTION

Staff are employed by the Department of Cultural Affairs and Sport and the relevant information appears in the DCAS Annual Report.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

These statistics are reported in the Annual Report of the Department of Cultural Affairs and Sport.

PART E: FINANCIAL INFORMATION

Report of the Auditor General to Western Cape Provincial Parliament on the Western Cape Language Committee

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Western Cape Language Committee set out on pages 3 to 20, which comprise statement of financial position as at 31 March 2020, the statement of financial performance, statement of changes in net assets and cash flow statement and statement of comparison of budget information with actual information for the year ended 31 March 2020, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Language Committee as at 31 March 2020, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP), the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and section 15 of the Western Cape Languages Act, 1998 (Act No.13 of 1998) (WCPLA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor General's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the public entity in accordance with sections 290 and 291 of the *Code of Ethics for Professional Accountants* and parts 1 and 3 of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* of the International Ethics Standards Board for Accountants (IESBA codes) as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the accounting authority for the financial statements

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with Standards of GRAP and the requirements of the PFMA 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.
7. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

Auditor General's responsibilities for the audit of the financial statements

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

10. In accordance with the Public Audit Act of South Africa 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected strategic objective presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
11. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved

performance planning documents of the public entity. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the public entity enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

12. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected strategic objective presented in the annual performance report of the public entity for the year ended 31 March 2020:

Strategic objective	Pages in the annual performance report
To monitor and advise on the implementation of the Western Cape Language Policy.	16 – 20

13. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
14. I did not identify any material findings on the usefulness and reliability of the reported performance information for this strategic objective:
- to monitor and advise on the implementation of the Western Cape Language Policy.

Other matters

15. I draw attention to the matters below.

Achievement of planned targets

16. Refer to the annual performance report on pages 16 to 20 for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a number of targets.

Report on the audit of compliance with legislation

Introduction and scope

17. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the public entity's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
18. I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

19. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report which includes the accounting authority's report and the audit committee's report. The other information does not include the financial statements, the auditor's report and the selected strategic objective presented in the annual performance report that have been specifically reported in this auditor's report.
20. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
21. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected strategic objective presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

Internal control deficiencies

22. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.

Auditor-General

Cape Town
30 September 2020



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-General's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for strategic objective and on the public entity's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit 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 public entity's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting authority
 - conclude on the appropriateness of the accounting authority's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Western Cape Language Committee to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting authority that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Statement of Financial Position as at 31 March 2020

	Note(s)	2020 R '000	2019 R '000
Assets			
Current Assets			
Cash and cash equivalents	3	232	289
Total Assets		232	289
Net Assets		232	289
Accumulated surplus		232	289

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Statement of Financial Performance

	Note(s)	2020 R '000	2019 R '000
Revenue			
Revenue from exchange transactions			
Interest income	4	14	20
Total revenue from exchange transactions		14	20
Revenue from non-exchange transactions			
Transfer revenue			
Other income from non-exchange transactions	5	586	590
Transfers and subsidies received	6	258	247
Total revenue from non-exchange transactions		844	837
Total revenue		858	857
Expenditure			
Audit Fees	7	(91)	(58)
General Expenses	8	(768)	(734)
Members fees	9	(56)	(56)
Total expenditure		(915)	(848)
(Deficit) surplus for the year		(57)	9

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Statement of Changes in Net Assets

	Accumulated surplus R '000	Total net assets R '000
Balance at 01 April 2018	280	280
Changes in net assets		
Surplus for the year	9	9
Total changes	9	9
Balance at 01 April 2019	289	289
Changes in net assets		
Deficit for the year	(57)	(57)
Total changes	(57)	(57)
Balance at 31 March 2020	232	232

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Cash Flow Statement

	Note(s)	2020 R '000	2019 R '000
Cash flows from operating activities			
Receipts			
Cash receipts		258	247
Interest income		14	20
		<u>272</u>	<u>267</u>
Payments			
Cash paid		(329)	(258)
Net cash flows from operating activities	10	<u>(57)</u>	<u>9</u>
Net (decrease)/ increase in cash and cash equivalents		(57)	9
Cash and cash equivalents at the beginning of the year		289	280
Cash and cash equivalents at the end of the year	3	<u>232</u>	<u>289</u>

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R '000	R '000	R '000	R '000	R '000	
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Interest income	21	-	21	14	(7)	14.1
Other income	-	56	56	-	(56)	14.2
Total revenue from exchange transactions	21	56	77	14	(63)	
Revenue from non-exchange transactions						
Government grants and subsidies	258	-	258	258	-	
Other income from non-exchange transactions	-	-	-	586	586	14.3
Total revenue	279	56	335	858	523	
Expenditure						
Members fees	(59)	(1)	(60)	(56)	4	
Audit fees	(79)	(12)	(91)	(91)	-	
General expenses	(141)	(43)	(184)	(768)	(584)	14.4
Total expenditure	(279)	(56)	(335)	(915)	(580)	
Surplus	-	-	-	(57)	(57)	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	-	-	-	(57)	(57)	
Reconciliation (must be disclosed if actuals not on comparable basis to budget)						
Basis difference						
Operating				-		
Timing difference						
Operating				(57)		
Entity difference						
Operating				-		
Actual Amount in the Statement of Financial Performance				(57)		

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Accounting Policies

1. Presentation of Annual Financial Statements

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).

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. They are presented in South African Rand.

All figures have been rounded to the nearest thousand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.1 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.

1.2 Significant judgements and sources of estimation uncertainty

The entity makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition seldom equal the related actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Receivables

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

The impairment for receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Allowance for impairment

An estimate for the impairment of receivables is made when collection of the full amount is no longer probable. The provision for impairment debt shall be calculated on trade receivables only. The total impairment provision of the entity shall be calculated either by individual debtor or at least per risk category.

1.3 Financial instruments

The financial instruments of the entity are categorised as either financial assets or liabilities.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Accounting Policies

1.3 Financial instruments (continued)

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Cash and cash equivalents	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Payables from exchange transactions	Financial liability measured at amortised cost

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability, other than those subsequently measured at fair value, initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The entity measures all other financial assets and financial liabilities initially at fair

The entity first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the entity analyses a concessionary loan into its component parts and accounts for each component separately. The entity accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility in the case of a financial asset.

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Accounting Policies

1.3 Financial instruments (continued)

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, the entity calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

Short-term receivables and payables are not discounted where the initial credit period granted or received is consistent with terms used in the public sector, either through established practices or legislation.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The entity 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.

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

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised 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 financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised 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 recognised, the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

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

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Accounting Policies

1.3 Financial instruments (continued)

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognises the asset; and
 - recognises separately any rights and obligations created or retained in the transfer.

The carrying amount of the transferred asset is allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished - i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

1.4 Revenue from exchange transactions

Recognition

Revenue is recognised when it is probable that future economic benefits or service potential will flow to the entity and when the amount of revenue can be reliably measured, and specific criteria have been met for the entity's activities. Revenue from the rendering of services is recognised in surplus or deficit in proportion to the stage of completion of the transaction at the reporting date.

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Measurement

Revenue is measured at the fair value of the consideration received or receivable. The amount is not considered to be reliably measurable until all contingencies relating to the transaction have been resolved.

Interest, royalties and dividends

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Accounting Policies

1.5 Revenue from non-exchange transactions

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset shall be recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Conditional grants and receipts

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the entity has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met, a liability is recognised.

Interest earned on investments is treated in accordance with grant conditions. If it is payable to the grantor it is recorded as part of the liability and if not, it is recognised as interest earned in the statement of financial performance.

Grants that compensate the entity for expenses incurred are recognised in surplus or deficit on a systematic basis in the same periods in which the expenses are recognised.

Service in-kind

Service in-kind are services provided by individuals to entities, without charge, but may be subject to stipulations. Public entity financial management staff provide valuable support to the entity in achieving its objectives. The service provided can be measured reliably and therefore it is recognised in the statement of financial performance and disclosed in the notes to the financial statements.

1.6 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Transactions denominated in foreign currencies are translated at the rate of exchange ruling on the transaction date. Monetary items denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Gains or losses arising on translation are charged against surplus/deficit.

1.7 Comparative figures

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

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Accounting Policies

1.8 Expenditure

Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written off are limited to the amount of savings and /or under spending of appropriated funds. The write off occurs at year end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

All other losses are recognised when authorisation has been granted for the recognition

Fruitless and Wasteful expenditure

Fruitless and wasteful expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

1.9 Accumulated surplus

The accumulated surplus represents the net difference between the total assets and the total liabilities of the entity. Any surpluses and deficits realised during a specific financial year are credited/debited against accumulated surplus/deficit. Prior year adjustments, relating to income and expenditure, are debited/credited against accumulated surplus when retrospective adjustments are made.

1.10 Budget information

The approved budget is prepared on a cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2019/04/01 to 2020/03/31.

The annual financial statements and the budget are not on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

1.11 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Accounting Policies

1.11 Related parties (continued)

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the entity is exempt from the disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.12 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.13 Value-added Tax (VAT)

The entity is exempt from VAT registration. However, if any funding is received that requires the entity to register as a VAT Vendor, such application will be lodged.

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

	2020 R '000	2019 R '000
2. New standards and interpretations		
2.1 Standards and interpretations effective and adopted in the current year		
In the current year, the entity has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:		
Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 1 (as amended 2018): Presentation of Financial Statements	01 April 2019	The impact of the amendment is not material.
• GRAP 2 (as amended 2018): Cash Flow Statements	01 April 2019	The impact of the amendment is not material.
• GRAP 3 (as amended 2018): Accounting Policies, Change in Accounting Estimates and Errors	01 April 2019	The impact of the amendment is not material.
• GRAP 9 (as amended 2018): Revenue from Exchange Transactions	01 April 2019	The impact of the amendment is not material.
• GRAP 12 (as amended 2018): Inventories	01 April 2019	The impact of the amendment is not material.
• GRAP 14 (as amended 2018): Events after the reporting Period	01 April 2019	The impact of the amendment is not material.
• GRAP 19 (as amended 2018): Provisions, Contingent Liabilities and Contingent Assets	01 April 2019	The impact of the amendment is not material.
• GRAP 23 (as amended 2018): Revenue from Non-exchange Transactions	01 April 2019	The impact of the amendment is not material.
• GRAP 24 (as amended 2016): Presentation of Budget Information in Financial Statements	01 April 2019	The impact of the amendment is not material.
• GRAP 104 (as amended 2018): Financial Instruments	01 April 2019	The impact of the amendment is not material.
• GRAP 20: Related parties	01 April 2019	The impact of the amendment is not material.
• GRAP 32: Service Concession Arrangements: Grantor	01 April 2019	The impact of the amendment is not material.
• GRAP 108: Statutory Receivables	01 April 2019	The impact of the amendment is not material.
• GRAP 109: Accounting by Principals and Agents	01 April 2019	The impact of the amendment is not material.

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

2. New standards and interpretations (continued)

2.2 Standards and interpretations 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 2020 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 34: Separate Financial Statements	01 April 2020	Unlikely there will be a material impact
• GRAP 35: Consolidated Financial Statements	01 April 2020	Unlikely there will be a material impact
• GRAP 36: Investments in Associates and Joint Ventures	01 April 2020	Unlikely there will be a material impact
• GRAP 37: Joint Arrangements	01 April 2020	Unlikely there will be a material impact
• GRAP 38: Disclosure of Interests in Other Entities	01 April 2020	Unlikely there will be a material impact

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

	2020 R '000	2019 R '000
3. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	232	289
Credit quality of cash at bank and short-term deposits, excluding cash on hand		
Cash and cash equivalents comprise cash and short-term, highly liquid investments that are held with registered banking institutions with maturities of three months or less and that are subject to insignificant interest rate risk, the carrying amount of these assets approximates to their fair value.		
4. Interest Income		
Interest received	14	20
5. Other income from non-exchange transactions		
Donation: Service in kind	586	590
Service in kind is further explained in note 8		
6. Transfers and subsidies received		
Transfer received	258	247
7. Audit fees		
External audit	91	58
The variance is mainly due to the contract workers appointed by the Auditor General.		
8. General expenses		
Bank charges	2	2
Consulting and outsourced services	47	7
Employee cost: Service in kind	586	590
Entertainment	22	17
Printing and publications	81	89
Software expenses	20	18
Travel and subsistence	10	11
	768	734

Consulting and outsourced services:

Sign language consultant appointed to interpret at committee meetings during the period under review.

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

	2020 R '000	2019 R '000
8. General expenses (continued)		
Employee cost: Service in-kind:		
The decrease is due to 1 official resigning during the year under review. Officials of the Department of Cultural Affairs and Sport fulfil the executive and administrative functions associated with the Western Cape Language Committee. Departmental staff that supports the Public Entity includes the Chief Financial Officer, Director: Arts, Culture and Language Services, line function in the aforementioned Directorate as well as a dedicated Financial Management team that supports the Chief Financial Officer. Whilst line function staff and Senior Managers fulfil a dual role, the financial management team is dedicated to the Public Entity. Due to the dual role performed by most of the aforementioned staff, it is difficult to apportion the time spent with the Public Entities. The service in-kind related to their salaries cannot be measured reliably. The recognition therefore relates only to the dedicated finance team who supports the CFO in the execution of her role as CFO to the Public Entity and the Department. The amount disclosed therefore represent the service in-kind provided by the finance team only.		
Printing and publication:		
The 2018/19 financial year includes the printing of Nama booklets.		
9. Members fees		
Allie, F	-	3
Baartman, R	5	-
Humphries - Heyns, A	6	3
Jonas, K	4	3
Koopman, J	-	11
Le Roux, N	4	7
Lentz, G	4	-
Lesch, L	4	3
Mazantsi, S	-	2
Mkhize, K	5	3
Mohamed, J	-	3
Neethling, S	-	1
Nokwaza, L	7	3
Nyembezi, N	12	8
Serfontein, L	-	1
Vermuelen, S	5	3
Yoyo, M	-	2
	56	56
10. Cash used in operations		
(Deficit) surplus	(57)	9

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

	2020 R '000	2019 R '000
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11. Related parties

Relationships	
Primary Funder	Department of Cultural Affairs and Sport
Strategic Partner	Western Cape Cultural Commission
Strategic Partner	Heritage Western Cape

The Department of Cultural Affairs and Sport (DCAS) provides accommodation to Western Cape Language Committee to execute their admin and finance operations.

Related party transactions

Income received from related parties

Department of Cultural Affairs and Sport	258	247
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12. Risk management

The entity's activities expose it to a variety of financial risks: market risk (fair value interest rate risk, cash flow interest rate risk), credit risk and liquidity risk.

Liquidity risk

Liquidity risk is the risk that the entity will not be able to meet its financial obligations as they fall due. In terms of its borrowing requirements, the entity ensures that adequate funds are available to meet its expected and unexpected financial commitments. All outstanding accounts payable balances are due within 30 days of the reporting date.

Sensitivity analysis

At 31 March 2020, if the interest rates on variable rate financial instruments had been 1% higher/lower with all other variables held constant, surplus for the year would have been R2326 higher / lower.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the entity. The entity has adopted a policy of only dealing with creditworthy parties.

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties.

Maximum exposure to credit risk

The entity's exposure to credit risk with regards to loans and receivables is limited to the amounts on the balance sheet.

Market risk

The entity is not exposed to market risk, due to it being required to settle creditors within 30 days of receiving an invoice as required by the treasury regulations and the PFMA

Western Cape Language Committee

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

Figures in Rand thousand

12. Risk management (continued)

Interest rate risk

The entity's risk profile consists of fixed and floating rate loans and bank balances which exposes the entity to fair value interest rate risk and cash flow interest rate risk and can be summarized as follows:

Financial assets

Trade and other receivables are at a fixed rate. Management manages interest rate risk by negotiating beneficial rates on floating rate loans and where possible using fixed rate loans.

Management also has a policy balancing the interest on asset loans with the interest payable on liabilities.

Cash flow interest rate risk

Financial instrument	Due in less than one year	Due in one to two years	Due in two to three years	Due in three to four years	Due after five years
Normal credit terms Cash in current banking institutions	232	-	-	-	-
Payables - Extended credit terms	-	-	-	-	-
Net amount	232	-	-	-	-
Past due but not provided for	-	-	-	-	-

13. B-BBEE Performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

14. Budget variances

Material variances between budget and actual amounts

Budget Adjustment:

During the 2019/20 financial year a budget adjustment was made from R279 000 to R335 000. A total increase of R56 000. This was mainly used to defray additional expenditure that was either not included in the original budget where a need for the service was identified during the financial year or the cost of some budgeted items exceeded the original budget. Line items affected are consultants and outsourced services where the need for an interpreter was identified for the benefit of a hearing impaired committee member; audit fees that exceeded the original budget; as well as the cost associated with the printing, layout and design of the annual report that exceeded the original budget.

14.1 Interest income:

The decrease is due to interest rate fluctuations during the year under review.

14.2 Other income:

Other income relates to reserves used to increase the budget to defray additional expenditure as stipulated above.

14.3 Other income from non - exchange transactions

The variance is due to GRAP 23 donation/employee cost adjustment made for service in-kind received from the Department of Cultural Affairs and Sport. Refer to note 8 for detail.

14.4 General expenses

The variance is due to GRAP 23 donation/employee cost adjustment made for service in-kind received from the Department of Cultural Affairs and Sport. Refer to note 8 for detail.

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**Western Cape
Government**

Cultural Affairs and Sport

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