



MINING QUALIFICATIONS AUTHORITY

Mining Qualifications Authority
Annual Financial Statements
for the year ended 31 March 2021

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Annual Financial Statements for the year ended 31 March 2021
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The reports and statements set out below comprise the Annual Financial Statements presented to MQA Board.

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Mining Qualifications Authority

Annual Financial Statements for the year ended 31 March 2021

Accounting Authority's Responsibilities and Approval

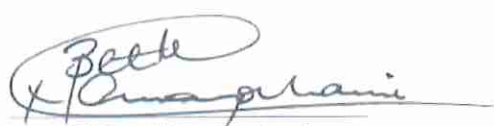
The members are required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the members to ensure that the annual financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows. The external auditors are engaged to express an independent opinion on the annual financial statements and were given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements set out on pages 3 to 51, which have been prepared on the going concern basis were approved by the accounting authority on 30 July 2021 and were signed on its behalf by:



Mthokozisi Zondi
Board Chairperson



Bethuel Nemagovhani
Acting Chief Executive Officer

1. Responsibilities of the Accounting Authority

The Accounting Authority is responsible for the preparation and presentation of annual financial statements that are relevant and reliable, the integrity of the information contained therein, the maintenance of effective control measures, compliance with relevant laws and regulations and the related financial information contained elsewhere in this annual report.

To meet these responsibilities, the Accounting Authority has set standards, which require that management implement effective and efficient systems of financial risk management and internal controls, as well as transparent financial reporting and accounting systems.

Further responsibilities of the Accounting Authority include:

- Management and safeguarding of the assets, as well as the management of revenues, expenditures and liabilities.
- The submission of all reports, returns, notices and other information to Parliament, Department of Higher Education and Training and National Treasury, as required by the Public Finance Management Act.

2. General review of the state of affairs

Total revenue for the period ended 31 March 2021 including donor income, amounted to R898 667 000 (2020: 1 190 754 000. restated). The administration levy income received was R115 928 000 (2020: R155 201 000, restated). The administrative expenditure amounted to R131 757 000 (2020: R129 141 000).

The MQA recorded a surplus of R 82 821 000 (2020: R332 161 000 restated). Total reserves at the end of the reporting period amounted to R821 013 000 (2020: R738 192 000 restated). Future commitments in respect of discretionary funds amounted to R724 804 000 (2020: R448 496 000 restated) and thus exceed/ (below) reserves by -R40 511 000 (2020: -R230 935 000, restated).

During the period R 724 512 000 (2020: R 777 958 000, restated) was spent on mandatory and discretionary grants and special projects, including donor funding expenditure of Rnil (2020: R1 362 000, restated). The following are some of the major spend in respect of discretionary grants and projects during the period:

Projects	2021 R'000	2020 R'000
A001 – HEI Lecturer Support	6 147	11 796
A002 – Bursaries	97 297	114 977
A003 – Work Experience	42 261	46 178
A004 – Standard Setting	173	306
A005 – Learning Materials (LM) Development	1 628	-
A006 – Internships (GDP)	113 861	89 903
A007 – Non - Artisan Learnerships	47 599	47 800
A009 – ABET	10 470	12 341
A010 – OHS Rep Development	9 096	8 275
A013 – MQA Artisan Development	114 748	151 227
A014 – RPL / Artisan Aides - Employed	2 565	2 400
A015 – TVET College Support	21 931	24 686
A017 – FLC Grant Incentive	580	-
A019 – Mine Community Development	21 225	9 694
A021 – Youth Development	25 379	3 543
A022 – Management Development	5 186	4 044
A044 – Partnership Research	596	1 545
A023 - Artisan RPL	2 640	-
A042 HDSA Accredited Training Provider Support	760	-
TOTAL EXPENDITURE	524 142	528 715

3. Discontinued projects

During the period under review, there were no discontinued projects.

4. New / proposed projects

During the period under review. The MQA undertook worker initiated Covid-19 training and small business support and both were new projects.

5. Events after the reporting period

There were no events after reporting period identified affecting the period under review.

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Accounting Authority's Report

6. Board member attendance and remuneration

Non-Executive Members	Organisation	Constituency	BOARD							FINCOM	IT STEER	HRREMC	SRP	LP	QA	TOTALS	FEES PAID 2021	FEES PAID 2020
			BOARD	EXCO	ARC	FINCOM	IT STEER	HRREMC	SRP	LP	QA							
																	R'000	R'000
																	741	1137
D Msiza #	DMR	State	6	3	1	2										9	-	-
P. Gamede	DMR	State	4	1	1											8	-	-
H. Mbiko	DMR	State	5					6								11	-	-
A. Teteme	NUM	Labour	6	3	6	1	3	7	2	3						34	232	360
D. Shikati	NUM	Labour	6							3						9	83	129
O.Nkagisang	South 32	Employers	4													4	-	-
E.Howes	Implats	Employers	6				1		8							15	-	-
M. Ally*	Minerals Council of South Africa	Employers	6	3	5			7								21	155	179
J. Venter	Colliery Training College	Employers	1													1	-	-
D. Julian*	Minerals Council of South Africa	Employers	2				2		7							16	35	249
A. Atlee	NUM	Labour	5							4						5	75	47
M. Mashego	Harmony	Employers	4													4	-	-
M. Naki	NUM	Labour	5													5	76	84
T. Mathavha	NUM	Labour														0	-	28
F. Stehring	UASA	Labour	6													6	85	61

Notes

The total fees disclosed above relate to fees claimed for attendance of the meetings specified above.

Chairperson

* Fees in respect of the members are paid directly to the Minerals Council of South Africa.

8. Going concern

The annual financial statements have been prepared based on accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The assets of the MQA exceed its liabilities by R821 013 000 (2020: R738 192 000 restated). Furthermore, the net assets exceed the commitments by R96 209 000 (2020: R 289 696 000, restated). The Board is satisfied that the MQA has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis.

The four months levy payment holiday announced by the President had an impact on the expected cash flows, however, the Board has satisfied itself that the MQA is still in good financial position and that it has access to sufficient reserves and grants revenue to meet its foreseeable cash requirements.

9. SETA re-establishment

SETAs are established through the provisions of the Skills Development Act and the MQA has been re-licensed as a SETA until 31 March 2030.

10. Responsibility for annual financial statements

The Board is responsible for the Annual Financial Statements.

Mining Qualifications Authority

Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Performance

	Note(s)	2021 R '000	2020 R '000 Restated
Revenue		947 718	1 246 956
Revenue from non-exchange transactions		898 667	1 190 754
Skills development levy income	3	879 649	1165 993
Skills development levy interest and penalties	3	19 017	23 180
Discretionary grants recoveries	6	-	218
Government grants and donor funding income	14,2	-	1 362
Revenue from exchange transactions		49 051	56 202
Investment income	4	48 576	55 905
Other income	5	475	297
Expenditure		(864 817)	(914 752)
Administration expenditure	8	(131 757)	(129 141)
Employer grants and projects expenditure	7	(724 512)	(776 596)
Government grants and donor funding	14,2	-	(1 362)
NSF artisan project administration costs	14.2.1	(541)	(938)
Transfers to other public entities (QCTO)	9	(8 007)	(6 714)
Loss on disposal of assets and liabilities		(80)	(43)
Surplus/(Deficit)		82 821	332 161

Mining Qualifications Authority

Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

	Note(s)	2021 R '000	2020 R '000 Restated
Assets		1 106 441	1 154 437
Non-current assets		53 587	58 243
Property, plant and equipment	10	53 356	57 422
Intangible assets	11	232	821
Current assets		1 052 853	1 096 195
Receivables from non-exchange transactions	14	1 752	55 275
Trade and other receivables from exchange transactions	12	5 630	3 594
Inventories	13	328	312
Cash and cash equivalents	15	1 045 144	1 037 014
Liabilities		285 427	416 245
Current liabilities		285 427	416 245
Grants and transfers payable	17	262 099	392 981
Trade and other payables from exchange transactions	18	2 651	3 602
Provisions	19	20 677	19 662
Net Assets		821 013	738 192
Reserves		821 013	738 192
Revaluation reserves		4 925	4 925
Administration reserves		48 662	53 318
Mandatory grant reserves		2 111	519
Discretionary reserves		765 315	679 431

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Annual Financial Statements for the year ended 31 March 2021
Statement of Changes in Net Assets

	Revaluation reserves	Administration reserves	Mandatory grant reserves	Discretionary reserves	Total reserves	Accumulated surplus	Total net assets
	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Balance at 01 April 2019 - as previously stated	4 925	58 802	553	355 555	419 835	-	419 835
Prior period errors - discretionary grants expenditure	-	-	-	(13 804)	(13 804)	-	(13 804)
Balance at 01 April 2019 - Restated	4 925	58 802	553	341 751	406 031	-	406 031
Surplus /(Deficit) for 2020 as previously stated	-	-	-	-	-	356 812	356 812
Allocation of un-appropriated deficit for 2020 as previously stated	-	18 239	34 930	303 643	356 812	(356 812)	-
Prior period errors - discretionary grants expenditure erroneously omitted	-	-	-	(24 651)	(24 651)	-	(24 651)
Transfer to discretionary reserves	-	(23 723)	(34 964)	58 687	-	-	0
Restated* Balance at 01 April 2020	4 925	53 318	519	679 430	738 192	-	738 192
Surplus/ (Deficit) for the year	-	-	-	-	-	82 821	82 821
Allocation of un-appropriated surplus	-	(24 456)	19 604	87 673	82 821	(82 821)	-
Transfer to Administration reserves	-	19 800	(18 012)	(1 788)	-	-	-
Balance at 31 March 2021	4 925	48 662	2 111	765 315	821 013	0	821 013

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Cash Flow Statement

	Note(s)	2021 R '000	2020 R '000
Receipts		978 549	1 253 870
Levies, interest and penalties		898 926	1 188 798
Government grants and donor funding		29 714	8 627
Interest income		49 470	56 103
Other cash receipts from stakeholders		438	342
Payments		(969 006)	(939 219)
Grant and projects		(833 591)	(803 850)
Compensation of employees		(96 262)	(94 381)
Payments to suppliers and others		(39 153)	(40 988)
Net cash flows from operating activities	20	9 543	314 651
Cash flows from investing activities		(1 413)	(914)
Purchase of property, plant and equipment	10	(1 430)	(971)
Proceed from sale of Property, plant and Equipment		17	57
Purchase of other intangible assets	11	-	-
Net cash flows from investing activities		(1 413)	(914)
Net increase/(decrease) in cash and cash equivalents		8 130 -	313 737
Cash and cash equivalents at the beginning of the year		1 037 014	723 277
Cash and cash equivalents at the end of the year	15	1 045 144	1 037 014

Mining Qualifications Authority

Annual Financial Statements for the year ended 31 March 2021

Statement of Comparison of Budget and Actual Amounts

Budget and actual amounts on accrual and comparative basis

	Note (s)	Approved and Final Budget R '000	Actual R '000	Variance R '000
Statement of Financial Performance				
Revenue from exchange transactions		51 714	49 051	(2 663)
Other income		-	475	475
Interest received - investment		51 714	48 576	(3 138)
Revenue from non-exchange transactions				
Skills Development Levy: Income	29.1	910 103	898 667	(11 436)
Levy: Interest and penalties	29.2	910 103	879 649	-30 454
		-	19 017	19 017
Total revenue		961 817	947 718	(14 099)
Total expenditure				
Personnel costs	29.3	1 097 473	864 817	(232 656)
Transfer to QCTO		93 502	88 204	(5 298)
Depreciation and amortisation	29.6	7 184	8 007	823
Repairs and maintenance		7 807	5 881	(1 926)
Employer grant and project expenditure		2 304	1 656	(648)
Government grants and donor funds	29.4	940 487	724 512	(215 975)
General Expenses		-	541	541
Operating surplus / (deficit)	29.5	46 189	36 016	(10 173)
Loss on disposal of assets and liabilities		(135 656)	82 901	218 557
		-	80	80
Surplus / (Deficit) for the year		(135 656)	82 821	218 477
Statement of Financial Position				
Capital Expenditure	29.6	20 195	1 430	(18 765)

1. Basis of preparation

The Annual Financial Statements have been prepared on the historical cost basis, except where they were adjusted for present/fair values as required by the respective accounting standards.

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations, guidelines and directives issued by the Accounting Standards Board.

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

1.1 Currency

The annual financial statements presented are in South African Rands and all figures have been rounded off to the nearest thousands (R'000) were indicated.

1.2 Revenue from non-exchange transactions

Skills Development Levy (SDL) income

In terms of section 3(1) and 3(4) of the Skills Development Levies Act (the Levies Act), 1999 (Act No. 9 of 1999) registered member companies of the MQA pay 1% of the total payroll cost as Skills Development Levy (SDL). The levies paid to the South African Revenue Services (SARS) that collects the levies on behalf of the Department of Higher Education and Training (DHET).

Eighty percent (80%) of SDL contributions by companies in the mining and minerals sector are transferred to the MQA and 20% to the National Skills Fund (NSF) by the Department of Higher Education and Training.

SDL income received by the MQA is set aside in terms of the Skills Development Act, 1998 (Act No. 97 of 1998) as amended and the Skills Development Levy Grant Regulations (Grant Regulations), issued in terms of this Act, for the purposes of:

Administration cost (including 0.5% transfer to QCTO)
Mandatory grants
Discretionary grants and projects

2021
10.50%
20.00%
49.50%
80.00%

In addition to these amounts, employers that fail to file their returns and pay skills development levies within the prescribed time limits as set by SARS, are charged interest and penalties at rates prescribed by SARS from time to time. The said regulation regulating the 20% mandatory grant was set aside, however the court did not indicate what mandatory grant percentage should be paid. The MQA continued measuring mandatory grants at 20% since it's the best available information.

The interest and penalties charged are remitted to the DHET, which in turn transfers them to the MQA. The interest and penalties are disclosed separately as Skills Development Levy penalties and interest.

With effect from 01 August 2005 companies with an annual payroll cost by DHET of less than R500 000, are exempted in accordance with section 4(b) of the Skills Development Levies Act, 1999, as amended.

Inter-SETA transfers

Revenue is adjusted for transfers of employers between SETAs that arise due to incorrect allocation to a SETA on registration for Skills Development Levy or changes to their business that result in a need to change SETAs. Such adjustments are disclosed separately as Inter-SETA transfers. The amount of Inter-SETA adjustments is calculated according to the most recent Standard Operating Procedure as issued by the DHET from November 2009.

When transfers from other SETAs to the MQA occur, the levies transferred are recognised as revenue and allocated between the respective categories as reflected above to maintain their original identity.

For transfers from the MQA to other SETAs, the levies in the respective categories are reduced by the amounts transferred or transferable to other SETAs.

Recognition of revenue from non-exchange transactions

Skills Development Levy income is recognised when it is probable that future economic benefits will flow to the MQA and these benefits can be measured reliably. This occurs when the DHET either makes an allocation or payment to the MQA, whichever occurs first, as required by Section 8 of the Skills Development Levies Act, 1999 (Act No.9 of 1999).

Levy contributions from employers with an annual payroll of less than R500,000, are not recognised as revenue but as a provision, as they represent an obligation as they are due to be refunded to such employers because the employers are exempted from paying skills development levies.

Previously, this provision was accumulated indefinitely, but with effect from the 25 August 2013, the DHET advised SETAs that this provision may be utilised for discretionary grants purposes after the expiry of 5 years in terms of section 109(4) of the Tax Administration Act, as the employers may not claim the moneys back after 5 years.

Measurement of revenue from non-exchange transactions

SDL income is measured at the fair value of the consideration received or receivable and that is the amount of the increase in net assets recognised by the MQA.

Adjustments to revenue already recognised, arise from the completion of internal review process, and/or the outcome of an external appeal or objection process undertaken by employers. Adjustments to revenue include any refunds that become payable as a result of the completion of a review, appeal or objection process. Refunds are recovered directly from monthly returns and are reflected as a net reversal per scheme year on the revenue details provided by DHET. The SETA recognises revenue monthly on net basis per scheme as after taking into account monthly net reversals per scheme year. The SETA has no access to or control to the appeal or review process carried on by SARS, and hence could not reasonably be expected to have access to reliable information at the initial stage of recognition. The adjustments to revenue already recognised following the outcome of a review, appeal or objection process are therefore accounted for as a change in an accounting estimate.

Government grants and donor funding income

Conditional government grants and other conditional donor funds are recognised as a liability when they become receivable and are recognised as income on a systematic basis over the period necessary to match the grants with the related costs, which they are intended to compensate.

Unconditional grants received are recognised as revenue when the amounts are received or become receivable.

Funds for special projects transferred from government grants and other donors are recognised as a liability until the related eligible special project expenses are incurred, when the liability is extinguished and revenue is recognised.

1.3 Revenue from exchange transactions

Investment income

Interest income is accrued on a time proportion basis, taking into account the capital invested and the effective interest rate over the period to maturity.

Other income

Other income from rendering of services is recognised as revenue when the outcome of a transaction can be estimated reliably, and this occurs when:

- The amount of revenue can be measured reliably,
- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity,
- The stage of completion of the transaction at the reporting date can be measured reliably, and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Revenue from exchange transactions is measured at the fair value of the consideration received or receivable.

1.4 Grants and project expenditure

In terms of the Grant Regulations, registered employers may recover 20% of their levy payments (excluding interest and penalties) in the form of mandatory grants, provided they timeously submit such plans and reports as prescribed in terms of Grants Regulations.

In addition, registered employers that participate in skills development initiatives prescribed in the National Skills Development Strategy III (2011-2016) extended to March 2020 and the MQA's Sector Skills Plan can apply for and be granted discretionary grants to supplement their training cost.

Mandatory grants

Mandatory grants expenditure and the related payables are recognised when an employer has submitted an application for the grant in the prescribed format, within the legislated cut-off period and the application has been approved, as the payment then becomes probable.

The grant is equivalent to 20% (2020: 20%) of the total levies paid by the employer during the corresponding financial period for the skills planning and annual training report grants.

The related liability is measured at the present value of the expected future cash out-flow as determined in accordance with the Act and the grant regulations and is based on the amount of levies actually received.

Retrospective amendments by SARS

The MQA calculates and pays mandatory grants to employers based on the levy information from the DHET as obtained from SARS.

Where SARS retrospectively amends the information on levies collected, this may result in grants that have been paid to certain employers that are in excess of the amount the MQA is permitted to have granted to employers as mandatory grants.

A receivable relating to the overpayment to the employers in earlier periods is raised at the amount of such grant overpayments, net of bad debts and provisions for irrecoverable amounts.

The receivable is measured at the present value of the expected future cash inflow, as determined in accordance with the MQA policy on debtor's management, and is based on the actual overpayments.

Discretionary grants and project expenditure

The MQA may, in terms of the grant regulation 7, out of funds set out in grant regulation 7(3), determine and allocate discretionary grants to employers, education and training providers and the mining and mineral sector employees.

The allocation of discretionary grants and projects is dependent on employers submitting the prescribed application, in the prescribed format and within the prescribed cut-off period as well as the availability of funds.

The discretionary grants and project expenditure, and the related payables, are recognised when the application has been approved and the conditions for the grant payments, as set out in the MQA funding policy, have been met.

The liability is measured at the present value of the expected future cash outflow as determined in accordance with the Act and the grant regulations, and is based on the monetary value of grants allocations that are due and payable at year-end.

Project expenditure comprises:

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

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

No provision is made for projects approved at year-end, unless the related services in terms of the contract have been delivered or the contract is of an onerous nature.

Where a project has been approved, but the duration of the contract extends beyond the reporting period, a commitment arises and is disclosed in the notes to the annual financial statements.

Discretionary grants and project costs are recognised as expenditure in the period in which they are incurred. A receivable is recognised, net of a provision for irrecoverable amounts for incentive and other payments made to the extent of expenditure not yet incurred.

1.5 Prepayments

The MQA may, in certain instances, when contracting with SMMEs and when required by the terms of the contract of a service provider, make advance payments.

1.6 Irregular, fruitless and wasteful expenditure

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

- The PFMA,
- The Skills Development Act, and
- The Skills Development Levies Act.

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

All irregular, fruitless and wasteful expenditure is charged against the respective expenditure class in the reporting period in which it is incurred and disclosed in the notes to the annual financial statements of the reporting period in which it is identified.

Irregular expenditure is recorded in the notes to the annual financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred, unless it is impractical to determine, in which case reasons are therefore provided in the notes.

Irregular expenditure is de-recognised from the balance of the irregular expenditure note when it is either:

- condoned by the relevant authority if no official was found to be liable in law;
- recovered from an official liable in law;
- written off if it's irrecoverable from an official liable in law; or
- written off if it is not condoned and not recoverable.

Irregular expenditure that is not recoverable because no official was found to be liable in law for such transgression and was also not condoned by the relevant authority is de-recognised in the balance of the irregular note when:

- reasonable steps have been taken to confirm that such irregular expenditure did not result in any loss or damages to the state and that the state did obtain value from such a transaction, condition or event;
- the non-compliance that led to the irregular expenditure is being addressed; and
- transactions, conditions or events of a similar nature are regularly reviewed to ensure that no possible future noncompliance cases are reported.

1.7 Property, plant and equipment

Recognition

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one reporting period.

The cost of an item of property, plant and equipment is recognised as an asset only if it is probable that future economic benefits or service potential associated with the item will flow to the MQA, and the cost or fair value of the item can be measured reliably.

Initial measurement

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. Where an asset is acquired at no cost, for a nominal cost, or it is measured at a value representing its fair value as at the date of acquisition.

Subsequent measurement

Subsequent to initial recognition, assets are either carried at cost less accumulated depreciation and any accumulated impairment losses and, in respect of the building, at a re-valued amount, being its fair value at the date of the revaluation less subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is the systematic write-off of the depreciable amount recognised in respect of an item of property, plant and equipment over its useful life.

The depreciation charge for each period is recognised in the surplus or deficit unless it is included in the carrying amount of another asset.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The residual values and the useful lives of all assets are reviewed at each reporting date and, if expectations differ from previous estimates, any changes are accounted for as changes in accounting estimates.

Impairment

Where the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

An impairment loss is recognised in the surplus or deficit for the period, unless the asset is carried at fair value or re-valued amount. The impairment loss of a re-valued asset decreases or increases the revaluation surplus or deficit.

All items of property, plant and equipment are assessed for any indications of impairment at each reporting date. If the impairment indications exist, the recoverable service amounts are estimated.

An impairment loss recognised in prior periods is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given are included in the surplus or deficit when the compensation becomes receivable.

Cost basis

Depreciation is calculated on the straight-line method to write off the cost of each asset to an estimated residual value over its estimated useful life over the following periods:

Item	Average useful life
Office furniture	10 - 15 Years
Motor vehicles	4 - 5 Years
Office equipment	3 - 10 Years
Computer equipment	2 - 5 Years
Fixtures and Fittings	10 - 15 Years
Office Building	30 - 50 Years
Cell phones	2 - 3 Years

Revaluation basis

Where the fair value of assets can be measured reliably they may be carried at a re-valued amount, being the fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The fair value of items of land and buildings is determined from market-based evidence of an appraisal undertaken by a member of the valuation profession who holds a recognised and relevant professional qualification. Land and buildings will be revalued at least every 5 years. The fair value of other items of plant and equipment is ascertained by reference to quoted prices in an active and liquid market.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

If an item of property, plant and equipment is re-valued, the entire class of property, plant and equipment to which that item belongs, is re-valued. If an asset is re-valued upwards, the increase is credited directly to revaluation surplus unless the upward revaluation reverses a previous downward revaluation, in which case it is recognised in the surplus or deficit for the period. If assets are re-valued downwards, the decrease is recognised in the surplus or deficit for the period unless the downward revaluation reverses a previous upward revaluation credit, in which case it is applied against a revaluation credit in respect of that asset.

De-recognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits or service potential is expected from its use or disposal. Gains or losses arising from de-recognition of items of property, plant and equipment are determined as the difference between the sales proceeds and the carrying amounts of such items and are included in the surplus or deficit for the period when the item is derecognised.

Key accounting judgements

In the application of the MQA's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on past experience and other factors that are considered to be relevant. Actual results may differ from estimates.

The estimates and the underlying assumptions are reviewed on an on-going basis. The financial effects of the reviews to the accounting estimates are recognised in the period in which the estimates are reviewed if the revision affects only that period, or in the period of the review and future periods if the review affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

The MQA is currently established as a SETA until 31 March 2030. In the light of the extension of MQA's establishment until 31 March 2030, management is required to consider how it affects the period over which assets are expected to be available for use by the MQA.

As a result of the fact that the MQA was originally established in terms of the Mine Health and Safety Act, Act no 29 of 1996 (as amended) and was later incorporated into the SETAs, management determined, consistently with prior years, that the useful lives of assets should not be limited by the MQA's establishment as a SETA.

Management's determination of useful lives also affects the determination of residual values of assets. The MQA reviews the estimated useful lives and residual values of property, plant and equipment used for the purpose of depreciation calculations in light of the definition of residual value. Estimated useful lives and residual values will continue to be reviewed annually in future.

1.8 Intangible assets

Recognition

Intangible assets are identifiable non-monetary assets without physical substance.

An intangible asset is recognised if it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the MQA and the cost or fair value of the asset can be measured reliably.

The useful life or service potential of an intangible asset is assessed as to whether it is finite or indefinite. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential.

An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential.

Initial measurement

An intangible asset is measured at its cost and, where an intangible asset is acquired at no cost, or for a nominal cost, the cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

Subsequent to initial recognition, an intangible asset is carried either at cost less accumulated amortisation and any accumulated impairment losses or at a re-valued amount, being its fair value at the date of the revaluation less subsequent accumulated amortisation and subsequent accumulated impairment losses.

Amortisation

The amortisable / depreciable amount of an intangible asset with a finite useful life is allocated on a systematic basis over its useful life. Amortisation begins when the asset is available for use and is in a condition necessary for it to be capable of operating in the manner intended by management. Amortisation ceases at the earlier of the date that the asset is classified as held for sale, and the date that the asset is derecognised.

Impairment

Different intangible assets may be tested for impairment at different times. However, if an intangible asset was initially recognised during the current reporting period, that intangible asset is tested for impairment before the end of the current reporting period.

An impairment loss is recognised in the surplus or deficit, unless the asset is carried at a re-valued amount and an impairment loss of a re-valued asset is treated as a revaluation decrease. An impairment loss recognised in prior periods is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised.

The increased carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss is recognised immediately in the surplus or deficit unless the asset is carried at re-valued amount, and then a reversal of an impairment loss of a re-valued asset is treated as a revaluation increase.

Cost basis

The amortisation is charged to the statement of financial performance in a manner that reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed or on a straight-line method as follows:

Item	Average useful life
Computer software	2-3 years

Revaluation basis

The revaluation of intangible assets to fair value is determined by reference to an active market.

If an intangible asset cannot be re-valued because there is no active market for this asset, the asset is carried at its cost less any accumulated amortisation and impairment losses.

If the fair value of a re-valued intangible asset can no longer be determined by reference to an active market, the carrying amount of the asset is its re-valued amount at the date of the last revaluation by reference to the active market less any subsequent accumulated amortisation and any subsequent accumulated impairment losses.

Revaluations are made with such regularity that, at the reporting date, the carrying amount of the intangible asset does not differ materially from its fair value.

If an intangible asset is re-valued upwards, the increase is credited directly to a revaluation surplus unless the increase reverses a revaluation decrease of the same asset previously recognised in the surplus or deficit, in which case it is recognised in the surplus or deficit.

If an intangible asset is re-valued downwards, the decrease is recognised in the surplus or deficit unless the increase relates to any credit balance in the revaluation surplus in respect of that asset, in which case the decrease is debited directly to a revaluation surplus in respect of that asset.

De-recognition

An intangible asset is derecognised on disposal or when no future economic benefits or service potential are expected from its use or disposal.

Gains or losses arising from de-recognition of intangible assets are determined as the difference between the net disposal proceeds and the carrying amount of the asset. It is recognised in the surplus or deficit.

1.9 Inventories

Recognition

Inventories are assets in the form of materials or supplies to be consumed or distributed in the rendering of services. Inventories are recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to the entity and they can be measured reliably.

Initial measurement

Inventories that qualify for recognition as assets are initially measured at cost, and when acquired at no cost, or for nominal consideration, their cost is their fair value as at the date of acquisition.

Subsequent measurement

Inventories held for distribution in the rendering of services at no charge or for a nominal charge, are measured at the lower of cost and current replacement cost.

Recognition as an expense

When inventories are exchanged or distributed, the carrying amount of those inventories is recognised as an expense when the goods are distributed, or related service is rendered. The cost of inventories is assigned consistently, using the First-In, First-Out method.

The amount of any write-down of inventories to current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs.

The amount of any reversal of any write-down of inventories arising from an increase in the current replacement cost is recognised as a reduction in the amount of inventories recognised and as an expense in the period in which the reversal occurs.

1.10 Leases

Finance leases

Finance leases are leases that transfer substantially all the risks and rewards incidental to ownership of an asset to the MQA. The title may or may not eventually be transferred.

At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is impracticable to determine, the lessee's incremental borrowing rate is used. Any initial direct costs of the lessee are added to the amount recognised as an asset.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. Finance charges arising out of finance lease agreements are allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Contingent rents are charged as expenses in the periods in which they are incurred.

A finance lease also gives rise to a depreciation expense for depreciable assets in each accounting period. The depreciation policy for depreciable-leased assets is consistent with that for depreciable assets that are owned. Where there is no reasonable certainty that the MQA will obtain ownership by the end of the lease term, assets held under finance leases are depreciated over the shorter of the lease term and their useful lives.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases

Operating leases are leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset, title may not eventually be transferred.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed to for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

Lease payments under operating lease are recognised as an expense in the statement of financial performance on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern of the MQA's benefit.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the reporting period in which termination takes place.

1.11 Borrowing and borrowing costs

Borrowings

In terms of section 66(3) (c) of the Public Finance Management Act 1999 as amended, the MQA may borrow money only through the Minister of Finance or issue a guarantee, indemnity or security only issue such through the Minister of Higher Education and Training, acting with the concurrence of the Minister of Finance.

In terms of Treasury Regulation 32.1.1, a Public Entity may borrow money for bridging purposes with the approval of the Minister of Finance, subject to certain conditions.

Borrowing costs

Borrowing costs in respect of qualifying assets are capitalised and other borrowing costs are expensed.

Recognition

Borrowing costs that are directly attributable to the acquisition, construction or production of the cost of qualifying assets are capitalised unless it is inappropriate to do so. It is only inappropriate to capitalise borrowing costs when there is clear evidence that it is difficult to link the borrowing requirement directly to the nature of the capital or current expenditure to be funded.

Borrowing costs are capitalised either when expenditure for qualifying assets is incurred, when the borrowing costs are incurred or when activities that are necessary to prepare the asset for its intended sale are undertaken, whichever occurs first. Capitalisation of borrowing costs is suspended during extended periods in which active development of a qualifying asset is suspended. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete

Measurement

Where borrowing relates to a specific qualifying asset, the amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on that borrowing during the period, less any investment income on the temporary investment of those borrowings.

Where borrowings are made for general purposes and part of the general borrowings are used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditure on that asset.

The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

The amount of borrowing costs capitalised during a period shall not exceed the amount of borrowing costs incurred during that period.

Other borrowing costs

Recognition

Other borrowing costs are borrowing costs that are deemed inappropriate to be capitalised. It is inappropriate to capitalise borrowing costs when, and only when, there is clear evidence that it is difficult to link the borrowing requirement directly to the nature of the expenditure to be funded, whether capital or current. Such borrowing costs are expensed to the statement of financial performance in the period they are incurred.

Measurement

The amount of other borrowing costs is the actual borrowing costs incurred during the period that is not eligible for capitalisation.

1.12 Employee benefits

Short-term employee benefits Short-term employee benefits are benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which employees render the related service. The MQA awards the following short-term employee benefits:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave)
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period; and
- Non-monetary benefits (communication tools).

The employee benefits are recognised as an expense and liability during the reporting period in which the employee has rendered the services.

If the amount already paid exceeds the undiscounted amount of the benefits, the MQA recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund and as an expense.

Termination benefits

Termination benefits are employee benefits payable as a result of either the MQA's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy in exchange for those benefits, and mainly comprise proceeds from a defined contribution plan. The assets of the defined contribution plan are held by a third party trustee-administered fund and are funded by payments from the MQA and its employees.

Payments to the defined contribution benefit plan are charged to the statement of financial performance in the year to which they relate.

Obligations arising out of the MQA and employee contributions to the fund are measured on an undiscounted basis unless they fall due wholly after twelve months after the end of the period in which the employees rendered the related services.

1.13 Provisions

Administration provision is for bonuses for persons in the employ of the Mining Qualifications Authority, who are employed on a permanent basis, long term, short term and fixed term contract, receive remuneration and appointed against the approved organisational structure. The performance bonus payable is up to a maximum of 20% of the annual cost to company depending on performance ratings achieved during the financial under review and is depended upon financial viability at the time of payment. The expected outflow is after the previous year's audit and before the end of the performance of the preceding year.

Recognition

A provision is a liability of uncertain timing or amount and is recognised when and only when:

- there is a present obligation (whether legal or constructive) as a result of a past event,
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and
- a reliable estimate of the amount of the obligation can be made.

When there is an onerous contract, the present obligation, net of recoveries under the contract, is recognised as a provision.

Provisions for deficits from future operating activities are not recognised provisions are recognised in the reporting period in which they are incurred.

Measurement

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date. In reaching the best estimate of a provision, the risks and uncertainties that surround the events and circumstances of each event are taken into account.

Effects of the time value of money

Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

The discount rate used to determine the present value is the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability and not a discount rate that reflects risks for future cash flow estimates.

Future events and gains

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision.

Reimbursements

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement may not exceed the amount of the provision.

In the statement of financial performance, the expense relating to a provision may be presented net of the amount recognised for a reimbursement.

Usage and review

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provision is reversed. A provision is used only for the expenditure for which the provision was originally recognised.

1.14 Commitments

Commitments are future liabilities that will arise from existing contracts where performance or deliverables under such contracts will be performed subsequent to year-end.

Commitments are not recognised as a liability in the statement of financial position but disclosed in the notes to the annual financial statements. Amounts disclosed in respect of commitments are measured on the basis of the contractual provisions and where applicable expected future escalation may be included to fairly state the liability that will subsequently arise.

1.15 Contingent Liabilities

A contingent liability is:

- a possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

A contingent liability is not recognised as a liability in the statement of financial position but is disclosed in the notes to the annual financial statements. Amounts disclosed in respect of contingent liabilities are measured on the basis of the best estimate of the outcome of the possible obligation that may arise, using experience of similar transactions or reports from independent experts.

Where the disclosure of a contingent liability is reasonably expected to prejudice the position of the MQA in a dispute with other parties on the subject matter of the contingent liability, the information is not disclosed, but the general nature of the dispute, together with the facts and the reason why the information has not been disclosed, is disclosed.

1.16 Financial instruments

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.

Financial Assets

Financial assets are cash or contractual rights to receive cash or another financial asset from another entity or exchange of financial assets or financial liabilities with another entity under conditions that are potentially favourable.

Financial assets are recognised in the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. 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.

Investments and loans

The following categories of investments are measured at subsequent reporting dates at amortised cost by using the effective interest rate method if they have a fixed maturity or at cost if there is no fixed maturity:

- Loans and receivables;
- Held-to-maturity investments; and
- An investment that does not have a quoted market price in an active market and whose fair value cannot be measured reliably.

Investments are recognised and derecognised on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned. Investments are initially measured at fair value, net of transaction costs except for those financial assets classified as a fair value through profit or loss, which are initially measured at fair value.

Investments other than those listed above are classified as available-for-sale investments or investments held-for-trading and are measured at subsequent reporting dates at fair value, without any deduction for transaction costs that may be incurred on sale or other disposal.

The classification depends on the nature and purpose of financial assets and is determined at the time of initial recognition.

All financial assets of the MQA are categorised as loans and receivables.

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments and are not quoted in an active market are classified as loans and receivables.

Loans and receivables are measured at amortised cost using the effective interest rate method less any impairment.

Interest income is recognised by applying the effective interest, except for short-term receivables where the recognition of interest would be immaterial.

Effective interest rate method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period.

The effective interest is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting period.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance for doubtful debts.

When a trade receivable is uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance for doubtful debts. Changes in the carrying amounts of doubtful debts are recognised in the surplus or deficit for the reporting period.

Cash and cash equivalents are measured at fair value.

Financial Liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit and loss (FVTPL) or other financial liabilities. Financial liabilities are classified as FVTPL where the financial liability is either held for trading or is designated as FVTPL.

Gains and losses on subsequent measurement

Gains and losses arising from a change in the fair value of financial instruments, other than available-for-sale financial assets are included in net profit or loss in the period in which they arise.

Gains and losses arising from a change in the fair value of available-for-sale financial assets are recognised in equity, until the investment is disposed of or is determined to be impaired, at which time the net profit or loss is included in the surplus or deficit for the period.

All financial liabilities of the MQA are classified as other financial liabilities.

Other financial liabilities

Other financial liabilities are initially measured at the fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost, using the effective interest method.

1.17 Reserves

Reserves are sub-classified in the statement of changes in net assets between the following:

- Administration reserve
- Employer grant reserve
- Discretionary reserve

This sub-classification is made based on the restrictions placed on the distribution of monies received in accordance with the Grant Regulations and referred to in accounting policy note 1.3.

Interest and penalties received from SARS, as well as interest received on investments, are utilised for discretionary grants and projects.

Other income received is utilised in accordance with the original source in terms of the above classifications, that is, where income is associated with administration activities it is utilised for administration purposes, whereas where it is associated with project activities it is utilised for discretionary grants and projects purposes.

The items of revenue and expenditure are recognised on the accrual basis of accounting, consequently, the reserves disclosed in the statement of changes in net assets and movements disclosed in note 2 do not represent cash reserves or fund monies as implied in the Grants Regulations.

- Administration reserve represents the net book value of property, plant and equipment and related revaluation surpluses.
- Employer grant reserve represents possible mandatory grants claims from newly registered employers that are eligible to submit their mandatory grants claims at year end in terms of the grants regulations
- Discretionary reserve represents the excess of discretionary grants revenue over discretionary and projects expenditure and includes transfers from administration and mandatory grant reserve where appropriate.

1.18 Related parties

The MQA operates in a sector currently dominated by entities directly or indirectly owned or controlled by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

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

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 management in their dealings with the entity.

Transactions are disclosed as other related party transactions where the MQA has, in the normal course of its operations, entered into certain transactions with entities either under the control of the DHET and the Department of Mineral Resources (DMR) as well as management and their close family members.

Transactions are also disclosed as other related party transactions where Inter-SETA transactions arise due to the movement of employers from one SETA to another.

1.19 Comparatives

Where necessary, comparative figures have been restated, adjusted or reclassified to achieve fair presentation and to conform to changes in presentation that arise due to changes in accounting policies, errors, reporting standards and legislation.

2. Allocation of Net Surplus for the year to Reserves

	ALLOCATION - 2021				
	Total per Statement of financial performance	Administratio n funds	Mandatory grant funds	Discretionary grants funds	Special projects funds
	R000	R000	R000	R000	R000
Total revenue	947 718	115 928	219 974	611 815	-
Skills development levy: income	898 667	115 453	219 974	563 239	-
Admin levy income (10.5%)	115 453	115 453	-	-	-
Public sector levies	0	-	-	-	-
Grant levy income (20%)	219 974	-	219 974	-	-
Grant levy income (69.5%)	544 222	-	-	544 222	-
Levy: penalties and interest	19 017	-	-	19 017	-
Donor, interest and other income	49 051	475	-	48 576	-
Donor project administration income	0	-	-	-	-
Discretionary grants recoveries	0	-	-	-	-
Donations for special projects	0	-	-	-	-
Investment income	48 576	-	-	48 576	-
Other income	475	475	-	-	-
Total expenditure	864 817	140 305	200 370	524 142	-
Administration expenditure	131 757	131 757	-	-	-
Transfers to other public entities (QCTO)	8 007	8 007	-	-	-
Mandatory grants expenditure	200 370	-	200 370	-	-
Discretionary grants and project expenditure	524 142	-	-	524 142	-
Donor funds project expenditure	0	-	-	-	-
Donor funding project administration costs	541	541	-	-	-
Loss on disposal of assets and liabilities	80	80	-	-	-
Surplus / (deficit) allocated	82 821	(24 456)	19 604	87 673	-

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	ALLOCATION - 2020				
	Total per Statement of financial performance	Administration funds	Mandatory grant funds	Discretionary grants funds	Special projects funds
	R000	R000	R000	R000	R000
Total revenue	1 246 956	155 201	282 857	807 535	1 362
Skills development levy: income	1 189 173	154 904	282 857	751 412	-
Admin levy income (10.5%)	152 908	152 908	-	-	-
Grant levy income (20%)	282 857	-	282 857	-	-
Grant levy income (69.5%)	728 232	-	-	728 232	-
Levy: penalties and interest	23 180	-	-	23 180	-
Public sector levies	1 996	1 996	-	-	-
Donor, interest and other income	57 782	297	-	56 123	1 362
Donor project administration income	-	-	-	-	-
Discretionary grants recoveries	218	-	-	218	-
Donations for special projects	1 362	-	-	-	1 362
Investment income	55 905	-	-	55 905	-
Other income	297	297	-	-	-
Total expenditure	914 752	136 793	247 881	528 715	1 362
Administration expenditure	129 141	129 141	-	-	-
Transfers to other public entities (QCTO)	6 714	6 714	-	-	-
Finance costs	-	-	-	-	-
Mandatory grants expenditure	247 881	-	247 881	-	-
Discretionary grants and project expenditure	528 715	-	-	528 715	-
Donor funds project expenditure	1 362	-	-	-	1 362
Donor funding project administration costs	938	938	-	-	-
Loss on disposal of assets and liabilities	43	43	-	-	-
Surplus / (deficit) allocated	332 161	18 365	34 976	278 820	-

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3. Revenue from non-exchange transactions	2021 R '000	2020 R '000 Restated
Skills development levy income	879 649	1165 993
Levy income: Administration	115 453	154 904
Levies received	115 486	154 880
Levies received from SARS	115 479	152 837
Public sector levies	-	1 996
Inter-SETA transfers in	7	47
Inter-SETA transfers out	-	-
Movement in levies accrued	(33)	24
Levy income: Employer Grants	219 974	282 857
Levies received	220 465	282 765
Levies received from SARS	220 452	282 673
Inter-SETA transfers in	14	92
Inter-SETA transfers out	-	-
Movement in levies accrued	(491)	92
Levy income: Discretionary Grants	544 222	728 232
Levies received	545 538	727 405
Levies received from SARS	545 504	727 174
Inter-SETA transfers in	34	231
Inter-SETA transfers out	-	-
Movement in levies accrued	(1 316)	827
Interest and penalties : skills development levy income	19 017	23 180
Levy interest	8 758	11 682
Levy penalties	10 259	11 499
Change in accounting estimate		
Included in the Skills development levy income is the retrospective reversals of R23 927 952,22 as a result of refunds paid by SARS to the employer companies. The MQA has recognised revenue on a net basis.		
The MQA does not have access to reliable information to make future estimates, therefore, it is impracticable to estimate the amount of the effect in the future periods.		
4. Investment Income		
Interest received	48 576	55 905
5. Other income	475	298
Insurance recoveries	25	4
SDL recoveries	151	160
Learning materials and other recoveries	19	76
Staff recoveries	3	4
Receipts from other entities	277	54
6. Sundry recoveries		
	-	218
Bursary recoveries	-	58
Projects recoveries	-	160

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7. Employer grants and project expenditure	2021 R '000	2020 R '000 Restated
Employer grants and projects expenditure	724 512	776 596
Mandatory grants expenditure and Movement in provision for bad debts	200 370	247 881
Mandatory grants expenditure	187 741	247 678
Movement in provision for bad debts	12 629	203
Discretionary grants expenditure	462 570	494 093
Project expenditure	7.1 61 572	34 622
7.1 Project expenditure consist of:	61 572	34 622
Direct project costs	58 533	30 621
Administration costs	3 039	4 001

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8. Administration expenditure	Note(s)	2021 R '000	2020 R '000 Restated
Total Administration expenditure		131 757	129 141
Depreciation, amortisation and impairments		5 881	6 325
Maintenance, repairs and running costs		1 655	1 267
Property and buildings		1 517	1 194
Machinery and equipment		137	74
Advertising, marketing and promotions, communication		4 562	3 408
Consulting and professional fees		2 153	4 517
Legal fees		252	434
Cost of employment	8,1	88 204	88 955
Travel and accommodation		404	3 959
Staff training and development		652	1 009
Remuneration of Board and committee members		1 317	1 538
Internal audit fees		786	637
External audit fees		2 878	3 985
Printing and Stationery		1 033	1 495
Conferences, meetings and seminars		1 300	2 620
Insurance		511	457
Rates & taxes, water, electricity & security		3 572	1 912
Donations & sponsorships		31	53
Rental - operating leases	8,2	120	380
IT expenses		6 651	5 567
Subscription and membership fees		90	83
Other expenses		9 706	540
8.1 Cost of employment		82 792	83 490
Basic salaries		39 164	39 654
Performance awards		8 737	8 510
Other non-pensionable allowance		27 828	31 387
Temporary staff		2 241	790
Leave provision movement		4 264	2 350
SDL		558	800
Social contributions		5 412	5 465
Pension contributions		4 789	5 100
UIF		228	245
Other salary related costs		395	120
		88 204	88 955
Average number of employees		138	153
8.2 Operating lease obligation			
Within one year		55	50
in 2 to 5 year		120	175
Total		175	225
MQA entered into a rental agreement for the North West regional offices from 01 July 2018 to 31 July 2023.			

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	2021 R '000	2020 R '000
9. Transfers to other government entities		
Transfer to QCTO	8 007	6 714

SETA Grant Regulation 2(4) provides that a SETA will transfer as part of its administration costs an amount that does not exceed 0.5% of the total levy paid by employers to the QCTO for quality assurance functions and the actual quantum will be determined by the Minister of Higher Education and Training. The Minister determined the amount disclosed above.

10. Property, plant and equipment

	2021			2020		
	Cost / Valuation	Accumulated depreciation/ impairment	Carrying value	Cost / Valuation	Accumulated depreciation/ impairment	Carrying value
	R'000	R'000	R'000	R'000	R'000	R'000
	80 334	(26 979)	53 356	79 783	(22 361)	57 422
Office furniture	4 740	(3 103)	1 637	4 777	(2 772)	2 005
Motor vehicles	709	(358)	351	878	(652)	226
Office equipment	6 825	(5 433)	1 392	6 437	(4 716)	1 721
Computer equipment	5 686	(4 386)	1 300	5 460	(3 745)	1 715
Fixtures and Fittings	12 152	(7 740)	4 412	12 152	(6 525)	5 627
Office Building	50 000	(5 863)	44 137	50 000	(3 908)	46 092
Cell phones	222	(96)	126	78	(43)	36

	RECONCILIATION - 2021					
	carrying amount	Additions	Disposals	Depreciation	Revaluation surplus	carrying amount
	R'000	R'000	R'000	R'000	R'000	R'000
	57 423	1 430	(204)	(5 292)	0	53 357
Office furniture	2 005	-	(4)	(364)	-	1 637
Motor vehicles	226	302	(145)	(32)	-	351
Office equipment	1 722	430	(2)	(757)	-	1 393
Computer equipment	1 716	507	(50)	(872)	-	1 300
Fixtures and Fittings	5 627	-	-	(1 215)	-	4 412
Office Building	46 092	-	-	(1 954)	-	44 137
Cell phones	36	191	(3)	(97)	-	126

	RECONCILIATION - 2020					
	Opening carrying amount	Additions	Disposals	Depreciation	Revaluation surplus	Closing carrying amount
	R'000	R'000	R'000	R'000	R'000	R'000
	62 092	971	(130)	(5 511)	-	57 423
Office furniture	2 252	130	(8)	(369)	-	2 005
Motor vehicles	226	-	-	-	-	226
Office equipment	2 722	12	(1)	(1 011)	-	1 722
Computer equipment	1 870	794	(107)	(841)	-	1 716
Fixtures and Fittings	6 842	-	-	(1 215)	-	5 627
Office Building	48 046	-	-	(1 954)	-	46 092
Cell phones	134	35	(14)	(120)	-	36

Further details on the office building

The 3 934 square metre building is situated on ERF 917, 7 Anerley Road, Parktown, Johannesburg. There are no restrictions on the title to the property, plant and equipment and no items are pledged as security for liabilities.

The office building was re-valued on 31 March 2018 by an independent valuer who holds a qualification in property valuations and is a member of South African Council for Property Valuer's Profession. The valuation was based on the Income Capitalisation Method as well as the Comparable Sales Method in the prior year. The first method was carried out with reference to the open market rentals, market escalations and market related costs while the latter was carried out with reference to comparable market related sales and both methods were used to determine the market related valuation. The building is due for another revaluation in 2023. Further details on the building are as follows:

	2021 R '000	2020 R '000
Revalued Amount	50 000	50 000
Accumulated depreciation	(5 863)	(3 908)
Revaluation adjustments	-	-
	<u>44 137</u>	<u>46 092</u>

11. Intangible assets

	2021			2020		
	Cost / Valuation R'000	Accumulated depreciation/ impairment R'000	Carrying value R'000	Cost / Valuation R'000	Accumulated depreciation/ impairment R'000	Carrying value R'000
Computer software	3 345	(3 114)	232	4 265	(3 445)	821
	3 345	(3 114)	232	4 265	(3 445)	821
	3 345	(3 114)	232	4 265	(3 445)	821

RECONCILIATION 2021					
Opening carrying amount R'000	Additions R'000	Disposals R'000	Other changes, movements R'000	Depreciation R'000	Closing carrying amount R'000
820	-	-	-	(589)	231
820	-	-	-	(589)	231

RECONCILIATION 2020					
Opening carrying amount R'000	Additions R'000	Disposals R'000	Other changes, movements R'000	Depreciation R'000	Closing carrying amount R'000
1 634	-	-	-	(814)	820
1 634	-	-	-	(814)	820

	2021 R '000	2020 R '000
Maintenance, repairs and running costs paid to service providers	1 655	1 267
Property and buildings	1 517	1 194
Machinery and equipment	137	74

	2021	2020
	R '000	R '000
12. Receivables from exchange transactions		Restated
	5 630	3 594
Staff Advances	81	506
Prepayments	366	348
Deposits	4	4
Other receivables	4 478	1 196
Interest receivable	701	1 540

13. Inventories

Consumable stores	328	312
Recognised as an expense during the year	598	563

14. Receivables from non-exchange transactions

	1 752	55 275
Mandatory grants receivables	1 697	20 185
Administration and public sector levies receivable	0	1 849
Inter-Seta - Administration	7	42
Inter-Seta - Employer grants	14	509
Inter-Seta - Discretionary	34	1 341
Donor funding receivable	0	31 350
Discretionary funds receivables	0	0

14.1 Mandatory grants receivables

	1 697	20 185
Overpayments to employers	15 262	20 999
Provision for doubtful debts	(13 681)	(1 052)
Net effect of SARS retrospective adjustments	1 580	19 947
Mandatory grants receivable from other SETAs	117	238

The MQA calculates and pays mandatory grants to employers based on the levy information from the DHET as obtained from SARS in line with Skills Development Levies Act. Where SARS retrospectively amends the information on levies collected, this may result in grants that have been paid to certain employers that are in excess of the amount the MQA is permitted to have granted to employers as mandatory grants thus resulting in mandatory grant receivable being raised. The MQA as required by the standard of GRAP assess non contractual receivables for impairment at the end of each reporting period and the above disclosed provision for bad debts was based on impairment indicators identified by management in line with GRAP. The receivables which were provided for have been outstanding for a period of more than three years and there has not been any movement in their accounts or the movement have been insignificant.

R 15 261 700 (2020: R 20 999 420) was recognised as a receivable relating to actual payments of mandatory grants, which were previously paid and subsequently reversed by employers in the reporting period.

A provision for bad debts of R13 681 260 (2020: R1 052 395) has been raised respectively with the change in movement recognised in the statement of financial performance of R12 628 864,85 (2020: 202 617,40) respectively.

14.2 Government grants and donor funding

	0	31 350
Balance at the beginning of the year	31 350	38 615
Donor funds received and interest received	-29 769	-8 627
Donor funds received	-29 714	-8 627
Interest received	-55	-
Donor funds write-off	-1 581	-
Utilised	-	1 362

14.2.1 Donor funds administration surplus (Deficit)

	-541	-938
NSF artisan project administration income	-	-
NSF artisan project administration expenditure	(541)	(938)

	2021 R '000	2020 R '000
15. Cash and cash equivalents	1 045 144	1 037 014
Cash at bank	844 072	811 936
Cash on paycard	18	26
Cash on paycard and at bank	844 090	811 961
Short-term investments/instruments	201 054	225 053

The Skills Development Act Regulations states that the MQA may, if not otherwise specified by the Public Finance Management Act, invest the moneys in accordance with the investment policy approved by the MQA Accounting Authority.

Treasury Regulation 31.3 requires that, unless exempted by the National Treasury, the MQA as a public entity that is listed in Schedule 3A of the Act must invest surplus funds with the Corporation for Public Deposits.

Due to the MQA's exemption by the National Treasury from the requirement of Treasury Regulation 31.3, surplus funds were deposited with institutions with investment grade rating and in line with the investment policy as required by Treasury Regulation 31.3.5.

Borrowings/Loans

In terms of PFMA section 66(3)(c), public entities may borrow money or, issue a guarantee, indemnity or security only through the Minister of Higher Education, Science and Technology or the Minister of the Department of Mineral resource, as the case may be, acting with the concurrence of the Minister of Finance.

In terms of Treasury Regulation 32.1.1, the MQA as schedule 3A public entity may borrow money for bridging purposes with the approval of the Minister of Finance, subject to certain conditions.

No such borrowings were entered into during the period.

16. Employee benefit obligations

Defined contribution plan

The MQA operates a defined contribution umbrella pension fund. Each employee contributes 8% and the MQA 16% in respect of each employee. The employee's future benefits depend on the operating efficiency and investment earnings of the fund.

	2021 R '000	2020 R '000
17. Grants and transfers payable	262 099	392 981
Skills development grants payable - mandatory	70 677	22 529
Skills development grants payable - discretionary	191 353	370 366
Inter-SETA payables - Administration	0	2
Inter-SETA payables - Employer grants	0	4
Inter-SETA payables - Discretionary	0	10
Donor payables	70	70
18. Trade and other payables from exchange transactions	2 651	3 602
Trade payables	1 012	3 351
Project creditors	0	0
Trade creditors accruals	1 491	119
Cell phone contracts obligations	140	17
Payroll creditors and accruals	8	115

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19. Provisions

Reconciliation of provisions

Reconciliation of provisions	2021				
	Opening Balance	Utilised during	Change in estimates	Addition	Total
	R'000	R'000	R'000	R'000	R'000
	19 664	(12 124)	-	13 139	20 678
SARS Creditors - Administration	354	(66)	-	107	395
SARS Creditors - Mandatory	672	(125)	-	204	751
SARS Creditors - Discretionary	1 664	(310)	-	505	1 859
Administration provisions-Leave	5 913	(2 869)	-	4 264	7 308
Administration provisions -Bonus	11 061	(8 754)	-	8 059	10 366
	2 690 000				3 004 968

Reconciliation of provisions

Reconciliation of provisions	2020				
	Opening Balance	Utilised during	Change in estimates	Addition	Total
	R'000	R'000	R'000	R'000	R'000
	17 716	(9 367)	-	11 315	19 664
	SARS Creditors - Administration	354	(60)	-	60
SARS Creditors - Mandatory	673	(115)	-	114	672
SARS Creditors - Discretionary	1 667	(284)	-	281	1 664
Administration provisions-Leave	4 574	(1 011)	-	2 350	5 913
Administration provisions- Bonus	10 448	(7 897)	-	8 510	11 061

20. Cash generated from operations

	2021 R '000	2020 R '000
Surplus (Deficit)	82 821	332 161
Adjustments for:		
Depreciation and amortisation	5 881	6 325
Loss/ (Gain) on sale of assets and liabilities	80	43
Movements in provisions	1 015	1 947
Other non-cash items	109	31
Changes in working capital		
Inventories	(16)	119
Receivables from exchange transactions	(2 036)	196
Other receivables from non-exchange transactions	53 522	3 792
Payables from exchange transactions	(951)	(649)
Transfers payable (non-exchange)	(130 881)	(29 314)
	9 543	314 650

21. Contingent Liabilities

21.1 Mandatory grant reserve

A balance of R2111 000 (2020: R519 000) has been set aside in terms of the accounting policy. The amount of the outflow depends on the new employers' awareness about the provisions of the grants regulations that entitle them to claim the grants within six months of their first registration as employers for the purposes of the Skills Development Levies Act.

The employers have until 31 October 2021 to claim the mandatory grants after which they expire and will be credited to the discretionary funds in terms of the grants regulations.

21.2 Business Unity South Africa (BUSA) vs. Department of Higher Education and Training

21.2.1 In October 2019, BUSA won a court case against DHET where the department's decision to decrease the mandatory grant levies and grants percentage was decreased from 50% to 20% in terms of section 4(4) of the SETA Grant Regulations was set aside. The court did not decide on the mandatory levy or grant percentage, nor did it specify whether the ruling should be applied retrospectively or prospectively. The effect of the ruling is that the Minister would have to decide on the percentage for mandatory grants in consultation with the sector. The Minister has not yet made the decision with regard to the mandatory grant percentage.

21.2.2 DHET continued to show the mandatory levies portion as 20% from 2019/20 financial year to date in the levy download information. The MQA continued to pay and accrue mandatory grants at 20% in line with the levy download percentage. In the absence of a revised percentage and mandatory grant expenditure in Notes 2 and 7 as well as the mandatory grant liability in notes 7 and 14 were calculated using mandatory grant percentage of 20%.

21.2.3 The MQA, therefore, discloses a contingent liability for mandatory grants payable to qualifying levy payers and this disclosure was due to the intention of the litigants, BUSA, to increase the mandatory grant percentage of 20%. The timing and amount of this contingent liability is uncertain and no reasonable estimate can be made at this point. Currently the department is in discussions with BUSA and the outcome of the discussions are unknown.

21.3 Litigations

Contractual disputes with training providers, service providers and employees resulted in six claims lodged with the courts against the MQA for an amount of R61 992 467 (2020: R50 124 173). Four of the cases were from the preceding years and uncertainty regarding the outflow is still the same as the prior years because the cases are still ongoing.

21.4 Retention of surpluses

Section 53 (1) of the PFMA, requires public entities not to budget for a deficit and not to accumulate surpluses unless prior written approval is received from National Treasury. The surpluses as at 31 March 2021 were as follows:

	2021	2020
Account balance description	R'000	R'000
Cash and Cash Equivalents	1 045 144	1 037 014
Debtors	7 382	58 869
Creditors	-285 427	-416 245
Total Surpluses	767 098	679 638

22. Contingent assets

The MQA has instituted legal claims against third parties and based on the legal opinion, there is a probability of an inflow amounting to R 302 173 (2019: R 3 455 144) from the four cases. The amounts were based on the Court Judgements for some cases and some had to be estimated by the internal Legal and Governance unit.

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23. COMMITMENT NOTE AS AT 31 MARCH 2021									
PROGRAMMES	2019/20				2020/21				
	Opening Balance 2019	Total adjustments	Utilised	Opening Balances	Prior period adjustments	Restated Opening Balance 2019	Total adjustments	Utilised	Closing Balance 31 March 2021
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
TOTAL	361 471	598 078	(499 681)	459 868	(11 372)	448 496	785 732	(509 903)	724 804
MOA-A001 – HEI Lecturer Support	9 000	2 796	(11 796)	-	-	-	6 147	(6 147)	-
MOA-A002 – Bursaries	16 420	115 899	(110 308)	22 011	(13)	21 998	111 495	(94 268)	39 226
MOA-A003 – Work Experience	25 416	48 576	(46 056)	27 936	(216)	27 720	40 884	(40 200)	28 404
MOA-A004 – Standard Setting Grant (TRGs)	-	306	(306)	-	-	-	173	(173)	-
MOA-A004 – Standard Setting HET	-	-	-	-	-	-	-	-	-
MOA-A005 – Learning Materials (LM) Development	-	2 239	-	2 239	-	2 239	(611)	(1 628)	-
MOA-A006 – Internships (GDP)	66 715	169 495	(89 547)	146 663	(2 291)	144 372	131 338	(109 534)	166 176
MOA-A007 – Non Artisan Learnerships	30 063	47 989	(42 811)	35 241	(1 960)	33 281	55 248	(46 863)	41 666
MOA-A008 – Skills Development Facilitator Support	-	-	-	-	-	-	-	-	-
MOA-A009 – ABET	-	11 983	(11 983)	-	-	-	10 470	(10 470)	-
MOA-A010 – OHS Rep Development	-	8 263	(8 263)	-	-	-	7 810	(7 810)	-
MOA-A014 – RPL / Artisan Aides - Employed	-	2 400	(2 400)	-	-	-	2 565	(2 565)	-
MOA-A014 – ARPL	-	-	-	-	-	-	2 640	(2 640)	-
MOA-A013 – MOA Artisan Development	168 178	121 108	(133 198)	156 089	(14 768)	141 321	133 655	(110 817)	164 159
MOA-A015 – TVET College Support	34 815	24 915	(22 883)	36 847	(1 073)	35 775	34 257	(21 083)	49 429
MOA-A016 – Maths & Science	-	-	-	-	-	-	-	-	-
MOA-A019 – Mine Community Development	7 684	19 144	(9 462)	17 366	(232)	17 134	172 559	(20 985)	168 708
MOA-A020 – Workplace Coach Development	-	-	-	-	-	-	-	-	-
MOA-A022 – Management Development	636	6 598	(4 029)	3 206	-	3 206	5 542	(5 186)	3 561
MOA-A011 – NSF 2 - Artisan Development	1 742	543	(1 362)	923	8 988	9 911	-	(2 220)	7 691
MOA-A017 – FLC - MOA Proj Direct Costs	-	-	-	-	-	-	580	(580)	-
MOA-A042 – HDSA ATP support	-	-	-	-	-	-	760	(760)	-
MOA-A041 – HDSA Management Development Candidacy	-	-	-	-	-	-	-	-	-
MOA-A044 - Research Partnerships	-	2 141	(1 545)	596	-	596	-	(596)	-
MOA-A021 – Youth Development Project	803	13 683	(3 735)	10 752	192	10 944	70 221	(25 379)	55 785

24. Material losses through criminal conduct, irregular, fruitless and wasteful expenditure

Irregular expenditure

Administration expenditure

2021			
Opening Balance	Additions	Condoned	Closing Balance
R'000	R'000	R'000	R'000
131	58	-	189
131	58	-	189

Administration expenditure

2020			
Opening Balance	Additions	Condoned	Restated Closing Balance
R'000	R'000	R'000	R'000
-	131	-	131
-	131	-	131

The irregular expenditure was as a result of non-compliance with sections 15, 16 and 17 of the PPPFA implementation guide of 2017 which stipulate how tenders should be evaluated and awarded, and practice note 8 of 2007/2008 which requires the entities to obtain at least three quotations. Furthermore, supply chain management policy was not complied with in relation to approval of a deviation from the normal SCM processes. All identified cases are under investigation.

Fruitless and wasteful expenditure

Administration expenditure

2021				
Opening Balance	Additions	Written-off	Recovered	Balance
R'000	R'000	R'000	R'000	R'000
-	103	-	-	103
-	103	-	-	103

Fruitless and wasteful expenditure was incurred in respect of training costs for external stakeholders that did not attend the training. The circumstances that led to non attendance are still being investigated.

Administration expenditure

2020				
Opening Balance	Additions	Written-off	Recovered	Balance
R'000	R'000	R'000	R'000	R'000
47	12	46	13	-
47	12	46	13	-

Fruitless and wasteful expenditure was incurred in respect of COJ interests and penalties, Storage costs, SARS interests and penalties, and late debit order penalties. All cases were investigated and concluded.

25. Financial instruments

In the course of its operations, the MQA is exposed to interest rate, credit, liquidity and market risk. The MQA has developed a comprehensive risk strategy in order to monitor and control these risks.

The risk management process relating to each of these risks is discussed under the headings below.

The MQA's exposure to cash flow risk, interest rate risk and the effective interest rates on the financial instruments at reporting date are as follows:

2021				
Floating rate		Non-interest bearing		Total
Amount	Effective interest rate	Amount	Weighted average period until maturity	
R '000	%	R '000	Years	R '000
Assets				
Cash	1 045 144	5%	-	1 045 144
Accounts receivable from exchange transactions	-	5 630	0,5 years	5 630
Less: Prepayments	-	(366)		(366)
Accounts receivable from non exchange transactions	-	1 752		1 752
Less: Inter-Seta receivables	-	(55)		(55)
Less: Mandatory grants receivables	-	(1 697)		(1 697)
Total financial assets	1 045 144	5 264		1 050 408

Liabilities				
Accounts payable from exchange transactions	-	(2 651)	0,5 years	(2 651)
Accounts payable from non- exchange transactions	-	(262 099)		(262 099)
Add: Inter-Seta Payables	-	-		-
Add: Mandatory grants payables	-	70 677		70 677
Total financial liabilities	-	(194 074)		(194 074)
	1 045 144	(188 809)		856 334

2020				
Floating rate		Non-interest bearing		Total
Amount	Effective interest rate	Amount	Weighted average period until maturity	
R '000	%	R '000	Years	R '000
Assets				
Cash	1 037 014	5%	-	1 037 014
Accounts receivable from exchange transactions	-	3 594	0,5 years	3 594
Less: Prepayments	-	(348)		(348)
Accounts receivable from non exchange transactions	-	55 275	0,5 years	55 275
Less: Inter-Seta receivables	-	(1 891)		(1 891)
Less: Mandatory grants receivables	-	(20 185)		(20 185)
Total financial assets	1 037 014	36 444		1 073 459

Liabilities				
Accounts payable from exchange transactions	-	(3 602)	0,5 years	(3 602)
Accounts payable from non- exchange transactions	-	(392 981)	0,5 years	(392 981)
Add: Inter-Seta Payables	-	15		15
Add: Mandatory grants payables	-	22 529		22 529
Total financial liabilities	-	(374 039)		(374 039)
	1 037 014	(337 594)		699 420

Credit risk

Financial assets, which potentially subject the MQA to the risk of non-performance by counter-parties and thereby subject to credit concentrations of credit risk, consist mainly of cash and cash equivalents, investments and accounts receivable.

The MQA limits its counter-party exposure by only dealing with well-established financial institutions approved by the National Treasury. The Accounting Authority continuously monitors the MQA's exposure.

Credit risk with respect to levy paying employers is limited due to the nature of the income received. The MQA's concentration of credit risk is limited to the industry (mining industry) in which it operates.

No events occurred in the mining and minerals industry that may have an impact on the accounts receivable that has not been adequately provided for.

Ageing of trade and other receivables from non-exchange transactions

Receivables from exchange transactions
Less: Prepayments
Receivables from Non-exchange transactions
Less: Inter-Seta receivables
Less: Mandatory grants receivables
Due 0-120 days

2021	2020
Fair valued/Amortised cost	Fair valued/Amortised cost
R '000	R '000
5630	3594
(366)	(348)
1 752	55 275
(55)	(1 891)
(1 697)	(20 185)
5 264	36 444

Cash and cash equivalents

Not past due

2021	2020
Fair valued/Amortised cost	Fair valued/Amortised cost
R '000	R '000
1 045 144	1 037 014

Liquidity risk

The MQA manages liquidity risk through proper management of working capital, capital expenditure, long-term cash projections and monitoring of actual vs. forecasted cash flows and its cash management policy.

Trade and other payables from exchange transactions
Trade and other payables from non exchange transactions
Add: Inter-Seta Payables
Add: Mandatory grants payables
Due 0-120 days

2021			
Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
R '000	R '000	R '000	R '000
(2 651)	-	-	-
(262 099)	-	-	-
-	-	-	-
70 677	-	-	-
(194 074)	-	-	-

Trade and other payables from exchange transactions
Trade and other payables from non exchange transactions
Add: Inter-Seta Payables
Add: Mandatory grants payables
Due 0-120 days

2020			
Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
R '000	R '000	R '000	R '000
(3 602)	-	-	-
(392 981)	-	-	-
15	-	-	-
22 529	-	-	-
(374 039)	-	-	-

Market risk

The MQA is exposed to fluctuations in the employment market, for example sudden increases in unemployment and changes in the wage rates adversely affects the MQA revenues.

Fair values

The MQA's financial instruments consist mainly of cash and cash equivalents, trade and other receivables, and accounts and other payables.

No financial instruments were carried at an amount in excess of its fair value and fair values could be reliably measured for all financial instruments.

Cash and cash equivalents

Cash and cash equivalents comprise cash held by the MQA and short-term bank deposits with an original maturity of less than 1 month. The carrying amount of these assets approximates their fair value.

Accounts receivable

The carrying amount of accounts receivable, net of allowance for bad debts, approximates fair value due to the relatively short-term maturity of these financial assets.

Investments

The fair value of debt securities is determined using the discounted cash flow method (where applicable). The fair value of publicly traded investments is based on quoted market prices for those investments.

Borrowings

The fair value of interest-bearing borrowings is based on either:

- The quoted market price for the same or similar issues or on the current rates available for debt with the same maturity profile and effective interest rate with similar cash flows (where applicable).
- The current rates available for debt with the same maturity profile and effective interest rate with similar cash flows (where applicable).

The fair values of interest-bearing borrowings with variable interest rates approximate their carrying amounts.

Accounts payable

The carrying amount of accounts payable approximates fair value due to the relatively short-term maturity of these financial liabilities.

26. Related party transactions

The MQA is a Schedule 3A public entity under the control of Department of Higher Education and Training as well as the Department of Mineral Resources and Energy, it is therefore, related to controlled entities under both departments. The related parties include amongst others, Public Universities and Technical Vocational Education Training colleges. The transactions we had with the Universities and TVETs colleges were for the fees paid on behalf of the MQA bursary students and outstanding balances and commitments at the end of the financial year were for the fees of the said bursary students.

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26.1 Inter-SETA transactions

Inter-SETA transactions and balances arise due to the movement of employers from one SETA to another and levies due from the SETA to which the employers erroneously contributed its levies and or submitted its WSP/ATR. No other transactions occurred during the period with other SETAs.

Sector Education and Training Authorities	2021		2020	
	Amount receivable (payable)	Transfers in / (out)	Amount receivable (payable)	Transfers in / (out)
	R '000	R '000	R '000	R '000
	55	207	1 858	183
MERSETA	-	110	-7	1
SERVICES SETA	55	55	-	-
AGRISETA	-	-	-2	-
W&R SETA	-	-	14	32
CHIETA	-	-	149	-
SETA99	-	-	188	26
CETA	-	-	1 505	115
HWSETA	-	-	3	-
FASSET	-	42	9	9

26.2 Other public entities

	2021					
	Receipts	Payments	Write-Off	Debtor	Payable	Commitments
	R '000	R '000	R '000	R '000	R '000	R '000
	33 038	19 193	1 819	116	1 577	8 395
Unemployment Insurance Fund	-	-	310	-	70	-
National Skills Fund	29 713	-	1271	-	-	-
Mine Health and Safety Council	128	-	0	-	-	-
ETDP SETA	35	-	238	116	-	-
Mintek	1 382	10 261	-	-	1 216	8 092
Petroleum Agency Sa	415	379	-	-	95	197
Council For Geoscience	1 365	546	-	-	197	106
Quality Council Trades and Occupations	-	8 007	-	-	-	-

	2020					
	Receipts	Payments	Write-Off	Debtor	Payables	Commitments
	R '000	R '000	R '000	R '000	R '000	R '000
	13 211	15 310	-	31 716	4 006	13 414
Unemployment Insurance Fund	-	20	-	310	70	-
National Skills Fund	8 627	-	-	31 040	-	-
Mine Health and Safety Council	-	-	-	128	-	-
ETDP SETA	115	800	-	238	-	-
Mintek	2 197	7 444	-	-	3 368	13 329
Petroleum Agency Sa	583	110	-	-	96	85
Council For Geoscience	1 689	222	-	-	472	-
Quality Council Trades and Occupations	-	6 714	-	-	-	-

Universities and TVET colleges

	2021		2020	
	Amount Payable	Amount committed	Amount Payable	Amount committed
Cape Peninsula University of Technology	7 876 323	1 890 076	2 761 153	1 295 785
Capricorn College for FET	10 618	102 591	25 530	64 794
Cetral University of Technology Free State	1 752 992	1 553 040	1 890 590	601 358
Durban University of Technology	603 926	220 390	581 195	89 920
Ekurhuleni East TVET College	-	6 647 125	412 306	658 739
Flavius Mareka TVET College	5 630	43 160	9 120	43 160
Goldfields TVET College	1 425 159	1 455 698	470 921	674 794
Mangosuthu University of Technology	91 240	954 560	1 621 805	297 880
Mopani South East TVET College	216 600	323 970	86 175	156 586
Nelson Mandela Metropolitan University	2 060 776	704 570	1 467 301	124 260
NKANGALA FET COLLEGE	-	-	309 818	437 360
North West University	2 345 473	971 187	63 786	207 100
Northern Cape Urban TVET College	-	21 598	12 715	10 799
Orbit TVET College	124 451	188 983	66 000	199 782
Sekhukhune FET College	4 857	1 078 136	204 356	410 362
South West Gauteng College	-	577 191	10 556	48 596
University of Johannesburg	-130 000	1 167 528	4 822 967	6 861 359
Tshwane University of Technology	134 010	47 780	7 898 505	742 813
University of Venda	-	604 520	2 915 602	1 580 914
University of Pretoria	381 881	5 156 830	3 059 154	723 609
University of Fort Hare	91 813	26 580	214 501	62 660
University of Stellenbosch	823 229	212 970	614 245	21 617
University of Kwazulu Natal	1 190 260	431 170	651 796	175 300
University of the Free State	-	1 122 830	1 246 035	268 010
University of the Witwatersrand	9 525 996	5 314 338	10 111 600	1 578 980
University of Limpopo	1 056 643	626 110	726 529	43 179
Vhembe TVET College	-	140 342	7 657	86 356
Walter Sisulu University	49 230	91 360	331 424	218 400
University of the Western Cape	106 850	316 515	-	350 185
University of Cape Town	2 989 059	224 906	-	252 700
Maluti TVET College	-	928 199	-	156 523
Motheo TVET College	17 177	897 383	-	32 370
Buffalo City TVET College	-	-	-	10 799
Rhodes University	-	47 780	-	26 290
Northern Cape Rural TVET College	6 168 471	501 598	6 195 887	64 794
Vaal University of Technology VUT	5 560	7 413 880	-	2 113 630
Western TVET college	-	501 598	-	21 598
University of South Africa	-	4 324 090	-	601 295
Gert Sibanda College	-	-	-	566 948
Vuselela TVET College	68 988	99 690	-	21 598
Central Johannesburg College	-	21 598	-	-
Ekurhuleni West TVET College	-	37 797	-	-
Lephalale TVET College	-	16 199	-	-
Majuba TVET College	-	5 395 790	-	-
Nkangala TVET College	-	1 360 674	-	-
Sedibeng TVET College	-	10 790	-	-
Taletso TVET College	-	32 397	-	-
King Sabata Dalindyebo TVET	212 399	355 248	-	107 990,00
West Coast TVET College	-	480 000	-	-
Lovedale TVET College	-	480 000	-	-
Ingwe Tvet College	-	480 000	-	-
Northlink TVET College	-	480 000	-	-
College of Cape Town	-	480 000	-	-
	39 209 610	56 560 762	48 789 229	22 011 188

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26.3 Transactions with Board members and entities where they are employed or hold directorships

2021								
Constituency	Related party	Related party representative	Received	Fees paid	Grants paid	Debtors	Payable	Commitments
			R '000	R'000	R '000	R '000	R'000	R '000
			182 028	741	107 720	0	37 680	81 092
Employers	Harmony Gold Mine	M Mashego	56 461	-	26 546	-	21 729	27 618
Employers	Colliery Training College	J Venter	356	-	3 840	-	130	8 033
Employers	Minerals Council of South Africa	M Ally & D Julyan	720	190	821	-	283	356
Employers	Anglo Platinum	L Mogaki	58 247	-	31 687	-	9 171	14 101
Employers	Impala Platinum	E Howes	66 244	-	44 826	-	6 368	30 985
Labour	NUM	A Teteme	-	232	-	-	-	-
Labour	NUM	D Shikati	-	83	-	-	-	-
State	DMRE**	D Msiza	-	-	-	-	-	-
Labour	NUM	M Naki	-	76	-	-	-	-
Labour	NUM	T Mathavha	-	-	-	-	-	-
Labour	NUM	A. Atlee	-	75	-	-	-	-
Labour	UASA*	F Stehring	-	85	-	-	-	-

2020								
Constituency	Related party	Related party representative	Received	Fees paid	Grants paid	Debtors	Payable	Commitments
			R '000	R'000	R '000	R '000	R '000	R '000
			187 519	917	72 122	1 585	4 354	37 149
Employers	Harmony Gold Mine	M Mashego	64 995	-	31 540	0	-	17 506
Employers	Colliery Training College	J Venter	565	-	1 639	-	-	1 393
Employers	Minerals Council of South Africa*	M Ally & D Julyan	803	208	356	-	-	987
Employers	Anglo Platinum	L Mogaki	58 323	-	17 749	-	4 354	9 992
Labour	UASA**	F Van Straten	-	-	-	-	-	-
Employers	Petra Diamonds	S Rogers	-	-	-	-	-	-
Employers	Impala Platinum	E Howes	62 833	-	20 838	-	-	7 271
Labour	NUM***	A Teteme	-	360	-	-	-	-
Labour	NUM	D Shikati	-	129	-	-	-	-
Labour	NUM	A Tshangase	-	-	-	-	-	-
State	DMRE****	D Msiza	-	-	-	1 585	-	-
Labour	NUM	M Naki	-	84	-	-	-	-
Labour	NUM	T Mathavha	-	28	-	-	-	-
Labour	UASA	W Van Rooyen	-	-	-	-	-	-
Labour	NUM	A. Atlee	-	47	-	-	-	-
Labour	UASA	F Stehring	-	61	-	-	-	-

* Fees in respect of the members are paid directly to the Minerals Council of South Africa

UASA** - United Association of South Africa

NUM*** - National Union of Mineworkers

DMRE**** - Department of Mineral Resources

26.4 Other direct financial interest by board members and staff

2021					
Staff or Board member	Entity	Amount received	Amounts paid	Amount receivable	Amount payable
		R '000	R '000	R '000	R '000
A Tshangase	Tshepo Recruitment Mining	1	-	-	-
		1	-	-	-
2020					
Staff or Board member	Entity	Amount received	Amounts paid	Amount receivable	Amount payable
		R '000	R '000	R '000	R '000
A Tshangase	Tshepo Recruitment Mining	5	-	-	0
		5	-	-	0

26.5 Bursary awarded to related party beneficiaries

In the past the Board resolved that, in respect of bursaries, the MQA may enter into Memorandum of Agreements (MOAs) with entities listed below. According to GRAP 20, related party relationships exist between the MQA and the entities by virtue of the Board members' significant influence on MQA policies. The bursary beneficiaries allocated as a result of the MOAs are selected by the entities using selection and funding criteria that may not be similar to the criteria used to select and fund other MQA bursary beneficiaries.

2020/2021

Stakeholder details	Constituency	Total amount paid	Total Commitment
		R'000	R'000
DMRE	State	R3 853	R1 831
JB Marks	Organised Labour	R3 109	R953
Anglo Gold Ashanti	Organised Employers	R433	R213
Impala Platinum	Organised Employers	R44	R72
Harmony Gold Mine	Organised Employers	R2 658	R647
Richards Bay Mining	Organised Employers	R1 813	R622
Total		R11 909	R4 339

2019/2020

Stakeholder details	Constituency	Total amount paid	Total Commitment
		R'000	R'000
DMRE	State	R5 777	R1 038
JB Marks	Organised Labour	R3 411	R2 049
Anglo Gold Ashanti	Organised Employers	R413	R241
Petra State Diamond	Organised Employers	R0	R0
Impala Platinum	Organised Employers	R70	R0
Richards Bay Mining	Organised Employers	R1 138	R299
Royal Bafokeng Platinum	Organised Employers	R0	R0
Total		R10 809	R3 627

26.6 Board coordination fees

Prior to regulation and payment of remuneration for Board Members by National Treasury, the MQA Board resolved that constituencies be paid a coordination grant for the time constituencies spend in coordination for effective engagement at Board.:

Constituency	Related party representative	Coordination fees paid 2021	Coordination fees paid 2020
		R'000	R'000
Employers	M Ally & D Julyan	415	208
Labour	Stanley Mokgothu	343	404
Total		758	612

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26.6 Executive managers

	Performance Bonuses		Leave paid out		Non-Pensionable allowances		Acting Allowances		Pension contributions		Total 2021		Total 2020	
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
	3 937	1 675	638	3 303	2 385	572	12 510	10 970						
T G Mmotla (COO_ACEO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
M Mdingi (CFO)	16	197	407	5	0	0	625	2047	0	625	2047	0	625	2047
L A Matlala (FM_ACFO)	802	205	45	312	392	117	1873	1681	117	1873	1681	117	1873	1681
N B Nemagovhani (CRMEO_ACEO)	837	436	0	662	540	119	2594	1826	119	2594	1826	119	2594	1826
B Mathebula (RMFS_ACOO)	586	347	47	608	392	84	2064	1583	84	2064	1583	84	2064	1583
M Tladinyane (EMCS)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
V Mofu (SDRM_ACOO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
T Tsotetsi (RMMP_AEMCS)	659	173	47	522	364	94	1859	945	94	1859	945	94	1859	945
S. Xaba (M&EM,_ACRM&EO)	453	160	47	637	333	69	1699	-	69	1699	-	69	1699	-
Z. Mashinini (LPSM_AEMSR)	584	157	45	557	364	89	1796	-	89	1796	-	89	1796	-

Notes

T G Mmotla, the Chief Operations Officer (COO) was Acting Chief Executive Officer (ACEO) until 31st March 2019 and his employment contract as the COO ended on 30th of September 2019;

M Mdingi, the Chief Financial Officer (CFO) was Acting Chief Executive Officer from 01 April 2019 to 30 September 2019 and his employment contract as the CFO ended on 31st of March 2020;

L Matlala, the Finance Manager (FM) was Acting Chief Financial Officer from 01 April 2019 to 30 September 2019, was Acting Chief Risk Monitoring and Evaluation Officer (ACRMEO) from 01 October 2019 until 31 March 2020 and was Acting Chief Financial Officer from 01 April 2020;

N B Nemagovhani, the Chief Risk Monitoring and Evaluation Officer (CRMEO) was Acting Chief Executive Officer (ACEO) from 01 October 2019;

M Tladinyane was the Executive Manager: Corporate Services (EMCS) from 01 February 2019 and resigned in 25th September 2019;

B Mathebula, the Regional Manager: Free State office (RMFS) was Acting Executive Manager : Stakeholder Relations (AEMSR) until 31 March 2020 and was Acting Chief Operations Officer (ACOO) from 01 April 2020;

V Mofu, the Skills Development Research Manager was Acting Chief Operations Officer (ACOO) from 01 October 2019 to March 2020;

T Tsotetsi, the Regional Manager: Mpumalanga office (RMMP) was Acting Executive Manager: Corporate Services (AEMCS) from October 2019;

S Xaba, The Monitoring and Evaluations Manager (M&EM) was Acting Chief Risk Monitoring and Evaluation Officer (ACRMEO) from 01 May 2020 and

Z. Mashinini, The Learning Programmes: Strategic Manager (LPSM) was Acting Executive Manager : Stakeholder Relations (AEMSR) from 01 April 2020.

27. Events after the reporting date

Adjusting events

There were no non-adjusting events after the reporting period for the period under review.

Non-adjusting events

There were no non-adjusting events after the reporting period for the period under review.

28. New standards and interpretations

At the date of authorisation of these annual financial statements, the following Generally Recognised Accounting Practice standards and interpretations were in issue but not yet effective. These include the following standards and interpretations that are applicable to the MQA, and may or may not have an impact on future annual financial statements.

GRAP 25: Employee Benefits

The standard was issued in April 2021 and its effective date is not yet determined. The standard prescribes the accounting and disclosure requirements for employee benefits. This Standard requires an entity to recognise a liability when an employee has provided service in exchange for employee benefits to be paid in the future and recognise an expense when the entity consumes the economic benefits or service potential arising from service provided by an employee in exchange for employee benefits.

It is expected that the standard will affect future accounting and disclosures of the MQA.

GRAP 104 - Financial Instruments

The standard was issued in April 2019 and its effective date is not yet determined. The standard prescribes principles for recognising, measuring, presenting and disclosing financial instruments. Financial instruments are contractual arrangements that give rise to a financial asset in one entity and a financial liability or residual interest of another.

It is expected that the standard will affect future recognition, measurement, presentation and disclosure of financial instruments of the MQA.

29. Statement of comparison of budget and actual amounts – Variances explanations

The budget for income, current and capital expenditure is prepared on the accrual basis of accounting. The budget is based on anticipated operational activities, tangible and intangible assets required to achieve targets set out in the Annual Performance Plan (APP) as well as estimated costs to carry out such activities or acquire the required assets.

The approved budget includes only the activities of the MQA and is for the period 1 April 2020 to 31 March 2021.

MATERIAL DIFFERENCES BETWEEN THE REVISED BUDGET AND ACTUAL AMOUNTS

29.1 Skills Development Levy: Income

The actual Skills Development Levy: Income received is 3% below the Final budget. The lower percentage is due the payment holiday which resulted in the MQA receiving less than what it anticipated.

29.2 Levy Interest and penalties

Levies interest and penalties are due to non-compliance with the Skills Development Levies Act and the MQA did not anticipate that Employers will not comply, hence there was no budget and this resulted in a 100% variance.

29.3 Personnel costs

Under spending on personnel costs is as a result of vacant positions not yet filled.

29.4 Employer grant and project expenditure

Actual expenditure was below the budget by 23% mainly as a result of expenditure not incurred in respect of planned targets that were not achieved, for targets achieved, less tranche payments were paid than what was initially anticipated and lower Mandatory grants expenditure than budgeted was also evident in line with actual Skills Development Levy Income.

29.5 General Expenses

Actual expenditure was below the budget by 22% due to various factors, including savings from travel costs caused by alternative procedures e.g. desktop verification used by M&E and activities that were planned to take place during the year not happening due to COVID 19 guidelines restrictions.

29.6 Capital Expenditure and Depreciation and Amortisation

Actual expenditure was below the budget mainly because the development and implementation of the new Enterprise Resource Planning System (ERP) which was planned to take place during the year under review, did not take place as Board considered the Ministers efforts of centralising ERP for SETAs.

30. Prior period errors

In the current year some line items of the financial statements disclosed in the prior years were restated due to errors which were identified. The errors were as a result of transactions erroneously omitted and or erroneously accounted for. The restatements were done retrospectively in line with the standard. Below are classes of transactions, account balances and disclosure notes which were restated as a result of errors:

	2021 R '000	2020 R '000
30.1 Employer grant and project expenditure (statement of financial performance)		
As previously disclosed	-	751 660
Discretionary grant and project expenditure erroneously omitted	-	24 936
Restated amount	-	<u>776 596</u>
30.2 Administration expenditure (statement of financial performance)		
As previously disclosed	-	129 243
Expenses erroneously accounted	-	(103)
Restated amount	-	<u>129 140</u>
30.3 Revenue from non-exchange (statement of financial performance)		
As previously disclosed		1 190 571
InterSeta admin receivables erroneously omitted		24
InterSeta Mandatory receivables erroneously omitted		46
InterSeta Discretionary receivables erroneously omitted		113
Restated amount	-	<u>1 190 754</u>

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30.4 Surplus for the year (statement of financial performance)

As previously disclosed	-	356 812
Employer grants and project expenditure adjustment above	-	(24 936)
Administration expense erroneously accounted		103
InterSeta erroneously accounted		183
Restated amount	-	332 162

30.5 Rental-Operating leases

As previously disclosed		578
Re-mapped to IT expenses		(198)
Restated amount	-	380

30.6 IT expenses

As previously disclosed		5 368
Re-mapped to from rental -Operating lease		198
Restated amount	-	5 566

30.7 Grant and transfer payables (statement of financial position)

As previously disclosed	-	354 168
Prior year creditors omission 2018/19	-	4 736
Prior year accrual erroneously included 2018/19	-	9 140
Prior year payables omission 2019/20	-	25 131
Prior year accruals erroneously included 2019/20	-	-195
Restated amount	-	392 980

30.8 Discretionary reserves (Statement of financial position)

As previously disclosed	-	717 885
Expenditure previously omitted 2018/19		(13 804)
Expenditure previously omitted 2019/20	-	(24 651)
Restated amount	-	679 430

30.9 Trade and other payables from exchange transactions (Statement of financial position)

As previously disclosed	-	3 778
Accruals erroneously accounted 2018/19		(73)
Accruals erroneously accounted 2019/20		(103)
Restated amount	-	3 602

30.10 Trade and other receivables from non-exchange transactions (Statement of financial position)

As previously disclosed		55 092
InterSeta debtors-Admin		24
InterSeta debtors-Mandatory		46
InterSeta debtors-Discretionary		113
Restated amount	-	55 275

30.11 Trade and other receivables from exchange transactions (Statement of financial position)

As previously disclosed		3 594
Study advance erroneously accounted for		1
Restated amount	-	3 595

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30.12 Reserves (Statement of financial position)

As previously disclosed	-	776 646
Expenditure previously omitted 2018/19	-	(13 804)
Expenditure previously omitted 2019/20	-	(24 651)
Restated amount	-	<u>738 191</u>

30.13 Operating lease obligation (statement of financial performance)

As previously disclosed	-	0
Total Operating lease obligation previously omitted	-	225
Restated amount	-	<u>225</u>

30.14 Commitments (Disclosure notes)

As previously disclosed		459 868
Commitments erroneously included 2019/20		(11 372)
Restated amount		<u>448 496</u>

30.15 Transactions with Board Members and Entities (Disclosure notes)

As previously disclosed		23 767
Transactions with Board Members and Entities erroneously cast 2019/20		13 382
Restated amount		<u>37 149</u>

30.16 Other public entities

30.16.1 Other public entities - Receipts (Disclosure notes)

As previously disclosed		8 742
Other public entities - Receipts erroneously omitted 2019/20		4 469
Restated amount		<u>13 211</u>

30.16.2 Other public entities - Payments (Disclosure notes)

As previously disclosed		7 534
Other public entities - Payments erroneously omitted 2019/20		7 776
Restated amount		<u>15 310</u>

30.16.3 Other public entities - Payables (Disclosure notes)

As previously disclosed		70
Other public entities - Payables erroneously omitted 2019/20		3 936
Restated amount		<u>4 006</u>

30.16.4 Other public entities - Commitments (Disclosure notes)

As previously disclosed		0
Other public entities - Commitments erroneously omitted 2019/20		13 414
Restated amount		<u>13 414</u>