

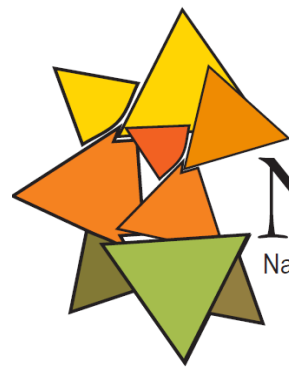
e-Skilling the nation for equitable prosperity and global competitiveness



# *Annual Report* **2015**



Presentation to the Portfolio Committee on the Annual Report  
15 October 2015



**NEMISA** NPC  
National Electronic Media Institute of South Africa

Moving towards





- 
- The Institute is gearing up to finalise the transition of NEMISA into iNeSI.
  - The Institute was able to provide training on skills for massification of e-literacy for users through established Universities and collaborative partners.
  - The Institute held its annual eSkills conference in October 2014
  - Various stakeholders including the Minister of Telecommunications and Postal services have approved the Business Case and await the requisite approval by other stakeholders.
  - There was one resignation from the Board of the Institute, Prof Roy Marcus who we thank for his participation and valued input. We appreciate all Board members for their hard work and valuable contribution over the past year.
  - I thank the NEMISA's acknowledge Senior Management team and all NEMISA, ISSA and eSi employees for their hard work and dedication. We acknowledge your efforts and continuous support given by our vice chancellors and senior management of our CoLabs.



# Performance Information



## High-Level Environmental Scan

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### Internationally

- WEF Reports shows that South Africa's e-Readiness rankings is on the decline
- McKinsey report (2013) shows SA's ranking in terms of iGDP
- Shift away from building e-skills for the ICT Sector towards e-skills for society as a whole
- Integration of ICT across various disciplines

### Continentially

- Still lack of e-skills human capacity leadership on the African continent thus positioning the Institute well

### Locally

- Institute gaining traction across Government, Business, Education & Civil Society
- Collaboration model allows key stakeholders to become actively involved. More importantly the need for a national catalyst to drive a coordinated e-skills discourse is evident.



# Performance Information



## Total Achievement 76%

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### **Programme 1: Administration**

#### **70% Achieved**

- IT Governance Framework
- 7 Risk assessments completed

### **Programme 2: Multi-Stakeholder**

#### **Collaboration 83% Achieved**

- 20 Partnerships formalised
- 7 Resource agreements
- Report on ICT skills in the country

### **Programme 3: e-Astuteness**

#### **Development 66% Achieved**

- 7 New courses produced by CoLabs
- 871 e-Literacy trained
- 368 Sector users trained
- 449 ICT practitioners
- 11 e-Leaders trained
- 5 online courses produced

### **Programme 4: Knowledge for Innovation 100% Achieved**

- 48 Research papers presented
- 3 Environmental scans
- 6 New APPs developed
- 6 Research articles published

### **Programme 5: Aggregation 100% Achieved**

- e-Skills conference held

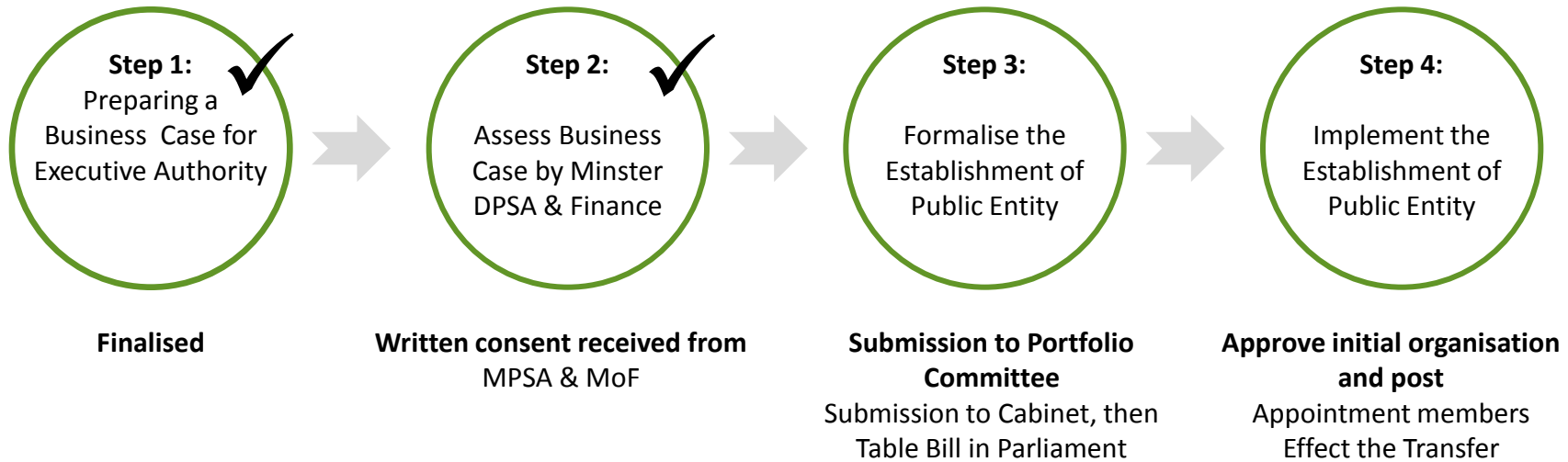


# Process to advance iNeSI into a legal Public Entity



**Total Achievement 76%**

Advancing iNeSI into a fully fledged public entity with its own enabling legislation and without delaying its present functioning, both National Treasury and DPSA proposed the following:



## Concurrent steps:

Amend the entity's establishment document in terms of the Companies Act.

Request Minister of Finance to amend NEMISA to iNeSI and list in PFMA.

Request Minister of DPSA to make a determination in terms of Public Service Act to transfer functions and staff from DTPS to iNeSI.



# Human Resource



## Personnel Cost by Programme/Activity/Objective

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Programme	Total Expenditure (R)	Personnel Expenditure (R)	Personnel Expenditure as a % of Total Expenditure	No. Of employees	Average Personnel Cost per employee (R)
e-Astuteness	24 254 529	9 013 636	36%	21	429 221
Administration	24 751 419	7 904 634	32%	19	416 033
Multi-stakeholder Collaboration	665 712	457 978	69%	1	457 978
<b>Total</b>	<b>49 941 660</b>	<b>17 376 248</b>	<b>35%</b>	<b>41</b>	<b>423 811</b>



## Employment and vacancies

At the top and senior management levels, the CEO vacancy impacted negatively on the delivery of organisational performance. Most vacant positions pertain to the lecturing staff and other administrative positions. Below are the tables indicating vacancies per level.

Level	2012/14 no. of employees	2014/15 approved posts	2014/15 no. of employees	2014/15 vacancies	% of vacancies
Top Management (level 14)	1	3	1	2	67%
Senior Management (level 13)	2	5	4	1	20%
Professional Qualified (level 11-12)	7	9	8	1	11%
Skilled (level 6-10)	24	26	18	8	31%
Semi-skilled (level 1-5)	9	14	10	4	29%
<b>Total</b>	<b>43</b>	<b>57</b>	<b>41</b>	<b>16</b>	<b>28%</b>



# Statement of Financial Position



as at 31 March 2015

	Notes	2015 R	2014 R
<b>Assets</b>			
<b>Current Assets</b>			
Inventories	2	30 513	54 842
Receivables from exchange transactions	3	4 207 675	6 320 582
Cash and cash equivalents	4	18 622 517	18 752 470
		<b><u>22 860 705</u></b>	<b><u>25 127 894</u></b>
<b>Non-current Assets</b>			
Property, plant and equipment	5	1 780 651	2 861 778
Intangible assets	6	13 831	25 911
		<b><u>1 794 482</u></b>	<b><u>2 887 689</u></b>
Non-current Assets		1 794 482	2 887 689
Current Assets		22 860 705	25 127 894
<b>Total Assets</b>		<b><u>24 655 187</u></b>	<b><u>28 015 583</u></b>





# Statement of Financial Position



as at 31 March 2015

	Notes	2015 R	2014 R
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Other financial liabilities	7	65 125	65 125
Payables from exchange transactions	8	5 666 657	5 323 321
Non-exchange revenue liability	9	6 030 824	12 014 120
Exchange revenue liability	10	3 574 636	3 721 516
Provisions	11	2 713 917	3 490 827
		<b><u>18 051 159</u></b>	<b><u>24 614 909</u></b>
<b>Non-Current Liabilities</b>		-	-
<b>Current Liabilities</b>		<b><u>18 051 159</u></b>	<b><u>24 614 909</u></b>
<b>Total Liabilities</b>		18 051 159	24 614 909
Assets		24 655 187	28 015 583
Liabilities		(18 051 159)	(24 614 909)
<b>Net Assets</b>		<b><u>6 604 028</u></b>	<b><u>3 400 674</u></b>
Accumulated surplus		<b>6 604 029</b>	<b>3 400 672</b>



# Statement of Financial Position



as at 31 March 2015

	Notes	2015 R	2014 R
<b>Revenue</b>			
Exchange revenue			
Interest received	12	2 079 566	3 666 660
Non exchange revenue	13	1 063 556	590 098
<b>Total revenue</b>	14	20 001 895	38 731 880
		<b><u>53 145 017</u></b>	<b><u>42 988 638</u></b>
<b>Expenditure</b>	15		
Staff costs/staff training expenses		(15 120 453)	(14 429 491)
Directors' emoluments and travel expenses		(2 537 214)	(4 189 363)
Audit fees - external		(848 991)	(843 386)
Network expenses		(181 664)	(197 662)
Depreciation and amortisation		(1 076 213)	(1 357 469)
Lease rentals on operating lease		(6 707 792)	(6 223 931)
Movement in provision for bad debt		357 798	300 805
Legal expenses		(10 260)	--



# Statement of Financial Position



as at 31 March 2015

	Notes	2015 R	2014 R
Repairs and maintenance		(188 480)	(407 615)
Consulting		(1 625 932)	(1 486 167)
Professional fees – outsourced services		(1 753 574)	(1 545 012)
Operating expenses	16	(20 185 548)	(11 412 739)
Finance cost	17	(63 337)	(53 903)
<b>Total expenditure</b>		<b><u>(49 941 660)</u></b>	<b><u>(42 429 543)</u></b>
Total revenue		53 145 017	42 988 638
Total expenditure		(49 941 660)	(429 5443)
<b>Operating surplus</b>		<b>3 203 357</b>	<b>559 095</b>
Surplus before taxation		3 203 357	559 095
Taxation		--	--
<b>Surplus for the year</b>		<b><u>3 203 357</u></b>	<b><u>559 095</u></b>



# 3 year trend of non-compliance



Findings by AG	2012/2013	2013/2014	2014/2015
<b>Performance Information</b>			
Usefulness of information: Target not specific	x	x	✓
Usefulness of information: Target not measurable	x	✓	✓
Material adjustment in Annual performance report	x	x	x
<b>Annual Financial Statements</b>			
Procurement and contract management	x	✓	✓
Expenditure Management	x	✓	✓
Revenue Management	x	✓	✓
Audit Committee	x	✓	✓
Material adjustment in Annual Financial Statements	x	✓	✓



# Non improvement of matters raised previously



Findings by AG	2012/2013	2013/2014	2014/2015
<b>Performance Information</b>			
Material adjustment in Annual performance report	x	x	x

## Action Plan in Place:

- Personnel Capacity to centralize performance information reporting
- Review of the Performance Information policy,
- Review of Strategic plan and APP by external and internal audit before submission to Executive authority

e-Skilling the nation for equitable prosperity and global competitiveness



**Thank you**

Questions?

Moving towards

