



telecommunications  
& postal services

Department:  
Telecommunications and Postal Services  
**REPUBLIC OF SOUTH AFRICA**

## QUARTER 1 PERFORMANCE REPORT PRESENTATION

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PRESENTATION TO THE PORTFOLIO COMMITTEE ON TELECOMMUNICATIONS  
AND POSTAL SERVICES

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**QUARTER 1: 01 APRIL 2016 – 30 JUNE 2016**

- This quarterly report is meant to reflect on activities that were planned to be delivered in this quarter including events which were not anticipated but negatively impacted on the performance of the Institution.
- Non-approval of the Institution's Strategic Plan and Annual Performance Plan for 2016/17.
- Directive by treasury not to spend R40 m which was allocated and approved for establishment of iNeSi from the beginning of the Financial year, due to the delay in the process of enactment of iNeSi
- Cutting of budgets to Co-Labs by over **50%** and negotiating to reduce deliverables and subsequently reducing overall deliverables on the APP
- The Institute relocated to temporary premises in Bruma, in order to make way for major renovations of Parktown building.
- Finalisation of the external audit by the Auditor General, concluded with an unqualified opinion on both the AFS and PI
- Filling of a number of critical vacant positions including that of an accountant, Procurement Manager and HR Manager.

No	Performance Indicator	Reporting Period	Annual Target 2016/17	Administration Quarterly Performance		
				Quarter 1 Targets	Actual Performance	Reasons for Inadequate Performance
1.1	Corporate governance					
1.1.1	Number of Quarterly performance Reports	Quarterly	4	4 <sup>th</sup> quarter performance Report developed and submitted		
1.2	Business process support					
1.2.1	Organisation structure review Report	Annually	Draft revised organizational structure	Consultation with DHET on iNeSi model undertaken		
				-		

No	Performance Indicator	Reporting Period	Annual Target 2016/17	Multi Stakeholder Collaboration Quarterly Performance Report		
				Quarter 1 Targets	Actual Performance	Reasons for Inadequate Performance
2.1	Advocacy and awareness (campaigns = all media e.g. broadcasts, social media,					
2.1.1	Number of campaigns	Quarterly	10	1		
2.1.2	Number of public awareness survey report provided	Annually	1	-		
22	Partnership development (International, national, provincial, local across all sectors)					
2.2.1	Number of new partnerships formalised	Annually	4 MOA signed with identified partners	1 MOA signed with identified partner		
2.2.2	Number of CoLabs partnerships signed	Annually	7 CoLabs partnerships signed	Implementation of the existing CoLab partnership agreements monitored and evaluated		

NO	Performance Indicator	Reporting Period	Annual Target 2016/17	e-Astuteness Development Quarterly Performance Report		
				Quarter 1 Targets	Actual Performance	Reasons for Inadequate Performance
3.1	Curriculum development					
3.1.1	Number of new targeted courses available (developed / acquired / customised)	Annually	6	Engage with CoLabs on a number of courses to be developed/acquired/customised		
3.1.2	National e-skills curriculum competency framework reviewed (n)	Annually	1	Engage with Colab on the curriculum on the competency framework review process		
3.1.3	Courses revision report (n)	Annually	1	Identify courses that need to be revised		

NO	Performance Indicator	Reporting Period	Annual Target 2016/17	e-Astuteness Development Quarterly Performance Report		
				Quarter 1 Targets	Actual Performance	Reasons for Inadequate Performance
3.2	E-competence development / learning (e.g. formal education, internships,					
3.2.1	Number of e-literacy learners trained (n)	Annually	2000			
3.2.2	Number of sector users trained (n)	Annually	1050		-	
3.2.3	Number of ICT practitioners trained (n)	Annually	500		-	
3.2.4	Number of e-leaders trained (n)	Annually	100		-	

NO	Performance Indicator	Reporting Period	Annual Target 2016/17	e-Astuteness Development Quarterly Performance Report		
				Quarter 1 Targets	Actual Performance	Reasons for Inadequate Performance
3.3	Access to learning (e.g. virtual network)					
3.3.1	Number of Community Centers converted	Annually	8	Community centers identified for possible conversion		Deliverables renegotiation Process with CoLabs has not been finalised but planned for conclusion end July 2016
3.3.2	Number of online courses available	Annually	8	-	-	

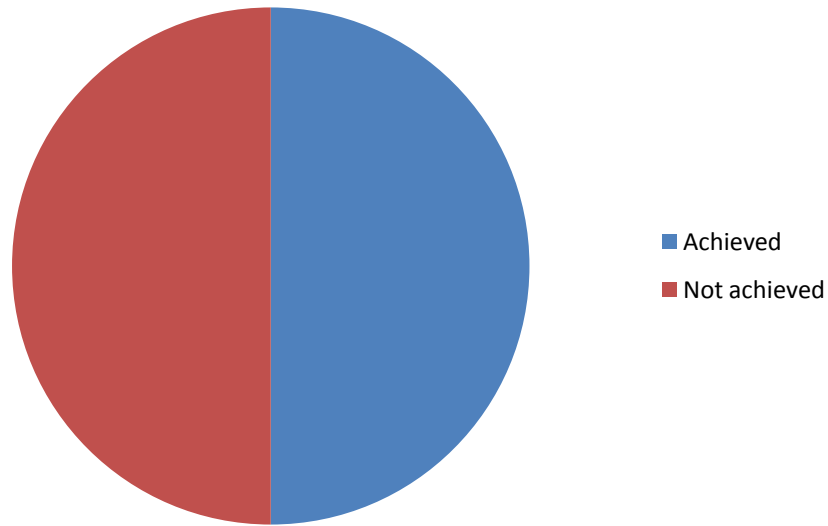
No	Performance Indicator	Reporting Period	Annual Target 2016/17	Knowledge for Innovation Quarterly		
				Quarter 1 Targets	Actual Performance	4 <sup>th</sup>
4.1	Research programmes					
4.1.2	Number of non degree research and post graduate research funded	Annually	8	Initiate consultation with CoLabs on research areas to be conducted		Report on 8 Non-degree and Post-graduate Research conducted
4.1.3	Number of national eSkills/ ICT environmental scans	Annually	1	-	-	Environmental scan conducted
4.2	Knowledge assimilation / production (e-products, e.g. mobile applications,					
4.2.1	Number of Scholar/Rese archer exchanged (n)	Annually	1	-	-	Completion of Masters thesis
4.2.2	New products developed (n)	Annually	6	-	-	6 ICT identified products developed



No	Performance Indicator	Reporting Period	Annual Target 2016/17	Knowledge for Innovation Quarterly		
				Quarter 1 Targets	Actual Performance	4 <sup>th</sup>
4.3	Knowledge transfer					
4.3.1	Number of research colloquium hosted in eSkills/ ICT	Annually	1	Identify CoLab to convene an ICT colloquium		Deliverables renegotiation Process with CoLabs has not been finalised but planned for conclusion end July 2016
4.3.2	Number of research papers in eSkills/ ICT delivered / presented	Annually	5	Identify research papers to be delivered		Final report on 5 research papers delivered
4.3.3	Number of eSkills/ ICT thought leaders engagements	Annually	6	-	-	Final Report on thought leader engagements

No	Performance Indicator	Reporting Period	Annual Target 2016/17	Aggregation Quarterly Performance		
				Quarter 1 Targets	Actual Performance	Reasons for Inadequate Performance
5.1 Strategic guiding documents (frameworks, models, policies, scenarios, strategies,						
5.1.1	Number of new strategic guiding documents development reports provided (e.g. e-competency framework, aggregation framework, etc)	Annually	1	Identify CoLab to develop the new strategic guiding document		Deliverables renegotiation Process with CoLabs has not been finalised but planned for conclusion end July 2016
5.2 Impact Measurement						
5.2.1	National e-skills summit hosted (n)	Annually	1	Identify the CoLab to host the summit		Deliverables renegotiation Process with CoLabs has not been finalised but planned for conclusion end July 2016

## Quarter 1 Performance -50% achieved



- **Targets Achieved:-**

- Administration targets:-

- ✓ Quarter 1 Compliance Assessment concluded
- ✓ Quarterly Performance report produced and approved by the various governance structures
  - ✓ HR report provided
- ✓ Quarterly finance report produced and also interrogated through the various structures
  - ✓ ICT report produced
- ✓ Facilities management report produced
  - ✓ Quarter 1 performance reviews concluded

- Currently the institute has 42 employees
- The total cost of **R72,514** has been spent on training effective 01 April 2016 – date
- Vacancies:

Level	Vacancies
Top Management	2
Senior Management	3
Skilled	10
Total	<b>15</b>

- The total Appropriation funding due to the Institute by way of transfer payments from the DTPS for the current FY amounts to R 37.2 million.
- Other income (including interest received) amounted to R147 thousand against estimated income of R 250 thousand

## **SURPLUS/DEFICIT**

- For the quarter under review, the company showed a surplus of R889k.

# Statement of Financial Position

<b>STATEMENT OF FINANCIAL POSITION</b>			
<b>For the Three Months Ending June 30, 2016</b>			
		<b>Jun-16</b>	<b>Mar-16</b>
	<b>Notes</b>	<b>ACTUAL</b>	<b>ACTUAL</b>
		<b>R</b>	<b>R</b>
<b>ASSETS</b>			
Non-current assets		1,253,625	1,376,625
Property, plant and equipment	1	1,243,125	1,365,171
Intangible assets	2	10,500	11,454
Current assets		19,093,119	18,492,170
Inventory		11,659	13,528
Trade and other receivables	3	13,048,676	5,098,849
Cash and cash equivalents		6,032,784	13,379,793
<b>TOTAL ASSETS</b>		<b>20,346,744</b>	<b>19,868,795</b>
<b>NET ASSETS AND LIABILITIES</b>			
<b>Net assets</b>			
Accumulated surplus	4	10,470,189	9,581,092
<b>Liabilities</b>			
<b>Current liabilities</b>			
Unspent transfer payments	5	4,860,336	4,860,336
Trade and other payables	6	2,489,106	3,688,371
Provision		2,527,113	1,738,996
<b>TOTAL NET ASSETS AND LIABILITIES</b>		<b>20,346,744</b>	<b>19,868,795</b>

<b>STATEMENT OF FINANCIAL PERFORMANCE</b>			
<b>For the Three Months Ending June 30, 2016</b>			
Income	Notes	Jun-16	Mar-15
		R	R
Appropriation income receivable	7	9,300,000	47,904,124
Other income	8	1,115,244	6,144,181
Interest received		147,460	1,127,630
<b>Total Income</b>		<b>10,562,704</b>	<b>55,175,935</b>
Direct expenditure	9	-1,289,532	-17,192,905
<b>Gross Income</b>		<b>9,273,172</b>	<b>37,983,030</b>
Overhead expenditure	10	-8,261,075	-35,452,609
<b>Net income before non cash items</b>		<b>1,012,097</b>	<b>2,530,421</b>
Other Expenditure		-123,000.00	-464,788
Finance costs		0	-14,377
<b>(Deficit) / Surplus for the period</b>		<b>889,097</b>	<b>2,051,255</b>





Thank you