**FOREWORD**
**BY THE MINISTER OF EDUCATION**

I am pleased to note the progress that the South African Qualifications Authority records in this Annual Report. After an intensive period of policy-making and institution building, our country has now entered a period of consolidation and policy implementation. In this period Government is placing a high premium on the elaboration, clarification and simplification of our policies. This is essential for the effective implementation of our policies that are putting our country on a new path of high quality education and training and lifelong learning for all.

The announcement of the country's Human Resources Development Strategy earlier this year confirms ourGovernment's determination to translate the critical and transformation goals of our education and training policies into a targeted and time-linked programme. We are determined to break the legacy that apartheid education planning has wreaked on our people. For it is our people who are the decisive drivers for the reconstruction and development of our country. These developments, together with the challenges presented by Tirisano, the Department ofEducation's programme, and Vhutsila, the Department of Labor's programme, place an added burden on the work of the South African Qualifications Authority.

Since the South African Qualifications Authority was created by Government, to establish, nationally recognised, education and training standards and qualifications on a National Qualifications Framework, and to assure their quality, the South African Qualifications Authority plays a pivotal role in our Human Resources Development Strategy. Accordingly, the focused study of the National Qualifications Framework, that is now underway, will assist Government and the South African Qualifications Authority to find appropriate ways to improve our combined efforts as we accelerate the establishment of the National Qualifications Framework. For we can only be successful with our Human Resources Development Strategy when the goals of the National Qualifications Framework are lived by all our people. I therefore look forward to the findings and recommendations of this study.

Let me also take this opportunity to express my gratitude to the hundreds of people who continue to give freely of their valuable time to participate in the NationalStandards, Standards Generating and Education and Training Quality Assurance Bodies.

I also express my thanks to the members of the Authority and the organisations that they represent - the National Qualifications Framework is social partnership in action

- and to the Chairperson of the Authority, Dr M Nkomo, the Executive Officer and the staff for their hard work, commitment and professionalism.


Professor Kader Asmal, MP
Minister of Education

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## FOREWORD
## BY THE MINISTER OF LABOUR

The vision of the South African Qualifications Authority (SAQA) and the National Qualifications Framework (NQF) is beginning to take shape in very real and concrete ways. SAQA, through the implementation of the NQF, is playing a critical role in contributing to the success of the National Skills Development Strategy, which I launched on 22 February 2001. The NQF is also pivotal to the Human Resource Development Strategy, which has been accepted by Cabinet and was launched in April by both the Minister of Education and myself.

The period of development has been consolidated. We are now moving into the phase of implementation with great enthusiasm and optimism. SAQA and the Department of Labour through the Joint Implementation Plan are collaborating at every level.

Since the establishment of the twenty five Sector Education and Training Authorities (SETAs) on 20 March 2000, SAQA has worked tirelessly to support these agencies and ensure that they gain accreditation as Education and Training Quality Assurance bodies (ETQAs) within the stipulated timeframe. To date, eight SETAs have been accredited as ETQAs. The necessity for a quality education and training system for the development of highly skilled people cannot be over emphasised. The SETA-ETQAs in partnership with SAQA have a vital role to play.

Significant progress has also been made with the development and registration of learnerships and the development and registration of associated qualifications and standards on the NQF. The SETAs are engaged in the development of standards and qualifications in all economic sectors so as to ensure that those undertaking learnerships achieve nationally recognised qualifications that respond appropriately to the economic and social demands of our transforming nation and to the imperatives of economic growth, so necessary for the sustainability of our democracy for which our people fought so hard.

When all our people have access to relevant, quality skills development, when our youth and the unemployed find and are able to create employment, when workers realise the benefits of increased employment security, job satisfaction, promotion prospects and income from increased skills, and employers´ global competitiveness and profits improve on a base of rising skills, then we will be able to truly say that our freedom has been fully gained. SAQA and the vision of the NQF are pivotal to the transformation of our society.

I congratulate SAQA, the Chairperson, Authority members, Chief Executive Officer and staff as well as the thousands of people working in multiple sites for the achievements and progress made thus far. This must continue. We must all keep working so that our people can begin to feel the real benefits of high quality lifelong learning, so that they too can contribute to the reconstruction and development of our country in meaningful ways.


MMS Mdladlana, MP
Minister of Labour

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## FOREWORD
## BY THE CHAIRPERSON

It is with great pleasure that I present the Annual Report and financial statements of the South African Qualifications Authority (SAQA). The report covers our activities, progress and achievements for the period 1 April 2000 to 31 March 2001.

Looking back at developments in the South African Qualifications Authority over the past year, one has to express a sense of pride in being part of a team that has made such decisive strides in promoting a culture of quality lifelong learning and a world class education and training system. Guided by legislation and support by stakeholder participation, we have already started to redress the past unfair discrimination in education and training and in employment opportunities.

In the past year, the role of the NQF in integrating the education and training system in South Africa was firmly endorsed by government, stakeholders and learners, evidence ofSaga's commitment through a wide-range of consultations. Considerable progress has been made in the areas of generating and registering standards, and qualifications, and a national quality assurance system is now well established. Joint implementation plans between SAQA and the Departments of Education and Labour

have contributed to the successes achieved. The programming of the National Learners' Records Database has been completed and population of this future major national asset is being undertaken. As in previous years SAQA has once again received an unqualified audit report from the office of the Auditor General, confirming its stature as an organisation of integrity. SAQA has been continuously applying its mind to becoming a financially sustainable organisation and an income generation strategy has been formulated.

As in the past year we will continue to engage the participation and support of our stakeholders and social partners in ensuring that our education and training system realises its potential. Nothing embodies our commitment more than our partnership with donors who continue to co-operate and support us in the achievements of our goals.

We are determined to implement our policies which are already impacting on learners. To ensure accountability and delivery we are faced with the challenge of establishing coherent, national quality assured provisioning for all learners in the country. With the registration of the NSB members for the next three-year cycle soon to begin, we hope to achieve a higher level of representivity.

We approach the coming year even more determined in the delivery of our mandate and secure in the knowledge that the foundations for
a quality NQF have been firmly established. The future health and prosperity of our society depends on a quality education and training system whose foundation is the NQF. The South African Qualifications Authority is at the core of that critical quality assurance infrastructure that is poised to lead us into the new millennium.


Dr Mokubung Nkomo
Chairperson

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**INTRODUCTION**

Over the past seven years, the South African government has undertaken extensive restructuring and transformation processes designed to address past social inequities and to stimulate economic development and growth. Particular attention has been given to the creation and establishment of policies and legislative frameworks in order to redefine ourcountry's education and training system as one which is truly integrated, accessible and world class-key principles underlying our National

Qualifications Framework (NQF). The South African Qualifications Authority (SAQA), as a statutory body charged with overseeing the development and implementation of the NQF, is a critical role player in the delivery of a quality education and training system for all South Africans.

Over the past year, strategic planning and infrastructural developments have ensured thatSAQA's delivery of its statutory mandate has been significantly enhanced. As a result, SAQA has placed the delivery of a quality education and training system, vital for social and economic transformation, firmly on the public agenda.

The Minister of Education, Prof. Kader Asmal, through the Tirisano programme, has called for the mobilisation of citizens to build a South African Education and Training System for the 21st Century. His priorities are derived from the overall policy framework, which seeks to enable all individuals to value, have access to, and succeed in, quality lifelong education and training. Similarly, the Minister of Labour, Mr Membathisi Mdladlana, through Vhutsila - our Skills Development Strategy - has challenged us to make a working reality of skills for productive citizenship for all. Vhutsila underpins ourgovernment's commitment to the development of the people of South Africa through the National Human Resource Development Strategy.

The notion of quality lifelong learning is one of the key principles of the NQF and recognises that individuals should have opportunities for self-improvement throughout their lives, be they employed, unemployed or seeking a first job. As the economy grows and develops, new skills will be demanded and people will need to be retrained. The provision of opportunities to learn at any age also guarantees second chance opportunities for people, who for a variety of reasons, were previously excluded.

The NQF plays a key role in positioning and developing a culture of high quality lifelong learning for all South Africans, enabling them to meet the challenges of a global society. SAQA has operationalised the NQF through establishing and managing the following systems:

- Standards Setting
- Quality Assurance

In addition, the National Learners' Records Databasewill form an integral part of the NQF when implemented.

Already delivery to learners has been enhanced through:

- Fast-tracking the generation of South African standards and qualifications that are world class. The availability of such standards and qualifications is critical

in the advancement of a quality education and training system and central to the development of learnerships and the implementation of Vhutsila.

- The accreditation of twelve (12) Education and Training Quality Assurance Bodies (ETQAs)

These bodies are essential for the quality assurance of standards and qualifications. With the addition of the five ETQAs (drawn from the Sector Education and Training Authorities (SETAs) in the final stages of the accreditation process, the coverage of quality assurance has progressed significantly. It is expected that there will be about thirty five (35) ETQAs in total.

- The population of the National Learners´ Records Database (NLRD)

SAQA is currently populating this information management system in order to provide a comprehensive record in the future of all qualifications and learner achievements as well as of all bodies involved in creating, administering, accrediting, and providing these achievements. The NLRD will allow tracking of trends within the South African education and training system, thus facilitating informed national policy decision-making.

SAQA is overseeing the development and implementation of the NQF in line with achieving the national priorities of the Government in respect of education, training, and human resource development.

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## ACHIEVEMENTS

**National Standards Bodies and Standards Generating Bodies**

The six social partners namely: government, business, labour, providers, critical interest groups, and community and learners, have all participated actively in the twelve fully functioning National Standards Bodies (NSBs). With 432 members of whom 57% are black and 33% are women, the composition of these bodies reflects the steady progress that has been made towards achieving demographic representivity.

In the past year the number of registered SGBs has grown to 65 and a further 100 are operational. These bodies consist of 25 members and are also fully representative. The formation of SGBs focuses on key national priorities such as education, training and development, business, commerce, and management as well as safety and security.

Especially significant in supporting these priorities has been the SGB formation in education, training and development, as well as in the Hospitality and Tourism industry.

**New Qualifications and Standards**

Considerable progress has been achieved by SAQA in the registration of new qualifications and standards. Thirty-nine (39) new qualifications and six hundred and fifty five (655) unit standards are now registered on the NQF. These include:

- Unit standards for Adult Basic Education and Training (ABET)

| | |
|---|---|
| ABET level 1-3 | Numeracy and Communication ABET level 4 Mathematics |
| ABET level 4 | Communicationand Language |
| ABET level 4 | Human and Social Studies |
| ABET level 4 | Technology |
| ABET level 4 | Economicand Management Sciences |

These standards have been used by both the Department of Education to streamline assessment for ABET learners and by the South African Certification Council (SAFCERT) for the appointment of moderators.

- **Unit standards-based qualifications for ABET Practitioners**
  Four qualifications at levels 4, 5 and 6 are registered on the NQF.

- **Unit standards and qualifications in the Hospitality industry**
  16 new qualifications and 283 unit standards for the industry have been registered.

Other industries where considerable development has occurred include: the Textile industry which has registered 75 unit standards; the Banking industry which has already registered 150 unit standards; and the Insurance industry with one new qualification registered on the NQF.

The progress achieved in relation to new standards and qualifications can be largely attributed to the determination and cooperation of the stakeholders involved and to the support strategies developed and adopted by the Directorate of Standards Setting and Development. The latter include:

- **A fast tracking mechanism for the registration of qualifications**
  This mechanism included the development of strategic plans in collaboration with originators of standards and qualifications and used already existing measures such as interim registration, the registration of new standards, and recording of short learning programmes. These mechanisms were designed with particular emphasis on the fast tracking of learnership related qualifications in order to enable the skills development process to move ahead.

- **A support strategy for the SGBs**
  Through this strategy an NSB "link-person" is identified for each SGB and this, together with the provision of additional support such as financial and human resources, and capacity building, has accelerated the formation of SGBs and helped with speedier standards writing.

- **Client service standards for the registration of standards and qualifications**
  The Directorate operated a four month turn- around period from the time standards are delivered to SAQA to registration on the NQF. This turn-around period is inclusive of a wide consultative process with a period of thirty days for public comment.

**Interim Registration of Existing Qualifications**

In addition to the ground breaking work in the area of generation and registration of new standards and qualifications SAQA was also engaged in the interim registration of existing qualifications. 8858 submissions were received by SAQA for interim registration. A total number of 6 808 qualifications were accepted. The closing date for this was 30 June 1998.

By 30 June 2000 most of these qualifications had been transformed into the agreed outcomes-based format and sent to SAQA by providers. All major institutions complied with this submission deadline. These qualifications have been evaluated and the necessary revisions actioned. 5 324 of these interim-registered qualifications are now on the National Learners´ Records Database (NLRD) as part of the project to populate it for future use.

**Accreditation of Education and Training Quality Assurance Bodies (ETQAs)**

The accreditation of Education and Training Quality Assurance bodies has been the major focus of the Quality Assurance and Development Directorate. Efficient and

effective systems and procedures have been developed to enable SAQA to respond to its clients. In establishing a national quality assurance system, SAQA has already accredited the following 12 ETQAs:

- Mining Qualifications Authority (MQA)
- Tourism and Hospitality Education and Training Authority (THETA)
- Banking Sector Education and Training Authority (BANKSETA)
- Clothing, Textile, Footwear, and Leather Sector Education and Training Authority
- Media, Advertising, Printing, Publishing, and Packaging (MAPPP)
- Information Systems, Electronics, and Telecommunication Technologies (ISETT)
- Services Sector Education and Training Authority (SERVICES)
- Construction Education and Training Authority (CETA)
- South African Nursing Council
- Security Officers Board
- South African Institute for Chartered Accountants (SAICA)
- Council on Higher Education (CHE)

The following six organisations are in the final stages of the accreditation process:

- Chemical Industries Education and Training Authority (CHIETA)
- Education, Training, and Development Practices Sector Education and Training Authority (ETDP SETA)
- Energy Sector Education and Training Authority (ESETA)
- Transport Education and Training Authority (TETA)
- Wholesale and Retail Sector Education and Training Authority (W&R SETA)
- Professional Accreditation Body for Health and Skincare

SAQA has maintained its close working relationship with the Department of Labour to ensure that the emerging SETAs have all the necessary support. SAQA has participated in workshops and the SETA forum, as well as working on the various project committees that have been established by the Department of Labour under the Labour Market Skills Development Programme (LMSDP).

**Private Higher Education Institutions accreditation**

In 1998, SAQA accepted the responsibility to assist the Department of Education in the process of accrediting and registering Private Higher Education Institutions (PHEI) on behalf of the Council on Higher Education (CHE). The CHE, with its Higher Education Quality Committee (HEQC), was not yet in a position to assume its

responsibility for the accreditation process.

The aim of the Higher Education Act (No 101 of 1997) is to regulate the private providers of higher education to assure delivery of quality programmes. In this regard, SAQA initiated an important process to ensure that quality learning would take place in the private sector. Through this process, learners would be assured of the quality of their qualifications, and articulation across institutions and portability of qualifications, would be enabled.

The accreditation and registration process had a direct impact on the quality of provisioning and has alerted providers, both private and public, to the need for programmes to provide learners with applied competence, experience and knowledge, that meet the needs of the relevant industry. The accreditation process, implemented by SAQA, brought private provisioning in South Africa into a regulatory framework for the first time.

SAQA has processed 1502 applications for accreditation of learning programmes. Of these, 111 were accredited as being of the required standard, 502 were conditionally accredited with certain matters requiring attention before they could be fully accredited, and 889 were not accredited. From a total of 361 institutions that applied for accreditation, 327 were accredited for all or some of their learning programmes while 34 were required to reconfigure their learning programmes to meet higher education requirements.

SAQA has, as of February 2001, accredited the Council on Higher Education as an ETQA, and accreditation responsibility for Private Higher Education Institutions now rests with that body.

**Evaluation of Educational Qualifications**

The Centre for the Evaluation of Educational Qualifications (CEEQ), formerly housed at the Human Sciences Research Council (HSRC), determines the equivalence between foreign and South African qualifications and recommends possible levels of recognition. The efficiency of CEEQ is borne out through the high turn around achieved during the past year, 4 540 applications for evaluation processed and 3 000 certificates of evaluation issued.

**The National Learners´ Records Database**

The National Learners´ Records Database (NLRD) will provide a fully comprehensive service as the electronic management information system of the National

Qualifications Framework (NQF), reporting extensively on matters affecting learners. Developed by PriceWaterhouseCoopers Canada, with funding from CIDA (Canadian International Development Agency), programming of the software has been completed. The next major challenge for SAQA, in terms of the NLRD, is populating the system, especially the learner records and an NLRD Manager has been appointed to fulfil this role and to take the NLRD forward as the primary NQF repository and management tool.

The NQF information housed in the NLRD comprises details of qualifications and unit standards; all bodies involved in creating, administering, registering and providing qualifications and unit standards (NSBs, SGBs, ETQAs, Providers and Assessors); and all learners who have obtained them.

The loading of learner records is in progress, and several million records will soon be received. Key suppliers of this information are the South African Certification Council (SAFCERT), the national Department of Education (especially their HEMIS and FETMIS), the Register of Graduates of the Human Sciences Research Council, and all accredited Sector and Education and Training Authorities (SETAs). The learner records acknowledge attainment of achievements such as Grade 12; qualifications from technical colleges, universities, technikons and private higher education institutions; adult basic education and training; and all accredited training offered by SETAs.

As a rapidly expanding system, the NLRD requires constant consultation with its stakeholders. This is obtained via its monthly Information Technology Advisory meetings, and a Stakeholders´ Planning Day during February 2001, as well as meetings with individual information providers when required.

As at March 2001, there were 138 717 learner records, 7 506 qualifications and 594 unit standards stored on the NLRD. It is envisaged that the total number of learner records will exceed 40 million, once all records have been received from the key sources.

In terms of disseminating information such as registered qualifications or learner achievement trends, the major point of access will be via searchable data files of all NLRD information that is public domain, on the SAQA website.

In fulfilling its brief as the management information system of the NQF, the NLRD will contribute to informed policy decisions at a national, regional and institutional level regarding education and training and human resources development, industry development, and the deployment of available resources.

**Recording of short courses**

SAQA is cognisant of the role of quality short course provision in education and training. As a result, SAQA initiated and implemented the recording of provider and course data. Workshops were conducted at key centres across the country to liaise and provide stakeholders and service providers with accurate information on the recording of short courses.

In total 228 providers participated in the recording process and as a result SAQA captured data relating to 3 053 short courses. Providers were assured of a process whereby their work can be considered and acknowledged in the SAQA standards setting process. Furthermore, their participation is indicative of their willingness to be part of quality assurance processes for their area as soon as they are in place.

**Key policy documents**

**Further Education and Training Certificate (FETC)**

The purpose of the FETC is to equip learners with knowledge, skills, and values that enable meaningful participation in improving continuous learning in higher education and training and in enabling learners to be productive and responsible in the workplace. The underlying principle in the design of an FETC is that qualification design must favour the principle of 'dove-tailing´, i.e. exiting one qualification must lead directly to entry in one or more qualifications at the same or higher level of the NQF. To assist providers, SAQA developed guidelines on the registration of Further Education and Training Certificate (FETC) qualifications on the NQF.

**General Education and Training Certificate (GETC)**

The General Education and Training Certificate (GETC), which includes young learners in formal schooling as well as adults in the workplace, promotes learning across the spectrum that accommodates the uniqueness of each learner. The development of policy guidelines for the registration of GETC is in the process of consultation.

**Language Policy for SAQA**

The Language Policy developed by SAQA supports the promotion of the eleven official languages as required by the Constitution. In both the FETC and GETC policy documents, SAQA has supported the national priority of promoting multi-lingualism

by suggesting that all FETC and GETC qualifications include at least 20 credits in each of two official languages.

**Level Descriptors for the NQF**

SAQA has developed a discussion document to enable debate and the piloting of level descriptors, which enable proposers of qualifications to peg qualifications at the appropriate level.

**Implementation of Information and Communication Technology (ICT)**

SAQA has implemented a sophisticated and leading edge management information systems environment during the year 2000. Other developments include: the implementation of a document management system, the provision of a customer relationship management system and the upgrading of the financial system to support a multi-user environment. Databases were also developed and populated for the tracking of Private Higher Education Institutions' learning programme accreditation, registration of Short Courses information, and the Interim II qualification registration processes. To support smooth organisational implementation IT training was provided during the course of 2000 to all SAQA staff concerning all corporate information systems, implementations and upgrades.

During the course of the year, SAQA´s network infrastructure was successfully expanded to accommodate the office space in the Waterkloof Centre to give staff access to all corporate information systems.

During November 2000, IBM assisted Information and Information Technology in the development of an IT Strategy, which concentrated on the areas of IT training, NLRD integration, and I&IT service delivery.

SAQA´s corporate image was hugely enhanced by the implementation of an upgraded SAQA homepage on the Internet. An Intranet has also been implemented to serve internal communication requirements.

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**PUBLIC RELATIONS**

SAQA communicated its objectives, internally and externally, through a variety of communication and marketing initiatives. A major tool in the enhancement of internal

communications was the development and installation of the SAQA Intranet. Various activities were implemented through the media, the SAQA website, participation in public debates, seminars presentations, and workshops.

For the first time, SAQA, with financial support from the European Union, embarked on a focused awareness and marketing drive, through its Advocacy Campaign. This is designed to highlight the role of SAQA in ensuring the development and implementation of the NQF and, through a series of public relations events, ascertain how SAQA can better serve its client base.

**Exhibitions and Conferences**

Promotional materials were distributed to stakeholders at the following events:

- The European Union project launch to formally acknowledge the contribution of the European Union to SAQA´s activities was held at Alexandra Technical College on 15 May 2000. The theme of the launch was "Partnership through Quality Education and Training".

- World Environment Week held at the Department of Environmental Affairs and Tourism on 5-8 June 2000.

- ETQA-SETA Conference held at Saint George Hotel, Kempton Park on 7 June 2000.

- South African Police Services Conference for Training of Managers held at Roodevallei Resort, Pretoria on 21 June 2000. The NLRD was the main focus at this conference.

- GZT Qualification Africa 2000 Conference and Exposition on Human Resources Developmentheld at Gallagher Estates on 6 - 8 September 2000

- "Educating South Africa" Human Resource Development Conference held at Gallagher Estates on 28 September to 1 October 2000

- Commonwealth Association for Public Administration and Management (CAPAM)- International Conference held in Cape Town on 15 -18 October 2000. The main purpose was to showcase the NLRD

- The National Skills Authority Conference - held at Gallagher Estates on 22-23 February 2001 to launch the National Skills Development Strategy

**Resource and Information Centre**

The Resource and Information Centre provided support services to SAQA staff and to the public to enable them to carry out their mandate of developing and implementing the NQF. Support was enhanced in the past year through the acquisition of services such as Legi-Link (which monitors Parliamentary procedures), the South African Statutes Online, and the South African Gazette online.

The Resource Centre catalogued and indexed the Centre for Evaluation of Educational Qualifications´ (CEEQ) collection and 'non-book´ material. Records of this material have been created in the InMagic database, which is now easily accessible to all SAQA staff.

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## ORGANISATIONAL CHALLENGES

### Quality Assurance

The major challenge facing SAQA is the establishment of a coherent, national quality assurance system that ensures quality provisioning for all learners in the South African system. This will require careful negotiation and the commitment of all organisations that have quality assurance as part of their function. The accreditation of the remaining SETAs and critical professional bodies as ETQAs is part of this challenge.

During the next financial year, the establishment of an effective and credible monitoring and auditing system for ETQAs will be a priority. Plans are in place to establish and pilot a system that will form the basis for future operations in this area. Research has also been commissioned in the development of a funding model for ETQAs.

SAQA has also prioritised the establishment of policy for Recognition of Prior Learning (RPL) because of its critical role in dealing with issues of redress.

### Registration of National Standards Bodies (NSBs)

The registration of National Standards Body (NSBs) members for the next three-year cycle will begin. Strategies are being planned to ensure efficient and effective functioning of the next cycle of NSB members and these will build on the lessons

learnt during the first phase. A priority is to encourage participation of women and to ensure that they assume leadership roles on the NSBs.

## Standards Generating Bodies

The generic Standards Generating Bodies (SGB) that have been identified by the Higher Education sector will require effective management. Five SGBs will be established to generate the BA, BComm, BSc, Engineering, and LLB degrees. The process is being managed jointly by the South African Universities´ Vice-Chancellors´ Association (SAUVCA), the Committee of Technikon Principals (CTP) and SAQA. The success of this project will augur well for the remaining qualifications in the Higher Education sector that have not been addressed by registered SGBs as yet.

## Further Education and Training

The development of standards for the Further Education and Training Certificate (FETC), especially for the school sector, is a challenge that faces both the Department of Education and SAQA. A task team with representatives from both, is presently managing the process. Learning areas have been identified for the first round of standards generation.

## National Learners' Records Database

The power of the NLRD as a Management Information System (MIS) will be communicated broadly as part of the implementation of the system. Communication strategies incorporating various media tactics will be developed to disseminate information extracted from the NLRD regarding accredited ETQAs, accredited qualifications, learner achievement trends, etc.

Other challenges to be met by the National Learners´ Records Database over the next year include:

- The appropriate expansion of the NLRD user base outside SAQA, with user access allocated to groupings such as SGBs

- Several million learner records will be loaded to acknowledge learners´ attainment of achievements such as: Grade 12; qualifications from technical colleges, universities, technikons, and private higher education institutions;

adult basic education and training; and all accredited training offered by SETAs

- Utilisation of the NLRD for updating and report-writing purposes will be integrated into all of SAQA´s internal work processes

- The provision of relevant computer-based training to all NLRD users, internally and externally

**Communications**

An exciting activity for SAQA in 2001-2002 will be the launch and implementation of its advocacy campaign, SAQA´s first co-ordinated interaction with the public around its role in the development and implementation of the NQF.

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**DELIVERY THROUGH INNOVATIVE INFRASTRUCTURE BUILDING**

During the past year, infrastructure development became critical for SAQA to achieve its objectives with minimal difficulty.

Within a short period of three years, the organisation has spearheaded the development of new practices in the training and education system. As a result, benchmarks for global competitiveness and service delivery have been identified. SAQA´s use of its legal prerogative to function as an interim ETQA for Private Higher Educationl Institutions (PHEI), as well as in leading the formulation of several critical policy documents are illustrative of its proactive building of the NQF.

SAQA has improved its information management system to be able to deliver on competitive standards and quality. The bridging of the existing digital divide is reflected in the organisation´s mechanisms for infrastructure deployment and data management.

SAQA´s e-strategy extends beyond the ordinary website applications to incorporate faxing, a Management Information System (MIS), and a Customer Relations Management System (CRMS).

In executing its mandate and establishing implementation infrastructure, SAQA formed strategic alliances and partnerships with the Departments of Education and of

Labour, private and public providers, international corporate companies, small businesses, learners, and educators.

SAQA continues to enjoy a positive relationship with its international sponsors such as the Canadian International Development Agency (CIDA), the Danish International Development Agency (DANIDA), and the European Union (EU). In addition, the organisation has produced indicators to benchmark its work with other countries including Mexico, Australia, New Zealand, England, Scotland, and the United States of America.

Based on the relationships established, links and networks have been set up for the exchange of information and experiences within the Southern African Development Community (SADC). In this regard, it is envisaged that SAQA´s website will shortly be linked to the SADC Human Resource Development Office's website.

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**THE SOCIAL PARTNERS OF THE SOUTH AFRICAN QUALIFICATIONS AUTHORITY**

## DONOR PARTNERSHIPS

SAQA is proud of its international partnerships, which have been developed in a spirit of mutual respect and co-operation and which are directed towards the realisation of a world class education and training system for South Africa. Over the past year, donor support played a significant role in SAQA´s achievements.

### European Union (EU)

As part of its 1998 European Programme for Reconstruction and Development in South Africa, the Commission of the European Union agreed to substantially assist the work of SAQA in developing and implementing the NQF. This support (fourteen

million Euros) is scheduled to continue until December 2003 and is targeted towards the achievement of SAQA´s key deliverables and towards organisational growth and development. In the past twelve months, the support of the Commission has enabled SAQA to:

- Acquire and maintain physical infrastructure appropriate to the delivery of its mandate

- Supply the necessary human and financial resources to develop, maintain and upgrade the SAQA´s considerable I & IT infrastructure

- Ensure financial and human resource capacity to enable the Standards Setting and Quality Assurance process - supporting the work of the 12 National Standards Bodies, the establishment of Standards Generating Bodies,the evaluation and registration of qualifications and the accreditation of ETQAs

- Facilitate organisational and stakeholder capacity development through a range of interventions including: I & IT training, project management training, development of in- house and stakeholder standards setting, registration and evaluation skills, development of participatory capacity among stakeholder bodies, development and production of resource and training materials

- Develop in-house research capacity, critical for the development and evaluation of policies, and regulatory frameworks and procedures, in relation to implementation of the NQF

- Maintain and develop a Resource and Information Centre and support the publication and dissemination of SAQA's policies and guidelines to stakeholders and the public

- Embark on an advocacy campaign to publicise the NQF and the role of SAQA in its implementation

The support of the Commission of the European Union has significantly contributed to SAQA's remarkable progress in the delivery of the NQF objectives over the past year.


**Canadian International Development Agency (CIDA)**

The Government of Canada, through the Canadian International Development Agency (CIDA), has been a partner of SAQA since 1997. During this period, the partnership has provided Canadian resources in three key areas:

- organisation development support to assure sustainability
- support for the implementation of standards setting and quality assurance systems
- development of the National Learners´ Records Database

The results of the SAQA/CIDA partnership are the implementation of:

- an annual Performance Management Contract system for all SAQA managers, allowing for clear statements of commitment and agreed measures of performance
- Results-Based Management throughout the organisation
- Quality Service Standards for all communication between SAQA, its stakeholders, and the public
- a Communications Office with appropriate staff
- an Information Resource Centre on the NQF
- an Information and Technology network for SAQA staff, including Lotus Notes

At the request of SAQA, the Departments of Education and of Labour, and CIDA have agreed to fund a second phase of the partnership. It would focus on building leadership capacity in the implementation of the NQF in the Further Education and Training band. The Ontario Ministry of Training, Colleges, and Universities would continue to be the executing agent for the extended partnership that would be completed by 2004.

**Danish International Development Agency (DANIDA)**

The Danish International Development Agency (DANIDA) has assisted SAQA in the form of three projects over the past three years. These are the:

- development of operational capacity and the fast-tracking of the registration of standards and qualifications for learnerships
- formation and setting up of seven Standards Generating Bodies in the field of education
- the establishment of a SADC desk to promote the improvement of infrastructure and the standards of education in the region.

The project team reviewed the successes of the operational capacity building and fast-tracking assistance that was concluded in July 2000. Capacity building covered the acquisition of equipment and vehicles, as well as the funding of certain critical positions until July 2000.

A number of standards and qualifications has already been registered through the fast tracking process. The assistance involved the funding of costs regarding workshops and meetings, information dissemination and documentation, stakeholder consultations, and activities in respect of the National Access Consortium Western Cape. Included in the registered standards and qualifications are those in respect of Hospitality, Tourism, Travel, Leisure and Gaming and Carpentry and Bricklaying.

The Standards Generating Bodies whose set-up was supported by DANIDA were the following:

- Adult Basic Education Practitioners
- Higher Education and Training Practitioners
- Schooling
- Development Practitioners
- Assessor standards
- Early Childhood Development
- Teacher Training

With the assistance provided by the DANIDA, SAQA was able to send delegates to a number of SADC workshops held before and during the 2000/2001 year. As a result of consultation, a protocol for an Education and Training framework in the region is being developed. SADC member states are involved in this process.


**British Council**

The British Council supported the Directorate: Standards Setting and Development through facilitating the development of study visits and links with the Scottish Qualifications Authority (SQA) and the Qualifications and Curriculum Authority (QCA) in the United Kingdom. During the SAQA visit to QCA the latest developments regarding level descriptors and qualification structures were explored. Subsequently, the Head of Research of the QCA visited SAQA to assist it with the formulation of a research and development strategy.

The visit to SQA afforded SAQA the opportunity to review standard setting processes in Scotland, and facilitated the development of a framework for a joint short-term project between SAQA andSQA.

**Ford Foundation**

Funding was received from the Ford Foundation by the Directorate: Quality Assurance and Development for the research, development and documentation of Quality Management Systems for ETQAs.

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## BUDGET AND FUNDING

SAQA has received an unqualified audit report after an audit by the Office of the Auditor-General. Internal controls in respect of operations are continuously improved to ensure accountability at the correct levels.

SAQA received funding from a number of sources including the South African Government, which provided 22% of SAQA´s funding. DANIDA provided funding for seven SGBs within the organising field of education, training, and development.

Since September 1999, the European Union has provided most of the funding for standards setting activities. The development of the software for the NLRD was funded by CIDA and executed by PriceWaterhouseCooper's team in Canada.

There are presently no fees attached to the accreditation of ETQAs. Costs are covered from SAQA´s budget. However, SAQA is in the process of formulating an income generation strategy to ensure that it becomes self-sufficient.

The estimated budget for the year 2001/2002 is approximately R36.8m, R11,8m higher than the budget approved in the initial five-year business plan. This is the result of a backlog of activities carried forward due to insufficient funding in the first two years of operation.

The funding for the 2001/2002 year budget consists of funds from:

- The European Union (EU)                        - R26.1
- The national government (Department of    million
  Education)                                            - R6 million
- Danish International Development            - R2.7 million
  Agency (DANIDA)                                  - R 0,8 million
- Human Science Research Council (HSRC) - R1.2 million

- Internally generated funds

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## CONCLUDINGREMARKS

The success of the development and implementation of the NQF rests on SAQA´s innovative infrastructure and the participation of all stakeholders. In the last year, SAQA has demonstrated courage and maturity in achieving its objectives and fulfilling its statutory mandate.

The development of key policy documents to guide, support, and inform stakeholders has been a great success. Equally successful, has been the setting up of joint implementation plans involving SAQA and its strategic partners in education and training. This will ensure coherent policy implementation and prevent fragmentation of the existing education and training system.

The result of these endeavours has begun to impact on learners within the system, ensuring that they benefit from the culture of quality lifelong learning provisioning.

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## REPORT OF THE AUDITOR-GENERAL
### ON THE FINANCIAL STATEMENTS OF THE SOUTH AFRICAN QUALIFICATIONS AUTHORITY FOR THE YEAR ENDED31 MARCH 2001

### 1. Audit assignment

The financial statements as set out on pages 23 to 28 for the year ended 31 March 2001, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 3 and 5 of the Auditor-General Act, 1995 (Act No. 12 of 1995) and section 13 of the South-African Qualifications Authority Act, 1995 (Act No. 58 of 1995). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements and compliance with relevant laws and regulations, applicable to financial matters, based on the audit.

### 2. Regularity audit

**2.1 Nature and scope**

2.1.1 Financial audit

The audit was conducted in accordance with generally accepted government auditing standards which incorporate generally accepted auditing standards. These standards require the audit to be planned and performed to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- assessing the accounting principles used and significant estimates made by management; and
- evaluating the overall financial statement presentation.

I believe that the audit provides a reasonable basis for my opinion.

2.1.2 Compliance audit

Furthermore, an audit includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations which came to my attention and are applicable to financial matters.

I believe that the audit provides a reasonable basis for my opinion.

**2.2 Audit opinion**

2.2.1 Financial audit

In my opinion, the financial statements fairly present, in all material respects, the financial position of the South-African Qualifications Authority at 31 March 2001 and the results of its operations and cash flows for the year then ended in accordance with prescribed accounting practice and in the manner required by the relevant act.

2.2.2 Compliance audit

Based on the work performed nothing has come to my attention that causes me to believe that material non-compliance with laws and regulations applicable to financial matters has occurred.

## 3. Emphasis of matter

Without qualifying the audit opinion expressed above, attention is drawn to the following matters:

### 3.1 Submission of budget for the 2001/2002 financial year

The accounting authority must, in terms of section 53(1) of the Public Finance Management Act, submit to the executive authority a budget of estimated revenue and expenditure at least six months before the start of the financial year.

The Finance Committee only approved the budget for the 2001/2002 financial year on the 21st of January 2001 and the accounting authority approved the budget on 14 February 2001.

The Minister of Education subsequently approved the budget on 3 May 2001.

### 3.2 National Learner Record Database (NLRD)

As explained in Note 4 to the Financial Statements, the Canadian International Development Agency, in co-operation with PriceWaterhouse Coopers in Canada is busy with a project to develop the NLRD for SAQA´s benefit. The asset will be donated to SAQA once the development is finished at which date it will be capitalised at cost. It is expected that SAQA will receive economic benefits from 2003.


## 4. Appreciation

The assistance rendered by the South African Qualifications Authority during the audit is sincerely appreciated.


_____
for Auditor-General

Pretoria
28 June 2001

**Income Statement of the South African Qualifications Authority for the yearended 31 March 2001**

|  | Notes | 2000/2001 R | 1999/2000 R |
|---|---|---|---|
| Revenue for the year | 2 | 27,405,383 | 18,913,395 |
| Less: Operating expenses for the year | 3 | 28,195,916 | 15,747,036 |
| (Deficit)/surplus for the year |  | (790,533) | 3,166,359 |

**Statement of changes in equity of the South African Qualifications Authority for the year ended 31 March 2001**

|  | Notes | Accumulated surplus / (deficit) | Total |
|---|---|---|---|
| **1999/2000** |  |  |  |
| Opening balance |  | 3,642,753 | 3,642,753 |
| Surplus for the year |  | 8,156,772 | 8,156,772 |
| Closing balance as previously stated |  | 11,799,525 | 11,799,525 |
| Adjustment due to change in accounting policy | 1 | (4,990,413) | (4,990,413) |
| Closing balance |  | 6,809,112 | 6,809,112 |
| **2000/2001** |  |  |  |
| Opening balance |  | 6,809,112 | 6,809,112 |
| (Deficit) for the year |  | (790,533) | (790,533) |
| Closing balance |  | 6,018,579 | 6,018,579 |

**Balance Sheet of the South African Qualifications Authority as at 31 March 2001**

|  | Notes | 31 March 2001<br>R | 31 March 2001<br>R |
|---|---|---|---|
| **ASSETS** | | | |
| | | | |
| NON-CURRENT ASSETS | | 2,124,410 | 2,385,785 |
| | | | |
| - Computer equipment | | 893,332 | 1,079,783 |
| - Motor vehicles | | 47,434 | 68,516 |
| - Office furniture & equipment | | 1,121,112 | 1,099,464 |
| | 5 | 2,061,878 | 2,247,763 |
| - Leasehold improvements | 6 | 62,532 | 138,022 |
| CURRENT ASSETS | | 9,935,727 | 12,086,677 |
| - Accounts receivable - other | | 417,320 | - |
| - Cash and cash equivalents | 7 | 8,023,089 | 10,792,898 |
| - Consumable stock | | 52,345 | 32,139 |
| - Prepaid expenses | 8 | 402,921 | 987,777 |
| - Receiver of Revenue: VAT | | 1,040,052 | 273,863 |
| | | | |
| **TOTAL ASSETS** | | **12,060,137** | **14,472,462** |
| **EQUITY AND LIABILITIES** | | | |
| | | 6,018,579 | 6,809,112 |
| EQUITY | | | |
| - Accummulated surplus | | 6,018,579 | 6,809,112 |
| | | | |
| CURRENT LIABILITIES | | 6,041,558 | 7,663,350 |
| - Accounts payable | | 2,609,905 | 2,577,769 |
| - Deferred income | | 3,282,452 | 4,990,412 |
| - Payroll creditors | | 149,201 | 95,169 |
| | | | |
| **TOTAL EQUITY AND LIABILITIES** | | 12,060,137 | 14,472,462 |

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**Cash flow statement of the South African Qualifications Authority for the year ended 31 March 2001**

|  | Notes | 2000/2001 R | 1999/2000 R |
|---|---|---|---|
| **Cash flow: Operating activities** | 9 | (1,691,766) | 11,249,524 |
| Government grant received | | 6,000,000 | 6,000,000 |
| Cash receipts from customers | | 1,783,088 | 3,148,003 |
| Cash payments to suppliers and employees | | (29,097,149) | (7,663,871) |
| | | | |
| Net cash flow (utilised for)/ generated by activities | | (21,314,061) | 1,484,132 |
| Interest received | | 123,552 | 143,338 |
| Other income: Donor funding | 2 | 19,498,743 | 9,622,054 |
| **Cash flow: Investing activities** | | (1,078,043) | (1,232,590) |
| Acquisition of assets | | (1,078,043) | (1,232,590) |
| - Additions | 5,6 | (1,078,043) | (1,232,590) |
| | | | |
| Net (decrease)/ increase in cash and cash equivalents | | (2,769,809) | 10,016,934 |
| Cash and cash equivalents at the beginning of the year | | 10,792,898 | 775,964 |
| Cash and cash equivalents at the end of the year | 7 | 8,023,089 | 10,792,898 |

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**Notes to the annual financial statements of the South African Qualifications Authority for the year ended: 31 March 2001**

**1. Accounting policies**

1.1 Change in accounting policy
From the current year donor funding is recognised in the income statement as revenue when SAQA becomes entitled to such funds based on funded expenditure for the relevant period in line with the principle of deferred income. Donor funding was previously recognised when payment was effected by the donor. Comparative figures in this respect have been restated for the previous financial year.

## 1.2 Revenue

Revenue is recognised in the income statement on the deferred income basis. The government grant is paid to the Authority on a quarterly basis. When payment is effected by a donor, funds are treated as deferred income until such time as the funds have been committed.

## 1.3 Depreciation

Depreciation on non-current assets is written off using the straight-line method over the estimated useful life of the asset.
- Office furniture & equipment 20%
- Computer equipment 33%
- Motor vehicles 20%

Assets with a purchase price of less than R1 000 are written off to the income statement on purchase.

|  | 2000/2001 | 1999/2000 |
|---|---|---|
| **2. Revenue for the year** | R | R |
| - Donor funding | 19,498,743 | 9,622,054 |
| - Evaluation fees | 605,506 | 386,295 |
| - Government grant | 6,000,000 | 6,000,000 |
| - Interest received | 123,552 | 143,338 |
| - Licensing fees | 457,868 | 2,749,922 |
| - Short courses fees | 711,276 | - |
| - Sundry income | 8,438 | 11,786 |
|  | 27,405,383 | 18,913,395 |

## 3. Operating expenses for the year

Operating expenses for the year are shown after taking into account the following:

|  | 2000/2001 | 1999/2000 |
|---|---|---|
| - Depreciation | 1,029,945 | 594,388 |
| Office furniture and equipment | 325,167 | 245,143 |
| Computer equipment | 683,696 | 328,163 |
| Motor vehicles | 21,082 | 21,082 |
| - Personnel costs | 9,072,768 | 6,043,405 |

## 4. National Learners' Records Database

An asset for the benefit of SAQA is being developed by a Canadian consultant with assistance from the Canadian International Development Agency. The asset will be capitalised when the development has been completed and the cost ascertained. The asset is not fully operational and therefore does not yet meet all recognition criteria. Economic benefits from the asset are expected to flow to SAQA from the 2002/2003 financial year.

**5. Non-current assets**

| | TOTAL | Office furniture and equipment | Computer equipment | Motor vehicles |
|---|---|---|---|---|
| 2000/2001 | R | R | R | R |
| Carrying value at the beginning of the year | 2,247,764 | 1,099,465 | 1,079,783 | 68,516 |
| Gross carrying value | 3,294,614 | 1,510,061 | 1,679,145 | 105,408 |
| Accumulated depreciation | (1,046,850) | (410,596) | (599,362) | (36,892) |
| Acquisitions | 844,059 | 346,814 | 497,245 | - |
| Depreciation | (1,029,945) | (325,167) | (683,696) | (21,082) |
| Carrying value at the end of the year | 2,061,878 | 1,121,112 | 893,332 | 47,434 |
| Gross carrying value | 4,138,673 | 1,856,875 | 2,176,390 | 105,408 |
| **1999/2000** | | | | |
| Accumulated depreciation | (2,076,795) | (735,763) | (1,283,058) | (57,974) |
| Carrying value at the beginning of the year | 1,705,585 | 916,840 | 699,147 | 89,598 |
| Gross carrying value | 2,158,048 | 1,082,294 | 970,346 | 105,408 |
| Accumulated depreciation | (452,463) | (165,454) | (271,199) | (15,810) |
| Acquisitions | 1,136,566 | 427,767 | 708,799 | - |
| Depreciation | (594,388) | (245,143) | (328,163) | (21,082) |
| Carrying value at the end of the year | 2,247,763 | 1,099,464 | 1,079,783 | 68,516 |
| Gross carrying value | 3,294,614 | 1,510,061 | 1,679,145 | 105,408 |
| Accumulated depreciation | (1,046,851) | (410,597) | (599,362) | (36,892) |

|                                                    | 2000/2001   | 1999/2000  |
|----------------------------------------------------|-------------|------------|
| **6. Leasehold improvements**                      |             |            |
| Carrying value at the beginning of the year        | 138,022     | 112,277    |
| Expended during the year                           | 233,984     | 96,023     |
| Amount amortised                                   | (309,474)   | (70,278)   |
| Carrying value at the end of the year              | 62,532      | 138,022    |

Improvements were effected to the leased premises which are leased for 60 months from May 1998. An option to purchase the leased premises in terms of the lease agreement has been exercised at 31 October 2000 at the price of R6 070 500. The cost will be capitalised at this value after the sale has been finalised. This is subject to the approval by the Minister of Finance of a loan to the value of R3 200 000 which will be obtained to finance the purchase of the premises against security of the premises.

|                                                    | R           | R          |
|----------------------------------------------------|-------------|------------|
| **7. Cash and cash equivalents**                   |             |            |
| Balance per bank statement                         | 38,615      | 551,086    |
| Uncleared payments                                 | (1,235,024) | (795,140)  |
| Bank overdraft/Cashbook balance                    | (1,196,409) | (244,054)  |
| Petty cash                                         | 500         | 500        |
| European Union bank and cashbook balance           | 6,989,964   | 8,034,649  |
| DANIDA bank and cashbook balance                   | 2,229,034   | 3,001,803  |
|                                                    | 8,023,089   | 10,792,898 |

|                                                    | 2000/2001   | 1999/2000  |
|----------------------------------------------------|-------------|------------|
| **8. Prepaid expenses**                            |             |            |
| Balance at the beginning of the year               | 987,777     | 1,156,712  |
| - Lease rentals for April 2000 to July 2001        | 676,013     | 1,156,712  |
| - Maintenance contracts: April 2000 to Oct 2003    | 305,815     |            |
| - Insurance: April 2000 to March 2001              | 5,949       | -          |
| Amounts paid during the year                       | 85,497      | 384,932    |
|                                                    |             |            |
| - Maintenance contracts                            | -           | 333,616    |
| - Insurance                                        | 85,497      | 51,316     |
| Amounts amortised during the year                  | (670,353)   | (553,867)  |
| - Lease rentals                                    | (522,968)   | (480,699)  |
| - Maintenance contracts                            | (66,723)    | (27,801)   |

| | | |
|---|---:|---:|
| - Insurance | (80,662) | (45,367) |
| Balance at the end of the year | 402,921 | 987,777 |
| - Lease rentals for April 2001 to July 2001 | 153,045 | 676,013 |
| - Maintenance contracts: April 2001 to Oct 2003 | 239,092 | 305,815 |
| - Insurance: April 2001 | 10,784 | 5,949 |

**9. Reconciliation of surplus and Cash flow : Operating activities**

| | | |
|---|---:|---:|
| (Deficit)/surplus per income statement | (790,533) | 3,166,359 |
| (Increase)/decrease in current assets | (618,859) | 189,596 |
| (Decrease)/increase in current liabilities | (1,621,792) | 7,228,904 |
| Non-cash items: depreciation and amortisation | 1,339,418 | 664,665 |
| Cash flow: Operating activities | (1,691,766) | 11,249,524 |

## CORPORATE GOVERNANCE

Whilst the management structure of SAQA is somewhat different from that of a private corporation, it is committed to the principles of openness, integrity, and accountability reflected in the King Code of Corporate Practices and Conduct.

The 29 members of the Authority, who are nominated by national stakeholders in education and training, and appointed by the Minister of Education, in consultation with the Minister of Labour, for a three year term, direct the affairs of SAQA.

An Executive headed by the Executive Officer, who is also a member of the Authority, and a management team of directors and managers who manage the business on a day-to-day basis, assists the Authority.

The Authority meets approximately six times a year to review the operation and performance of SAQA and matters relating to organisational strategy, business planning, policies, and approval of budgets, major contracts, and commitments.

The functions of the Authority are to:

1. Oversee the development of the NQF, by formulating and publishing policies and criteria for the registration of bodies responsible for:

   - establishing education and training standards or qualifications

- the accreditation of bodies responsible for monitoring and auditing achievements in terms of such standards or qualifications

2. Oversee the implementation of the NQF by ensuring the registration, accreditation, and assignment of functions to the bodies referred to above, as well as the registration of national standards and qualifications on the framework. The Authority must also take steps to ensure that provisions for accreditation are complied with and where appropriate, that registered standards and qualifications meet international requirements.

The Authority currently has the following Committees:

- Committee chaired by Dr Mokubung Nkomo
- NSB Sub-committee chaired by Mrs Shirley Steenekamp
- ETQA Sub-committee chaired by Mr David Adler
- Finance Committee chaired by Mr Ken Mockler
- IT Advisory Committee chaired by Mr Samuel Isaacs
- European Union Project Steering Committee chaired by Dr Mokubung Nkomo
- Audit Committee chaired by Mr Ken Mockler

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## RESPONSIBILITY STATEMENT

The Authority is responsible for ensuring that financial statements are prepared based on appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates. The financial statements are prepared in accordance with generally accepted accounting practice, which are in harmony with International Accounting Standards.

The Authority is responsible for ensuring that adequate accounting records and an effective system of internal control are being maintained. To enable the Authority to meet its responsibilities, management maintains a system of internal control designed to provide reasonable assurance, in a cost-effective manner, that assets are safeguarded and that transactions are performed and recorded in accordance with SAQA policies and procedures.

The Authority believes that SAQA would continue to be a going concern for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The external auditor is the Auditor-General, who expresses an opinion on financial statements. His audit is conducted in accordance with Generally Accepted Government Auditing Standards. The audit includes a consideration of the system of internal financial controls and a test of transactions to the extent necessary to enable him to report on the fairness of presentation of the operating results, cash flows and financial position of SAQA.

The financial statements fairly present the state of affairs of SAQA at 31 March 2001, the results of its operations, and cashflow information for the year then ended. They were signed on behalf of the Authority on 13 June 2001 by the Chairperson and the Executive Officer for the year under review.

The Chairperson receives remuneration as determined by the Minister of Education, with concurrence of the Minister of Finance. Some non-executive members of the Authority and its structures receive allowances for services to SAQA as approved by the Authority, in addition to reimbursement of out-of-pocket expenses.

The Executive Officer was the only executive member of the Authority during the year under review. The Executive committee appoints executive members of the management and determines their remuneration. An external consultant assists the committee in determining all executive staff remuneration.

Remuneration and allowances paid to members of the Authority for the year under review were as follows:

| | |
|---|---|
| Executives | R431 482 |
| Non- Executives | |
| as members of the authority | |
| Chairman | R83,957 |
| as members of the authority | |
| other services | R61,180 |
| | R145,137 |

The Authority has approved a code of ethics for the Authority, the Management and participants in its structures.

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**MEMBERS OF THE AUTHORITY AS AT 31 MARCH 2001**

| MEMBER | POSITION | CONSTITUENCY |
|---|---|---|
| Mr David Adler | National Director, IEB | Discretionary appointment by the Minister |
| Ms Adrienne Bird | Chief Director, Department of Labour | Department of Labour |
| Dr André Dippenaar | Education and Training Adviser, Chamber of Mines | Organised business |
| Prof Wieland Gevers | Senior Deputy Vice-Chancellor, UCT | South African Universities´ Vice-Chancellors´ Association (SAUVCA) |
| Mr Dennis George | Assistant General, Secretary FEDUSA | Organised labour |
| Mrs Glenda Henning | Owner/ Manager, Palesa Training Consultants | Organised business |
| Mr Samuel B A Isaacs | Executive Officer, SAQA | Ex officio |
| Prof Nick Kok | Vice-Rector, Cape Technikon | Committee of Technikon Principals |
| Mr Jimmy Komana | Rector, Dr CN Phatudi College ofEducation | Committee of Colleges of Education Rectors of SA (CCERSA) |
| Dr Peliwe Lolwana | Executive Officer, South African Certification Council (SAFCERT) | Discretionary appointment by the Minister |
| Vacant | | Organised labour |
| Mr Aubrey Matlole | Director: National Education, SADTU | Organised teachingprofession |
| Ms Sebenzile Matsebula | Deputy Director, Office of the Status of Disabled Persons | Special Education Needs Sector (LSEN) |
| Mr Kenneth Mockler | Retired Chief Executive, SA Institute ofChartered Accountants | Discretionary appointment by the Minister |

| | | |
|---|---|---|
| Vacant | | Colleges other than Teachers´ and Technical Colleges |
| Mr Sam Morotoba | Director, Department of Labour | National Skills Authority (NSA) |
| Ms Sue Müller | Deputy Director, NAPTOSA | Organised teaching profession |
| Dr Mokubung Nkomo | Executive Director: Education& Training, HSRC | Chairperson appointed by the Minister |
| Mr Brian O´Connell | Superintendent-General, Western Cape Education Department | HEDCOM |
| Ms Rahmat Omar | Research Officer, Sociology of Work Unit, University of the Witwatersrand | Discretionary appointment by the Minister |
| Mr Shakeel Ori | Head: Co-operative Education, ML Sultan | Organisation Technikon representing lecturers and trainers |
| Dr Ihron Rensburg | Deputy Director-General General and Further Education and Training, Department of Education | Department of Education |
| Dr Mala Singh | Executive Director, Higher Education Quality Committee | Discretionary appointment by the Minister |
| Mrs Shirley Steenekamp | Director, Vocational, Higher Education Quality Committee | Committee of Technical College Principals |
| Ms Palesa Tyobeka | Chief Director, Human Resource Development and Equity, Department of Education | Discretionary appointment by the Minister |
| Ms Marietta Van Rooyen | Managing Director, Assessment College of SA (APPETD) | Organisation representing lecturers and trainers |
| Mr Spha Xulu | Chief Executive Officer, Rail Chamber | Discretionary appointment by the Minister |
| Vacant | | Adult Basic Education |

| | | and Training (ABET) |
|---|---|---|
| Ms Oumie Zungu | Head of Training at Woz´obona | Early Childhood Development (ECD) |

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## GLOSSARY OF ACRONYMS

| | |
|---|---|
| ABET | Adult Basic Education and Training |
| Act, the | South African Qualifications Authority Act No 58 of 1995 |
| Authority | South African Qualifications Authority |
| CEEQ | Centre for the Evaluation of Education Qualifications |
| CIDA | Canadian International Development Agency |
| CHE | Council on Higher Education |
| CTP | Committee of Technikon Principals |
| DANIDA | Danish International Development Agency |
| DoE | Department of Education |
| DoL | Department of Labour |
| EU | European Union |
| ETQAs | Education and Training Quality Assurance Bodies |
| FETC | Further Education and Training Certificate |
| FETMIS | Further Education and Training Management Information Systems (DoE) |
| GETC | General Education and Training Certificate |
| HEMIS | Higher Education Management Information Systems |
| HEQC | Higher Education Quality Committee |
| NLRD | National Learners' Records Database |
| NSA | National Skills Authority |
| NSBs | National Standards Bodies |
| NQF | National Qualifications Framework |
| PHEI | Private Higher Education Institutions |
| SAFCERT | South African Certification Council |

| SAQA | South African Qualifications Authority |
| SADC | South African Development Community |
| SAUVCA | South African Universities´ Vice-Chancellors´ Association |
| SETAs | Sector Education and Training Authorities |
| SGBs | Standards Generating Bodies CONTACT DETAILS |