



A
WORLD-CLASS
NQF THAT
DELIVERS

ANNUAL INTEGRATED REPORT

2019/20



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2019/20

A WORLD-CLASS NQF THAT DELIVERS



About SAQA

The South African Qualifications Authority (SAQA) is a statutory body established under the SAQA Act, Act No. 58 of 1995 and continuing under the National Qualifications Framework (NQF) Act, Act No. 67 of 2008. The SAQA is a Schedule 3A National Public Entity as defined by the Public Finance Management Act (PFMA).

SAQA's 2019/20 Annual Integrated Report

Our aim is to provide a balanced and reasonable view of the work of SAQA from 1 April 2019 to 31 March 2020, so that our stakeholders can make an informed assessment of our performance.

The Annual Integrated Report complies with:

- Section 13 (2) of the NQF Act;
- Section 55 of the PFMA; and
- The King IV Report on Corporate Governance for South Africa where relevant.

TABLE OF CONTENTS

PART A: GENERAL INFORMATION

SAQA'S GENERAL INFORMATION.....	6
LIST OF ABBREVIATIONS / ACRONYMS.....	7
FOREWORD BY THE CHAIRPERSON OF THE SAQA BOARD	9
CHIEF EXECUTIVE OFFICER'S OVERVIEW	10
Statement of responsibility and confirmation of the accuracy of the annual integrated report.....	11
STRATEGIC OVERVIEW	12
Vision	12
Mission	12
Values	12
LEGISLATIVE AND OTHER MANDATES	13
ORGANISATIONAL STRUCTURE	17

PART B: PERFORMANCE INFORMATION

AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES	22
SITUATIONAL ANALYSIS	22
Service Delivery Environment	24
Organisational Environment.....	25
Key Policy Developments and Legislative Changes	26
Strategic Outcome-Oriented Goals	27
PERFORMANCE INFORMATION BY PROGRAMME.....	30
SUMMARY OF FINANCIAL INFORMATION.....	96

PART C: GOVERNANCE

INTRODUCTION	100
PORTFOLIO COMMITTEE	100
EXECUTIVE AUTHORITY	100
THE SAQA BOARD	100
RISK MANAGEMENT	106
INTERNAL AUDIT AND AUDIT COMMITTEES	107
COMPLIANCE WITH LAWS AND REGULATIONS.....	107
FRAUD AND CORRUPTION	108
MINIMISING CONFLICT OF INTEREST.....	108
CODE OF CONDUCT.....	108
HEALTH, SAFETY AND ENVIRONMENTAL ISSUES	108
SOCIAL RESPONSIBILITY	110
STAKEHOLDER COMMUNICATION	110
AUDIT AND RISK COMMITTEE REPORT	114
B-BBEE COMPLIANCE PERFORMANCE INFORMATION	116

PART D: HUMAN RESOURCE MANAGEMENT

HUMAN RESOURCE OVERVIEW	118
HUMAN RESOURCE OVERSIGHT STATISTICS.....	120

PART E: FINANCIAL INFORMATION

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON SOUTH AFRICAN QUALIFICATIONS AUTHORITY	126
ANNUAL FINANCIAL STATEMENTS.....	133



Part A



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General Information





SAQA's GENERAL INFORMATION



REGISTERED NAME:

South African Qualifications Authority



PHYSICAL ADDRESS:

SAQA House, 1067 Arcadia
Street, Hatfield, Pretoria,
0083

POSTAL ADDRESS:

PostNet Suite 248, Private
Bag X06, Waterkloof,
Pretoria, 0145



EMAIL:

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www.saqa.org.za



TELEPHONE NUMBER:

+27 12 431 5000



FAX NUMBER:

+27 12 431 5147



EXTERNAL AUDITORS:

Auditor-General South Africa



BANKERS:

Standard Bank, Pretoria

LIST OF ABBREVIATIONS / ACRONYMS

ABBREVIATION / ACRONYM	EXPLANATION
APP	Annual Performance Plan
ASB	Accounting Standards Board
ATR	Annual Training Report
CEO	Chief Executive Officer
CHE	Council on Higher Education
COVID-19	Coronavirus
CPD	Cash for Public Deposits
DFQEAS	Directorate: Foreign Qualifications Evaluation and Advisory Service
DHET	Department of Higher Education and Training
DOJ	Department of Justice
DOL	Department of Labour
DRR	Directorate: Registration and Recognition
DUT	Durban University of Technology
EA	Enterprise Architecture
ECD	Early Childhood Development
EE	Employment Equity
ESC	Education Sector Committee
ETDP SETA	Education, Training and Development Practices Sector Education and Training Authority
EU	European Union
Exco	Executive Committee
GFETQSF	General and Further Education and Training Qualifications Sub-Framework
GRAP	Generally Recognised Accounting Practices
HEQCIS	Higher Education Quality Committee Information System
HET	Higher Education and Training
HR	Human Resources
ICT	Information and Communications Technology
IT	Information Technology



LIST OF ABBREVIATIONS / ACRONYMS

ABBREVIATION / ACRONYM	EXPLANATION
I&IT	Information and Information Technology
NLRD	National Learners' Records Database
NQF	National Qualifications Framework
NQF Act	National Qualifications Framework Act (Act No. 67 of 2008)
PB	Professional Body
PD	Professional Designation
PFMA	Public Finance Management Act (Act No. 1 of 2009)
PPE	Property, Plant and Equipment
PSET	Post-School Education and Training
QCTO	Quality Council for Trades and Occupations
Q&S	Qualifications and Standards
REMCO	Remuneration and Human Resources Committee
RPL	Recognition of Prior Learning
SADC	Southern African Development Community
SA NATCOM	South African National Commission
SAQA	South African Qualifications Authority
SAQA Act	South African Qualifications Authority Act (Act No. 58 of 1995)
SETA	Sector Education and Training Authority
TVET	Technical and Vocational Education and Training
UNESCO	United Nations Educational, Scientific and Cultural Organisation
VCQ	Verification and Comparison of Qualifications
WSP	Workplace Skills Plan

FOREWORD BY THE CHAIRPERSON OF THE SAQA BOARD



Dr V TONI PENXA
Chairperson of the SAQA Board

The 2019/20 financial year was characterised by some significant changes that strengthened the South African NQF for effective service delivery. We welcomed back to the post-school education and training sector, Dr Blade Nzimande as the Minister of Higher Education, Science and Technology. We also celebrated 21 years of the NQF, reflected on its milestones and embarked on a new journey to reflect on how the NQF could better serve the people. Further, President Cyril Ramaphosa signed the NQF Amendment Act for implementation on a date yet to be announced. The amendments to the NQF Act of 2008 tighten the legal requirements for some NQF functions and strengthen the NQF bodies for improved co-ordination and implementation.

We marked a new chapter with Dr Julie Reddy taking the helm of the organisation as Acting Chief Executive Officer (CEO), following the retirement of Mr Joe Samuels in January 2020. In the last quarter of the 2019/20 financial year, SAQA had to rethink how to deliver services in the context of the Coronavirus (COVID-19) pandemic. In this context and faced with these challenges, the sixth SAQA Board continued to provide strategic guidance and support to advance the NQF to better service the people who live in South Africa.

I am proud to report that SAQA continues to uphold its status as a model statutory body, as evidenced by the clean audit report it received from the Auditor General: South Africa for its 2019/20 performance. Such an acknowledgement shows that the sixth SAQA Board has instituted robust governance systems and controls to support SAQA management to effectively deliver its mandate of implementing and advancing the NQF. The sixth Board continues to cultivate a culture of good governance, accountability and stewardship of the NQF. Since this is the last year of the sixth Board and my last year as the Board Chairperson, I am happy to hand over to the next Board, an organisation that has an illustrious history of good governance and effective delivery. I hope the next Board will take SAQA even further as it serves the nation.

To further strengthen NQF implementation, the sixth Board established a Special Committee to speed up the registration of aligned higher education qualifications on the Higher Education Qualifications Sub-Framework (HEQSF). The establishment of the Special Committee and its subsequent work reduced the turn-around time for registration of qualifications from five months to three weeks. Further, the Board approved the publication of the amended Policy and Criteria for the Registration of Qualifications and Part-Qualifications on the NQF, and amended the Policy and Criteria for Recognising a Professional Body and Registering a Professional Designation for the Purposes of the NQF Act. Both these policies were reviewed and amended to improve the implementation of the NQF.

On behalf of the sixth Board, I want to thank Mr Joe Samuels for his long service to the SAQA. At the same time, I also want to acknowledge and express sincere gratitude to the Acting CEO, Dr Julie Reddy, her management team and staff for ensuring a smooth transition and ensuring that SAQA delivered on its mandate. I also appreciate the leadership provided by the Minister of Higher Education, Science and Technology, Dr Blade Nzimande, and the oversight from the Portfolio Committee on Higher Education and Training. Lastly, I want to further acknowledge the Acting CEO and her team for steering the organisation in the final quarter of the period under review when faced with the challenges brought by the COVID-19 pandemic and national lockdown.

Dr V TONI PENXA
Chairperson of the SAQA Board



CHIEF EXECUTIVE OFFICER'S OVERVIEW



Dr KB Reddy
Acting Chief Executive Officer

Despite the challenges caused by the COVID-19 pandemic in the last quarter of the 2019/20 financial year, I am pleased to report that SAQA achieved forty of its forty-one Annual Performance Plan (APP) deliverables and its second consecutive clean audit report from the Auditor General: South Africa. SAQA provided bold and decisive leadership to facilitate the implementation of NQF policies in a coherent and integrated way. Its focus areas of simplification, the registration of quality qualifications on the NQF, articulation and RPL continued to advance and strengthen NQF implementation. SAQA also embarked on additional digitisation projects, conducted research and engaged its international counterparts to ensure that the NQF is dynamic and relevant for the future. Further, it strengthened its stakeholder relationships and empowered and recognised its staff to achieve organisational excellence.

In simplifying the NQF, SAQA worked on reducing the proliferation of qualifications in the higher education space. As part of its preparation for the proclamation of the NQF Amendment Act, SAQA developed a roadmap for the implementation of the amendments. This included putting in place plans to set up separate registers of professional designations, and misrepresented and fraudulent qualifications. These registers are aimed at protecting the quality and integrity of our education system.

Concerning articulation, SAQA highlighted good practice among higher education institutions and Technical and Vocational Education and Training (TVET) colleges. It also addressed issues of access, redress, equity, and progression in learning-and-work pathways. The implementation of the policies on the Recognition of Prior Learning (RPL) and Credit Accumulation and Transfer (CAT) is an integral part of SAQA's work, as it allows for formal recognition of credits and qualifications acquired through formal, non-formal and informal learning. For this reason during the year, SAQA undertook various initiatives aimed at promoting and strengthening articulation through RPL and CAT.

On the global front, SAQA continues to be recognised as a leader in the development and implementation of qualifications frameworks. It is a vital role player in both regional, continental and global structures. SAQA continued to strengthen relationships and collaboration to internationalise the South African NQF and share good practice and lessons learned. To make the NQF more visible, SAQA developed and launched a new website that provides up-to-date information and enables the public to engage with it in real-time.

These and the other achievements detailed in this Annual Integrated Report, would not have been possible without a team of dedicated staff. Despite the challenges and constraints confronting the organisation during this reporting period, staff have dedicated their efforts to advance a world-class NQF that works for the people of South Africa. They are, and continue to work towards becoming better ambassadors for SAQA and the NQF.

I want to express my deep appreciation to members of the sixth SAQA Board and the Board Chairperson, Dr Vuyelwa Toni Penxa, for trusting me to lead the organisation until a new CEO is appointed. I also extend my appreciation to the Department of Higher Education and Training (DHET) for its support and for the leadership of the Minister of Higher Education, Science and Technology, Dr Blade Nzimande. With their collective support and guidance, I am confident that SAQA will continue to effectively implement its legal mandate for the benefit of the people in South Africa.

Dr KB Reddy
Acting Chief Executive Officer

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF THE ANNUAL INTEGRATED REPORT

To the best of our knowledge and belief, we confirm the following:

All information and amounts disclosed in the Annual Integrated Report are consistent with the Annual Financial Statements audited by the Auditor-General.

The Annual Integrated Report is complete, accurate and free from any omissions.

The Annual Integrated Report has been prepared in accordance with the guidelines on the Annual Integrated Report as issued by the National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP). This included any interpretations, guidelines and directives issued by the Accounting Standards Board (ASB) applicable to the public entity.

The Accounting Authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The Accounting Authority is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.

The external auditors were engaged to express an independent opinion on the Annual Financial Statements.

In our opinion, this Annual Integrated Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the entity for the financial year ended 31 March 2020.

Dr KB Reddy
Acting Chief Executive Officer

Dr V Toni Penxa
Chairperson of the Board



VISION

A world-class National Qualifications Framework that works for the people in South Africa

MISSION

To oversee the further development and implementation of the NQF and to advance its objectives, which contribute to the full development of the lifelong learner and to the social and economic development of the nation at large

VALUES

- Quality qualifications
- Social and economic transformation
- Integrity
- Integration
- Quality service
- High energy and corporate vibrancy

FOCUS AREAS

SAQA's focus areas for quality enhancement and delivery in the 2019/20 financial year were:



Simplification



Quality qualifications



Articulation



Recognition of Prior Learning

STRATEGIC IMPERATIVES

SAQA is the oversight body of the NQF and the custodian of its values and quality character. To serve lifelong learners and the country, SAQA set out to:



Provide decisive leadership to advise, co-ordinate, monitor and report on the implementation of an integrated, articulated NQF



Oversee and facilitate the implementation of NQF policies in a coherent, simple and integrated manner across education, training, development and work



Promote constructive relationships through shared understanding, to influence the effective implementation of NQF objectives



Make the NQF visible, understood and valued through targeted advocacy and communication



Empower staff and value their contributions towards continued organisational excellence

LEGISLATIVES AND OTHER MANDATES

LEGISLATIVE MANDATES

Constitution of the Republic of South Africa



The Bill of Rights, in section 29 of the Constitution of the Republic of South Africa, guarantees that everyone has the right to:

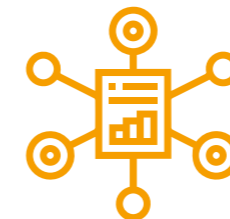
1	Basic education
2	Further education, which the State must make available
3	Receive education in the official language or language of their choice, where it is equitable, practical, and redresses past racially discriminatory practices
4	Establish and maintain, at their own expense, independent educational institutions that do not discriminate on the basis of race, are registered with the state, and maintain equal or superior standards

NQF Act

In terms of the NQF Act, which became effective on 1 June 2009, SAQA is the oversight body of the NQF and the custodian of its values.

Objectives of the NQF

As set out in section 5(1) of the Act, the objectives of the NQF are to:



Create a single integrated national framework for learning achievements



Facilitate access to, and mobility and progression within, education, training and career paths



Enhance the quality of education and training



Accelerate the redress of past unfair discrimination in education, training and employment opportunities

These objectives are designed to contribute to the full personal development of each learner and the social and economic development of the nation at large.



Functions of SAQA

The role of SAQA, as stipulated in the NQF Act, is to advance the objectives of the NQF, oversee the further development and implementation of the NQF, and coordinate the Sub-Frameworks. SAQA's functions are set out in section 13 of the NQF Act, which, in summary, mandates SAQA to:



The Public Finance Management Act, Treasury Regulations and the Framework for Strategic Plans and Annual Performance Plans

In terms of the Public Finance Management Act, No. 1 of 2009, SAQA is a Schedule 3A national public entity. SAQA complies with the PFMA, applicable Treasury Regulations, 2005, and the provisions of the Framework for Strategic Plans and Annual Performance Plans, 2010.

SAQA voluntarily subscribes to the King IV Report on Corporate Governance.

Proposed amendments to existing legislation

During this financial year, the NQF Amendment Act, No 12 of 2019 was signed by the President and will be implemented on a date to be announced by the President.

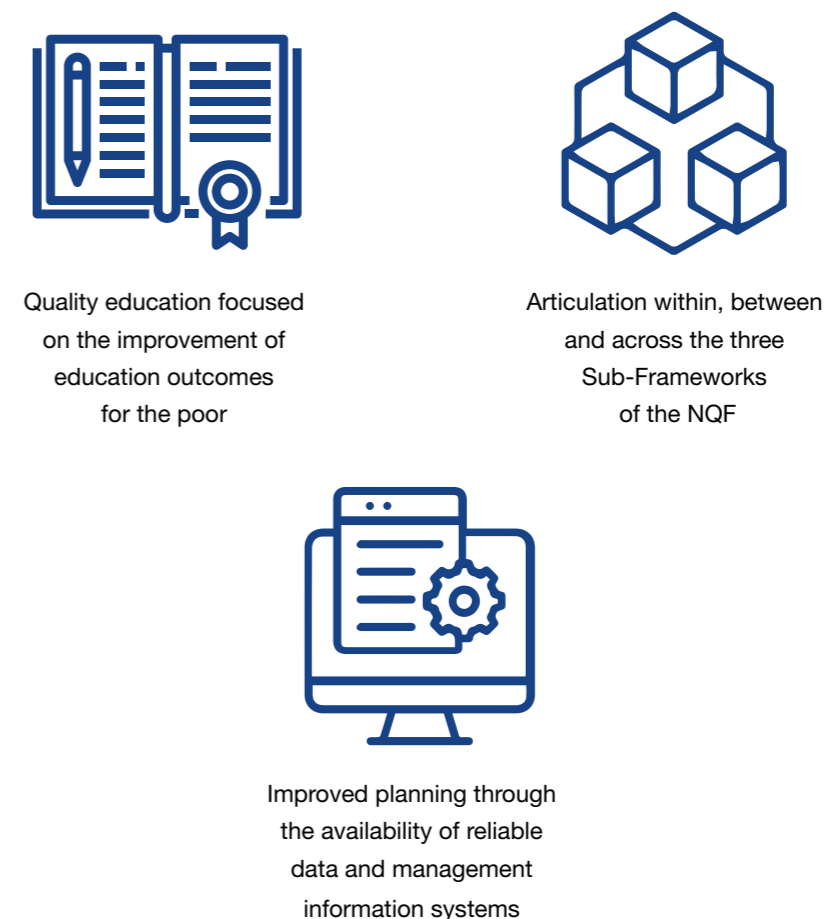
POLICY MANDATES

The following policy documents have relevance to the work of SAQA:

- The National Development Plan
- The New Growth Path: The Framework
- The Human Resource Development Strategy for South Africa (HRDS 2010–2030)
- The National Skills Development Strategy IV (NSDS IV) and the declaration signed at the Skills Summit
- Presidential Outcomes 1 (Basic Education), 4 (Decent Employment through Inclusive Growth), and 5.1 (Higher Education and Training)
- The White Paper for Post-School Education and Training (November 2013)
- Priorities and Guidelines for the NQF and other directives from the Minister of Higher Education and Training

SAQA and the Education and Training Sector

Within the broad policy environment mentioned above, SAQA works in the Education and Training Sector to promote:





SAQA and the NQF partners

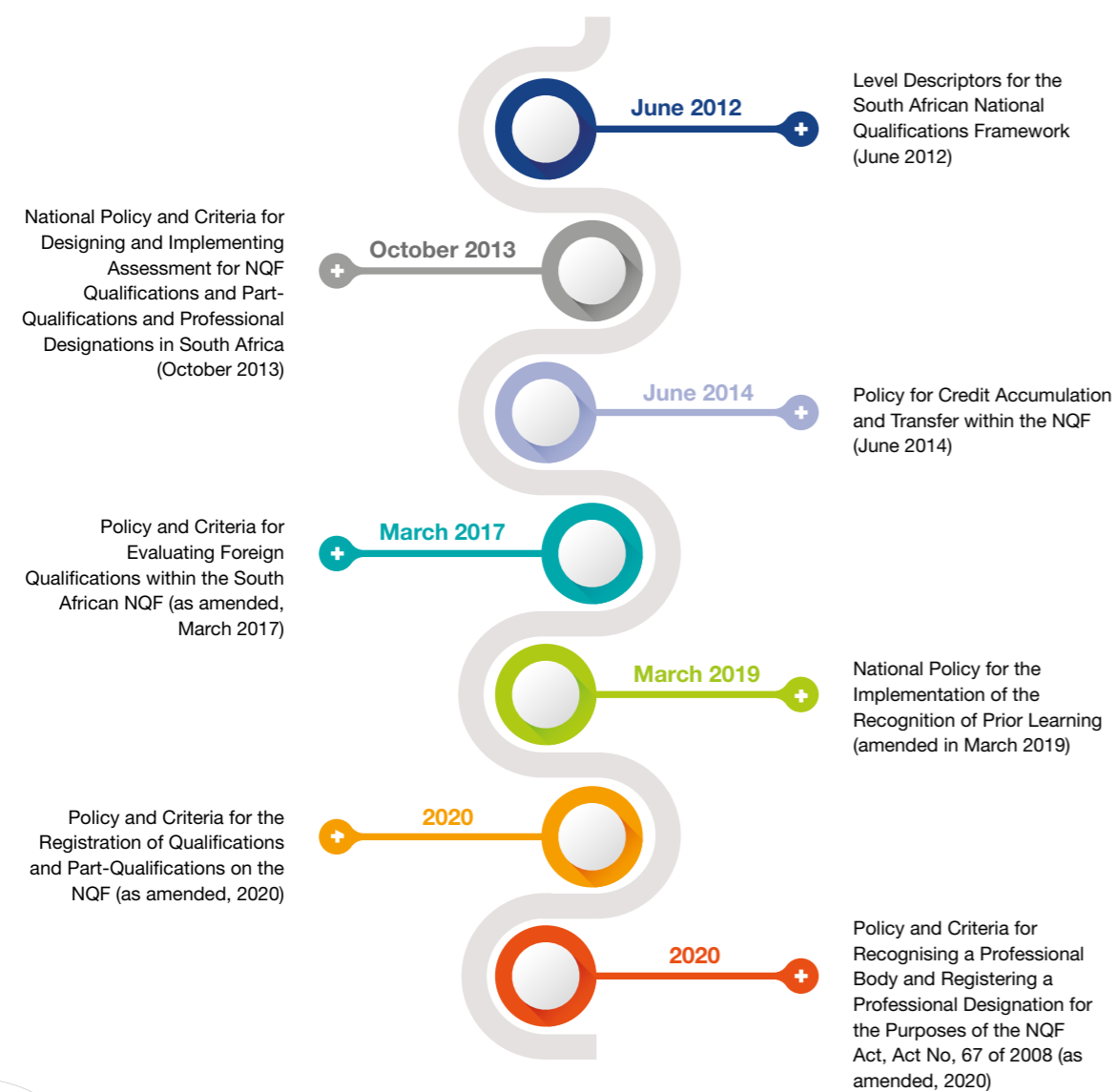
SAQA, together with its NQF partners, is responsible for the following:

	Facilitating mobility by overseeing the development and implementation of policies and criteria towards recognition of prior learning and credit accumulation and transfer
	Strengthening assessment and quality assurance systems institutionally, and through the QCs within the context of the criteria and guidelines developed by SAQA after consultation with the QCs
	Simplifying the NQF

Policy initiatives

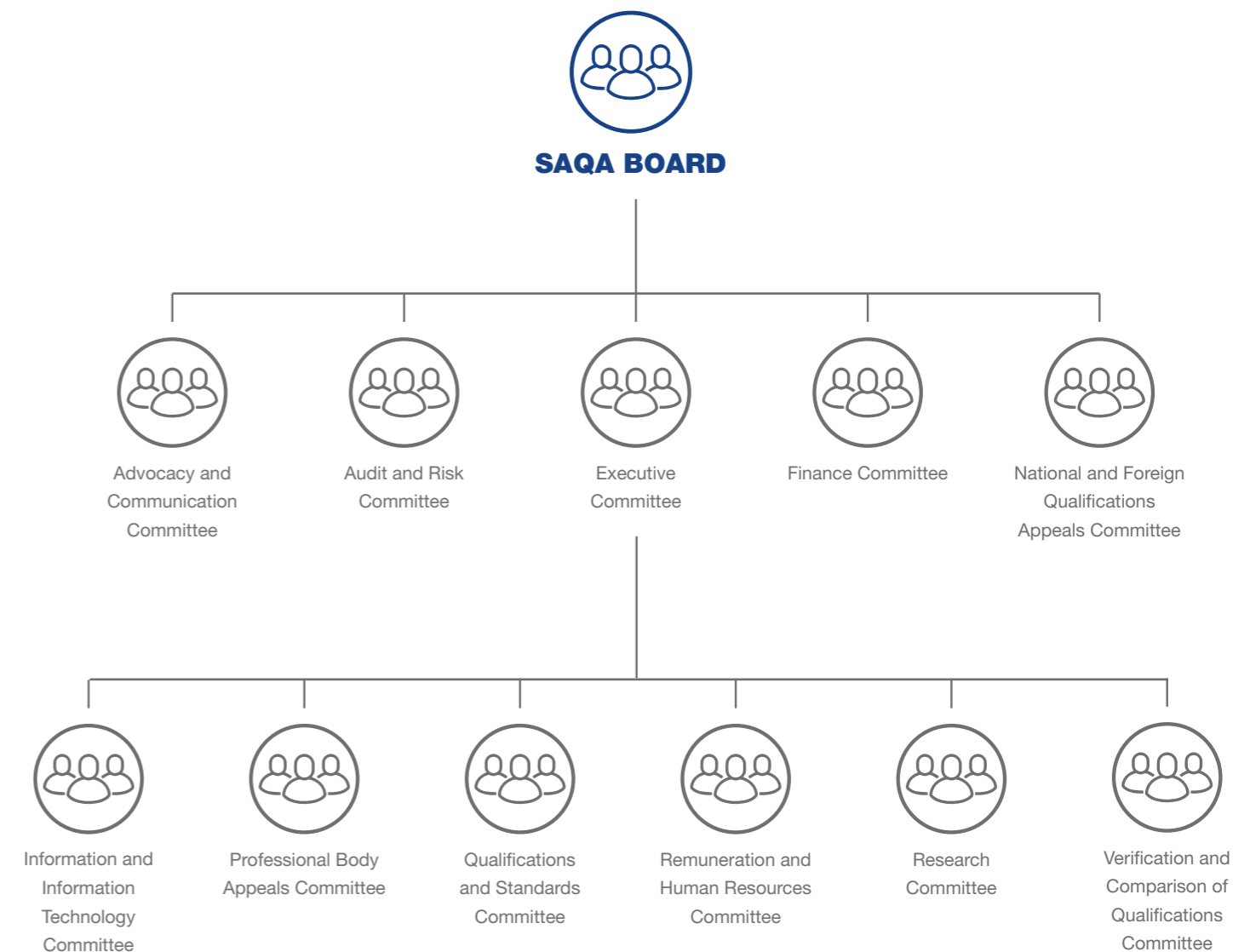
SAQA collaborates with its NQF partners to implement the policies and criteria in the NQF landscape as set out below.

NQF policies



ORGANISATIONAL STRUCTURE

BOARD STRUCTURE





BOARD MEMBERS



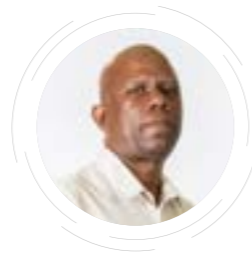
**Dr Vuyelwa
Toni Penxa**
Chairperson



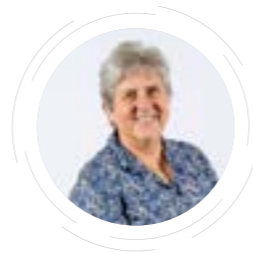
Prof Sarah Howie
Deputy Chairperson



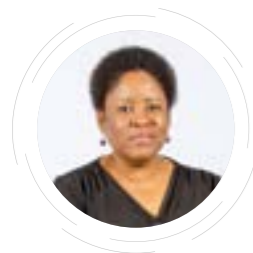
Dr Julie Reddy
Acting CEO



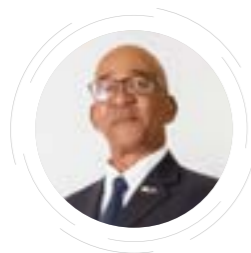
Mr Gordon Louw



**Ms Anne
Oberholzer**



**Ms Fundisile
Nzimande**



Prof Talvin Schultz



Ms Nadia Starr



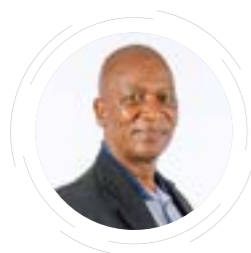
**Mr Malesela
Maleka**



Dr Shamrita Bhikha



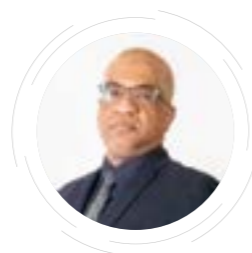
**Prof Narend
Bajinath**



Mr Bonisile Gantile



Dr Mafu Rakometsi

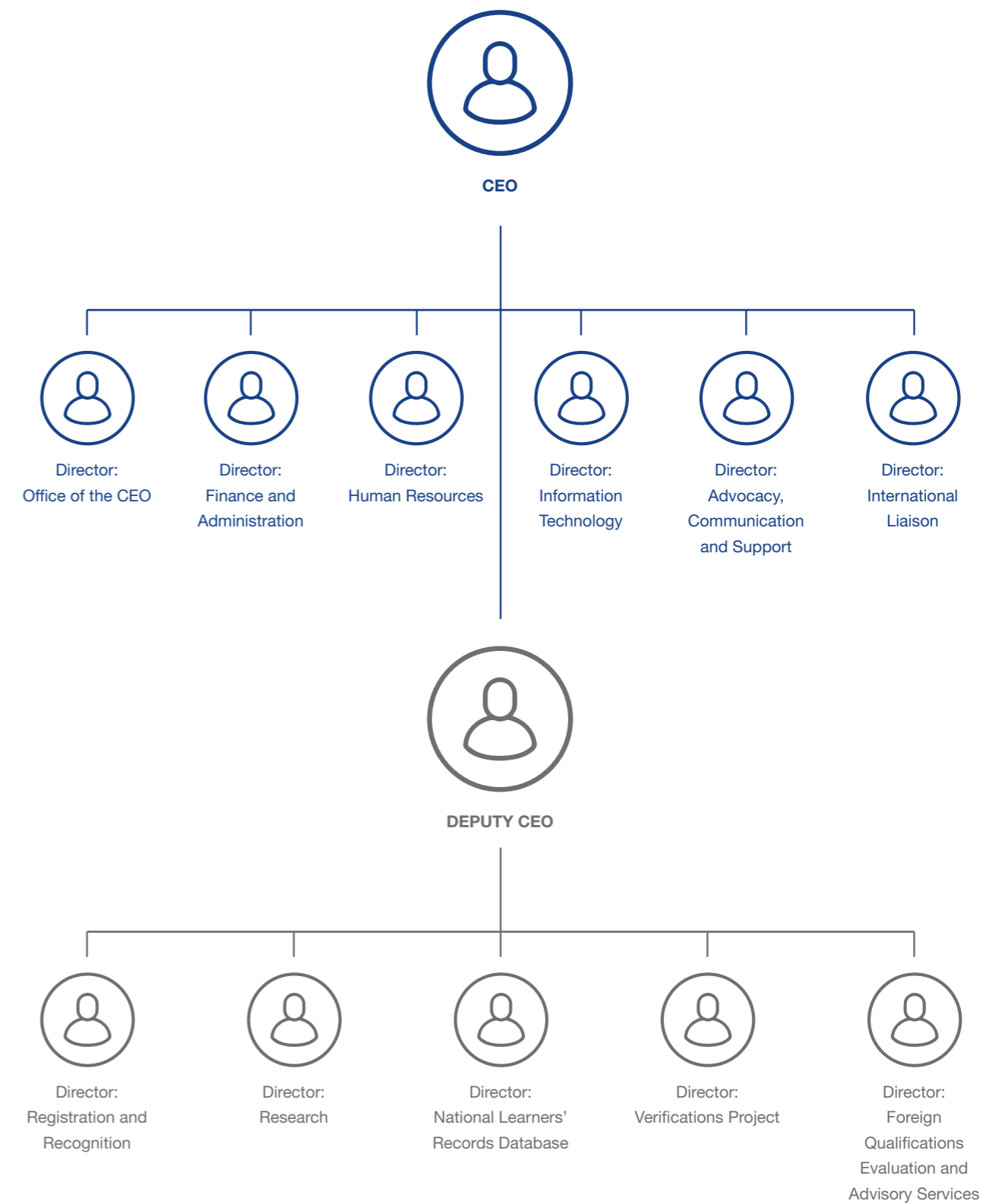


Mr Vijayen Naidoo



**Mr Ashley
Benjamin**

EXECUTIVE MANAGEMENT STRUCTURE





MANAGEMENT TEAM



Dr Julie Reddy
Acting CEO &
Deputy CEO



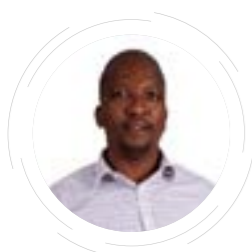
Ms Nireen Naidoo
Director: Office of
the CEO



**Ms Precious
Mbingo**
Director: Finance
and Administration



**Ms Phumudzo
Maboho**
Director: Human
Resources



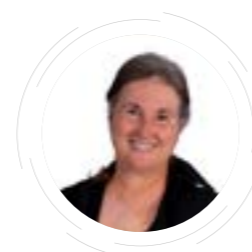
Mr Joshua Ntsoia
Director: Information
Technology



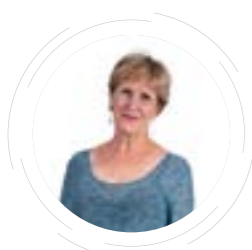
Mr Wellington Radu
Director: Advocacy,
Communication and
Support



Ms Faith Nyaka
Director:
Registration and
Recognition



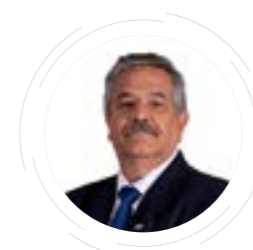
Dr Heidi Bolton
Director: Research



Ms Nadina Coetzee
Director: Foreign
Qualifications
Evaluation and
Advisory Services



Ms Carina Oelofsen
Director: National
Learners' Records
Database



Mr Dirk Strydom
Director:
Verifications Project



Ms Coleen Jaftha
Director:
International Liaison

Part B



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Performance Information



AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General: South Africa currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the *Predetermined Objectives* heading in the *Report on other legal and regulatory requirements* section of the auditor's report.

Refer to page 126 of the Report of the Auditors Report, published as Part E: Financial Information.

SITUATIONAL ANALYSIS

THE ROLE OF SAQA

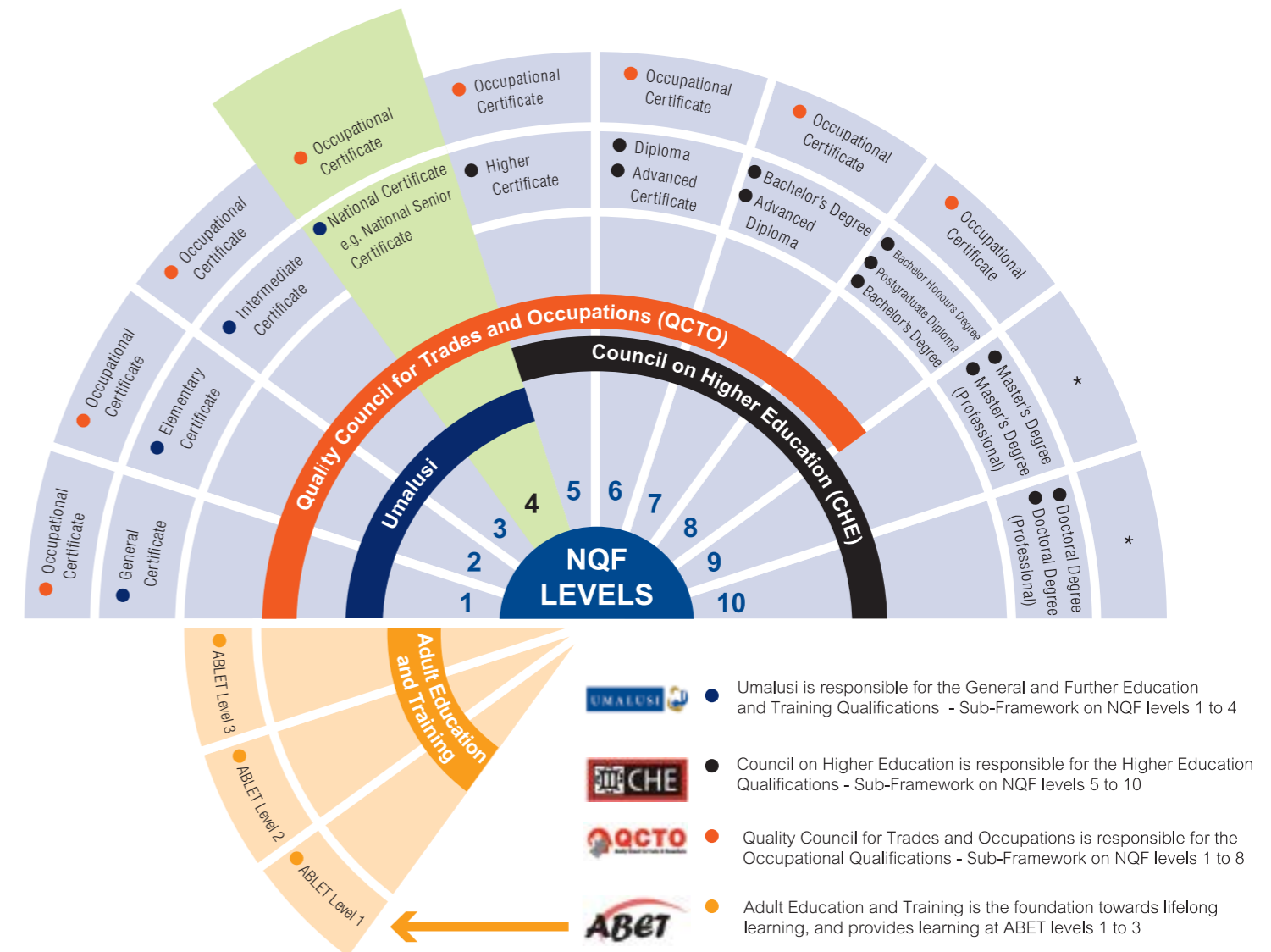
SAQA is mandated to oversee the further development and implementation of the NQF, a key national policy tool that is instrumental in the transformation and integration of South Africa's education and training system. It also ensures that South African qualifications are of high quality, internationally comparable and positioned in a system that is transparent and communicated to all stakeholders. SAQA works with the three QCs, which are guided by their respective Qualifications Sub-Framework policies and procedures that are aligned to national policies, and implemented within the System of Collaboration.

THE NQF

The NQF is a comprehensive system for the classification, co-ordination, registration and publication of articulated quality-assured national qualifications and part-qualifications. All qualifications across the three Sub-Frameworks fit into the NQF from Levels 1 to 10.

NATIONAL QUALIFICATIONS FRAMEWORK

ABET LEVELS AND THE NATIONAL SENIOR CERTIFICATE





SERVICE DELIVERY ENVIRONMENT

Simplification of the NQF

SAQA's mandate requires the simplification of the NQF. In the financial year, SAQA made significant strides towards the simplification of the NQF. Its activities were focused on, but not limited to, the following:

- SAQA established a special Board Committee to speed up the registration of qualifications in the HEQSF. This Committee reduced the qualification registration turn-around time from five months to three weeks. It approved the registration of 619 qualifications and the recording of 13 learning programmes.
- SAQA reviewed and amended two policies, namely, the Policy and Criteria for the Registration of Qualifications and Part-Qualifications on the National Qualifications Framework, and the Policy and Criteria for Recognising a Professional Body and Registering a Professional Designation for the Purposes of the NQF
- SAQA responded to 92 721 enquiries from the public through its various platforms thereby assisting the public in navigating the NQF with ease

Quality qualifications

SAQA is mandated to ensure the integrity of the NQF by promoting quality qualifications, and monitoring and reporting on misrepresented qualifications. It follows strict protocols to pronounce on misrepresented qualifications. In preparation for the implementation of the NQF Amendment Act:

- SAQA developed a roadmap for implementation of amendments to the NQF Act
- SAQA put in place plans to set up a Register of Misrepresented Qualifications and a Register of Fraudulent Qualifications as Registers of the NLRD

Articulation

SAQA conducted a number of activities to promote and enhance articulation:

- The Task Team on the Articulation Policy, led by SAQA, developed a Theory of Change for the Articulation Policy
- SAQA, together with DUT, compiled a Comprehensive Report on Articulation Research focusing on articulation between TVET and Higher Education. The booklet emanating from this research highlights good practice among higher education institutions and TVET colleges.
- SAQA submitted the South African Case Study of Flexible Learning Pathways (FLP) to UNESCO for UNESCO's Flexible Learning Pathways project. The case study covers access, redress, equity, and progression in learning-and-work pathways.
- SAQA hosted its third NQF Conference on Strengthening Learning Pathways in Community Development, Early Childhood Development (ECD), and Engineering, which culminated in a pledge by stakeholders on the Declaration of Articulation and Flexible Pathways

Recognition of Prior Learning

RPL is an integral part of SAQA's work as it allows for formal recognition of skills and knowledge acquired through work. For this reason, during the course of the year, SAQA undertook various initiatives aimed at strengthening the RPL:

- SAQA developed a mechanism for the recognition of qualifications of Refugees and Asylum Seekers through RPL
- SAQA continued to lead on the 2021 NQF Impact Study. The focus of this study is the implementation and impact of RPL, Credit Accumulation and Transfer (CAT) and other elements of system flexibility
- SAQA partnered with the INSETA to host the International Seminar on the Recognition of Prior Learning for Professional Qualifications and Professional Designations for professional bodies

Global engagement

SAQA is recognised globally as a leader in the development and implementation of qualifications frameworks. It is an important role player in both regional and continental structures. During the 2019/20 financial year, SAQA took part and was well represented in a number of activities:

- SAQA hosted and advised several counterparts administering qualifications in African countries
- SAQA co-hosted, with the SA-EU Dialogue Facility, a Consultative Workshop on Learning Outcomes in South Africa
- SAQA participated in and presented at UNESCO's Capacity Building Workshop on Quality Assurance in Higher Education in SADC that took place in Lusaka
- SAQA was on the organising committee for, and participated in and presented at, the 3rd Biennale on Validation of Prior Learning (VPL) meeting in Berlin, Germany

Digitisation

SAQA focused on obtaining historical paper-based records of learner achievements and digitised them for loading on the NLRD.

ORGANISATIONAL ENVIRONMENT

Funding

SAQA continues to operate in a resource-constrained environment as it only receives 54% of its budget from the fiscus. In the period under review, SAQA explored self-funding mechanisms and generated income from its services to complement the government grant.

Legal Matters

Given the litigious environment, SAQA appointed Cheadle Thompson & Haysom to advise on legal matters as and when such cases arise.

Human Resources

Mr Joe Samuels retired as the CEO in January 2020 and Dr Julie Reddy was appointed by the Board as Acting CEO.



KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

NQF Amendment Act

The NQF Amendment Act, No. 12 of 2019, was signed into law by the President and published for general information. The date of implementation is yet to be proclaimed by the President.

Policy and Criteria for the Registration of Qualifications and Part-Qualifications on the NQF (as amended 2020)

The SAQA Board approved amendments to the Policy and Criteria for the Registration of Qualifications and Part-Qualifications on the NQF. The amended Policy was published in the Government Gazette on 26 March 2020.

Policy and Criteria for the Recognising a Professional Body and Registering a Professional Designation for the Purposes of the NQF (as amended 2020)

The SAQA Board approved amendments to the Policy and Criteria for the Recognising a Professional Body and Registering a Professional Designation for the Purposes of the NQF. The amended Policy was published in the Government Gazette on 26 March 2020.

STRATEGIC OBJECTIVES AND ACHIEVEMENTS

In terms of the NQF Act, as well as the mandate of the Minister of Higher Education, Science and Technology, SAQA is required to deliver on agreed outputs in return for support and resources, as specified in its Strategic Plan. In accordance with the strategic intent, as approved by the SAQA Board, SAQA continued to follow a value-adding, results-based approach in the delivery of its goals.

STRATEGIC OUTCOME-ORIENTED GOALS

Leadership and co-ordination

SAQA continued to provide decisive and coherent leadership, co-ordination, and effective monitoring and evaluation to achieve an articulated NQF in the following ways:

- The Task Team on the Articulation Policy, led by SAQA, developed a Theory of Change for the Articulation Policy
- SAQA hosted the third NQF Conference on Strengthening Learning Pathways in Community Development, Early Childhood Development (ECD), and Engineering with the purpose of encouraging and deepening the culture of articulation in the country
- The 2021 NQF Impact Study commenced, focusing on the implementation of RPL, CAT, and other elements of system flexibility for enhanced access, redress, progression, quality and transparency

NQF policy implementation

SAQA continued to oversee and facilitate the implementation of NQF policies in a coherent, simple and integrated manner across education, training, development and work as follows:

- SAQA, together with DHET and the QCs, developed a template to facilitate the reporting of progress against implementing the Articulation Policy
- SAQA simplified its process to manage non-compliant foreign qualification applications
- SAQA undertook research and prepared a research paper entitled: SAQA and the NQF in the context of the Fourth Industrial Revolution: Realities and Implications



As at 31 March 2020, the NLRD had:



110 872 774
Part-qualification
achievements



19 790 963
Learners



17 033 710
Qualification
achievements



1 610 956
Part-qualification
achievements
via RPL



1 124 146
People with
professional
designations



205 275
Current and
past registered
assessors



95 183
Learners with
achievements
via RPL



34 695
Qualification
achievements
via RPL



8 638
Accredited
providers



387
Registered
professional
designations



105
Recognised
professional
bodies

RELATIONSHIP BUILDING

SAQA acknowledged and promoted constructive relationship building for the effective implementation of the NQF's objectives in the following ways:

- SAQA continued to strengthen relationships and collaboration among various NQF stakeholders to simplify the NQF further, strengthen the promotion and understanding of the NQF, promote a culture of articulation, promote genuine qualifications, and internationalise the NQF
- Participated in several international fora and events that took place in China, France, Germany, Mexico and Zambia

PUBLIC POSITIONING

SAQA continued to make the NQF visible and understood through targeted advocacy and communication in the following ways:



SAQA developed a new website that provides up-to-date information and allows the public to engage with the organisation in real-time



SAQA responded to **92 721** queries through its various communication platforms



SAQA received media coverage in **5 896** articles with an advertising value equivalence of approximately **R387,1 million**



SAQA participated in **54** broadcast media shows and interviews

STAFF DEVELOPMENT

SAQA continued with both formal and informal efforts to value and empower staff to effectively contribute to organisational effectiveness, efficiency and delivery on the requirements of the NQF as follows:




- Recognised and rewarded qualifying employees for the previous financial year through the performance and development management system
- Placed 16 new interns
- Provided education assistance to employees

SAQA's staff development is geared towards developing a world-class NQF that works for the people in South Africa. Thus, constant learning interventions were implemented for staff to become better ambassadors of SAQA and the NQF.



PERFORMANCE INFORMATION BY PROGRAMME

SAQA has six programmes that appear in the table below.

		
Programme	Sub-Programme	Strategic Objective/s
1. ADMINISTRATION	<i>1.1 Executive Office:</i> responsible for the overall co-ordination and organisational performance in response to SAQA's mandate	Provide bold and competent leadership in the implementation of the NQF Act to the advantage of lifelong learners; Facilitate and support the implementation of NQF policies in a simple, coherent and integrated manner; and Coordinate the work of the NQF partners.
	<i>1.2 Finance and Administration:</i> responsible for effective financial and infrastructural governance and resources to support SAQA's objectives	Maintain an effective and efficient Financial Management system
	<i>1.3 Human Resources:</i> responsible for providing strategic and operational support to embrace diversity, environmental sustainability, and social justice and contribute towards the delivery of SAQA's mandate	Provide strategic and operational human resource support to SAQA
	<i>1.4 Information Technology:</i> responsible for effective ICT governance and IT infrastructural resources to support the achievement of organisational objectives and business processes	Develop an effective and efficient IT system that supports SAQA
	<i>1.5 Advocacy, Communication and Support:</i> responsible for informing stakeholders and the public about the NQF, SAQA and related matters	Inform the public about the NQF, SAQA and related matters; and Develop an NQF Advisory Service to enable the public to navigate the NQF.
2. REGISTRATION AND RECOGNITION	Responsible for registering nationally relevant and internationally comparable qualifications and part-qualifications that meet national criteria and articulates across sub-frameworks; and recognising professional bodies and registering professional designations	Register Qualifications and Part-Qualifications; and Recognise professional bodies and register professional designations




		
Programme	Sub-Programme	Strategic Objective/s
3. NATIONAL LEARNERS' RECORDS DATABASE	<i>3.1 NLRD:</i> Responsible for maintaining and further developing the NLRD's functionality which serves as the key national source of information for human resource and skills development in terms of policy, infrastructure and planning	Maintain and further develop the National Learners' Records Database
	<i>3.2 Verifications Project:</i> responsible for verifying the authenticity of national qualifications	
4. FOREIGN QUALIFICATIONS EVALUATION AND ADVISORY SERVICES	Responsible for evaluating foreign qualifications against set criteria including verification of the authenticity of qualifications and comparison of foreign qualifications with similar qualifications on the South African NQF	Provide a foreign qualifications evaluation and advisory service
5. RESEARCH	Responsible for conducting evidence-based research to evaluate the impact of the NQF and inform the development and further implementation of the NQF	Facilitate and support the implementation of NQF policies in a simple, coherent and integrated manner; and Conduct research on issues of importance to the NQF
6. INTERNATIONAL LIAISON	Responsible for liaising with international partners on matters concerning qualifications frameworks and sharing best practice within the NQF family	Ensure effective international collaboration and benchmarking



Table 1: Strategic Objectives of Executive Office Linked to Two-Year Achievements

Programme 1						
1.1 Executive Office						
Strategic Objective	Actual Achievement 2018/19	Planned Target 2019/20		Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
Provide decisive and coherent leadership to coordinate implementation of an effectively articulated NQF	The target was met Monitored implementation of the NQF Implementation Framework 2015-2020 through an update of the Tracking Grid The updated dashboard provided a high level progress report	Monitor and oversee the implementation of the NQF Implementation Framework for 2015 – 2020		Met the target Monitored and oversaw the implementation of the NQF Implementation Framework 2015-2020 The CEO Committee members updated progress on the Tracking Grid SAQA produced a report on the System of Collaboration and the Implementation of the Ministerial Guidelines based on the work of the CEO Committee	None	N/A
	The target was met Completed report on progress with implementation of Ministerial Guidelines and sent it to the Minister	Complete progress report on implementation of Ministerial Guidelines		Met the target SAQA produced a progress report on the Implementation of the Ministerial Guidelines The Board- approved Report was submitted to the Minister: HEST	None	N/A
	The target was met Produced Progress Report on Simplifying the NQF and submitted it to the Minister	Produce Progress Report on Simplifying the NQF		Met the target SAQA produced a progress report on Simplifying the NQF The Board- approved Report was submitted to the Minister: HEST	None	N/A
	The target was met The List of Misrepresented Qualifications was updated Produced bi-monthly reports on Misrepresented Qualifications and sent these reports to the Minister	Maintain and report bi-monthly on the Register of Misrepresented Qualifications to the Minister		Met the target The List of Misrepresented Qualifications was updated Produced bi-monthly reports on Misrepresented Qualifications and sent these reports to the Minister: HEST	Yes	The NQF Amendment Act, once proclaimed, will establish the Register of Misrepresented Qualifications. For now, SAQA maintains a List of Misrepresented Qualifications.
	The target was met Met with the Dept. of Justice on 11 February 2019 The DOJ agreed to provide information on fraudulent qualifications to SAQA	Update and report on the Register of Fraudulent Qualifications		No update was required as the President did not proclaim the NQF Amendment Act establishing the Register of Fraudulent Qualifications yet	Yes	The NQF Amendment Act, once proclaimed, will establish the Register of Fraudulent Qualifications. In the meanwhile, SAQA has developed a template for the Register of Fraudulent Qualifications and will be in a position to report on it once the NQF Amendment Act has been proclaimed.



Programme 1

1.1 Executive Office

Strategic Objective	Actual Achievement 2018/19	Planned Target 2019/20		Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
	The target was met Developed a new Action Plan for Articulation The Board approved the Articulation Action Plan in March 2019	Report on SAQA's contribution to the Action Plan for Articulation		Met the target SAQA's Action Plan for Articulation was incorporated into the Template for the Implementation of the Articulation Policy SAQA produced a Report on SAQA, DHET and the QCs' contributions to the Implementation of the Articulation Policy The Board-approved Report was submitted to the Minister: HEST	None	N/A
	The target was met SAQA provided advice to the Minister on the TVET landscape	Provide advice to the Minister: HET on all requested matters, or as and when deemed necessary		SAQA did not have any advice for the Minister: HEST during this financial year	None	N/A
	The target was met Provided inputs into: * Revised Assessment Policy for the GFETQSF *National Plan for PSET *National Skills Development Plan and New SETA Landscape *NQF Amendment Bill * Occupational Qualifications Sub-Framework Policy	Provide input and comments on draft policies / legislation if required		Met the target SAQA commented on DHET's Draft Consultation paper for proposed amendments to the NQF Act, 2008	None	N/A
Facilitate and support the implementation of NQF policies in a simple, coherent and integrated manner	The target was met The RPL Policy and the Policy and Criteria for Evaluating Foreign Qualifications were reviewed An Addendum for Refugees and Asylum seekers was added to the latter Policy The Addendum and the amended RPL Policy were approved and published	Review 2 policies or guidelines		Met the target SAQA reviewed the: *Policy and Criteria for Recognising a Professional Body and Registering a Professional Designation as amended in 2020; and *Policy and Criteria for the Registration of Qualifications and Part-qualifications on the National Qualifications Framework as amended in 2020 The Board approved the two amended policies for publication Both Policies were gazetted in March 2020	None	N/A



Programme 1						
1.1 Executive Office						
Strategic Objective	Actual Achievement 2018/19	Planned Target 2019/20		Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
Coordinate the work of the NQF partners	The target was met Produced report on the implementation and effectiveness of collaboration between SAQA and the QCs The Board approved the Report for submission to the Minister	Implement the System of Collaboration to guide mutual relations between SAQA and the QCs and report annually on its effectiveness		Met the target Produced a report on the effectiveness of collaboration between SAQA and the QCs (System of Collaboration) and submitted the Board-approved Report to the Minister: HEST	None	N/A
	No target set for 2018/19	Review the System of Collaboration and amend as required		Met the target The amended System of Collaboration was approved by the Board and placed on SAQA's website	None	N/A

Table 2: Performance Indicators of Executive Office Linked to Four-Year Achievements

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
1. NQF Implementation Framework for 2015/16 to 2019/20 approved and implemented	Implemented NQF Implementation Framework 2015-2020 Progress with implementation is discussed at each of the 4 meetings of the CEO Committee A Tracking Grid is used to monitor progress with implementation The Tracking Grid is updated for each CEO Committee meeting	The target was met Monitored implementation of the NQF Implementation Framework 2015-2020 through an update of the Tracking Grid A dashboard was also developed to provide more concise information for tracking progress	The target was met Monitored implementation of the NQF Implementation Framework 2015-2020 through an update of the Tracking Grid The updated dashboard provided a high level progress report		(1) Monitor and oversee the implementation of the NQF Implementation Framework for 2015 – 2020	Met the target Monitored and oversaw the implementation of the NQF Implementation Framework 2015-2020 The CEO Committee members updated progress on the Tracking Grid SAQA produced a report on the System of Collaboration and the Implementation of the Ministerial Guidelines based on the work of the CEO Committee	None	N/A



Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
2. Ministerial guidelines to address priorities of the NQF implemented	Completed report on progress against 2015/16 Ministerial Guidelines and submitted it to the Minister	The target was met Completed Report on implementation of Ministerial Guidelines and submitted it to Minister	The target was met Completed report on progress with implementation of Ministerial Guidelines and sent it to the Minister		(2.1) Complete progress report on implementation of Ministerial Guidelines	Met the target SAQA produced a progress report on the Implementation of the Ministerial Guidelines The Board- approved Report was submitted to the Minister: HEST	None	N/A
	No target set for 2016/17	No target set for 2017/18	The target was met Produced Progress Report on Simplifying the NQF and submitted it to the Minister		(2.2) Produce Progress Report on Simplifying the NQF	Met the target SAQA produced a progress report on Simplifying the NQF The Board- approved Report was submitted to the Minister: HEST	None	N/A
3.1 Produce Bi-Monthly reports on misinformation about national and foreign qualifications and cases reported to SAPS	6 Reports on qualification misrepresentation were produced (one every 2 nd month) and the overall statistics reported to the Minister A List of Misrepresented Qualifications is maintained	The target was met Produced a report bi-monthly on misrepresented qualifications and sent all 6 reports to the Minister	The target was met The List of Misrepresented Qualifications was updated Produced bi-monthly reports on Misrepresented Qualifications and sent these reports to the Minister		(3.1) Maintain and report bi-monthly on the Register of Misrepresented Qualifications to the Minister	Met the target The List of Misrepresented Qualifications was updated Produced bi-monthly reports on Misrepresented Qualifications and sent these reports to the Minister	Yes	The NQF Amendment Act, once proclaimed, will establish the Register of Misrepresented Qualifications. For now, SAQA maintains a List of Misrepresented Qualifications.
3.2 Register of Misrepresented Qualifications developed, approved and maintained	The Draft Register was developed and presented to the CEO Committee on 25 Nov 2016 and EXCO on 8 February 2017 The Register will be submitted for approval together with the Policy on the Misrepresentation of Qualifications in 2017/18	The target was met Developed Draft Register of Fraudulent Qualifications	The target was met Met with the Dept. of Justice on 11 February 2019 The DOJ agreed to provide information on fraudulent qualifications to SAQA		(3.2) Update and report on the Register of Fraudulent Qualifications	No update was required as the President did not proclaim the NQF Amendment Act establishing the Register of Fraudulent Qualifications yet	Yes	The NQF Amendment Act, once proclaimed, will establish the Register of Fraudulent Qualifications. In the meanwhile, SAQA has developed a template for the Register of Fraudulent Qualifications and will be in a position to report on the NQF Amendment Act has been proclaimed.
4. Implement Action Plan on Articulation	Reviewed and further implemented SAQA's contribution to the Articulation Action Plan Produced report on implementation of SAQA's portion of the Articulation Action Plan	The target was met Produced final report on the implementation of the Articulation Action Plan The Board approved the Report on 9 March 2018 for submission to the Minister	The target was met Developed a new Action Plan for Articulation The Board approved the Articulation Action Plan in March 2019		(4) Report on SAQA's contribution to the Action Plan for Articulation	Met the target SAQA's Action Plan for Articulation was incorporated into the Template for the Implementation of the Articulation Policy SAQA produced a Report on SAQA, DHET and the QCs' contributions to the Implementation of the Articulation Policy The Board-approved Report was submitted to the Minister: HEST	None	N/A



Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
5. Input provided to legislation and policies as required	Provided advice to Minister on SAQA implementing the Articulation Ombuds function	The target was met The Minister was reminded about advice provided on the Articulation Ombud in 2016 as we are still waiting for a response on this proposal Advice was provided to the Deputy Minister in the form of an overview of the work of SAQA	The target was met SAQA provided advice to the Minister on the TVET landscape		(5.1) Provide advice to the Minister: HET on all requested matters, or as and when deemed necessary	SAQA did not have any advice for the Minister: HEST during this financial year	None	N/A
	SAQA commented on : *Draft Articulation Policy; *Draft NQF Amendment Bill; *Draft M&E Policy for CET colleges; and *Draft Position Paper on Online Programme Offerings	The target was met Comments were provided on the NQF Amendment Bill	The target was met Provided inputs into: * Revised Assessment Policy for the GFETQSF *National Plan for PSET *National Skills Development Plan and New SETA Landscape *NQF Amendment Bill * Occupational Qualifications Sub-Framework Policy		(5.2) Provide input and comments on draft policies / legislation if required	Met the target SAQA commented on the Draft Consultation paper for proposed amendments to the NQF Act, 2008	None	N/A
6. Number of NQF policies or guidelines implemented or reviewed and simplified	The following two policies were reviewed: * <i>Foreign Qualifications Appeals Policy</i> * <i>Policy and Criteria for the Evaluation of Foreign Qualifications within the SA NQF</i> The former policy was posted on SAQA's website and the latter policy was gazetted on 31 March 2017	The target was met The following two policies were reviewed and amended: *NQFpedia *Policy and Criteria for the Recognition of Professional Bodies and Registration of Professional Designations	The target was met The RPL Policy and the Policy and Criteria for Evaluating Foreign Qualifications were reviewed An Addendum for Refugees and Asylum seekers was added to the latter Policy The Addendum and the amended RPL Policy were approved and published		(6) Review 2 policies or guidelines	Met the target SAQA reviewed the: *Policy and Criteria for Recognising a Professional Body and Registering a Professional Designation as amended in 2020; and *Policy and Criteria for the Registration of Qualifications and Part-qualifications on the National Qualifications Framework as amended in 2020 The Board approved the two amended policies for publication Both Policies were gazetted in March 2020	None	N/A



Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
7. The System of Collaboration as required, reviewed or implemented	Produced report on collaboration between SAQA and the QCs Report approved by SAQA Board and submitted to Minister	The target was met The System of Collaboration was implemented A Report on the System of Collaboration was approved by the SAQA Board and submitted to the Minister	The target was met Produced report on the implementation and effectiveness of collaboration between SAQA and the QCs The Board approved the Report for submission to the Minister		(7.1) Implement the System of Collaboration to guide mutual relations between SAQA and the QCs and report annually on its effectiveness	Met the target Produced a report on the effectiveness of collaboration between SAQA and the QCs (System of Collaboration) and submitted the Board-approved Report to the Minister: HEST	None	N/A
	No target set for 2016/17	No target set for 2017/18	No target set for 2018/19		(7.2) Review the System of Collaboration and amend as required	Met the target The amended System of Collaboration was approved by the Board and placed on SAQA's website	None	N/A



EXECUTIVE OFFICE



EXECUTIVE OFFICE



Table 3: Strategic Objectives of Finance and Administration Linked to Two-Year Achievements

Programme 1						
1.2 Finance and Administration						
Strategic Objective	Actual Achievement 2018/19	Planned Target 2019/20		Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
Maintain an effective and efficient Financial Management system	The target was not met Achieved an unqualified audit report for 2017/18	Receive a clean audit report for 2018/19		Met the target Received a clean audit report for 2018/19	None	N/A
	The target was met Achieved 100% compliance with National Treasury requirements	No target set for 2019/20		N/A	N/A	N/A
	The target was met Produced 12 monthly management accounts and 4 quarterly reports	No target set for 2019/20		N/A	N/A	N/A

Table 4: Performance Indicators of Finance and Administration Linked to Four-Year Achievements

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
8. A clean audit report	Achieved an unqualified audit report for 2015/16	The target was not met Achieved an unqualified audit report for 2016/17	The target was not met Achieved an unqualified audit report for 2017/18		(8) Receive a clean audit report for 2018/19	Met the target Received a clean audit report for 2018/19	None	N/A
9. Percentage of compliance with National Treasury requirements	Maintained 100% compliance with National Treasury requirements	The target was met Achieved 100% compliance with National Treasury requirements	The target was met Achieved 100% compliance with National Treasury requirements		No target set for 2019/20	N/A	N/A	N/A
	Produced and submitted timely 12 monthly management accounts and 4 quarterly reports The quarterly reports were approved by the Finance Committee before being submitted to National Treasury and the Minister	The target was met Produced and submitted timely 12 monthly management accounts and 4 quarterly reports	The target was met Produced 12 monthly management accounts and 4 quarterly reports		No target set for 2019/20	N/A	N/A	N/A



FINANCE AND ADMINISTRATION



FINANCE AND ADMINISTRATION



Table 5: Strategic Objectives of Human Resources Linked to Two-Year Achievements

Programme 1						
1.3 Human Resources						
Strategic Objective	Actual Achievement 2018/19	Planned Target 2019/20		Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
Provide strategic and operational human resource support to SAQA	The target was met Submitted the WSP and ATR to ETDP SETA by 30 April 2018	Submit the WSP, ATR and EE Plan by stipulated deadline		Met the target Submitted the WSP and ATR to the ETDP SETA in April 2019; and The Employment Equity report to the DOL in January 2020	None	N/A
	The target was met ahead of schedule Submitted the Employment Equity report to DOL in December 2018, ahead of schedule				None	N/A
	The target was met 100% of staff contracts were approved	No target set for 2019/20		N/A	N/A	N/A
	The target was met 100% of staff were assessed	No target set for 2019/20		N/A	N/A	N/A
	The target was met SAQA learning and development plan was developed and approved by the CEO	No target set for 2019/20		N/A	N/A	N/A
	The target was met Produced Tracking Grid for staff learning and development initiatives All staff members participated in at least one learning and development intervention	All SAQA staff members participate in at least one learning and development activity		Produced a Tracking Grid for staff learning and development activities	None	N/A
	The target was met 100% of staff who qualified for bonuses in previous financial year were recognised and rewarded	No target set for 2019/20		N/A	N/A	N/A
	The target was met The Succession Plan was reviewed and updated	No target set for 2019/20		N/A	N/A	N/A



Table 6: Performance Indicators of Human Resources Linked to Four-Year Achievements

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
10. Percentage of compliance with all human resource regulations and legislation	100% compliant with HR legislation Workplace Skills Plan and Annual Training Report submitted to ETDP SETA on 30 April 2016	The target was met Maintained 100% compliance with HR legislation Submitted Workplace Skills Plan and Report to ETDP SETA on 28 April 2017	The target was met Submitted the WSP and ATR to ETDP SETA by 30 April 2018		(10) Submit the WSP, ATR and EE Plan by stipulated deadline	Met the target Submitted the WSP and ATR to the ETDP SETA in April 2019; and The Employment Equity report to the DOL in January 2020	None	N/A
	100% compliant with HR legislation Submitted Employment Equity report online to DOL on 11 January 2017	The target was met Submitted the Employment Equity report to the Dept. of Labour in December 2017, well before the deadline of 16 January 2018	The target was met ahead of schedule Submitted the Employment Equity report to DOL in December 2018, ahead of schedule					
11. Percentage of staff performance contracts developed and approved	100% of staff contracts were developed and approved	The target was met 100% of staff contracts were approved	The target was met 100% of staff contracts were approved		No target set for 2019/20	N/A	N/A	N/A
12. Percentage of staff assessed against performance contracts	100% of staff were assessed against their performance contracts	The target was met 100% of staff were assessed	The target was met 100% of staff were assessed		No target set for 2019/20	N/A	N/A	N/A
13. Percentage of organisation-wide learning and development plans implemented	Learning and Development Plan was developed and approved	The target was met SAQA-wide learning and development plan was approved by the CEO	The target was met SAQA learning and development plan was developed and approved by the CEO		No target set for 2019/20	N/A	N/A	N/A
	All SAQA staff members participated in at least one learning and development intervention 60% of SAQA Learning & Development Plan was implemented	The target was met All SAQA staff members participated in at least one learning and development intervention	The target was met Produced Tracking Grid for staff learning and development initiatives All staff members participated in at least one learning and development intervention		(9) All SAQA staff members participate in at least one learning and development activity	Met the target Produced a Tracking Grid for staff learning and development activities	None	N/A



Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
14. Approved Remuneration System implemented for all staff and percentage of staff who qualify are recognised and rewarded	100% of staff who qualified for bonuses in previous financial year were recognised and rewarded	The target was met 100% of staff who qualified for bonuses in previous financial year were recognised and rewarded	The target was met 100% of staff who qualified for bonuses in previous financial year were recognised and rewarded		No target set for 2019/20	N/A	N/A	N/A
15. Succession Plan for Senior Management and critical posts in place as per policy	The Succession Plan for senior management and critical posts was developed The Board approved SAQA's Succession Plan on 10 March 2017	The target was met The Succession Plan was reviewed, adjusted and signed off by the CEO	The target was met The Succession Plan was reviewed and updated		No target set for 2019/20	N/A	N/A	N/A



HUMAN RESOURCES



Table 7: Strategic Objectives of Information Technology Linked to Two-Year Achievements

Programme 1						
1.4 Information Technology						
Strategic Objective	Actual Achievement 2018/19	Planned Target 2019/20		Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
Develop an effective and efficient IT System that supports SAQA	The target was met The IT information was migrated from DOCBOX to IBM Connections The system was tested, quality assured and is now ready for cross-directorate use	No target set for 2019/20		N/A	N/A	N/A
	The target was met The 2017/18 Enterprise Architecture (EA) was approved in the first quarter The 2018/19 Enterprise Architecture (EA) was approved in the third quarter	Update and get approval for the revised ICT Enterprise Architecture		Met the target The Board approved the Enterprise Architecture document and delegated the I&IT Committee to approve future IT strategies on its behalf	None	N/A
	The target was met Servers were online for at least 98% of the time during the year	Server Uptime exceeds 95%		Met the target Server uptime exceeded 95% throughout the year	None	N/A
	The target was met Evidence shows that IT systems and services complied with the following prescripts: <ul style="list-style-type: none"> MISS ITIL COBIT TOGAF King IV ISO 22301 	No target set for 2019/20		N/A	N/A	N/A

Table 8: Performance Indicators of Information Technology Linked to Four-Year Achievements

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Target to Actual Achievement for 2019/20	Comment on Deviation
16. A coordinated and integrated knowledge and information system in place	A service contract was signed with service provider to assist with implementation Staff (user) consultations took place Staff were trained on the Knowledge Management System	The target was met The Integrated Knowledge Management system was further enhanced through the establishment of the shared filing system (DocBox) which enables the sharing of Board and Committee Meeting packs and other relevant documents with Management	The target was met The IT information was migrated from DOCBOX to IBM Connections The system was tested, quality assured and is now ready for cross-directorate use		No target set for 2019/20	N/A	N/A	N/A



Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Target to Actual Achievement for 2019/20	Comment on Deviation
17. Percentage of compliance with all IT governance legislation, regulations and codes of best practice	100% compliance with IT governance, legislation, regulations and codes of best practice The ICT Enterprise Architecture was approved and implemented	The target was not met The ICT Strategy was submitted to the I&IT Committee for consideration in February 2018 The ICT Strategy was not approved	The target was met The 2017/18 Enterprise Architecture (EA) was approved in the first quarter The 2018/19 Enterprise Architecture (EA) was approved in the third quarter		(11.1) Update and get approval for the revised ICT Enterprise Architecture	Met the target The Board approved the Enterprise Architecture document and delegated the I&IT Committee to approve future IT strategies on its behalf	None	N/A
	Servers Uptime exceeded 95% for the year	The target was met Server Uptime consistently exceeded 95% over the year	The target was met Servers were online for at least 98% of the time during the year		(11.2) Server uptime exceeds 95%	Met the target Server uptime exceeded 95% throughout the year	None	N/A
	100% compliant with relevant IT legislation The IT Director reported on all the IT legislation that SAQA complied with	The target was met Evidence produced shows compliance with all IT governance legislation, regulations and codes of best practice	The target was met Evidence shows that IT systems and services complied with the following prescripts: <ul style="list-style-type: none"> • MISS • ITIL • COBIT • TOGAF • King IV • ISO 22301 		No target set for 2019/20	N/A	N/A	N/A



INFORMATION TECHNOLOGY



Table 9: Strategic Objectives of Advocacy, Communication and Support Linked to Two-Year Achievements

Programme 1						
1.5 Advocacy, Communication and Support						
Strategic Objective	Actual Achievement 2018/19	Planned Target 2019/20		Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
Develop an NQF Advisory Service to enable the public to navigate the NQF	The target was met Implemented the recommendations of the review of the NQF Advisory Service Produced a progress report	Monitor the implementation of the NQF Advisory Service to determine its effectiveness		Met the target Monitored the implementation of the NQF Advisory Service by producing quarterly statistics to determine its effectiveness	None	N/A
Inform the public about the NQF, SAQA and related matters	The target was exceeded Recorded 3 803 354 people interactions on digital media platforms	Record 4 200 000 people interacting with content on SAQA/NQF digital platforms		Exceeded the target SAQA recorded 5 962 035 interactions by 505 942 individuals on SAQA/NQF digital platforms	Yes	The target was exceeded because SAQA's campaigns reached more people than originally anticipated
	The target was not met Maintained 90% rating overall for awareness, understanding and value among policy makers and policy implementers	No target set for 2019/20		N/A	N/A	N/A

Table 10: Performance Indicators of Advocacy, Communication and Support Linked to Four-Year Achievements

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
18. An NQF advisory service to further the implementation of the NQF is in place	Produced report on the further implementation of Phase One of the NQF Advisory Service Strategy The report was approved by the CEO	The target was met Reviewed NQF Advisory Service Produced Report on findings and recommendations for further implementation	The target was met Implemented the recommendations of the review of the NQF Advisory Service Produced a progress report		(12) Monitor the implementation of the NQF Advisory Service to determine its effectiveness	Met the target Monitored the implementation of the NQF Advisory Service by producing quarterly statistics to determine its effectiveness	None	N/A
19. Number of people using digital (including social media) platforms increased	685 023 individuals used one of SAQA's social media platforms	The target was exceeded Recorded 2 868 358 people interactions on digital media platforms	The target was exceeded Recorded 3 803 354 people interactions on digital media platforms		(13) Record 4 200 000 people interacting with content on SAQA/NQF digital platforms	Exceeded the target SAQA recorded 5 962 035 interactions by 505 942 individuals on SAQA/NQF digital platforms	Yes	The target was exceeded because SAQA's digital campaigns reached more people than originally anticipated



Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2018/19	Comment on Deviation
20. Percentage of the three target audiences' awareness, understanding and value of the NQF	A rating of 92% awareness, understanding and value was reported for policy makers and policy implementers	The target was not achieved An overall rating of 92.5% for awareness, understanding and value for policy makers and policy implementers was recorded	The target was not met Maintained 90% rating overall for awareness, understanding and value among policy makers and policy implementers		No target set for 2019/20	N/A	N/A	N/A



ADVOCACY, COMMUNICATION AND SUPPORT

Programme 1: Contribution to SAQA's Strategic Goals

Programme 1 comprises the support areas of SAQA. The Executive Office provides leadership to SAQA and oversight to the Quality Councils in the implementation of the NQF Act. The Executive Office sets the tone for building and maintaining relationships with SAQA's stakeholders; namely, the Minister: Higher Education, Science and Technology, the Department of Higher Education and Training, the Department of Basic Education, the Council on Higher Education, the Quality Council for Trades and Occupations, UMALUSI and professional bodies. The Executive Office also manages SAQA's relationships with the Board and its Committees. The Executive Office steers implementation of SAQA's strategy and reports progress to the Board.

Finance and Administration is responsible for all activities relating to the development and reporting of SAQA's budget. This directorate manages SAQA's debtors and creditors, and reports timeously to National Treasury and to the DHET on matters relating to the budget and requirements of the PFMA. This directorate is also responsible for maintaining SAQA's building.

The Human Resource directorate is responsible for ensuring that SAQA adheres to all relevant HR legislation whilst assisting the directorates to recruit new staff, drive staff training and development, and manage the performance of all staff.

The IT directorate maintains SAQA's IT infrastructure that supports its work.

The Advocacy, Communications and Support directorate is responsible for driving SAQA's mandate of publicising and popularising the NQF. This directorate communicates with stakeholders through a variety of channels.

Comment on deviations

Explanations for deviations on each of the deliverables appear in the far right column.



Table 11: Strategic Objectives of Registration and Recognition Linked to Two-Year Achievements

Programme 2						
Registration and Recognition						
Strategic Objective	Actual Achievement 2018/19	Planned Target 2019/20		Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
Register qualifications and part-qualifications	The target was met Processed 100% of qualifications and part-qualifications recommended by the QCs	Process 100% of qualifications and part- qualifications recommended by the QCs		Met the target Processed 100% of qualifications and part- qualifications recommended by the QCs for registration on the NQF	None	N/A
	The target was met Compiled List of registered qualifications with no learner enrolments and sent to the QCTO for consideration in (December 2017) the previous financial year The QCTO had not recommended any qualifications for de-registration In March 2018, the SAQA Board approved the re-registration of all qualifications on the NQF, provided that they met SAQA's criteria SAQA provided each of the QCs with a list of qualifications (including those with no learner uptake) and requested them to recommend which qualifications should be re-registered and which should be de-registered	No target set for 2019/20		N/A	N/A	N/A



Programme 2						
Registration and Recognition						
Strategic Objective	Actual Achievement 2018/19	Planned Target 2019/20		Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
Recognise professional bodies and register professional designations	The target was met Processed 100% of applications for the recognition of Professional bodies and registration of their professional designations	Process 100% of applications for the recognition of Professional bodies and registration of their professional designations annually		Met the target Processed 100% of applications for the recognition of Professional bodies and registration of their professional designations	None	N/A
	The target was met Monitored 100% of professional bodies that were recognised in the 2016/17 financial year, against the policy and criteria One professional body did not avail itself to a site visit. SAQA wrote to the CEO of this professional body and informed him of SAQA's intention to de-recognise it	Monitor 100% of professional bodies that were recognised in the 2017/18 financial year who have submitted monitoring reports and who will be evaluated against the policy and criteria (mid-term review)		Met the target Monitored 100% of professional bodies that were recognised in the 2017/18 financial year who have submitted monitoring reports and evaluated them against the policy and criteria (mid-term review)	None	N/A
	The target was met Monitored 100% of professional bodies that were recognised in the 2013/14 financial year, against the policy and criteria 100% of PBs met SAQA's criteria and were recommended for re-recognition	Renew the recognition of 100% of professional bodies that were recognised in the 2014/15 financial year, who have submitted monitoring reports and who will be evaluated against the policy and criteria for recognition		Met the target Renewed the recognition of 100% of professional bodies that were recognised in the 2014/15 financial year, who had submitted monitoring reports and were evaluated against the policy and criteria for recognition Professional bodies that failed to meet SAQA's policy and criteria were de-recognised	None	N/A

Table 12: Performance Indicators of Registration and Recognition Linked to Four-Year Achievements

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
21. Percentage of qualifications and part-qualifications recommended by the QCs registered using the Policy and Criteria for the registration of qualifications and part qualifications on the NQF	Processed 100% of qualifications and part-qualifications recommended by the QCs Received 447 new recommendations from QCs Returned: 36 qualifications 411 qualifications met criteria for registration In addition: Registered 361 qualifications on the NQF and recorded 10 learning programmes	The target was met Processed 100% of qualifications and part- qualifications recommended by the QCs	The target was met Processed 100% of qualifications and part- qualifications recommended by the QCs		(14) Process 100% of qualifications and part- qualifications recommended by the QCs	Met the target Processed 100% of qualifications and part- qualifications recommended by the QCs for registration on the NQF	None	N/A



Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
22. Percentage of Professional bodies and professional designations processed using the professional bodies policy and criteria	<p>Processed 100% of applications for the recognition of professional bodies and registration of their professional designations</p> <p><i>Professional bodies:</i> Carried over 19 PB applications from previous cycle that were processed Received 9 new PB applications for recognition Closed and returned 4 PB applications In addition, 8 PBs were recognised and 13 PBs were carried over to next cycle</p> <p><i>Professional designations:</i> Carried over 72 designations from previous cycle Received 64 new PD applications for registration Returned 1 PD applications 63 PDs met criteria for registration In addition, 49 PDs were registered and 85 PDs were carried over to next cycle</p>	The target was met Processed 100% of applications for the recognition of professional bodies and registration of their professional designations annually	The target was met Processed 100% of applications for the recognition of professional bodies and registration of their professional designations		(15) Process 100% of applications for the recognition of professional bodies and registration of their professional designations annually	Met the target Processed 100% of applications for the recognition of Professional bodies and registration of their professional designations	None	N/A
23. Percentage of professional bodies monitored against Policy & Criteria for Recognition of Professional Bodies	<p>10 of the 72 professional bodies that were recognised for at least two years (by 31 March 2015), were monitored This equates to 13.9% of the professional bodies recognised up to 31 March 2015, having been monitored for the year</p>	The target was met Monitored 100% of professional bodies that were recognised in the 2015/16 financial year, against the policy and criteria (mid-term review)	The target was met Monitored 100% of professional bodies that were recognised in the 2016/17 financial year, against the policy and criteria One professional body did not avail itself to a site visit. SAQA wrote to the CEO of this professional body and informed him of SAQA's intention to de-recognise it		(16) Monitor 100% of professional bodies that were recognised in the 2017/18 financial year who have submitted monitoring reports and who will be evaluated against the policy and criteria (mid-term review)	Met the target Monitored 100% of professional bodies that were recognised in the 2017/18 financial year who have submitted monitoring reports and evaluated them against the policy and criteria (mid-term review)	None	N/A



Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
	In addition, a further 23 professional bodies were monitored against the Policy and Criteria for re-recognition	The target was met Monitored 100% of professional bodies that were recognised in the 2012/13 financial year, against the policy and criteria, as a pre-cursor to renew recognition	The target was met Monitored 100% of professional bodies that were recognised in the 2013/14 financial year, against the policy and criteria 100% of PBs met SAQA's criteria and were recommended for re-recognition		(17) Renew the recognition of 100% of professional bodies that were recognised in the 2014/15 financial year, who have submitted monitoring reports and who will be evaluated against the policy and criteria for recognition	Met the target Renewed the recognition of 100% of professional bodies that were recognised in the 2014/15 financial year, who had submitted monitoring reports and were evaluated against the policy and criteria for recognition Professional bodies that failed to meet SAQA's policy and criteria were de-recognised	None	N/A
24. The NQF is simplified and articulation pathways are clearly visible	SAQA identified historically registered qualifications on the OQSf that are no longer in use and brought this list to the attention of the QCTO The QCTO recommended 78 qualifications for de-registration The Board approved the de-registration of these qualifications	The target was met Compiled List of registered qualifications with no learner enrolments and sent to the QCTO for consideration By financial year-end, the QCTO had not recommended any qualifications for de-registration	The target was met Compiled List of registered qualifications with no learner enrolments and sent to the QCTO for consideration in (December 2017) the previous financial year The QCTO had not recommended any qualifications for de-registration In March 2018, the SAQA Board approved the re-registration of all qualifications on the NQF, provided that they met SAQA's criteria SAQA provided each of the QCs with a list of qualifications (including those with no learner uptake) and requested them to recommend which qualifications should be re-registered and which should be de-registered		No target set for 2019/20	N/A	N/A	N/A



Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
	Developed proposal to map 5 articulation pathways for learners sampled from NLRD Proposal will be submitted to Board for approval in July 2017 before articulation pathways are mapped	The target was met The study was completed A Progress Report on the study was approved by SAQA Board on 9 March 2018	No target set for 2018/19		No target set for 2019/20	N/A	N/A	N/A

Programme 2: Contribution to SAQA's Strategic Goals

The Registration and Recognition directorate (DRR) is responsible for (i) registering nationally relevant and internationally comparable qualifications and part-qualifications that meet national criteria and articulate within as well as across Sub-Frameworks and (ii) recognising professional bodies and registering their professional designations.

Process in the context of qualifications means: To screen and evaluate 100% of qualifications and part-qualifications against the Policy and Criteria for the Registration of Qualifications and Part-Qualifications on the NQF. DRR returns applications that do not meet the criteria to the Quality Councils to provide the relevant information. Applications that meet the criteria are scrutinised by the Qualifications & Standards (Q&S) Committee, and qualifications meeting the criteria are recommended to the Board for registration on the NQF. Once Board approval is granted, the qualifications are registered on the NQF.

Process in the context of professional bodies means to screen and evaluate 100% of applications received from professional bodies against the Policy and Criteria for the Recognition of Professional Bodies and the Registration of Professional Designations. DRR returns applications that do not meet the criteria to the applicant with a list of missing information. DRR submits applications that meet the criteria to the Qualifications & Standards Committee. Once satisfied, the Qualifications & Standards Committee recommends the recognition of the professional bodies and the registration of the professional designations, to the Board.

Comment on deviations

No deviations were recorded for this programme.



REGISTRATION AND RECOGNITION



Table 13: Strategic Objectives of National Learners' Records Database (NLRD) Linked to Two-Year Achievements

Programme 3						
3.1 National Learners' Records Database						
Strategic Objective	Actual Achievement 2018/19	Planned Target 2019/20		Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
Maintain and further develop the National Learners' Records Database	The target was met Received data from QCs twice a year and loaded 100% of all data that met the criteria	Receive data from QCs and load 100% of all data that meet the criteria		Met the target Received and loaded 100% of all data from QCs that met the criteria	None	N/A
	The target was met Received data from professional bodies twice a year and loaded 100% of all data that met the criteria	Receive data from professional bodies and load 100% of all data that meet the criteria		Met the target Received and loaded 100% of all data from professional bodies that met the criteria	None	N/A
	The target was met All searchable databases were available at least 95% of the time 1 database was disabled in the 4 th quarter as it is no longer required	No target set for 2019/20		N/A	N/A	N/A
	The target was met Produced 1 annual comprehensive report on information contained on the NLRD	Produce 1 annual comprehensive report		Met the target Produced the annual comprehensive report for the NLRD and submitted the report to the Minister: HEST	None	N/A
	The target was met Produced 1 report per quarter on learner achievements added to NLRD	Produce quarterly statistics on information added to NLRD		Met the target Produced quarterly statistics on information added to NLRD	None	N/A
	No target set for 2018/19	Produce the 6 th Trends Report		Met the target Produced the 6 th Trends Report	None	N/A

Table 14: Strategic Objectives of the Verifications Project Linked to Two-Year Achievements

3.2 Verifications Project						
Strategic Objective	Actual Achievement 2018/19	Planned Target 2019/20		Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
Maintain and further develop the National Learners' Records Database	The target was met Processed 100% of applications received for the verification of national qualifications in the financial year	Process 100% of applications received for the verification of national qualifications in the financial year		Met the target Processed 100% of applications received for the verification of national qualifications in the financial year	None	N/A
	The target was met Invoiced 100% of clients within 30 days of closing a batch	No target set for 2019/20		N/A	N/A	N/A
	The target was met Produced a progress report for each quarter within 15 days after the end of the quarter	Produce a progress report for each quarter within 15 days after the end of the quarter		Met the target Produced a progress report for each quarter within 15 days after the end of the quarter	None	N/A



Table 15: Performance Indicators of the National Learners' Records Database Linked to Four-Year Achievements

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
25. Percentage of successfully submitted data from QCs that has been successfully loaded	100% of all data received from QCs that met the criteria were successfully loaded in the 2 nd and 4 th quarters	The target was met Received data from QCs twice a year and loaded 100% of all data that met the criteria	The target was met Received data from QCs twice a year and loaded 100% of all data that met the criteria		(18) Receive data from QCs and load 100% of all data that meet the criteria	Met the target Received and loaded 100% of all data from QCs that met the criteria	None	N/A
26. Percentage of successfully submitted data from professional bodies that has been successfully loaded	100% of all data received from Professional Bodies that met the criteria were successfully loaded in the 1 st and 3 rd quarters	The target was met Received data from professional bodies twice a year and loaded 100% of all data that met the criteria	The target was met Received data from professional bodies twice a year and loaded 100% of all data that met the criteria		(19) Receive data from professional bodies and load 100% of all data that meet the criteria	Met the target Received and loaded 100% of all data from professional bodies that met the criteria	None	N/A
27. Number of searchable databases available to the public	7 searchable databases were available 98% of the time	The target was met Made available all 7 searchable databases at least 95% of the time	The target was met All searchable databases were available at least 95% of the time 1 database was disabled in the 4 th quarter as it is no longer required		No target set for 2019/20	N/A	N/A	N/A
28. Number of Comprehensive Reports based on information in the NLRD	Produced Annual Comprehensive Report for financial year and submitted it to Minister	The target was met Produced 1 annual comprehensive report	The target was met Produced 1 annual comprehensive report on information contained on the NLRD		(20) Produce 1 annual comprehensive report	Met the target Produced the annual comprehensive report for the NLRD and submitted the report to the Minister: HEST	None	N/A
	Produced 1 report quarterly on number of learner achievements added to NLRD	The target was met Produced 1 report per quarter on learner achievements added to NLRD	The target was met Produced 1 report per quarter on learner achievements added to NLRD		(21) Produce quarterly statistics on information added to NLRD	Met the target Produced quarterly statistics on information added to NLRD	None	N/A
29. Number of trends reports produced every 2 nd year	No target for 2016/17	The target was met Produced the 5 th Trends Report	No target set for 2018/19		(22) Produce the 6 th Trends Report	Met the target Produced the 6 th Trends Report	None	N/A



Table 16: Performance Indicators of Verifications Project Linked to Four-Year Achievements

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
30. Provide a qualifications verifications service that finalises a percentage of applications received	100% of applications for verifications received in the financial year were processed Received 10 598 batches Returned 1 017 batches 9 581 batches met the criteria for verification In addition: Verified 9 581 batches containing 81 833 individual records	The target was met 100% of applications for verifications received in the financial year were processed	The target was met Processed 100% of applications received for the verification of national qualifications in the financial year		(23) Process 100% of applications received for the verification of national qualifications in the financial year	Met the target Processed 100% of applications received for the verification of national qualifications in the financial year	None	N/A
31. Percentage of clients invoiced for completed verification results	Invoiced 100% of clients within 30 days of completing the verifications process	No target set for 2017/18	The target was met Invoiced 100% of clients within 30 days of closing a batch		No target set for 2019/20	N/A	N/A	N/A
32. Number of reports produced indicating progress with the Verifications project	Produced Quarterly progress reports (4 reports in total)	The target was met Produced a Progress Report for each quarter	The target was met Produced a progress report for each quarter within 15 days after the end of the quarter		(24) Produce a progress report for each quarter within 15 days after the end of the quarter	Met the target Produced a progress report for each quarter within 15 days after the end of the quarter	None	N/A

Programme 3: Contribution to SAQA's Strategic Goals

The NLRD directorate is responsible for maintaining and further developing the National Learners' Records Database, which is the largest database of learner achievements and other information related to qualifications, in the country. The focus of this directorate is to ensure that learner achievement data are loaded onto the NLRD by Quality Councils and professional bodies. The directorate also provides analyses of information contained on the NLRD for further research, and to inform policy and decision-making.

The Verifications Project is responsible for verifying the authenticity of national qualifications and reporting on misrepresented qualifications. The NQF Amendment Act, once proclaimed, has significant implications for the work of this directorate.

Process in this context means that all applications received electronically are checked against set information requirements. Those found to be non-compliant are returned to the client. Compliant submissions proceed to the Verification stage. This target measures timeliness of first response against set criteria.

Comment on deviations

There were no deviations from the stated targets for Programme 3.



VERIFICATIONS PROJECT



VERIFICATIONS PROJECT



NATIONAL LEARNERS' RECORDS DATABASE



Table 17: Strategic Objectives of DFQEAS Linked to Two-Year Achievements

Programme 4						
Foreign Qualifications Evaluation and Advisory Services (DFQEAS)						
Strategic Objective	Actual Achievement 2018/19	Planned Target 2019/20		Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
Provide a foreign qualifications Evaluation and Advisory Service	The target was met Produced a monitoring report on implementation of the amended Policy, with specific reference to the framework for the recognition of deviations and exception cases	Produce a monitoring report on the implementation of the approved Addendum on Asylum Seekers & Refugees		Met the target Produced a monitoring report on the implementation of the approved Addendum on Asylum Seekers & Refugees	None	N/A
	The target was met Registered and activated 100% of all compliant applications for further processing	Complete the processing of 100% of all compliant applications		Did not meet the target Registered and activated 100% of all compliant applications for further processing However, SAQA did not meet the three-month turnaround time for a small percentage of applications	Yes	Even though all the compliant applications were processed within the financial year, a small percentage of applications were not closed within the three-month period stated in the technical indicator description for this deliverable
	The target was met Produced an annual trends report on misrepresented foreign qualifications	Produce an annual trends report on misrepresented foreign qualifications		Met the target Produced the annual trends report on misrepresented foreign qualifications	None	N/A

Table 18: Performance Indicators of DFQEAS Linked to Four-Year Achievements

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
33. An approved policy framework for the recognition of foreign qualifications in line with the NQF Act implemented	Produced monitoring report on implementation of approved Policy & Criteria for the Evaluation of Foreign Qualifications in the SA NQF	The target was met Produced a monitoring report on the implementation of the approved Policy and Criteria for the Evaluation of Foreign Qualifications within the SA NQF, as amended	The target was met Produced a monitoring report on implementation of the amended Policy, with specific reference to the framework for the recognition of deviations and exception cases		(25) Produce a monitoring report on the implementation of the approved Addendum on Asylum Seekers & Refugees	Met the target Produced a monitoring report on the implementation of the approved Addendum on Asylum Seekers & Refugees	None	N/A



Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
34. Percentage of applications for evaluation of foreign qualifications are processed	Processed 100% of all applications received in the following manner: Received 25 395 new applications Returned 3 716 non-compliant applications Registered 21 679 compliant applications for evaluation In addition, we compared and recognised 25 188 qualifications	The target was met Registered and activated 100% of all compliant applications for further processing	The target was met Registered and activated 100% of all compliant applications for further processing		(26) Complete the processing of 100% of all compliant applications	Did not meet the target Registered and activated 100% of all compliant applications for further processing However, SAQA did not meet the three-month turnaround time for a small percentage of applications	Yes	Even though all the compliant applications were processed within the financial year, a small percentage of applications were not closed within the three-month period stated in the technical indicator description for this deliverable
35. Report on misrepresented qualifications in the evaluation of foreign qualifications including the number of initiatives undertaken to counteract document fraud	Produced the annual Trends Report on Misrepresented Foreign Qualifications	The target was met Produced the annual Trends Report on Misrepresented Foreign Qualifications	The target was met Produced an annual trends report on misrepresented foreign qualifications		(27) Produce an annual trends report on misrepresented foreign qualifications	Met the target Produced the annual trends report on misrepresented foreign qualifications	None	N/A

Programme 4: Contribution to SAQA's Strategic Goals

The Foreign Qualifications Evaluation and Advisory Service is responsible for evaluating foreign qualifications against set criteria including the verification of the authenticity of qualifications and comparison of the foreign qualifications with similar qualifications on the South African NQF. SAQA has the sole mandate to evaluate foreign qualifications.

Register and activate means: Applications that meet the requirements of a checklist are recorded on the Foreign Qualifications database and activated for further processing against the Policy and Criteria for Evaluating Foreign Qualifications. Applications found to be non-compliant are returned to the client.

Comment on deviations

Deviations are explained in the far right column.



FOREIGN QUALIFICATIONS EVALUATION
AND ADVISORY SERVICES



FOREIGN QUALIFICATIONS EVALUATION
AND ADVISORY SERVICES



Table 19: Strategic Objectives of Research Linked to Two-Year Achievements

Programme 5						
Research						
Strategic Objective	Actual Achievement 2018/19	Planned Target 2019/20		Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
Facilitate and support the implementation of NQF policies in a simple, coherent and integrated manner; and Conduct research on issues of importance to the NQF	The target was met Produced a report on progress made with current partnership (Durban University of Technology)	Produce a detailed report on progress made with current partnership(s)		Met the target Produced a detailed report on progress made with the current partnership	None	N/A
	The target was met The Board approved the 2017 NQF Impact Study report on 8 March 2019	Produce and disseminate the summary report on the 2017 NQF Impact Study		Met the target Produced and disseminated the summary report on the 2017 NQF Impact Study	None	N/A
	The target was met Produced the draft Concept Paper for SAQA's 2021 NQF Impact Study	Produce a progress report on the 2021 NQF Impact Study		Met the target Produced a progress report on the 2021 NQF Impact Study	None	N/A
	The target was met Produced one SAQA Bulletin	Produce one SAQA Bulletin		Met the target Produced one SAQA Bulletin	None	N/A

Table 20: Performance Indicators of Research Linked to Four-Year Achievements

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
36. Facilitate, maintain, finalise and report on the research partnerships implemented	Produced Report giving details of research partnerships facilitated, progress with existing partnerships and partnerships concluded	The target was met Produced a detailed report on progress made with current partnerships	The target was met Produced a report on progress made with current partnership (Durban University of Technology)		(28) Produce a detailed report on progress made with current partnership(s)	Met the target Produced a detailed report on progress made with the current partnership	None	N/A
37. NQF Impact Study progress report	The 2014 NQF Impact Study summary report was disseminated to stakeholders Produced progress report on work achieved towards the 2017 NQF Impact Study	The target was met Produced the Draft 2017 NQF Impact Study Report	The target was met The Board approved the 2017 NQF Impact Study report on 8 March 2019		(29.1) Produce and disseminate the summary report on the 2017 NQF Impact Study	Met the target Produced and disseminated the summary report on the 2017 NQF Impact Study	None	N/A
	N/A	N/A	The target was met Produced the draft Concept Paper for SAQA's 2021 NQF Impact Study		(29.2) Produce a progress report on the 2021 NQF Impact Study	Met the target Produced a progress report on the 2021 NQF Impact Study	None	N/A



Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
38. Number of SAQA bulletins produced	Produced one SAQA Bulletin	The target was met Produced one SAQA Bulletin	The target was met Produced one SAQA Bulletin		(30) Produce one SAQA Bulletin	Met the target Produced one SAQA Bulletin	None	N/A
39. Research report on Ombud function	A Research report on SAQA's role in the ombudsman function was completed and approved by the Board	The target was not met Could not commence with this deliverable because the Minister did not give approval for implementation of the Ombud function as yet	No target set for 2018/19		No target set for 2019/20	N/A	N/A	N/A

Programme 5: Contribution to SAQA's Strategic Goals

The Research directorate is responsible for conducting evidence-based research to evaluate the impact of the NQF and inform the further development and implementation of the NQF.

Comment on deviations

There were no deviations.



RESEARCH



Table 21: Strategic Objectives of International Liaison Linked to Two-Year Achievements

Programme 6						
6. International Liaison						
Strategic Objective	Actual Achievement 2018/19	Planned Target 2019/20		Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
Ensure effective international collaboration and benchmarking	The target was met Produced two documents on international best practice	Produce two documents on international best practice		Met the target Produced two documents on international best practice	None	N/A
	The target was met Produced one benchmarking report	Produce one benchmarking report or convene a benchmarking workshop		Met the target Produced a report on the benchmarking of the South African Level Descriptors to the World Reference Levels	None	N/A
	The target was exceeded Participated in 12 international forums	Attend two international forums		Exceeded the target Participated in 18 international forums	Yes	SAQA budgets for two international trips annually. During the course of the year, SAQA secured funding from the organisers of other international events, which allowed staff to participate in these events, at the cost of the international organisers. It is difficult to plan for these forums, as there is no guarantee of funding or invitations.
	The target was met Produced one trends report	Produce one trends report		Met the target Produced one trends report	None	N/A
	The target was exceeded Convened 12 stakeholder workshops	Convene at least one stakeholder workshop		Exceeded the target Convened 12 stakeholder workshops SAQA did not anticipate hosting these meetings at the time of developing this APP	Yes	The workshops relate to SAQA's work with the SADC Qualifications Framework and the Education Sector Committee (ESC) of the South African National Commission (SA NATCOM) of the United Nations Educational, Scientific and Cultural Organization(UNESCO). To keep costs low, most SADC events are hosted at SAQA House SADC contributed to the cost of hosting the meetings



Table 22: Performance Indicators of International Liaison Linked to Four-Year Achievements

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
40. Two documents produced informing NQF partners and other stakeholders about international best practice	Published 1 st article produced by Jens Bjornaveld in the SAQA Bulletin and shared it with the NQF family and international stakeholders Produced 2 nd article on SADC Qualifications Framework entitled: Building trust for better movement. Article published on SAQA website	The target was met Produced two documents on international best practice	The target was met Produced two documents on international best practice		(31) Produce two documents on international best practice	Met the target Produced two documents on international best practice	None	N/A
41. Number of benchmarking reports produced or benchmarking workshops held	Produced report outlining benchmarking activities between SAQA and National Qualifications Authority of UAE	The target was met Convened a benchmarking workshop	The target was met Produced one benchmarking report		(32) Produce one benchmarking report or convene a benchmarking workshop	Met the target Produced a report on the benchmarking of the South African Level Descriptors to the World Reference Levels	None	N/A



Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
42. Number of international forums participated in so as to share best practice	Presented at meeting of the 4 th UNESCO Committee of Experts (CoEs) on World Reference Levels in Cape Town Visited Chinese Ministry of Education with DHET to finalise a qualifications bilateral agreement between SA and China Meeting with Higher Education Degree Datacheck (HEDD) in UK Presented at European Association for International Education (EAIE) meeting in UK Chaired and presented at a SADC Technical Committee on Certification and Accreditation (TCCA) meeting in Johannesburg Presentations delivered at: conference in Paris (Scarce jobs & sustainable development; Global trends & local challenges); 9 th Annual International Conference of Education, Research and Innovation in Spain; Chaired and presented at SADC Secretariat meeting in Botswana on implementation of SADC QF Participated in Conference on Getting Organised for Better Qualifications and 5 th Committee of Experts meeting on World Reference Levels, in Brussels Participated in an exchange visit to the National Students Clearing House in the USA Participated in a study visit to the Norwegian Agency for Quality Assurance in Education (NOKUT) and a study visit to the European Commission in Brussels Presented at the European Qualifications Framework (EQF) Advisory Group meeting in Brussels Presented at the International Symposium for Industrial Skills Development of Sustainable Growth for Africa and Japan	The target was exceeded SAQA participated in 12 forums The target was exceeded because funding for 10 trips were provided by the event organisers SAQA only budgeted to attend two forums	The target was exceeded SAQA participated in 12 international forums		(33) Attend two international forums	Exceeded the target Participated in 18 international forums SAQA did not anticipate attending these meetings at the time of developing this APP. Attendance was dependent on being invited and receiving funding.	Yes	SAQA budgets for two international trips annually. During the course of the year, SAQA secured funding from the organisers of other international events, which allowed staff to participate in these events, at the cost of the international organisers. It is difficult to plan for these forums, as there is no guarantee of funding or invitations.
43. Number of trends analyses conducted on international developments	Produced report on "Hope for qualifications recognition"	The target was met Produced one trends report	The target was met Produced one trends report		(34) Produce one trends report	Met the target Produced one trends report	None	N/A



Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19		Planned Target 2019/20	Actual Achievement 2019/20	Deviation from Planned Target to Actual Achievement for 2019/20	Comment on Deviation
44. Number of workshops or seminars hosted to inform stakeholders about relevant international development	Organised the GDN Annual Meeting arranged for 17 – 19 May 2016 in Cape Town	The target was exceeded SAQA hosted 8 workshops related to the implementation of the SADC Qualifications Framework (SADCQF)	The target was exceeded Convened 12 stakeholder workshops		(35) Convene at least one stakeholder workshop	Exceeded the target Convened 12 stakeholder workshops SAQA did not anticipate hosting these meetings at the time of developing this APP	Yes	The workshops relate to SAQA's work with the SADC Qualifications Framework and the Education Sector Committee (ESC) of the South African National Commission (SA NATCOM) of the United Nations Educational, Scientific and Cultural Organization(UNESCO)_ To keep costs low, most SADC events are hosted at SAQA House SADC contributed to the cost of hosting the meetings
45. Number of approved guidelines or policies developed or reviewed	Produced guideline document, including roadmap and timelines, for the pilot study for African countries to align to the SADC Qualifications Framework	The target was met Produced one guideline/ policy	No target set for 2018/19		No target set for 2019/20	N/A	N/A	N/A

Programme 6: Contribution to SAQA's Strategic Goals

The International Liaison directorate is responsible for liaising with international partners on matters concerning qualifications frameworks and sharing national and international best practice with stakeholders.

Comment on deviations

Comments on deviations are included in the far right column.



INTERNATIONAL LIAISON



SUMMARY OF FINANCIAL INFORMATION

REVENUE COLLECTION

Sources of revenue	2019/20			2018/19		
	Estimate	Actual Amount Collected	(Over)/ Under Collection	Estimate	Actual Amount Collected	(Over)/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Government Grant	69,893	69,893	-	66,719	66,719	-
University Qualification Registration National Collaboration Project	-	5,737	(5,737)	-	-	-
Evaluation Fees - DFQEAS	49,020	39,695	9,325	46,000	37,599	8,401
Verifications Fee income	16,122	11,385	4,737	15,000	9,819	5,181
Professional Bodies fees	3,000	2,534	466	2,000	2,745	(745)
Interest Received	1,800	2,096	(296)	1,800	1,878	(78)
Rental Income	882	856	26	1,250	1,099	151
Sundry Income	2,150	1,513	637	2,600	3,447	(847)
Reversal of provision of credit loss		428	(428)	-	-	-
Gain on foreign exchange		33	(33)	-	-	-
Total	142,867	134,170	8,697	135,369	123,306	12,063

PROGRAMME EXPENDITURE

Programme and Sub-Programme Name	2019/20			2018/19		
	Budget	Actual Expenditure	(Over)/ Under Expenditure	Budget	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1. Administration & Support						
1.1 Executive Office	11,640	10,806	834	11,970	10,817	1,153
1.2 Finance & Administration	20,556	22,115	(1,559)	19,478	21,254	(1,773)
1.3 Human Resources	5,575	5,199	376	5,719	4,698	1,021
1.4 Information Technology	16,382	11,143	5,239	13,981	9,262	4,719
1.5 Advocacy & Communication Support	12,568	10,734	1,834	12,691	9,913	2,778
2. Directorate Recognition and Registration	12,027	14,043	(2,016)	10,281	9,451	830
3. National Learners' Records Database including Verifications Project	19,118	17,890	1,228	18,243	16,795	1,445
4. Directorate Foreign Qualifications Evaluation and Advisory Services (DFQEAS)	30,867	31,043	(176)	29,622	29,293	329
5. Research	4,491	4,123	368	4,241	3,673	568
6. International Liaison	2,616	2,597	19	2,391	2,261	130
Total	135,840	129,693	6,147	128,617	117,417	11,200

CAPITAL EXPENDITURE

Capital Expenditure	2019/20			2018/19		
	Budget	Expenditure Actual	(Over)/ Under Expenditure	Budget	Expenditure Actual	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Land and Buildings	3,000	491	2,509	1,557	865	942
IT Equipment	3,525	2,779	746	4,295	2,736	1,559
Furniture and Fixtures	500	458	42	900	234	666
Intangible Assets	-	3,042	(3,042)	-	764	(764)
Total	7,025	6,752	255	6,752	4,599	2,403



Part C



A
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DELIVERS



Governance



INTRODUCTION

In addition to the NQF Act No. 67 of 2008 and the South African Constitution, SAQA abides by the PFMA No. 1 of 1999. SAQA also voluntarily subscribes to the King IV Code on Corporate Governance. As a public entity, bound by the principles of the PFMA, SAQA continuously works towards improving its already sound governance processes. Commitment to the principles of openness, integrity, efficiency, accountability and compliance, as reflected in the King IV Code of Governance Principles 2016, is evident in SAQA's unbroken record of unqualified and clean audit opinions throughout its years of existence.

PORTFOLIO COMMITTEE

The SAQA delegation, led by the Chairperson of the Board, presented the Annual Integrated Report 2018/19 to the Portfolio Committee on Education and Training in October 2019.

EXECUTIVE AUTHORITY

The Executive Authority of SAQA is the Minister of Higher Education, Science and Technology. SAQA reported quarterly to the Minister progress made towards achieving the targets outlined in its APP for 2019/20. SAQA also reported progress on the implementation of the Ministerial Guidelines and provided a report on the System of Collaboration. Cases of misrepresented qualification achievements, which had been uncovered during the verification of national and foreign qualifications, were reported to the Minister every two months.

THE SAQA BOARD

BOARD COMPOSITION

SAQA is governed by a Board appointed by the Minister of Higher Education and Training (now Higher Education, Science and Technology), in accordance with section 14(3)(a) of the NQF Act. The sixth Board, appointed in February 2016, is serving the fourth year of its five-year term. The Board comprises 16 members, of which:

- Twelve members are appointed in their individual capacities
- At least two of the 12 members represent organised labour
- The remaining four members are the CEOs of SAQA and the three QCs, who are appointed to the Board by virtue of their positions

The Chairperson of the sixth SAQA Board is Dr Vuyelwa Toni Penxa, and the Deputy Chairperson is Prof Sarah Howie. With the exception of the CEO, all Board members serve in a non-executive capacity. The vacancy on the Board left with the resignation of Professor Jerry O. Kuye was filled by Ms Selaelo Lekoloane in March 2020.

BOARD CHARTER

The SAQA Board has a Governance Manual which sets out its responsibilities as well as the duties and responsibilities of its committees. The Board complied with the Governance Manual.

FUNCTIONS OF THE BOARD

The functions of the Board are set out in sections 5(3), 11 and 13 of the NQF Act. In summary, the SAQA Board:

- Must advise the Minister of Higher Education and Training and decision-makers on NQF matters, oversee the implementation of the NQF and liaise and consult with the QCs on matters relating to the implementation of the NQF
- Is mandated to develop policies and criteria for the development and registration of qualifications, assessment, RPL and credit accumulation and transfer, the recognition of professional bodies and registration of professional designations, and the development and maintenance of the content of level descriptors
- Is required to ensure that South African qualifications are of acceptable quality and are internationally comparable
- Is required to maintain a national learners' records database and to provide an evaluation and advisory service with respect to foreign qualifications
- Is responsible for conducting or commissioning research into NQF-related matters, to collaborate with international counterparts and to initiate and drive a clear, coordinated communication and advocacy strategy to assist providers, learners and the public at large in understanding the new NQF architecture and the implications of the changes for them.

In addition to the responsibilities set out in the NQF Act No. 67 of 2008, the Board also fulfils the role of the Accounting Authority in terms of section 49 of the PFMA No. 1 of 1999. As the Accounting Authority, the Board acts in a fiduciary capacity and must ensure that:

- Effective, efficient and transparent systems of financial and risk management, internal control, internal audit and procurement are in place
- Effective and appropriate steps are taken to collect revenue due and to prevent irregular, fruitless and wasteful expenditure and losses from criminal conduct and expenditure as a result of non-compliance with operational policies
- Effective and efficient management is in place, which includes ensuring the safeguarding of SAQA's assets and controlling its liabilities, revenue and expenditures
- Applicable legislation and regulations are complied with
- An effective and appropriate disciplinary system is in place to deal with failures to comply with the PFMA and the internal control systems
- Budgets, major contracts and other commitments are approved
- The finances are properly controlled
- SAQA operates as an ethical organisation



The Board sets strategy and policy. Management implements the strategy and decisions made by the Board and maintains systems of internal control, as well as accounting and information systems. The Board monitors the performance of management.

ACTIVITIES OF THE BOARD AND ITS COMMITTEES

During the year under review, the sixth SAQA Board met four times to conduct its work and to attend to its strategic planning responsibilities. Section 16(1) of the NQF Act allows the Board to establish committees to assist in the execution of its responsibilities. The table below reflects the structure of committees utilised by the SAQA Board.



BOARD COMMITTEE STRUCTURE

		
Name of Committee		Chairperson
Advocacy and Communication Committee		Dr J Reddy ¹
Audit and Risk Committee		Mr L Koyana
Executive Committee (Exco)		Dr V Toni Penxa
Finance Committee		Dr V Toni Penxa
National and Foreign Qualifications Appeals Committee		Ms AK Oberholzer ²
Information and Information Technology (I & IT) Committee		Ms F Nzimande
Professional Body Appeals Committee		Ms N Starr
Qualifications and Standards (Q&S) Committee		Ms N Starr
Remuneration and Human Resources Committee (REMCO)		Prof SJ Howie
Research Committee		Prof TG Schultz
Verification and Comparison of Qualifications (VC Q) Committee		Ms AK Oberholzer ³

¹ Dr Julie Reddy replaced Mr Joe Samuels as the Chairperson.

² Ms Anne Oberholzer replaced Prof Jerry O. Kuye as the Chairperson.

³ Ms Anne Oberholzer replaced Prof Jerry O. Kuye as the Chairperson.

In accordance with section 16(2) of the NQF Act, persons who are not members of the Board are co-opted to serve on Board committees.

Each committee (except the Audit and Risk Committee, which requires an independent chairperson) is chaired by a Board member. At least two Board members are members of each of the committees.

Over the period under review, all Board committees operated within the approved Terms of Reference as described in SAQA's Governance Manual. Apart from the members, the Deputy CEO and relevant directors also attended meetings of the Board and its committees.

Attendance of Board meetings by members of the Board and their respective appointments to Board committees were as follows:

BOARD ATTENDANCE

Title	Surname	Initials	Qualifications and Standards	I & IT	Advocacy and Communication	Verifications & Comparison of Qualifications	Research	Remco	Finance	Audit and Risk	Exco	Board
Prof	Bajnath	N										4/6
Mr	Benjamin	A								1/4		5/6
Dr	Bhikha	SD	6/8									6/6
Mr	Gantile	BM		3/4								4/6
Prof	Howie	SJ	2/8				1/3	4/5			3/4	5/6
Prof	Kuye	JO	² 0/8			² 1/4		² 0/5				² 1/6
Mr	Louw	GC			4/4							6/6
Mr	Maleka	M			¹ 0/4				¹ 0/5			¹ 0/6
Mr	Naidoo	V										6/6
Ms	Nzimande	PLF		4/4				³ 4/5		3/4	3/4	5/6
Ms	Oberholzer	AK				4/4		³ 1/5 ⁴			1/4	5/6
Dr	Rakometsi	M										6/6
Mr	Samuels	JS	⁵ 4/8	⁵ 2/4	⁵ 3/4	⁵ 2/4	⁵ 2/3	³ 3/5 ⁵	⁵ 4/5	⁵ 3/4	⁵ 3/4	⁵ 3/6
Prof	Schultz	TG	8/8				3/3	³ 5/5	4/5		4/4	5/6
Ms	Starr	N	5/8					³ 2/5			1/4	4/6
Dr	Toni Penxa	V						³ 5/5	5		4/4	6/6

¹ Mr M. Maleka did not attend any meetings during this financial year.

² Professor J.O Kuye resigned from the SAQA Board, Q & S Committee and from the VCQ Committee, which he chaired on 28 May 2019.

³ SAQA held a Special REMCO meeting on 10 July 2019.

⁴ The SAQA Board appointed Ms A.K Oberholzer as Chairperson of the VCQ Committee and member of the REMCO on 25 July 2019.

⁵ Mr J.S Samuels retired as the SAQA CEO in December 2019.

⁶ SAQA held two Special Board meetings on 26 November 2019 and 21 January 2020 respectively.



BOARD COMMITTEES ATTENDANCE

Title	Surname	Initials	Qualifications and Standards	I & IT	Advocacy and Communication	Verifications & Comparison of Qualifications	Research	Finance	Audit and Risk	Appeals	Board
Mr	Baleni	Z					1/3				
Ms	Buchler	M					3/3				
Dr	Chinje	N			2/4						
Dr	Clayton	PG		1/4							
Mr	Du Toit	B						² 3/5			
Ms	Fordyce	A			1/4						
Mr	Johnstone	N							4/4		
Mr	Hall	K	4/8								
Mr	Koyana	L							4/4		¹ 1/4
Dr	Mahlathi	P					2/3				
Ms	Maifadi	M				1/4					
Mr	Makhaga	NH				2/4					
Mr	Mheyamwa	Z						² 4/5			
Mr	Mockler	K	⁵ 5/8						⁵ 3/4		
Mr	Moloiwane	J				2/4				0/2	
Mr	Moonsamy	S						² 2/5			
Ms	Müller	CS	8/8								
Prof	Nepfumbada	MP							4/4		
Dr	Nkonki	VJJ					3/3				
Mr	Oosthuizen	MJ		2/4							
Prof	Pendlebury	S					2/3				
Dr	Pretorius	JA		3/4					2/4		
Mr	Ramotse	TP			3/4						
Dr	Reddy	J						² 4/5			
Dr	Samuels	L				3/4					
Ms	Thomas	C		³ 1/4							
Ms	Travern	Y				3/4					
Mr	Urban	B						² 3/5			
Dr	Von Eck	C	6/8								
Prof	Walters	S					1/3				
Mr	Zwane	RP	⁴ 1/8								

¹Mr L. Koyana attended the Board meeting per special invitation as the Audit and Risk Committee Chairperson.

²SAQA held a Special Finance Committee meeting on 29 August 2019.

³Ms C. Thomas resigned from the I & IT Committee on 21 October 2019.

⁴The SAQA Board appointed Mr R.P Zwane to the Q & S Committee on 24 October 2019.

⁵Mr K. Mockler resigned from the Q&S Committee on 14 November 2019.

⁶The SAQA Board created a special Board Committee that would assist with the registration of the non-aligned HEQSF qualifications – attendance for the Special Board Committee for the Registration of Qualifications is captured in the following table.

SPECIAL BOARD COMMITTEE FOR THE REGISTRATION OF QUALIFICATIONS (AUGUST 2019 – MARCH 2020)

Title	Surname	Name	Special Board Committee for the registration of qualifications
Dr	Bhikha	Shamrita	7/16
Mr	Mockler	Ken	9/16
Ms	Muller	Sue	14/16
Dr	Reddy	Julie	6/16
Mr	Samuels	Joe	11/16
Dr	Schultz	Talvin	1/16
Dr	Von Eck	Claudelle	1/16



RISK MANAGEMENT

Risk is managed on three distinct levels at SAQA: line managers at the operational level, oversight by the governance structures, and assurance by third parties. The right structures are in place to identify, monitor and manage risks effectively.

KEY DEVELOPMENTS

By actively managing risk mitigation plans and implementing mitigation strategies, SAQA again succeeded in decreasing the risk profile of selected risks and achieved its targets for the year.

SAQA's risk mitigation plans for 2019/20 were categorised as follows:



RISK MANAGEMENT PLAN

The Board is mandated to develop a detailed Risk Management Plan annually; both in the execution of its fiduciary duties and in compliance with sections 50(a) and 51(c) of the PFMA. The Plan includes strategies to mitigate identified risks. The Risk Management Plan includes identified strategic and operational risks and is structured per directorate.

OVERVIEW OF THE RISK MANAGEMENT PLAN

Directorate identifies and defines strategic and operational risks	Risks are rated according to the likelihood of occurring, and impact if they do occur, on a scale of 1 (low likelihood/impact) to 5 (very strong likelihood/great impact). The risk rating is the product of the likelihood and impact scores.	The Management Risk Committee, comprising the CEO, Deputy CEO and Directors: reviews quarterly; assesses risks with ratings of 16–25 by reviewing the impact of mitigation strategies and making adjustments to the risk ratings and mitigation strategies where necessary; and identifies new areas of risk.
	Risk ratings of 1–8: managed through routine operations; Risk ratings of 9–15: staff member assigned to manage risk; Risk ratings of 16–25: specific action plans are developed to mitigate these risks. Action Plans are incorporated into Directorate Operational Plans.	The Audit and Risk Committee recommends the Risk Register (Plan) to the Board for approval annually; ensures that risk assessment and management procedures are followed on a quarterly basis and are satisfactory, and reports progress to the Board quarterly.
	Directorate risks (irrespective of risk ratings) are collated into the SAQA Risk Plan.	The Combined Assurance Plan lists assurance by third parties and is discussed by the Audit and Risk Committee quarterly.
	Risks rated 16–25 are collated into the Prioritised Risk Register.	

MAJOR STRATEGIC RISKS

The major risks associated with SAQA achieving its mandate over the financial year are described below.

Governance

Budgetary constraints resulting from several factors continued to pose a risk to SAQA in the medium to long term. These included a decline in income, or the inability to sustain full cost recovery for services rendered. The NQF Amendment Act added to SAQA's mandate, resulting in the need for additional resources. SAQA engaged several strategies to mitigate the risk of insufficient funding and ensure financial stability. These strategies included lobbying the government to increase the baseline funding; sourcing funding from other institutions for specific projects such as digitisation and showcasing SAQA and the NQF.

Leadership

The QCs have perceived the changes brought by the NQF Amendment Act as encroaching on their independence, thereby posing a risk to SAQA's mandate. To mitigate this risk, SAQA constructively engaged in fostering strengthened collaboration with the QCs. Gaps in the information on the NLRD posed a reputational risk to SAQA. SAQA worked closely with the QCs to ensure understanding of the benefits of the NLRD, as well as the data requirements and ensuring the commitment of the QCs.

Staff development

SAQA continues to face the risk of losing scarce skills. This could be mitigated by ensuring that a pool of suitably qualified staff is in place within SAQA, and ensuring that systems, networks and technical documentation is up to date.

Public positioning

Not providing quality information and advice on the NQF to the public on time could compromise SAQA's reputation as the apex body in the education, training and development sector. Strategies to address this risk include collaborating with the relevant partners to promote the NQF to mutually identified audiences, leveraging on digital and social media platforms to communicate and create support for NQF advocacy, and optimising the website for users to obtain information quickly.

INTERNAL AUDIT AND AUDIT COMMITTEES

SAQA does not use an in-house internal audit function due to the nature and size of its staff complement. It outsourced the internal audit function to Nexia-SAB & T, and the audit reports produced were reviewed by the Audit and Risk Committee.

COMPLIANCE WITH LAWS AND REGULATIONS

SAQA confirmed compliance to the Audit and Risk Committee and the Board in terms of a list of the significant legislation, codes and rules that it must comply with, as well as additional rules, codes and standards that the Board subscribed to during the 2019/20 financial year. Also, the Auditor-General: South Africa tested compliance with laws and regulations during its annual audit.



FRAUD AND CORRUPTION

SAQA maintained its internal policies on fraud prevention and detection, as well as on fraud reporting during the year. These policies make allowance for whistle-blowing and anonymous reporting. The CEO is required to report all cases of fraud and corruption to the Board. There were no reported instances of fraud and corruption during the financial year.

MINIMISING CONFLICT OF INTEREST

SAQA has a multi-level system of approval for all purchases, which removes bias and prevents any manipulation of the system. The Finance Committee approves purchases above R1 million and internal processes are followed for amounts below. All adjudicators of tenders, and members of the Board and its committees, are requested to declare conflicts of interest at the start of each meeting.

CODE OF CONDUCT

Good governance leads to good management, good performance, good stewardship of public money, good public engagement and, ultimately, good outcomes. As an organisation that facilitates an effective public service for improved social outcomes, SAQA recognises the importance of good corporate governance, especially for the public sector. SAQA also recognises the importance of setting the right tone at the top and has adopted the SAQA Code of Ethics and Values, which it strives to live by on a daily basis. The SAQA Code of Ethics forms part of the Governance Manual, which was updated in 2019. The Governance Manual ensures that all members of the Board and its committees, as well as SAQA staff members, have easy access to the Board's Rules of Procedure, Terms of Reference of Committees, the Code of Ethics and Values, and other relevant governance matters.

Staff members are required to pledge to uphold the Code of Ethics when they join SAQA. During the year, SAQA continued to actively manage the quality and standards of the service provided by its staff. Client Service Standards were implemented and reviewed, and client compliments and complaints were discussed at the weekly Executive Management meetings.

HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

In adherence to King IV, SAQA will report against the following three principles listed in the United Nations Global Compact.

UNDERTAKING INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY

SAQA intensified its efforts on greater environmental responsibility through proactive short, medium and long-term planning. The plans include:

- Implementing green cleaning strategies
- Installation of sub-metering systems for water and energy consumption monitoring
- Conducting annual indoor air quality surveys to ensure carbon levels are within limits
- Conducting an annual occupant satisfaction survey with a target of 80% satisfaction

ENCOURAGING THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTAL FRIENDLINESS

SAQA encouraged all its service providers, clients, and staff members to make use of the facilities that it provides for the disposal of unwanted goods in an environmentally friendly manner. It also awarded a Green Cleaning Contract which ensured that only green label equipment and products were used. It also completed a pilot project on installation of water-efficient sanitary fixtures on the ground floor ablution facilities.

SUPPORT FOR A PRECAUTIONARY APPROACH IN TERMS OF ENVIRONMENTAL CHALLENGES

SAQA's risk assessments relating to its impact on the environment and employees, led to the identification of a need for waste, water, and energy reduction as outlined below.

Waste Management Project

SAQA diverted 78% of its operational waste from landfills through a recycling project partnership. As a means of improvement, SAQA continued to encourage employees through various campaigns to reduce operational waste.



Energy Management Project

The energy and water consumption data collected, indicates that SAQA House is 34 to 56% higher than the industry average.



Indoor Air Quality Monitoring

The indoor air monitoring exercise completed during the year under review revealed that both carbon monoxide and carbon dioxide gas exposure concentrations were below the standards of 10 ppm and 1000 ppm, respectively.



Occupational Health and Safety

The Health and Safety Programme was fully active. The current rate of compliance with relevant requirements is 72%. SAQA will focus on closing the gap in the next financial year. This will be achieved by intensifying its environmental initiatives and employees' participation in sustainability issues.





SOCIAL RESPONSIBILITY

Every year, SAQA shares its commitment to being a powerful force for social good. The entity is proud to demonstrate how this ambition has found expression in real and practical ways in this financial year. SAQA staff collected various goods and products, including food, clothing, and toys. SAQA staff donated these items to the Tshwaraganang Children's Home in Hammanskraal, North of Gauteng. SAQA will continue to support this deserving Home, while also exploring new and innovative ways to educate children about SAQA and the NQF.

STAKEHOLDER COMMUNICATION

The NQF Act mandates SAQA and its partners to inform the public about the NQF. SAQA uses various channels to raise awareness, understanding and valuing of the NQF, including a multi-platform advisory service, stakeholder engagement, as well as both mass and digital media. SAQA participates in public awareness campaigns to reach underserved stakeholders living in rural areas, where the reach of both new and traditional media like print, online media or television is limited. SAQA also hosts national and international events where SAQA staff interacts directly with various stakeholders and NQF partners.

NQF ADVISORY SERVICE

SAQA set to serve lifelong learners boldly and work towards a system of recognised, quality, articulated learning and career paths, which removes systemic barriers to access and progression and enables easy navigation of the system. The NQF Advisory Service offers quality-assured NQF information and advice to assist the public to navigate the NQF landscape. This facilitates access, mobility and redress in the education and training sector. The multi-channel NQF Advisory Service received **92 721** enquiries during the reporting period. To reach out to NQF beneficiaries, SAQA participated in **11** public awareness campaigns and exhibitions across the country to promote genuine qualifications.



MASS MEDIA

South Africa is a media-savvy nation, saturated with print, broadcast and online offerings. SAQA uses an array of relevant and diverse media platforms that reach a broad audience. Broadcast media remain relevant for SAQA stakeholders, especially the beneficiaries of the NQF in deep rural areas where radio is the only source of information. During the reporting period, SAQA initiated **12** media engagement activities. The outcome was **54** broadcast media shows and interviews, **2 991** online media mentions and **2 905** print media articles.

SOCIAL AND DIGITAL MEDIA

SAQA uses relevant digital media channels to promote how the NQF is a national asset that is positively influencing people's lives. SAQA used digital media such as the website and various social media platforms to promote its functions and the objectives of the NQF. One significant achievement is the redesign and development of the SAQA website. The new website is responsive to all devices and integrated with social media to foster improved communication with the public, thus enhancing access to accurate NQF information and SAQA services. SAQA drives a social media strategy that includes popular platforms such as Facebook, Twitter and LinkedIn to ensure consistent and persuasive messaging. During the reporting period, SAQA increased its interactions on digital media from **3 802 353** to **6 491 871**. SAQA's collaboration with NQF partners on many marketing communication initiatives enhances these interactions on digital media.

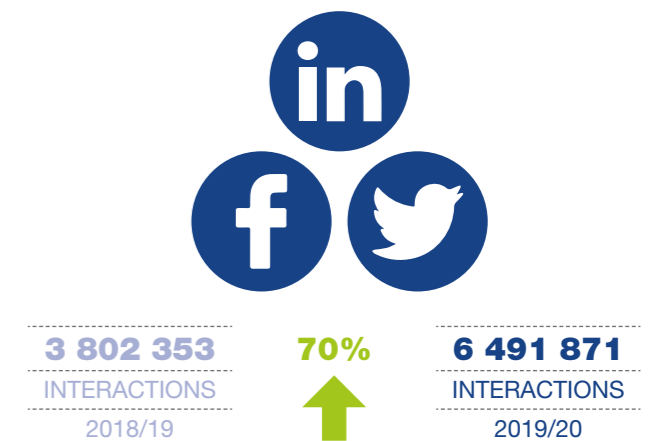
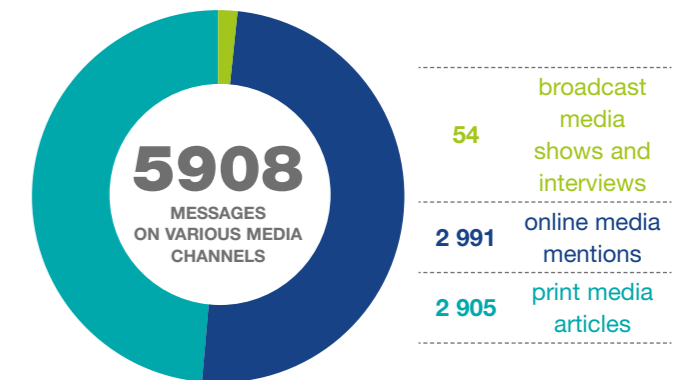
NQF EVENTS AND PARTNERSHIPS

During the period under review, SAQA collaborated with various stakeholders that included a series of national and international events to celebrate 21 years of the NQF.

Celebrating 21 years of the South African NQF

SAQA and NQF partners celebrated 21 years of the NQF through several events, which started with the launch for staff members on 14 June 2019. Representatives of SAQA-recognised professional bodies attended the **International Seminar for RPL qualifications and Professional Bodies** on 21 June 2019 to reflect on their RPL practices against international best practices.

Stakeholders in the education and training sectors in both South Africa and Europe met for a two-day (24 – 25 June 2019) **International Policy Learning Forum (PLF)** on the conceptualisation and use of learning outcomes in South





UNESCO Director for Policies & Lifelong Learning Systems Dr Borhene Chakroun spoke at the International Policy Learning Forum, which was hosted in South Africa



SAQA Director of Research Dr Heidi Bolton taking delegates on the Pledge for Articulation at the 3rd NQF Research Conference

Africa and Europe. The PLF provided an opportunity for South Africa and Europe to jointly reflect and consider the critical lessons learned from the use of learning outcomes in both South Africa and Europe. It enabled stakeholders to reflect critically and openly on the learning outcomes approach, which is key to qualifications frameworks the world over.

On 26 June 2019, SAQA hosted a meeting on the **International Handbook on Learning Outcomes** together with the briefing on the **World Reference Levels Pilot Project**. The Pilot Project sees SAQA at the forefront of embracing digitisation in the registration and evaluation of qualifications.

NQF Reception

In recognition of the 21st anniversary of the NQF, SAQA celebrated this momentous occasion by identifying and honouring those who contributed immensely to the establishment and further development of the South African NQF. SAQA hosted an international reception to celebrate the NQF and honour NQF stalwarts on 24 June 2019. Another NQF Reception was held on 05 September 2019 to celebrate with past and present board and staff members.

3rd NQF Research Conference

SAQA hosted the two-day 3rd NQF Research Conference on 05 – 06 September 2019. The over-arching purpose of the conference was to encourage and deepen the culture of articulation. Through the conference, NQF partners jointly reflected and considered lessons learned from the use of articulated learning-and-work pathways in the three sectors: Community Development, ECD, and Engineering.

SAQA-DUT Articulation Research Partnership

SAQA also collaborated with the Durban University of Technology (DUT) to launch a research booklet on the long-term partnership on articulation research between the two institutions on 11 February 2020. The booklet, *Articulation Between Technical and Vocational Education and Training (TVET), Higher Education, Work*, outlines the SAQA-DUT research programme *Developing understanding of the enablers of student transitioning between TVET Colleges and Higher Education Institutions, and beyond*. Delegates developed and signed the *Pledge for Articulation and Flexible Pathways* as a commitment to enable articulation and learning-and-work pathways in South Africa.

DISCLOSURE ON CONFERENCES HOSTED BY SAQA

Name of conference / event	International Seminar for RPL qualifications and Professional Bodies	International Policy Learning Forum	3 rd NQF Research Conference	Articulation Research Seminar
Hosting Directorate	Recognition and Registration	Executive Office	Research	Research
Date of conference / event	21 June 2019	24-25 June 2019	05 – 06 September 2019	11 February 2020
Venue location	Birchwood Hotel and OR Tambo Conference Centre	Peermont Global (East Rand)	Holiday Inn, OR Tambo	Birchwood Hotel and OR Tambo Conference Centre
Number of participants	185	220	140	100
Event description, purpose and strategic objective	To reflect on RPL practices in SA and abroad	To provide a peer-learning opportunity for SA and Europe to exchange experiences on the use of learning outcomes. To recognise and celebrate NQF stalwarts.	To reflect on the achievements of the South African NQF over the last 21 years	To launch a research booklet on the long-term partnership on articulation research between SAQA and DUT
Contracting procedures followed	Funded by a partner	Competitive bids (quotations)	Competitive bids (quotations)	Competitive bids (quotations)
Costs for: Hiring of venue (Full conference package and cocktail – with food and beverages)		78,626.80	188,700.00	51,420.00
Accommodation		N/A	N/A	N/A
Total costs for all four events listed above		78,626.80	188,700.00	51,420.00



AUDIT AND RISK COMMITTEE REPORT



Mr LM Koyana
Chairperson of the Audit
and Risk Committee

The Audit and Risk Committee hereby presents its report for the financial year ended 31 March 2020.

The Committee is pleased with the outcome of the external audit carried out by the Auditor General on SAQA, which saw the organisation attaining another clean audit for the financial year 2019/20 and wishes to congratulate management for such an achievement.

The Audit and Risk Committee is an independent statutory committee appointed by the Board. In addition to its statutory responsibilities, the Board has delegated further duties to the Committee. This report deals with the Committee's duties and responsibilities.

TERMS OF REFERENCE

The Committee was constituted under the sixth SAQA Board and adopted formal Terms of Reference approved by the Board. The Committee conducted its affairs in compliance with the Terms of Reference and discharged its responsibilities contained therein.

ROLE AND RESPONSIBILITIES

Statutory duties

The Committee's role and responsibilities include the statutory duties set out in sections 76(4)(d) and 77 of the PFMA 1999 and sections 3.1 and 27.1 of the Treasury Regulations issued in terms of that Act and further responsibilities assigned to it by the Board. The Committee elected to comply with the terms of King IV Code of Corporate Governance, where applicable.

External Auditor

In terms of the PFMA, the external auditor is the Auditor-General. All audit findings from the prior year audit were cleared to the satisfaction of the Auditor-General. The Committee agreed to the Engagement Letter, Audit Plan and budgeted audit fees for the 2019/20 financial year. The Auditor-General was not requested to provide any non-audit services.

Financial statements and accounting policies and practices

The Committee reviewed the accounting policies and practices and the financial statements of the organisation and was satisfied with their appropriateness and compliance with GRAP. This included any interpretations, guidelines and directives issued by the ASB. No concerns or complaints in relation to the reporting practices of the organisation were received.

Internal financial controls

The Committee oversaw the process by which the Internal Audit function provided a written assessment of the effectiveness of SAQA's system of internal control including internal financial controls and risk management. This written assessment formed the basis for the Committee's recommendation to the Board in order to fulfil its reporting requirements in the Annual Integrated Report. The Board's report on the effectiveness of the system of internal control is on page 11. The Committee fully supports the opinion of the Board in this regard.

Whistle blowing

The Committee noted that no fraud was reported in the 2019/20 financial year. No concerns or complaints were received relating to the accounting practices and internal audit, the content or auditing of the Financial Statements or any related matters from within or outside SAQA, during the 2019/20 financial year.

DUTIES ASSIGNED BY THE BOARD

In addition to the statutory duties of the Committee as reported on above, the Board determined additional functions for the Committee to perform, as set out in the Committee's Terms of Reference. These included providing oversight over integrated reporting, assessment of the organisation as a going concern, the governance of risk and internal audit oversight.

The Committee is also required to provide oversight on the integrity of the Strategic Plan, the Annual Performance Plan and other external reports issued by the organisation if requested to do so by the Accounting Authority.

Integrated reporting

The Committee fulfils an oversight role regarding the Annual Integrated Report and the reporting process.

The Committee considered the organisation's sustainability information as disclosed in the Annual Integrated Report and assessed its consistency with operational and other information known to the Audit and Risk Committee members, for consistency with the Annual Financial Statements.

The Committee discussed SAQA's sustainability information with management and was satisfied with the information provided.

According to King IV, the Committee should recommend to the Board the appointment of an external assurance provider on material sustainability issues. The Committee's recommendation to the SAQA Board was not to appoint an external assurance provider. This recommendation is premised on the belief that the relatively straightforward nature and extent of the information did not warrant such an appointment.

Going concern

The Committee reviewed a documented assessment prepared by management, which included key assumptions, of the going concern status of SAQA and made its recommendation to the Board. The Board's statement on the going concern status of SAQA is set out on page 130.

Governance of risk

The Board assigned oversight of the risk management function to the Committee. The Committee reviewed the risk management process, the effectiveness of risk management activities, the key risks facing the organisation and responses to address them. The Committee fulfilled its oversight role regarding financial reporting risks, internal financial controls, and fraud and information technology risks as they relate to financial reporting.

Internal Audit

The Committee ensured that the Internal Audit function was independent and had the necessary resources, standing and authority to enable it to discharge its duties. Furthermore, the Committee oversaw cooperation between the Internal and External Auditors and served as the link between the Board and these functions.

The Committee reviewed and recommended the Internal Audit Charter for Board approval and approved the Annual Audit Plan.

The Internal Audit team reported to the Committee on all functional matters and to the CEO from an administrative point of view. It reviewed and provided assurance on the adequacy of the internal control environment across all SAQA's operations. The Head of the Internal Audit team had direct access to the Committee, through its Chairperson. The Head of the Internal Audit team attended all Committee meetings.

The Committee assessed the performance of the Internal Audit function.

Evaluation of the Expertise and Experience of the Finance Director and Finance Function

The Committee satisfied itself that the Finance Director has appropriate expertise and experience. The Committee satisfied itself with the appropriateness of the expertise, adequacy of resources of the finance function and the experience of the senior members of management responsible for the finance function.

Mr LM Koyana
Chairperson of the Audit and Risk Committee



BBBEE COMPLIANCE PERFORMANCE INFORMATION

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

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	SAQA is mandated to oversee the implementation of the NQF and its objectives. SAQA does not issue any licences, concessions or other authorisations in respect of economic activity in terms of any law.
Developing and implementing a preferential procurement policy?	Yes	SAQA has a Supply Chain Management Policy which is aligned to the preferential procurement.
Determining qualification criteria for the sale of state-owned enterprises?	N/A	SAQA is a PFMA schedule 3A entity and operating under the control of the Minister of HEST.
Developing criteria for entering into partnerships with the private sector?	N/A	SAQA does not have any partnerships with the private sector. Contracts with private sector clients are within the normal operating activities.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	SAQA's mandate does not include the awarding of incentives, grants and investment schemes.

Part D



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Human Resource Management



HUMAN RESOURCE OVERVIEW

PRIORITIES FOR THE YEAR

Professional staff development

Learning and development remain an organisational priority in line with SAQA's strategic imperatives. As a result, every staff member has a learning and development plan that is aligned to the strategic objectives and the organization-wide learning and development plan. All SAQA staff members are required to participate in at least one learning and development activity, and this was achieved. This, in turn, ensures that SAQA enhances the culture of effective leadership and accountability for a workforce that shares common values, quality, effective problem solving and high performance.

Performance recognition and rewards

SAQA implemented a revised recognition of performance system. Using this system, qualifying staff received a once-off performance bonus upon exceeding the required level of performance in the 2018/19 financial year. However, due to the financial situation, no bonuses were paid for the 2019/20 performance.

Human resource information system

SAQA continued to enhance the integrated HR information system to streamline HR processes. A new performance management system was implemented during the year under review.

Staff induction programme

SAQA embraces change, and the staff induction programme was also reviewed. As such, online e-learning modules were incorporated into the current comprehensive staff induction programme, and this was implemented in the year under review.

Internship Programme

During the reporting period, SAQA, for the sixth consecutive year, successfully concluded a Memorandum of Understanding with the ETDP-SETA to host a new cohort of 16 interns. The internship programme is focused on providing workplace exposure to unemployed graduates and creating an environment where the transfer of workplace skills takes place. The 16 interns were placed in various units.

Workforce planning

The vacancy rate at the end of the year under review remained at 6%. SAQA appointed 17 new employees, and 14 employment contracts were terminated. One employee retired during the financial year. Three employees were promoted during the period.

Employee wellness programmes

SAQA supports a wellness culture where employees are both physically and mentally equipped to fulfil their roles optimally. To achieve its mandate, SAQA aspires to have 100% work-fit employees. To make this possible, an employee Wellness Programme is available to all employees and their immediate family members. The Wellness Programme includes:

- Access to referrals for specialized external networks
- Access to a lifestyle risk management Programme (outreach care calls)
- Group trauma debriefing
- Wellness orientation and manager training
- Promotional materials by Programme, including wallet cards, posters, pamphlets, articles and mailers
- Nurse on site every month



Utilisation of the wellness programme

In the year under review, female employees utilised the Wellness Programme the most at 55%, while the utilisation by male employees was 45%. The employees who utilised the Wellness Programme the most were between the age category of 31-40 years. A total of 116 employees utilised the services of a nurse on-site, which took place monthly. Twenty-nine employees participated in the flu vaccination drive, in the year under review. Core wellness services offered to SAQA staff include the following:

- Twenty-four-hour access to the professional wellness call centre
- Access to telephonic psychosocial counselling
- Access to face-to-face psychosocial counselling (up to six sessions per incident)
- Access to psychosocial, financial, legal and health advisory services
- Health education

POLICY DEVELOPMENT

SAQA reviewed and finalised three policies. It also developed and implemented a Policy on Notifiable Conditions in the year under review.

ACHIEVEMENTS

During the 2019/20 financial year, SAQA successfully fulfilled its ongoing and priority functions by achieving the following:

- Improved staff benefits
- Approved and implemented the new Remuneration and Recognition philosophy
- Recognised and rewarded qualifying employees through the performance and development management system
- Implemented an online performance management system and trained all SAQA employees on the new system
- Implemented the organisation-wide Learning and Development Plan
- Recruited and placed 16 interns
- Provided employees with education assistance
- Implemented the Leadership Development Programmes
- Appointed a new employee wellness service provider

CHALLENGES

The challenge faced by SAQA in the year under review was the retirement of the CEO. This required an immediate change to management processes in order not to compromise on the SAQA mandate.

FUTURE PLANS

In the next reporting period, SAQA plans to do the following:

- Conduct an organisational re-design to maximise efficiency and effectiveness to meet SAQA's mandate
- Facilitate the process of recruiting a new CEO
- Continue to implement staff Learning and Development Plans and study assistance
- Continue with the implementation of the leadership development programmes
- Continue with the improvements and the automation of HR functions for the effective and efficient analysis of trends to inform strategic decisions
- Enhance the wellness programme and provide support during the Covid-19 pandemic.



HUMAN RESOURCE OVERSIGHT STATISTICS

PERSONNEL COSTS BY PROGRAMME

Programme/activity/objective Programme	Total Expenditure for the entity (R'000)	Personnel expenditure	Personnel exp. as a % of total exp. (R'000)	No. of employees	Average personnel cost per employee (R'000)
Administration and support	59 996 556	34 801 417	27%	54	644 471
Recognition and registration of qualifications and part qualifications	14 043 094	13 705 567	10%	13	1 054 274
NLRD incl Verifications Project	17 889 776	16 751 873	13%	39	429 535
Foreign Qualification Evaluation and Advisory Services	31 043 047	27 342 634	21%	67	408 099
Research	4 122 710	3 686 023	3%	5	737 205
International Liaison	2 597 609	2 513 860	2%	4	628 465
Total	129 692 792	98 801 374	76%	182	

PERSONNEL COSTS BY SALARY BAND

Level	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost (R'000)	No. of employees	Average personnel cost per employee (R'000)
Top Management	2 035 096	2%	1	2 035 096
Senior Management	12 735 422	14%	11	1 157 766
Professional qualified	16 518 201	18%	23	718 183
Skilled	46 697 169	51%	89	524 687
Semi-Skilled	13 499 644	15%	58	232 752
Total	91 485 532	100%	182	

TRAINING COSTS

Directorate / Business unit	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost	No. of Employees Trained	Avg training cost per employee
All Directorates / Business units	98 801 374	462 815	0,5%	182	2 543
Total	98 801 374	462 815	0,5%	182	

EMPLOYMENT AND VACANCIES AS AT 31 MARCH 2020

Programme/activity/objective	2018/19 No. of Employees	2019/20 Approved Posts	2019/20 No. of Employees	2019/20 Vacancies	% of vacancies
Administration and support	49	57	54	3	5%
Registration and Recognition	14	15	13	2	13%
NLRD, including Verifications Project	42	44	39	5	11%
Foreign Qualifications Evaluation and Advisory Services	68	69	67	2	3%
Research	3	5	5	0	0%
International liaison	3	4	4	0	0%
Total	179	194	182	12	6%

Levels	2018/19 No. of Employees	2019/20 Approved Posts	2019/20 No. of Employees	2019/20 Vacancies	% of vacancies
Top Management	2	2	1	1	8.3%
Senior Management	11	11	11	0	0%
Professional qualified	18	21	21	0	0%
Skilled	96	103	97	6	50%
Semi-skilled	52	57	52	5	41.7%
Total	179	194	182	12	100.00%

SAQA froze some of the vacant positions and reviewed positions that became vacant. This decision was made to facilitate an organisational re-design exercise, for the purposes of developing structures that are effective and efficient, to meet the SAQA mandate. The recruitment process for key and strategic positions will be prioritised.

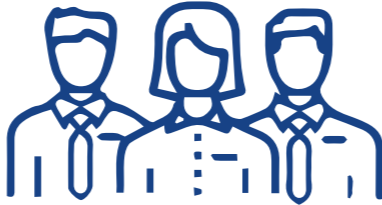
EMPLOYMENT CHANGES

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	20	0	1	1
Senior Management	0	0	0	11
Professional qualified	20	3	0	23
Skilled	87	10	8	89
Semi-skilled	59	4	5	58
Total	179	17	14	182



REASONS FOR STAFF LEAVING

Reason	Number	% of total no. of staff leaving
Death	0	0%
Resignation	12	86%
Dismissal	1	7%
Retirement	1	7%
Ill health	0	0%
Expiry of contract	0	0%
Other	0	0%
Total	14	100%



The main reasons for resignations were due to employment offers at higher position levels and salaries. One employee took early retirement and SAQA terminated an employment contract following a disciplinary process.

LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

Nature of disciplinary action	Number
Verbal Warning	0
Written Warning	6
Final Written warning	1
Dismissal	1
Disciplinary Hearing	3



EQUITY TARGET AND EMPLOYMENT EQUITY STATUS

Levels	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	27%	35.1%	3%	5.3%	0%	1.8%	6%	4.2%
Senior Management	27%	35.1%	3%	5.3%	0%	1.8%	6%	4.2%
Professional qualified	27%	35.1%	3%	5.3%	0%	1.8%	6%	4.2%
Skilled	33%	35.2%	1%	1.3%	1%	1.1%	1%	6.3%
Semi-skilled	33%	35.2%	1%	1.3%	1%	1.1%	1%	6.3%

EQUITY TARGET AND EMPLOYMENT EQUITY STATUS

Levels	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	27%	40.8%	6%	4.5%	12%	4%	9%	5.3%
Senior Management	27%	40.8%	6%	4.5%	12%	4%	9%	5.3%
Professional qualified	27%	40.8%	6%	4.5%	12%	4%	9%	5.3%
Skilled	56%	44.8%	1%	1.7%	1%	1.8%	3%	7.9%
Semi-skilled	56%	44.8%	1%	1.7%	1%	1.8%	3%	7.9%
Unskilled	0%	0%	0%	0%	0%	0%	0%	0%

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	1	0	0	0
Professional qualified	0	0	0	0
Skilled	0	0	2	0
Semi-skilled	1	0	0	0
Unskilled	0	0	0	0
TOTAL	2	1%	2	1%

SAQA has an organisational disability target of 2%. SAQA continues to implement initiatives and other strategies to attract employees with disabilities. In the year under review, SAQA hosted a disability awareness day and made available adequate information on disability, to all employees.



Part E

Financial
Information



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REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON SOUTH AFRICAN QUALIFICATIONS AUTHORITY

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

1. I have audited the financial statements of the South African Qualifications Authority (SAQA) set out on pages 133 to 176, which comprise the statement of financial position as at 31 March 2020, statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget with actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the SAQA as at 31 March 2020, and their financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No.1 of 1999) (PFMA).

Basis for the opinion

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

Responsibilities of accounting authority for the financial statements

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the PFMA, and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the accounting authority is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

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

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON SOUTH AFRICAN QUALIFICATIONS AUTHORITY

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

Introduction and scope

10. In accordance with the Public Audit Act of South Africa 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
11. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the public entity. I have not evaluated the completeness and appropriateness of the performance indicators / measures included in the planning documents. My procedures do not examine whether the actions taken by the public entity enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
12. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the annual performance report of the public for the year ended 31 March 2020:

Programmes	Pages in the annual performance report
Programme 2 – registration and recognition	60 - 69

13. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
14. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:
 - Programme 2 – registration and recognition.

Achievement of planned targets

15. Refer to the annual performance report on pages 30 to 95 for information on the achievement of planned targets for the year and explanations provided for the under/ over achievement of a number of targets.

REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

Introduction and scope

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



REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON SOUTH AFRICAN QUALIFICATIONS AUTHORITY

OTHER INFORMATION

18. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected presented in the annual performance report that have been specifically reported in this auditor's report.
19. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
20. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
21. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

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

Auditor-General

Pretoria

01 October 2020



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE - AUDITOR GENERAL'S RESPONSIBILITY FOR THE AUDIT

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

Financial statements

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

Communication with those charged with governance

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



ACCOUNTING AUTHORITY REPORT

SAQA is a statutory body governed by the National Qualifications Framework (NQF) Act No 67 of 2008. SAQA's primary mandate is to advance the objectives of the NQF, to oversee the further development and implementation of the NQF and to co-ordinate the Sub-frameworks that comprise the NQF. In terms of the Public Finance Management Act (PFMA), SAQA is a schedule 3 A National Public Entity. The SAQA Board is the accounting authority for the activities of the entity.

1. NATURE OF ENTITY

The Authority is a public entity domiciled in South Africa.

2. NATURE OF THE ENTITY'S OPERATIONS

The nature of the entity's business as set out in the NQF Act No.67 of 2008, is to oversee the further development and implementation of the National Qualifications Framework (NQF) and to ensure the achievement of its objectives.

3. GOING CONCERN

The Board believes that SAQA will continue to be a going concern for the financial year ahead. Accordingly, it continues to adopt the going concern basis in preparing the financial statements. In arriving at this view, the Board took into account the current sound financial position of SAQA as well as the responsibility of the Minister of Higher Education and Training, in terms of the NQF Act, to fund SAQA's functions. The Board considered the impact of COVID-19 measures on SAQA's financial sustainability and have also prepared a detailed cash flow projection for the foreseeable future to support the going concern principle.

4. EVENTS AFTER THE REPORTING PERIOD

No adjusting events, or non-adjusting events requiring disclosure, occurred after the reporting period.

5. PRINCIPAL ACTIVITIES

- Oversee the implementation of the NQF
- Develop a system of collaboration to guide the mutual relations of SAQA and the Quality Councils
- Develop, publish and maintain Level Descriptors for each level of the NQF
- Develop and implement policy and criteria for the development, registration and publication of the qualifications and part-qualifications on the NQF
- Register qualifications and part-qualifications on the NQF
- Develop policy and criteria for assessment, Recognition of Prior Learning and credit accumulation and transfer
- Develop and implement policy and criteria for recognising a professional body and registering a professional designation
- Recognition of professional bodies and registration of professional designations on the NQF
- Collaborate with international counterparts on all matters of mutual interest concerning qualifications frameworks
- Conduct and commission research on education and training systems
- Maintain the National Learners' Records Database (NLRD) as the key national source of information for human resource development in South Africa, including the verification of qualifications
- Implement and maintain SAQA's Foreign Qualifications Evaluation and Advisory Services
- Inform the public about the National Qualifications Framework (NQF).

ACCOUNTING AUTHORITY REPORT

6. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

There were no changes in the nature of property, plant and equipment and intangible assets or the policy regarding their use during the year. Capital expenditure on property, plant and equipment and intangible assets for the year amounted to R6,769,504 (2019: R4,598,507).

Details are contained in notes 10 and 11 to the financial statements.

7. FINANCIAL STATEMENTS

The financial statements are prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) as set out in Accounting Policy paragraph 1 on page 139.

8. AUDITORS

The Auditor-General will continue in office as the External Auditor in accordance with section 13 of the National Qualifications Framework Act.

The Auditor-General expresses an opinion on the financial statements. The audit has been performed in terms of section 188 of the Constitution of the Republic of South Africa, Act 1996, read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) and section 13 of the National Qualifications Framework Act (Act No. 67 of 2008). The audit is conducted in accordance with International Standards on Auditing.

9. FAIR PRESENTATION

The financial statements fairly present the state of affairs of SAQA at 31 March 2020, the results of its operations and cash flow information for the year then ended. These were approved by the Board on 29 September 2020.

10. PROJECTS

Projects continue to play a role in the realisation of SAQA's objectives. The Board is grateful for the contributions to SAQA by the project partners for the year.

Projects	1 April 2019 Opening Balance	Current Year Income / Funds received	Current Year Expenditure/ Release/ Refund	31 March 2020 Balance
CHE - HEQCIS	273,031	1,753,360	(1,866,515)	159,876
TIRELO BOSHA DIGITISATION PROJECTS	1,230,787	-	(1,230,787)	-
UNIVERSITY QUALIFICATION REGISTRATION PROJECT	-	4,748,968	(5,736,709)	(987,741)
TOTAL	1,503,818	6,502,328	(8,834,011)	(827,865)



ACCOUNTING AUTHORITY REPORT

Below is a summary of the services provided in terms of the project:

Council on Higher Education (CHE) - SAQA is contracted to manage the Higher Education Quality Committee Information System (HEQCIS) on behalf of the CHE;

The Tirelo Bosha projects granted funding to SAQA for two digitisation of learner records projects. The first project is for the digitisation of pre-1992 Senior Certificate learner records. The second is for the digitisation of the records of Teacher Qualifications. The project ended 31 March 2019, and the remaining funds were paid back at the beginning of the 2019/20 financial year; and

The University Qualification Registration Project (UQRP), which sought to support SAQA to ensure that accredited university qualifications are all registered before 31 December 2019, was extended to 31 March 2020. One of the main activities in the UQRP is to support the recruitment of temporary staff by SAQA to assist with the qualification registration process. The costs incurred were for salaries paid to the temporary staff.

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2020

	Note(s)	2020 R	2019 R
Revenue			
Revenue from exchange transactions			
Rendering of services	2	53,614,257	50,163,061
Rent income		855,813	1,099,427
Interest received		2,095,872	1,878,242
Reversal of provision for credit loss		428,056	-
Sundry income		1,513,513	3,354,945
Compensation from insurance		-	92,136
Gain on foreign exchange		32,678	-
Total revenue from exchange transactions		58,540,189	56,587,811
Revenue from non-exchange transactions			
Transfer revenue			
Government grants from the Department of Higher Education and Training		69,893,000	66,719,000
University Qualification Registration National Collaboration Project		5,736,709	-
Total revenue from non-exchange transactions		75,629,709	66,719,000
Total revenue		134,169,898	123,306,811
Expenditure			
Employees related costs	3	(98,801,374)	(86,284,613)
Depreciation and amortisation	10 & 11	(3,879,883)	(3,185,730)
Lease rentals on operating lease		(90,953)	(56,339)
Provision for credit losses		-	(656,386)
Repairs and maintenance		(960,882)	(1,242,173)
Loss on disposal of Property, Plant and Equipment		(46,903)	(12,110)
General Expenses	4	(25,912,798)	(25,979,988)
Total expenditure		(129,692,793)	(117,417,339)
Surplus for the year		4,477,105	5,889,472



STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 MARCH 2020

	Note(s)	2020	2019
		R	R
Assets			
Current Assets			
Inventories	5	658,288	476,563
Operating lease asset		-	15,979
Receivables from exchange transactions	6	4,178,468	5,659,758
Receivables from non-exchange transactions	7	973,492	-
Prepaid expenses	8	505,495	1,974,291
Cash and cash equivalents	9	24,321,003	25,515,333
		30,636,746	33,641,924
Non-Current Assets			
Property, Plant and Equipment	10	25,201,470	23,834,917
Intangible assets	11	4,119,599	2,643,436
		29,321,069	26,478,353
Total Assets		59,957,815	60,120,277
Liabilities			
Current Liabilities			
Deferred Income	12	10,803,791	11,429,553
Payables from exchange transactions	13	9,808,041	12,009,497
VAT payable from exchange transactions	14	-	12,349
Provisions	15	-	1,800,000
		20,611,832	25,251,399
Total Liabilities		20,611,832	25,251,399
Net Assets		39,345,983	34,868,878
Net Assets			
Accumulated surplus		39,345,983	34,868,878

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 31 MARCH 2020

	Accumulated surplus	Total net assets
	R	R
Balance at 01 April 2018	28,979,404	28,979,404
Changes in net assets	5,889,474	5,889,474
Surplus for the year		
Balance at 01 April 2019	34,868,878	34,868,878
Changes in net assets	4,477,105	4,477,105
Surplus for the year		
Balance at 31 March 2020	39,345,983	39,345,983



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Note(s)	2020	2019
		R	R
Cash flows from operating activities			
Receipts			
Rendering of services		57,443,227	53,722,560
Government and UQR Project grants received		74,641,968	66,719,000
Interest income		2,095,872	1,878,242
Project funding received		1,753,360	1,655,250
		135,934,427	123,975,052
Payments			
Employee cost		(100,241,290)	(85,598,263)
Payments to suppliers and others		(30,117,963)	(30,760,620)
		(130,359,253)	(116,358,883)
Net cash flows from operating activities	16	5,575,174	7,616,169
Cash flows from investing activities			
Purchase of property, plant and equipment	10	(3,727,305)	(3,834,217)
Purchase of intangible assets	11	(3,042,199)	(764,290)
Net cash flows from investing activities		(6,769,504)	(4,598,507)
Net increase in cash and cash equivalents		(1,194,330)	3,017,662
Cash and cash equivalents at the beginning of the year		25,515,333	22,497,671
Cash and cash equivalents at the end of the year	9	24,321,003	25,515,333

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

FOR THE YEAR ENDED 31 MARCH 2020

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Note
	R	R	R	R	R	
Budget on Accrual Basis						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Foreign qualifications evaluation fees	49,020,000	-	49,020,000	39,695,347	(9,324,653)	29
Rent income	882,000	-	882,000	855,813	(26,187)	
Interest received	1,800,000	-	1,800,000	2,095,872	295,872	
Reversal of provision for impairment	-	-	-	428,056	428,056	
Sundry income	2,150,000	-	2,150,000	1,513,513	(636,487)	
Verification fees	16,122,000	-	16,122,000	11,385,121	(4,736,879)	
Professional bodies fees	3,000,000	-	3,000,000	2,533,788	(466,212)	
Gains from exchange rate	-	-	-	32,679	32,679	
Total revenue from exchange transactions	72,974,000	-	72,974,000	58,540,189	(14,433,811)	
Revenue from non-exchange transactions						
Government grant from Department of Higher Education and Training	69,893,000	-	69,893,000	69,893,000	-	29
Retained surplus funds from prior years	-	111,000	111,000	-	(111,000)	
DRR - UQRP project	-	-	-	5,736,709	5,736,709	29
Total revenue from non-exchange transactions	69,893,000	111,000	70,004,000	75,629,709	5,625,709	
Total revenue	142,867,000	111,000	142,978,000	134,169,898	(8,808,102)	



STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

FOR THE YEAR ENDED 31 MARCH 2020

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Note
	R	R	R	R	R	
Expenditure						
Employees related costs	(96,039,809)	50,000	(95,989,809)	(98,801,374)	(2,811,565)	29
Depreciation and amortisation	-	-	-	(3,879,883)	(3,879,883)	
Lease rentals on operating lease	(180,000)	60,000	(120,000)	(90,953)	29,047	
Repairs and maintenance	(1,278,088)	2,000	(1,276,088)	(960,882)	315,206	
Loss on disposal of Property Plant and Equipment and Intangible Assets	-	-	-	(46,903)	(46,903)	
General expenses	(39,824,103)	1,257,000	(38,567,103)	(25,912,798)	12,654,305	
Total expenditure	(137,322,000)	1,369,000	(135,953,000)	(129,692,793)	6,260,207	
Surplus / (Deficit)	5,545,000	1,480,000	7,025,000	4,477,105	(2,547,895)	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	5,545,000	1,480,000	7,025,000	4,477,105	(2,547,895)	

Statement of Financial Position

Assets

Non-Current Assets

Property, Plant and Equipment	(5,545,000)	(1,480,000)	(7,025,000)	(3,727,305)	3,297,695	29
Intangible Assets	-	-	-	(3,042,199)	(3,042,199)	
	(5,545,000)	(1,480,000)	(7,025,000)	(6,769,504)	255,496	

ACCOUNTING POLICIES

1. BASIS OF PREPARATION

The Annual Financial Statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act No. 1 of 1999).

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on the historical cost basis except for financial instruments stated at fair value as disclosed in the notes below. The financial statements are presented in South African Rand.

1.1 Significant accounting judgements and estimates

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made based on the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

The preparation of financial statements in conformity with GRAP requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying SAQA's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the annual financial statements, are disclosed below.

Significant accounting estimates and assumptions

Provisions

Provisions were raised based on management determined estimates using the information available. The accounting policy for provisions is disclosed under note 1.5, and additional disclosure of these estimates of provisions are included in note 15.

Depreciation and amortisation

During each financial year, management reviews property, plant and equipment and intangible assets to assess whether the useful lives and residual values applicable to each asset are appropriate.



ACCOUNTING POLICIES

At the end of each financial year, management assesses whether there is any indication that SAQA's expectations about the residual values and the useful lives of assets included in property, plant and equipment have changed since the previous reporting date.

Impairment of receivables

Management conducts annual tests to determine whether receivables have suffered any impairment (refer to note 1.11).

1.2 Property, Plant and Equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Costs include expenditure that is directly attributable to the acquisition of the assets.

SAQA recognises in the carrying amount of property, plant and equipment the cost of replacing part of such an item when the cost is incurred if it is probable that the future economic benefit or service potential embodied within the item will flow to SAQA and the cost can be measured reliably. All other costs are recognised in the statement of financial performance when incurred.

Where property, plant and equipment is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Land is not depreciated. Depreciation is charged to the statement of financial performance on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Asset	Useful life
Land	-
Buildings	5 - 50 years
IT equipment	4 - 20 years
Furniture and fixtures	4 - 27 years
Motor vehicles	10 years

The depreciation charge for each period is recognised in surplus or deficit.

Depreciation methods, estimated useful lives and residual values are reviewed annually at reporting date.

Items of property, plant and equipment are de-recognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

ACCOUNTING POLICIES

The gain or loss arising from the de-recognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Maintenance and repairs, which neither materially add to the value of the assets nor prolong their useful lives, are charged against the statement of financial performance. The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (refer to note 10).

1.3 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or other rights and obligations.

An intangible asset is recognised when:

- the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

An intangible asset is recognised at cost if it is probable that future economic benefits or service potential will flow to SAQA. Amortisation is charged on a systematic basis over the estimated useful lives of the intangible assets.

Subsequent expenditure on capitalised intangible assets are capitalised only if it increases the future benefits or service potential embodied in the specific asset to which it relates. The carrying amounts are reviewed at the financial position date to determine whether there is any indication of impairment. The estimated useful lives and residual values are reassessed annually.

All of SAQA's intangible assets have a finite useful life.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Useful life
DFQEAS Workflow Software	8 - 14 years
NLRD Software	22 years
SAQA Website	5,5 years
License Fees	As per the license agreement
Verifications Database	8 years
Other computer software	10 years



ACCOUNTING POLICIES

1.3 Intangible assets (continued)

Intangible assets are de-recognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the de-recognition of an intangible asset is included in the surplus or deficit when the asset is derecognised.

1.4 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, in which case their costs are their fair value as at the date of acquisition.

Subsequently, stationery inventories are measured at the lower of cost and current replacement cost at the reporting date.

Collateral Inventories are measured at the lower of cost and current replacement cost where they are held for distribution at no charge or a nominal charge.

Current replacement cost is the cost the entity incurs to acquire the asset on the reporting date.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

1.5 Provisions

Provisions are recognised in the statement of financial position when:

- SAQA has a present legal obligation as a result of a past event; and
- it is probable that an outflow of economic benefits will be required to settle the obligation.

If the effect is material, provisions are determined by discounting the expected future cash flows at a rate which reflects current market assessments of the time- value of money and, where appropriate, the risks specific to the liability.

Provision for onerous contracts is recognised when the expected benefits to be derived from the contracts are lower than the unavoidable cost of meeting the obligations under the contracts. A provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, SAQA recognises any impairment loss on the asset associated with the contract.

Performance bonus

Performance bonus is a short term employee benefit which is expensed as the related services are provided. A liability is recognised for the amount expected to be paid if the entity has a present legal or constructive obligation to pay this amount as- a result of past service provided by the employee and the obligation can be measured reliably. A liability for performance bonus is raised on the estimated amount payable in terms of the incentive scheme, which is based on the employee's performance in the applicable year. Performance bonuses are expected to be settled within 12 months from the reporting date. Management has decided not to declare any bonuses for the financial year under review.

ACCOUNTING POLICIES

1.6 Commitments

Commitments are disclosed where SAQA has, in the normal course of its operations, entered into a contractual agreement with entities and suppliers related to expenses which are yet to be due for payment. Commitments are not recognised in the statement of financial position but disclosed in the notes for the annual financial statements. Refer to note 25.

1.7 Employee benefits

Short-term employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service.

The recognised employee entitlements to 13th cheque and annual leave represent the amount that SAQA has a present obligation to pay as a result of employees' services provided at the reporting date. The amounts are calculated based on salary rates at the reporting date.

Defined contribution plan

SAQA contributes to a defined contribution plan, and all contributions are charged against the statement of financial performance as incurred.

1.8 Revenue

Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

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

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Revenue from exchange transactions comprises of the following:

Verification fees

Verification fees for learner achievements are recognised once the services have been rendered, and they become due and payable.

Foreign qualifications evaluation fees

A Compliance and Administration Fee is recognised as income once an application has been accepted, registered, and a reference number is assigned. The balance of the fee charged is recognised as revenue once the evaluation is completed, and a report/certificate is issued.



ACCOUNTING POLICIES

1.8 Revenue (continued)

Professional bodies fees

A percentage of 0,27% of non-statutory professional body's total income minus income from donations and sponsorships with a minimum fee of R10 000 and the maximum fee of R200 000 is recognised as revenue annually.

Sundry income

Sundry income comprises income recoveries and income received from projects that SAQA manages from time to time. Sundry income is recognised when it becomes due to SAQA.

Rent income

Rent income is recognised in the statement of financial performance on a straight-line basis over the period of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

Interest income

Interest income from short term investment is recognised on a time-proportion basis using the effective interest rate.

Revenue from non-exchange transactions

Government grant from Department of Higher Education and Training

The Government grant is initially recognised in the statement of financial position as deferred revenue when there is reasonable assurance that the conditions attached to it will be complied with and that the grant will be received.

Subsequent to initial recognition:

- Grants for the purpose of giving immediate financial support with no future related costs are recognised in the statement of financial performance in the period in which they become receivable; and
- Grants that compensate the entity for expenses or losses incurred are recognised as revenue in the statement of financial performance on a systematic basis in the same periods in which the expenses or losses are incurred.

Grants received that carry any restrictions or conditions as to the use thereof are held in a deferred revenue account until such time as the conditions or stipulations related thereto have been fulfilled or repayment has been made. Each grant is assessed to determine if any liability exists and if so, the grant is recorded as deferred revenue until such time as there is no longer any liability by the entity that relates to that grant.

1.9 Prepayments

Prepayments are payments made in advance for services that have not been delivered for which SAQA expects the delivery in the next financial period. Prepayments are recognised as current assets and are not discounted as the discounting effect is considered immaterial.

ACCOUNTING POLICIES

1.10 Leases

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term. Contingent rent is recognised as revenue in the period it arises.

The difference between the amounts recognised as revenue and the contractual payments are recognised as an operating lease asset or liability.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.11 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised in SAQA's statement of financial position when SAQA becomes party to the contractual provisions of the instrument. Financial assets and liabilities are recognised initially at fair value. In the case of financial assets or liabilities not classified at fair value through the statement of financial performance, transaction costs that are directly attributable to the acquisition or issue of the financial instrument are added to the fair value. Financial assets are derecognised if the SAQA's contractual rights to the cash flows from the financial assets expire or if SAQA transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the SAQA's obligations specified in the contract expire or are discharged or cancelled.

Financial instruments are classified in the following categories:

Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method less provision for credit losses.

A provision for credit losses is established when there is objective evidence that not all amounts due will be collected according to original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. SAQA also considered the delays in receiving payments due to by COVID-19 and lock-down rules declared by President before year-end; therefore, this resulted in current debtors being assessed for impairment. The provision for the credit allowance is recognised in surplus or deficit when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate.



ACCOUNTING POLICIES

1.11 Financial instruments (continued)

Payables

Payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents consist of the balances in the current and call investment accounts and the cash on hand. Cash and cash equivalents are recognised at cost, which equals to their fair value at the reporting date.

Offset

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when SAQA has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liabilities simultaneously.

1.12 Foreign currency transaction and balances

Transactions denominated in foreign currencies are translated at the rate of exchange ruling at the transaction date. Any remaining balances denominated in foreign currencies are translated at the rate of exchange ruling at the financial position date. Gains or losses arising on translation are credited to or charged against the statement of financial performance.

1.13 Impairment of assets

SAQA's non-financial assets consist only of non-cash generating assets. The carrying amounts of SAQA's assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable service amount is the higher of its fair value less costs to sell and its value in use.

Value in use is the present value of the asset's remaining service potential. This is determined using the depreciation replacement cost method. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

1.14 Related parties

All payments to the Executive Management members and Board members are disclosed as related party transactions. Transactions and balances with national departments of government and state-controlled entities which occur other than at arm's length or outside the operating parameters are also disclosed as related parties. SAQA shall disclose narrative information about the nature of the transactions and the related outstanding balances of transactions with terms and conditions within the normal operating parameters.

ACCOUNTING POLICIES

1.15 Accounting by principals and agents

Identification

SAQA is an agent that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

1.16 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including:

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

Irregular expenditure is recorded in the notes to the 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 therefore, must be provided in the notes.

Irregular expenditure receivables are measured at the amount that is expected to be recovered and are de- recognised when settled or written-off as irrecoverable.

1.17 Expenditure

Expenses have not been offset except where offsetting is required or permitted by a Standard of GRAP and are accounted for on the accrual basis of accounting.

1.18 Deferred income

SAQA recognises deferred income when it has received funds in advance for services that it has still to render. Once it has rendered the services, the funds are recognised as income in the statement of financial performance. Deferred income is stated at nominal amount received. The effect of discounting is immaterial.

1.19 Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and 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 SAQA.

Contingent liabilities are not recognised but disclosed in the notes to the financial statements. Contingent liabilities are disclosed in note 24.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	R	R
2. REVENUE FROM EXCHANGE TRANSACTIONS		
Rendering of services includes the following:		
Foreign qualifications evaluation fees	39,695,348	37,599,114
Verification fees	11,385,121	9,818,827
Professional bodies fees	2,533,788	2,745,120
	53,614,257	50,163,061
3. EMPLOYEE RELATED COSTS		
Remuneration and other benefits	88,678,936	77,007,398
Statutory contributions	566,410	581,768
Defined contribution plans	9,556,028	8,695,447
	98,801,374	86,284,613
4. GENERAL EXPENSES		
Included in general expenses are the following items:		
Auditors' Remuneration		
External audit	1,527,950	1,375,609
Internal audit	320,561	402,296
	1,848,511	1,777,905
Other		
Board Chairperson fee	374,133	374,133
Board members fees	362,835	268,205
Board members other costs and travel-reimbursement	80,893	55,845
Committee members attendance fees	247,166	265,778
Committee members travel-reimbursement	20,348	36,942
Bank charges	1,452,924	1,586,014
Reversal of prior year income accrual	40,143	-
Postage	2,392,942	2,649,195
Computer software licensing	910,204	607,560
Temporary staff costs	775,936	1,478,658
Printing	614,185	636,185
IT support and maintenance	3,766,635	2,876,761
Conference fees	793,220	416,849
Consulting and professional fees	768,983	1,905,209
Travel and subsistence	887,403	930,840

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	R	R
Legal Fees	516,016	691,774
Building costs	4,980,626	4,337,288
Advertising and advocacy	53,727	213,643
Other operating expenses	5,025,968	4,871,204
	24,064,287	24,202,083
Total general expenses	25,912,798	25,979,988
5. INVENTORIES		
Collateral	260,285	140,885
Stationery	398,003	335,678
	658,288	476,563
Inventories recognised as an expense during the year (disclosed under general expenses)	446,547	360,983
6. RECEIVABLES FROM EXCHANGE TRANSACTIONS		
Verification debtors	2,061,924	3,561,707
Less: Provision for credit losses	(326,040)	(1,001,176)
	1,735,884	2,560,531
Professional bodies debtors	2,047,971	2,019,633
Less: Provision for credit losses	(242,714)	-
	1,805,257	2,019,633
Staff debtors	127,774	44,690
Less: Provision for credit losses	(54,389)	-
	73,385	44,690
Other debtors	1,151,937	1,687,173
Less: Provision for credit losses	(587,995)	(652,269)
	563,942	1,034,904
Closing balance	4,178,468	5,659,758



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

6. RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONT.)

	2020	2019
	R	R
Reconciliation of provision for credit loss of receivables from exchange transactions		
Opening balance	1,653,445	997,059
Reversal of provision for credit loss	(442,305)	-
Charged to the Statement of Financial Performance	-	656,386
Closing balance	1,211,140	1,653,445
There was a decrease in the provision for impairment of debtors as SAQA managed to reduce the long outstanding debts through vigorous debt collection efforts.		
The ageing of amounts due are as follows:		
Current due (1 month)	2,623,218	3,232,211
2 months past due	742,933	433,944
> 3 months past due	812,317	1,993,603
	4,178,468	5,659,758

The note has been reconfigured for the purposes of fair presentation of the financial statements.

7. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Receivables from non-exchange transactions impaired

As of 31 March 2020, other receivables from non-exchange transactions of R 973 492 were impaired and provided for.

The amount of the provision was (R 14,249) as of 31 March 2020.

The ageing of this debtor is as follows:

Current due (1 month)	973,492	-
University Qualifications Registration Project	987,741	-
Less: Provision for credit losses	(14,249)	-
	973,492	-

Reconciliation of provision for credit loss of receivables from non- exchange transactions

Charged to the Statement of Financial Performance	14,249	-
Closing balance	14,249	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

8. PREPAID EXPENSES

	2020	2019
	R	R
Electricity	-	136,463
E-Toll	803	380
Insurance	-	214,574
IT support and maintenance expenses	358,555	1,383,412
Subscriptions	146,062	219,281
Conferences and training	-	16,503
Sundry expenses	75	3,678
	505,495	1,974,291

9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Cash on hand	274	1,544
Bank balances	7,819,720	2,029,747
Credit card deposit	215,708	200,000
Corporation for Public Deposits	16,285,301	23,284,042
	24,321,003	25,515,333

The average weekly balance of funds held at the Corporation for Public Deposits over the financial year was R28,53 million (2019: R25,67 million) and the average interest rate over the same period was 6.89% (2019: 7.21%).

Credit quality of cash at bank and short term deposits, excluding cash on hand

Cash and short-term deposits held with banking institutions and the CPD and are regarded as having insignificant credit risk. SAQA invests its surplus cash in the short-term deposit account with CPD. The interest rate fluctuates in line with the movements in current money market rates.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

10. PROPERTY, PLANT AND EQUIPMENT

	2020			2019		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Land	515,455	-	515,455	515,455	-	515,455
Buildings	21,978,149	(6,459,484)	15,518,665	21,487,291	(6,206,301)	15,280,990
Subtotal: land and building	22,493,604	(6,459,484)	16,034,120	22,002,746	(6,206,301)	15,796,445
IT equipment	18,871,463	(11,765,566)	7,105,897	17,522,053	(11,351,476)	6,170,577
Motor vehicles	304,287	(156,856)	147,431	304,287	(130,820)	173,467
Furniture and fixtures	4,736,696	(2,822,674)	1,914,022	4,344,036	(2,649,608)	1,694,428
Total	46,406,050	(21,204,580)	25,201,470	44,173,122	(20,338,205)	23,834,917

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Carrying amount on disposals	Depreciation	Total
Land	515,455	-	-	-	515,455
Buildings	15,280,990	490,859	-	(253,184)	15,518,665
Subtotal: land and building	15,796,445	490,859	-	(253,184)	16,034,120
IT equipment	6,170,577	2,778,804	(36,261)	(1,807,223)	7,105,897
Motor vehicles	173,467	-	-	(26,035)	147,432
Furniture and fixtures	1,694,428	457,642	(10,643)	(227,405)	1,914,022
Total	23,834,917	3,727,305	(46,904)	(2,313,847)	25,201,471

Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Carrying amount on disposals	Depreciation	Total
Land	515,455	-	-	-	515,455
Buildings	14,612,074	864,636	-	(195,720)	15,280,990
Subtotal: land and building	15,127,529	864,636	-	(195,720)	15,796,445
IT equipment	4,997,846	2,735,472	(4,595)	(1,558,146)	6,170,577
Motor vehicles	199,502	-	-	(26,035)	173,467
Furniture and fixtures	1,694,264	234,109	(7,515)	(226,430)	1,694,428
Total	22,019,141	3,834,217	(12,110)	(2,006,331)	23,834,917

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

SAQA acquired the land and buildings at 1067 Arcadia Street, Hatfield, Pretoria, Erf 637 Hatfield, on 1 October 2002 for R5,400,000. Net improvements to land and buildings to date amount to R17,093,605 (2019: R16,602,746).

Included in the carrying amount for Buildings is an amount of R 244,634 for work in progress that was completed after financial year-end.

None of the items of property, plant and equipment are pledged as security.

The useful lives and residual values of various categories of property, plant and equipment were assessed at the reporting date, and it resulted in a change in accounting estimate. Refer to note 22.

Expenditure on repairs and maintenance to property, plant and equipment amount to R960,882 (2019: R1,164,698).

	2020	2019
	R	R
Details of property		
Cost	5,400,000	5,400,000
Improvements		
2002	551,259	551,259
2004	5,041,314	5,041,314
2005	17,222	17,222
2006	59,530	59,530
2007	251,754	251,754
2008	3,889,380	3,889,380
2009	519,855	519,855
2010	54,059	54,059
2011	1,897,929	1,897,929
2012	154,900	154,900
2013	686,714	686,714
2014	99,152	99,152
2015	1,107,238	1,107,238
2016	995,126	995,126
2017	169,016	169,016
2018	243,662	243,662
2019	864,636	864,636
2020	490,858	-
	22,493,604	22,002,746



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

11. INTANGIBLE ASSETS

	2020			2019		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Other Computer Software	83,456	(11,127)	72,329	83,456	(2,782)	80,674
DFQEAS Workflow Software	2,435,611	(2,204,275)	231,336	2,435,611	(2,126,095)	309,516
NLRD Software	27,002,662	(26,274,945)	727,717	27,002,662	(26,093,016)	909,646
SAQA Website	340,976	-	340,976	331,972	(301,794)	30,178
License Fees	3,382,057	(1,586,258)	1,795,799	680,834	(361,248)	319,586
Verification Database	380,825	(214,783)	166,042	380,825	(172,389)	208,436
DFQEAS Workflow Under Development	785,400	-	785,400	785,400	-	785,400
Total	34,410,987	(30,291,388)	4,119,599	31,700,760	(29,057,324)	2,643,436

Reconciliation of intangible assets - 2020

	Opening balance	Additions	Amortisation	Total
Other computer software	80,674	-	(8,346)	72,328
DFQEAS Workflow Software	309,515	-	(78,179)	231,336
NLRD Software	909,646	-	(181,929)	727,717
SAQA Website	30,178	340,976	(30,178)	340,976
License Fees	319,586	2,701,223	(1,225,010)	1,795,799
Verifications Database	208,436	-	(42,394)	166,042
DFQEAS Workflow Under Development	785,400	-	-	785,400
	2,643,435	3,042,199	(1,566,036)	4,119,598

Reconciliation of intangible assets - 2019

	Opening balance	Additions	Amortisation	Total
Other computer software	-	83,456	(2,782)	80,674
DFQEAS Workflow Software	387,695	-	(78,180)	309,515
NLRD Software	1,091,575	-	(181,929)	909,646
SAQA Website	90,537	-	(60,359)	30,178
License fees	452,507	680,834	(813,755)	319,586
Verification Database	250,829	-	(42,393)	208,436
DFQEAS Workflow Under Development	785,400	-	-	785,400
	3,058,543	764,290	(1,179,398)	2,643,435

All additions to intangible assets have arisen from internal development initiatives by SAQA, except for the additions to license fees which have been acquired separately. DFQEAS Workflow includes a workflow that is still under development to the amount of R785 400 (2019: R785 400). Management intends to complete the development of the workflow.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

12. DEFERRED INCOME

Unspent conditional grants and receipts

Foreign Qualifications Evaluation and Advisory Services	10,624,921	11,136,827
Council on Higher Education	159,876	273,031
Rent received in advance	18,994	19,695
	10,803,791	11,429,553

13. PAYABLES FROM EXCHANGE TRANSACTIONS

Account payables	4,817,678	7,379,218
Leave accrual	3,984,267	3,526,532
13th Cheque accrual	1,006,096	1,103,747
	9,808,041	12,009,497

SAQA pays all its trade and other payables within 30 days of receipt of invoice in accordance with the terms of the PFMA and Treasury Regulations.

SAQA does not know the timing of the payment, if any, for any accrued leave pay as this is dependent on whether an employee remains in the service of SAQA or not. Any accrued bonus (13th cheque) is paid out in December each year or in the month after an employee leaves the employ of SAQA. These accruals have, therefore, not been included in the analysis table below.

The ageing of Trade Payables is as follows:

Current due (1 month)	4,241,629	6,052,256
2 months past due	83,794	282,069
>3 months	492,255	1,044,893
	4,817,678	7,379,218

14. VAT PAYABLE FROM EXCHANGE TRANSACTIONS

VAT payable	-	12,349
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

15. PROVISIONS

Reconciliation of Employee Benefit provisions - 2020

	Opening Balance	Utilised during the year	Reversed during the year	Total
Staff Performance Bonus	1,605,451	(1,505,114)	(100,337)	-
CEO Performance Bonus	194,549	(194,549)	-	-
	1,800,000	(1,699,663)	(100,337)	-

Reconciliation of Employee Benefits provisions - 2019

	Opening Balance	Additions	Reversed / Utilised during the year	Total
Staff Performance Bonus	1,284,859	1,605,451	(1,284,859)	1,605,451
CEO Performance Bonus	215,141	194,549	(215,141)	194,549
	1,500,000	1,800,000	(1,500,000)	1,800,000

Reconciliation of other provisions - 2019 Opening Balance

	Opening Balance	Reversed / Utilised during the year	Total
Legal fees	1,141,755	(1,141,755)	-

	2020	2019
	R	R

The note has been reconfigured for the purposes of fair presentation of the financial statements.

16. CASH GENERATED FROM OPERATIONS

Surplus	4,477,105	5,889,474
Adjustments for:		
Depreciation and amortisation	3,879,883	3,185,730
Loss on disposal of assets	46,903	12,110
Bad debts provision	(428,056)	656,386
Movements in operating lease assets and accruals	15,979	(10,653)
Movements in provisions	(1,800,000)	(841,755)
Changes in working capital:		
Inventories	(181,726)	15,798
Receivables from exchange	935,854	(669,634)
Prepaid expenses	1,468,796	(515,004)
Payables from exchange transactions	(2,201,453)	2,407,779
VAT	(12,349)	(13,015)
Deferred Income	(625,762)	(2,501,047)
	5,575,174	7,616,169

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	R	R

17. OPERATING LEASE

Leases as Lessor

SAQA leased out offices in the SAQA House building under operating leases, and the contracted ended on 31 December 2019.

SAQA leases microcell space for a period of 9 years and 11 months, respectively. The office space agreement includes escalations of 6% per annum, and the lease started on 1 January 2018. In terms of the microcell lease agreements, the commencement date is 01 December 2014 and SAQA is entitled to a minimum lease payment of R18,000 per annum. The lease agreement provides for a lease escalation rate linked to the percentage increase to the headline consumer price index (CPI) annually. The contingent rent recognised as revenue in the current year is R4,930.68. The future minimum lease payments under non-cancellable leases are as follows:

Less than one year	18,000	667,271
Between one and five years	64,500	72,000
More than five years	-	10,500
	82,500	749,771
Amount to be recognised in future periods	82,500	749,771

18. TAXATION

SAQA is exempt from Income Tax in terms of section 10 (1) cA of the Income Tax Act

19. FINANCIAL RISK MANAGEMENT

Financial risk factors

Exposure to credit risk arises in the normal course of SAQA's business. Exposure to currency and interest rate risk is minimal. SAQA has an overall risk management plan that is approved by the Board and is annually reviewed by the Audit and Risk Committee. The Board has approved written policies covering specific areas such as the investment policy, debtors policy, payables policy and other policies that SAQA's management adheres to.

Credit risk

Management has a credit policy in place, and the exposure to credit risk is monitored on an ongoing basis. Reputable financial institutions are used for investing and cash handling purposes.

At the statement of financial position date, there was no significant concentration of credit risk.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	R	R
19. FINANCIAL RISK MANAGEMENT (CONT.)		
The maximum exposure to credit risk is as follows:		
Trade Receivables	6,377,349	7,313,203
Less: Provision for credit loss	(1,225,389)	(1,653,445)
	5,151,960	5,659,758

The note has been reconfigured for the purposes of fair presentation of the financial statements.

Liquidity risk

SAQA manages liquidity risks by monitoring forecasted cash flows and ensuring that the necessary funds are available to meet any commitments which arise. SAQA further manages liquidity risk by only spending according to its approved budget, which is fully funded. The budget is reviewed and approved annually by the Board and by the Minister of Higher Education and Training. Cash which is not needed immediately is invested with the Corporation for Public Deposits. As funds are needed, the necessary cash is transferred to SAQA's operations account. Creditors are paid within 30 days of receipt of invoice. See note 13 for an analysis of the timing of the payments to trade creditors.

Interest rate risk

SAQA's exposure to interest rate risk relates to the call deposit held with the Corporation for Public Deposits (CPD). The interest rate is updated weekly and is linked to the Treasury Bill rate. SAQA reviews the rate at regular intervals and compares the rate received to the rates available in the market from other large commercial banking institutions to ensure that it is receiving competitive rates. The funds held with the CPD are available on the same day if requested before 12h00.

On an average cash balance of R28,53 million (2019: R25,67 million), a 1% rise or fall in the interest rate would have an effect on income of either increasing income or decreasing it by R285,300 (2019: R256,700), having an effect of 0.21% (2019:0.21%) of total income.

Fair values

The fair values of all financial instruments are substantially identical to carrying amounts reflected in the statement of financial position.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

20. RETIREMENT BENEFIT OBLIGATIONS

SAQA operates a defined contribution retirement plan covering all qualifying employees. The fund is governed by the Pension Funds Act, 1956 (Act No. 24 of 1956).

The assets of the fund are held in trust under the control of the umbrella Board of Trustees of the Orion Money Purchase Pension Fund (SA). Old Mutual is the fund underwriter. Fund assets consist primarily of monthly contributions paid over to the fund on behalf of the members by the participating employers. The underlying assets are invested in listed shares, fixed income securities, cash and deposits.

The total cost charged to income of R9,556,028 (2019: R8,695,447) represents contributions payable to the scheme by SAQA according to the rates specified in the rules of the scheme. This amount is disclosed under employee-related costs in the statement of financial performance (refer to note 3). As at 31 March 2020 all contributions, had been paid over to the scheme.

21. SUBSEQUENT EVENTS

No adjusting or non-adjusting events requiring disclosure occurred after the reporting period.

The Board considered the impact of COVID-19 measures on SAQA's financial sustainability and have also prepared a detail cash flow projection for the foreseeable future to support the going concern principle.

	2020	2019
	R	R

22. CHANGE IN ACCOUNTING ESTIMATE

Impact of changes in accounting estimates

Increase in net surplus	187,943	361,903
Decrease in depreciation on Furniture and Fixtures	(29,118)	(201)
Decrease in depreciation on IT Equipment	(153,698)	(359,720)
Decrease in depreciation on Buildings	(5,127)	(1,982)
	-	-

In the current year, management re-assessed the remaining useful lives and residual values of property, plant and equipment and intangible assets. The change in estimate is applied prospectively. The effect of this assessment has decreased the depreciation and amortisation charges in the current period and increased the depreciation and the amortisation charges for future periods by R187,943 (2019: R361,903).

23. INVESTMENT PROPERTY

The Authority leased a portion of the SAQA House building but has decided not to treat this property as an investment property as the Authority occupies a significant portion of the building for administration purposes. Accordingly, the leased floor space is treated as an operating lease of property, plant and equipment. The building lease contract ended in December 2019.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	R	R
24. CONTINGENT LIABILITIES		
SAQA does not have any contingent liabilities at the reporting date.		
25. COMMITMENTS		
Committed and Contracted		
SAQA has the following contractual commitments that it has already entered into for the coming financial years		
- Research - Durban University of Technology	-	60,000
- IT Related Costs	8,151,599	7,736,369
- Facilities Costs	17,821,485	5,679,221
- Professional Services	9,897,656	2,359,450
- Advertisements and Advocacy	3,703,827	2,579,870
	39,574,567	18,414,910

Research Proposal Commitments

SAQA entered into a research partnership agreement with The Durban University of Technology, as reflected in the amounts above. The contract ended during the financial year under review.

Facilities Costs Commitments

These commitments are for the repair and maintenance of the building and its related infrastructure; however, an amount of R11,089,000 is for Courier services that may be required.

Tenders approved but not contracted

IT-Related costs	-	3,531,881
Facilities-Related costs	4,419,840	-
	4,419,840	3,531,881

SAQA approved Bids relating to Facilities services, which were fully contracted for after year-end. The service providers signed the contracts after year-end.

Operating lease as Lessee

Minimum lease payments due

- within one year	83,204	27,830
- in second to fifth year inclusive	180,462	-
	263,666	27,830

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

SAQA leased water coolers for an initial period of 24 months, and the contract was terminated at the end of February 2018. SAQA thereafter entered into a new contract for water coolers effective from 1 March 2018 for a period of 24 months. The lease payment is R2 530 per month, and there are no built-in price escalations in the lease agreement. The contract ended 28 February 2020.

SAQA entered into a non-cancellable PABX contract with VOX on 1 June 2018 for five years (60 months) ending 31 May 2023 through a tender process where the contract and lease payments were assessed and agreed with the service provider.

From 1 June 2018, SAQA acquired the new PABX solution but still utilised the old telephone instruments, initially. The implementation of the full solution which included the new devices was done in June 2019. SAQA requested additional instruments which were installed in August 2019 to accommodate the additional staff members.

SAQA leases the instruments at a monthly fee, and it will be returned to the service provider at the end of the contract as ownership does not transfer to SAQA.

The contract is not renewable and does not have escalations. SAQA has no option to purchase the instruments at the end of the contract, and there are no restrictions imposed by the service provider.

26. FRUITLESS AND WASTEFUL EXPENDITURE

The SAQA is not aware of any material losses during the year from any criminal conduct and has not incurred any irregular, unauthorised or fruitless and wasteful expenditure during the financial year. It has, therefore, not had to carry out any criminal or disciplinary steps in the light thereof.

The SAQA has assessed the levels of materiality to be:

- any amount which arises from criminal conduct;
- R1 000 and above which results from irregular, fruitless or wasteful expenditure caused by gross negligence; or
- R 670 000 and above, is approximately 0,5% of gross revenue/expenditure budgeted for in the 2018/19 financial year for any other transactions.

The Board has decided that any transaction covered by Section 54(2) of the Public Finance Management Act in excess of R2 million be reported on, being:

- The acquisition or disposal of a significant asset; and
- The beginning of a significant business activity.

SAQA is not aware of any fruitless and wasteful expenditure that occurred during the financial year.

SAQA received R69,893,000 (2019: R66,719,000) from the government during the year. No financial commitments were made on behalf of the government. In addition, SAQA invoiced R5,736,709 and received R4,748,968 from DHET for the execution of University Qualification Registration Project.

27. RELATED PARTIES

Relationships

Executive Authority	Department of Higher Education and Training
Council on Higher Education and Training	Principal / agent agreement
Board and committee members	Refer to note 4 and note 27
Members of key management	Refer to note 28



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

27. RELATED PARTIES (CONT.)

Identity of related parties

The entity has a related party relationship with some public entities within the national sphere of government. The Executive Authority of SAQA is the Minister of Higher Education and Training. GRAP exempts SAQA from disclosing arms-length transactions between related parties. Although GRAP exempts SAQA from the disclosing related parties transactions with terms and conditions within the normal operating parameters, SAQA shall disclose narrative information about the nature of the transactions and the related outstanding balances of such transactions.

Transactions with Board members of SAQA consists of remuneration and are disclosed in Note 4 and 27 to the financial statements and also in the Accounting Authority Report.

	2020	2019
	R	R
Transactions between SAQA, the DHET and its public entities: Grant		
Department of Higher Education and Training	69,893,000	66,719,000
Department of Higher Education and Training (University Qualification registration national Collaboration Project)	5,736,709	-
	75,629,709	66,719,000
Funds received from related parties		
Council on Higher Education	1,753,360	1,655,250
Department of Higher Education and Training (NQF Stakeholder Forum)	-	100,000
Department of Higher Education and Training (University Qualification registration national Collaboration Project)	4,748,968	-
	6,502,328	1,755,250
Balance owed to / (by) other related entity		
Council for Higher Education	159,876	273,031
Department of Higher Education and Training (NQF Stakeholder Forum)	-	(100,000)
Tirelo Bosha Digitisation Projects (DPSA)	-	1,230,788
Department of Higher Education and Training (University Qualification registration national Collaboration Project)	(987,741)	-
Department of Higher Education and Training (University Qualification registration national Collaboration Project)-Provision for credit loss	14,249	-
	(813,616)	1,403,819
Balances for transactions within normal operating parameters		
Department of Higher Education and Training (uses SAQA to verify qualifications for its employees)	8,239	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

27. RELATED PARTIES (CONT.)

Remuneration of Non-Executive Management

Non-Executive Management

2020										
	Board fees	Audit and Risk Committee	Finance Committee	Remco/Exco	Q&S Committee	VCO Committee	I & IT Committee	Other Committees	Travel and other costs	Total
Name										
Chairperson - Dr V Toni Penxa	374,133	-	-	-	-	-	-	-	6,583	380,716
Dr SD Bhikha	29,352	-	-	-	39,977	-	-	-	1,019	70,348
Mr BM Gantile	11,007	-	-	-	-	3,669	11,007	3,669	2,543	31,895
Prof SJ Howie	-	-	-	-	-	-	-	53,303	5,843	59,146
Prof JO Kuye resigned May	-	-	-	-	-	4,403	-	-	111	4,514
Mr GC Louw	18,345	-	-	-	-	-	-	14,485	47,196	80,026
Ms PLF Nzimande	14,676	10,816	-	14,294	-	-	18,341	-	3,369	61,496
Prof TG Schultz	11,007	-	14,485	21,823	32,639	3,669	-	13,713	6,560	103,896
Ms N Starr	-	-	-	-	-	-	-	-	6,376	6,376
Mr AO Benjamin	14,485	3,669	-	-	-	-	-	-	1,293	19,447
Total	473,005	14,485	14,485	36,117	72,616	11,741	29,348	85,170	80,893	817,860



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

27. RELATED PARTIES (CONT.)

2019										
	Board fees	Audit and Risk Committee	Finance Committee	Remco/Exco	Q&S Committee	VCC Committee	I & IT Committee	Other Committees	Travel and other costs	Total
Chairperson - Dr V Toni Penxa	374,133	-	-	-	-	-	-	-	5,516	379,649
Dr SD Bhikha	27,824	-	-	-	20,504	-	-	-	1,263	49,591
Mr BM Gantile	6,956	-	-	-	3,478	-	10,070	-	1,689	22,193
Prof SJ Howie	-	-	-	-	-	-	-	-	847	847
Prof JO Kuye	3,478	-	-	10,070	-	12,980	-	-	573	27,101
Mr GC Louw	17,390	-	-	-	-	-	-	13,730	28,099	59,219
Mr FM Maleka	10,434	-	3,478	-	-	-	-	-	-	13,912
Ms PLF Nzimande	6,956	10,434	-	13,730	-	-	22,868	-	3,600	57,588
Prof TG Schultz	13,216	-	12,521	10,223	10,839	-	-	23,548	7,064	77,411
Ms N Starr	-	-	-	-	-	-	-	-	7,194	7,194
Mr AO Benjamin - Appointed 26 November 2018	3,478	-	-	-	-	-	-	-	-	3,478
Total	463,865	10,434	15,999	34,023	34,821	12,980	32,938	37,278	55,845	698,183

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

28. DIRECTORS' EMOLUMENTS

2020									
	Basic Salary	Medical aid allowance	Housing allowance	Other allowances / benefits	Contribution to retirement plan	13th Cheque	Termination	Performance bonus	Total
J Samuels, Chief Executive Officer - Retired 31 January 2020	949,895	40,000	40,000	90,000	151,983	94,990	647,670	194,549	2,209,087
J Reddy, Acting Chief Executive Officer	1,220,585	34,560	44,760	25,429	195,294	101,715	-	79,846	1,702,189
N Naidoo, Director: In the Office of the CEO	851,858	35,737	45,804	847	136,297	-	-	60,322	1,130,865
C Jaftha, Director: International Liaison	765,669	35,737	45,804	-	122,507	63,806	-	60,322	1,093,845
W Radu, Director: Advocacy Communications and Support	765,669	35,737	45,804	15,951	122,507	63,806	-	-	1,049,474
P Mbingo, Director: Finance and Administration	1,201,835	34,560	44,760	25,038	192,294	100,153	-	94,416	1,693,056
N Coetzee, Director: Foreign Qualifications Evaluations and Advisory Services	886,118	35,737	45,804	3,390	141,779	73,843	-	57,553	1,244,224
J Ntsioa, Director: Information Technology	919,917	35,737	45,804	-	147,187	76,660	-	-	1,225,305
C Oelofsen, Director: National Learners' Records Database	765,669	35,737	45,804	-	122,507	63,806	-	-	1,033,523
F Nyaka, Director: Registration and Recognition	823,857	35,737	45,804	-	131,817	68,655	-	53,787	1,159,657
H Bolton, Director: Research	883,041	35,737	45,804	1,695	141,287	-	-	75,302	1,182,866
D Strydom, Project Director: Verifications	765,669	35,737	45,804	847	122,507	63,806	-	50,269	1,084,639
P Maboho, Director: Human Resources	854,987	35,737	45,804	17,812	136,798	71,249	-	44,536	1,206,923
	11,654,769	466,490	587,560	181,009	1,864,764	842,489	647,670	770,902	17,015,653



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

28. DIRECTORS' EMOLUMENTS (CONT.)

2019									
	Basic Salary	Medical aid allowance	Housing allowance	Other allowances / benefits	Contribution to retirement plan	13th Cheque	Termination	Performance bonus	Total
J Samuels, Chief Executive Officer	1,147,125	48,000	48,000	108,000	175,129	94,990	-	184,407	1,805,651
J Reddy, Deputy Chief Executive Officer	1,226,748	33,710	43,660	-	191,081	101,715	-	105,956	1,702,870
N Naidoo, Director: In the Office of the CEO	799,101	34,220	44,320	-	127,731	-	-	33,450	1,038,822
C Jaftha, Director International Liaison	745,594	34,220	44,320	-	119,170	62,068	-	18,681	1,024,053
W Radu, Director: Advocacy Communication and Support	745,594	34,220	44,320	-	119,170	62,068	-	-	1,005,372
P Mbingo, Director: Finance and Administration	1,202,615	34,220	44,320	-	192,294	100,153	-	-	1,573,602
N Coetzee, Director: Foreign Qualifications Evaluation and Advisory Services	862,762	34,220	44,320	-	137,917	71,832	-	36,760	1,187,811
C Baxter, Director: Information Technology -retired 30 June 2018	206,192	8,300	10,750	-	32,866	-	113,641	-	371,749
J Ntsioa, Director: Information Technology - Appointed 1 July 2018	671,145	25,920	33,570	-	107,383	37,286	-	-	875,304
C Oelofsen, Director: National Learners' Records Database	745,594	34,220	44,320	-	119,170	62,068	-	22,981	1,028,353
F Nyaka, Director: Registration and Recognition	802,197	34,220	44,320	-	128,227	66,785	-	35,086	1,110,835
H Bolton, Director: Research	859,770	34,220	44,320	-	137,438	-	-	-	1,075,748
D Strydom, Project Director: Verifications	745,594	34,220	44,320	-	119,170	62,068	-	33,450	1,038,822
P Maboho, Director: Human Resources	832,479	34,220	44,320	-	133,072	69,308	-	-	1,113,399
	11,592,510	458,130	579,180	108,000	1,839,818	790,341	113,641	470,771	15,952,391

An acting allowance of R46,064 for J Reddy for the period 18 December 2019 to 31 March 2020 is included in accruals.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

29. COMMENTS TO THE STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

The budgetary basis adopted in the budget is not the same as those used in the preparation of the financial statements. The budget is prepared on the modified cash basis and financial statements are prepared on an accrual basis. The approved budget covers the period from 1 April 2019 to 31 March 2020.

Revenue

Revenue from exchange transactions

The 20% unfavourable variance to the budget was due to the following main contributors:

- Foreign qualifications evaluation fees are unfavourable to the budget by R9,3 million due to a decrease in the demand as a result of incidents between South Africans and Foreign Nationals and the impact of the COVID-19 lockdown measures. The payment for the foreign institutions' advisory service was abolished in the year under review which was initially budgeted for.
- Verification income is unfavourable to the budget by R4,7 million due to services being blocked for clients that have long outstanding balances and a decrease in demand for services resulting from the freezing of vacant positions by government.
- Sundry income is estimated at the budget stage based on historical information. The unfavourable variance of R636,487 is due to less income recovered in the year under review than anticipated.

Revenue from non-exchange transactions

- DRR- UQRP project - The favourable variance is as a result of funding received for the University Qualifications Registration Project (UQRP) to pay contract staff workers which were not budgeted.

Expenditure

Employee related costs

- Employee related costs is overspent by approximately R2,8 million, mainly due to short-term contract staff that was hired to assist with UQRP project as explained above.

Depreciation and amortisation

- SAQA does not include depreciation and amortization in its budget.

General expenses

The general expenditure is underspent by an aggregate amount of R12,7 million (33% vs budget) mainly due to the following contributors:

- Computer application development is underspent by R2,3 million due to the DFQEAS System not being completed during the financial year, as anticipated.
- Professional and consultancy fees are underspent by R2,7 million. The expenditure is dependent on work done and business needs. Invoices are processed once all the contractual arrangements are met and work is completed based on requirements.
- Legal fees have a favourable variance to the budget of R1 million mainly due to the number of cases being lower than anticipated.
- IT support and maintenance is underspent by approximately R387 000. The spending under this line item is dependent on SAQA's needs and is estimated at the budget stage.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

29. COMMENTS TO THE STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (CONT.)

- A saving of approximately R543 000 is due to a management decision to publish bulletins and articles online, instead of manual printing.
- Advertisements are dependent on exhibitions that SAQA is invited to. SAQA is increasingly using more social media platforms for advertising than printed media. The social media platforms are considered more cost-effective especially, when considering the target market. The saving for this line item is R768 000.
- The increase in Building Cost and IT Support and Maintenance is due to the ageing infrastructure.
- The balance is attributable to various cost-saving initiatives implemented by the Directorates.

Non-current assets

Property, Plant and Equipment

Property, plant and equipment (PPE) are underspent by R 3,3 million because of condition assessments that had to be performed firstly, to assist SAQA to formulate a proper infrastructure plan. This amount was earmarked to upgrade parts of the SAQA building and to replace some of the computer equipment items, which will now take place at a later stage.

Intangible assets include software licenses that were purchased and cover a period longer than one year. These are budgeted under computer software licensing and reclassified to intangible assets at financial year-end.

30. IRREGULAR EXPENDITURE

	2020	2019
	R	R
Opening balance	-	261,043
Less: Amounts Condoned	-	(261,043)
	-	-

Details of irregular expenditure condoned

Optiplan -

During the prior financial year, SAQA procured Optiplan Filing System products from Waltons by means of sole sourcing. Waltons is the sole provider of Optiplan products in South Africa and therefore management was of the view that Waltons, in accordance with Treasury's definition, possesses the unique singularity available capacity to meet SAQA's requirements for its filing system. SAQA did not invite competitive bids when procuring the Optiplan products did not provide the Auditor General with a market analysis of similar products and was, therefore, told it incurred irregular expenditure by the Auditor General during the 2016/17 financial year, to the amount of R68 141. The Board condoned this irregular expenditure during the 2018/19 financial year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

Legal Services

During the prior financial year, SAQA secured domains and procured the services for the monitoring of trademarks transgressions. Management considered the best value principle when procuring these services. Therefore, the same service provider that was used for registration was also used for the monitoring, which resulted in irregular expenditure for the 2017/ 2018 financial year to the amount of R192 902. The Board condoned the expenditure during the 2018/19 financial year.

31. RECONCILIATION BETWEEN BUDGET AND STATEMENT OF NET ASSETS

Reconciliation of budget surplus/deficit with the net cash generated from operating, investing and financing activities:

	2020	2019
	R	R
Operating activities		
Actual amount as presented in the budget statement	7,025,000	6,752,000
Timing differences	(1,449,826)	864,169
Net cash flows from operating activities	5,575,174	7,616,169
Investing activities		
Actual amount as presented in the budget statement	(5,545,000)	(5,745,000)
Timing differences	(1,224,504)	1,146,493
Net cash flows from investing activities	(6,769,504)	(4,598,507)
Net cash generated from operating, investing and financing activities	(1,194,330)	3,017,662

32. SEGMENT INFORMATION

General information

Identification of Segments

The entity is organised and reports to management on a programme basis. There are six different programmes, each with its own area of responsibility as set out in the APP. Programme 1 - Administration is aligned with National Treasury's recommendation that the support functions form part of this Programme. There are five sub-programmes which are included in Programme 1. The other Programme's have been organised around the specific functions and deliverables that these Programmes are set to achieve in line with SAQA's mandate and functions in terms of the NQF Act.

Information reported about these segments is used by management as a basis for evaluating each segment's performance and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

32. SEGMENT INFORMATION (CONTINUED)

Aggregated segments

The entity operates from its offices in Pretoria and does not have any other business premises from which it conducts any operations. Programme 1 reflects aggregated information on the basis of the administration and support functions that the sub-programme's contribute to the entity's services. The Verifications Project and National Learners' Records Database (NLRD) services have been aggregated under Programme 3 on the basis that they both utilise the NLRD to fulfil their functions. All the other Programme's have not been aggregated and are reflected separately based on the services rendered by each Programme.

Types of goods and/or services by segment

These reportable segments with the revenue and expenditure for each segment are set out in the tables below. The Total column of the segment revenue agrees to and reconciles with note 2 above while the Total column of the segment expenditure agrees to and reconciles with note 3 and 4 above. The resultant aggregate deficit of the segments agrees with the deficit as reflected in the statement of financial performance. The entity reports segmented information on the assets and liabilities of the different Programmes, and the majority are managed on a centralised basis by the administration and support Programme.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

32. SEGMENT INFORMATION (CONTINUED)

Segment surplus or deficit, assets and liabilities

2020							
Revenue	Programme 1 Administration & Support	Programme 2 - Directorate Recognition and Registration	Programme 3 - National Learners' Records Database plus Verifications	Programme 4 - DFQEAS	Programme 5 - Research	Programme 6 - International Liaison	Total
Revenue from non-exchange transactions	69,893,000	5,736,709	-	-	-	-	75,629,709
Evaluation Fees	-	-	-	39,695,347	-	-	39,695,347
Verification Services	-	-	11,385,121	-	-	-	11,385,121
Rent	855,813	-	-	-	-	-	855,813
Income from Professional Bodies	-	2,533,788	-	-	-	-	2,533,788
Other Income (Sundry)	456,310	32,521	412,971	169,000	253,808	188,903	1,513,513
Interest Received	2,095,872	-	-	-	-	-	2,095,872
Debt impairment recoveries	428,056	-	-	-	-	-	428,056
Gains from exchange rate	32,678	-	-	-	-	-	32,678
Total segment revenue	73,761,729	8,303,018	11,798,092	39,864,347	253,808	188,903	134,169,897
Expenditure							
Auditors' Remuneration	1,848,511	-	-	-	-	-	1,848,511
Employee Related Costs	34,801,417	13,705,567	16,751,873	27,342,634	3,686,023	2,513,860	98,801,374
Depreciation and Amortisation	3,879,883	-	-	-	-	-	3,879,883
Loss on disposal of PPE	46,903	-	-	-	-	-	46,903
Printing	515,556	3,279	41,515	41,373	357	12,105	614,185
Legal fees	516,017	-	-	-	-	-	516,017
Consulting and professional Fees	450,249	-	5,000	208,735	105,000	-	768,984
Other operating expenses	17,938,021	334,248	1,091,388	3,450,304	331,330	71,644	23,216,935
Total segment expenditure	59,996,557	14,043,094	17,889,776	31,043,046	4,122,710	2,597,609	129,692,792
Total segmental surplus/ (deficit)	13,765,172	(5,740,076)	(6,091,684)	8,821,301	(3,868,902)	(2,408,706)	4,477,105



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

32. SEGMENT INFORMATION (CONTINUED)

2020							
	Programme 1 - Administration & Support	Programme 2 - Directorate Recognition and Registration	Programme 3 - National Learners' Records Database plus Verifications	Programme 4 - DFQEAS	Programme 5- Research	Programme 6 - International Liaison	Total
Assets							
Inventories	658,288	-	-	-	-	-	658,288
Receivables from exchange transactions	637,328	1,805,257	1,735,883	-	-	-	4,178,468
Intangibles	2,209,103	-	893,759	1,016,736	-	-	4,119,598
Receivables from non-exchange transactions	-	973,492	-	-	-	-	973,492
Total segment assets	3,504,719	2,778,749	2,629,642	1,016,736	-	-	9,929,846
Prepaid expenses							505,495
Cash and cash equivalents							24,321,003
Property, Plant and Equipment							25,201,470
Total assets as per Statement of financial Position							59,957,814
Liabilities							
Deferred income	18,994	-	159,876	10,624,921	-	-	10,803,791
Payables from exchange transactions							9,808,041
Total liabilities as per Statement of financial Position							20,611,832

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

32. SEGMENT INFORMATION (CONTINUED)

Segment surplus or deficit, assets and liabilities

2019							
	Programme 1 Administration & Support	Programme 2 - Directorate Recognition and Registration	Programme 3 - National Learners' Records Database plus Verifications	Programme 4 - DFQEAS	Programme 5 - Research	Programme 6 - International Liaison	Total
Revenue							
Revenue from non-exchange transactions	66,719,000	-	-	-	-	-	66,719,000
Evaluation Fees	-	-	-	37,599,115	-	-	37,599,115
Verification services	-	-	9,818,827	-	-	-	9,818,827
Rent	1,099,427	-	-	-	-	-	1,099,427
Income from Professional Bodies	-	2,745,120	-	-	-	-	2,745,120
Other Income (Sundry)	1,375,685	106,523	1,644,253	248,000	72,620	-	3,447,081
Interest received	1,878,242	-	-	-	-	-	1,878,242
Total segment revenue	71,072,354	2,851,643	11,463,080	37,847,115	72,620	-	123,306,812
Expenditure							
Auditors' Remuneration	1,777,905	-	-	-	-	-	1,777,905
CEO Remuneration	1,805,651	-	-	-	-	-	1,805,651
Employee Related Costs	30,160,575	8,519,682	15,151,329	25,238,570	3,304,695	2,104,111	84,478,962
Depreciation and Amortisation	3,185,730	-	-	-	-	-	3,185,730
Loss on disposal of PPE	12,110	-	-	-	-	-	12,110
Printing	435,285	12,912	50,610	117,143	4,019	16,216	636,185
Legal fees	610,826	72,242	-	8,706	-	-	691,774
Consulting and professional Fees	1,082,634	494,413	135,851	94,398	59,110	38,803	1,905,209
Other operating expenses	16,873,415	351,507	1,457,487	3,834,612	305,340	101,453	22,923,814
Total segment expenditure	55,944,131	9,450,756	16,795,277	29,293,429	3,673,164	2,260,583	117,417,340
Total segmental surplus/(deficit)	15,128,223	(6,599,113)	(5,332,197)	8,553,686	(3,600,544)	(2,260,583)	5,889,472



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

32. SEGMENT INFORMATION (CONTINUED)

2019							
	Programme 1 - Administration & Support	Programme 2 - Directorate Recognition and Registration	Programme 3 - National Learners' Records Database plus Verifications	Programme 4 - DFQEAS	Programme 5- Research	Programme 6 - International Liaison	Total
Assets							
Inventories	476,563	-	-	-	-	-	476,563
Receivables from exchange transactions	1,079,594	2,019,633	2,560,531	-	-	-	5,659,758
Intangibles	430,438	-	1,118,082	1,094,916	-	-	2,643,436
Operating lease	15,979	-	-	-	-	-	15,979
Total segment assets	2,002,574	2,019,633	3,678,613	1,094,916	-	-	8,795,736
Prepaid expenses							1,974,291
Cash and cash equivalents							25,515,333
Property, Plant and Equipment							23,834,917
Total assets as per Statement of financial Position							60,120,277
Liabilities							
Deferred income	19,695	-	273,031	11,136,827	-	-	11,429,553
Vat payable from exchange transactions	12,349	-	-	-	-	-	12,349
Total segment liabilities	32,044	-	273,031	11,136,827	-	-	11,441,902
Payables from exchange transactions							12,009,497
Provisions							1,800,000
Total liabilities as per Statement of financial Position							25,251,399

33. CHANGES IN ACCOUNTING POLICY

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice on a basis consistent with the prior year except for the adoption of the following newly effective standards. Refer to the detailed disclosure on note 27, 28 and note 36

- GRAP 20: Related Parties
- GRAP 109: Accounting by Principles and Agents

The standards were effective for years beginning on or after 1 April 2019. The change has been accounted for retrospectively where required by GRAP. It will have no impact on the statement of financial position, statement of financial performance and statement of cash flows.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

34. FINANCIAL ASSETS BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

2020		
	Financial assets at amortised cost	Total
Receivables	4,178,468	4,178,468
Receivables from non-exchange transactions	974,848	974,848
Cash and cash equivalents	24,321,003	24,321,003
	29,474,319	29,474,319

2019		
	Financial assets at amortised cost	Total
Receivables	5,659,758	5,659,758
Cash and cash equivalents	25,515,333	25,515,333
	31,175,091	31,175,091

35. FINANCIAL LIABILITIES BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

2020		
	Other financial liabilities	Total
Payables	5,823,774	5,823,774

2019		
	Other financial liabilities	Total
Payables	8,482,965	8,482,965



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

36. ACCOUNTING BY PRINCIPALS AND AGENTS

SAQA as an agent

In terms of the National Qualifications Framework (NQF) Act of 2008, the Council on Higher Education (CHE) is obliged to provide data about learner achievements in Higher Education, both public and private, to the National Learners' Records Database (NLRD), operated by SAQA. For public universities, this is done via the Higher Education Management Information System (HEMIS) of the Department of Higher Education and Training (DHET). The information for Private Higher Education Institutions (PHEI's) has been managed through the HEQCIS. An agreement was signed between the CHE and SAQA, whereby SAQA would manage the HEQCIS for the CHE based on SAQA experience in running the NLRD.

	2020	2019
	R	R
Reconciliation of Balances		
Opening Balance	273,031	351,074
Add: Income received	1,753,360	1,655,250
Less: Expenses incurred	(1,653,515)	(1,521,653)
Less: Income recognised	(213,000)	(211,640)
	159,876	273,031

37. NEW STANDARDS AND INTERPRETATIONS

The following standards and interpretations have been published and are mandatory for the entity's accounting periods beginning on or after 1 April 2020 or later periods. The effect of the changes to the financial statements of SAQA, if any, once implemented, will unlikely have a material impact.

- * GRAP 34 Separate Financial Statements
- * GRAP 35 Consolidated Financial Statements
- * GRAP 36 Investments in Associates and Joint Ventures
- * GRAP 37 Joint Arrangements
- * GRAP 38 Disclosure of Interest in Other Entities
- * GRAP 110 (as amended 2016) Living and Non-living Resources



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