



PART E:

FINANCIAL INFORMATION

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT
ON VOTE NO. 25 DEPARTMENT OF POLICE
FOR THE YEAR ENDED 31 MARCH 2014

REPORT ON THE FINANCIAL STATEMENTS

INTRODUCTION

1. I have audited the financial statements of the department of police set out on pages 281 to 339, which comprise the appropriation statement, the statement of financial position as at 31 March 2014, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

ACCOUNTING OFFICERS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The accounting officer is responsible for the preparation of these financial statements in accordance with the modified cash standard as prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR-GENERAL'S RESPONSIBILITY

3. My responsibility is to express an opinion on financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

OPINION

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the department of police as at 31 March 2014 and its financial performance and cash flows for the year then ended, in accordance with the modified cash standard as prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa,

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1999 (Act No. 1 of 1999)(PFMA).

EMPHASIS OF MATTERS

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

SIGNIFICANT UNCERTAINTIES

8. With reference to note 19 to the financial statements the department is disclosing a contingent liability for the lease contract of the Pretoria building. The Department of Public Works applied for a declaratory order in the Sanlam Middestad lease agreement for the court to make a ruling on the legality or otherwise of the lease agreement and papers were filed.
9. The full extent of the possible irregularities, as disclosed in note 25 to the financial statements, is still in the process of being determined.

ADDITIONAL MATTERS

10. I draw attention to the matters below. My opinion is not modified in respect of these matters.

UNAUDITED SUPPLEMENTARY SCHEDULES

11. The supplementary information set out in annexures 1 to 8 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly, I do not express an opinion thereon.
12. The supplementary information set out on pages 17 to 18 does not form part of the financial statements and is presented as additional information. I have not audited this schedule on budget variances and accordingly, I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

13. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, non-compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

PREDETERMINED OBJECTIVES

14. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual

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performance report of the department for the year ended 31 March 2014:

- Programme 2: visible policing on pages 98 to 104
- Programme 3: detective service on pages 152 to 156

15. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
16. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information* (FMPPI).
17. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
18. The material findings in respect of the selected programmes are as follows:

PROGRAMME 2 – VISIBLE POLICING

USEFULNESS OF REPORTED PERFORMANCE INFORMATION

19. I did not raise any material findings on the usefulness of the reported performance information for programme 2 – Visible policing.

RELIABILITY OF REPORTED PERFORMANCE INFORMATION

20. The FMPPI requires the department to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. The following targets were not reliable when compared to the source information or evidence provided and/or adequate and reliable corroborating evidence could not be provided:
 - 38% of the reaction time in respect of Alpha, Bravo and Charlie complaints captured on the case administration system (CAS) could not be verified with the individual pocket books of members of the police force. Station commanders did not review the members' pocket books to ensure compliance with internal controls and to verify that information on CAS is accurately captured.
 - In 20% of the illicit drug success cases and 37% of the confiscated liquor cases reported, the actual achievement reported could not be verified against adequate supporting documentation. This was as a result of no reconciliation being done between the information recorded on the Operational & Management System (OPAM), the exhibit store register (SAP 13) as well as the CAS system.
 - 54% of the firearms applications could not be confirmed as the application forms were not readily available for audit and as a result I am not able to verify the actual reported number of licenses processed in the annual performance report. This was due to inefficient systems of record keeping of the applications.

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PROGRAMME 3 - DETECTIVE SERVICE

21. I did not raise any material findings on the usefulness and reliability of the reported performance information for programme 3 – detective service.

ADDITIONAL MATTERS

I draw attention to the following matters:

ACHIEVEMENT OF PLANNED TARGETS

22. Refer to the annual performance report on pages 48 to 55, 98 to 104, 152 to 156, 191 to 192 and 196 to 197 for information on the achievement of the planned targets for the year. This information with regards to the specific indicators should be considered in relating to the 3 material findings on the reliability of the reported performance information for programme 2 reported in paragraph 20 of this report.

ADJUSTMENT OF MATERIAL MISSTATEMENTS

23. We identified material misstatements in the annual performance report submitted for auditing on the reported performance information of programme 3 detective service. As management subsequently corrected the misstatements we did not raise any material findings on the usefulness and reliability of the reported performance information for programme 3.

UNAUDITED SUPPLEMENTARY INFORMATION

24. The supplementary information set out on pages 56 to 96, 105 to 147, 148 to 151, 157 to 189, 193 to 194 and 198 to 201 does not form part of the annual performance report and is presented as additional information. I have not audited these schedules and accordingly, I do not report thereon.

COMPLIANCE WITH LEGISLATION

25. I performed procedures to obtain evidence that the department had complied with applicable legislation regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT

26. With regards to the 3 material findings on programme 2, the department did not maintain effective and efficient internal controls regarding performance management, which described and represented how the institution's processes of performance monitoring, review and reporting would be conducted, organised and managed, as required in terms of section 38(1)(a)(i) of the PFMA.

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INTERNAL CONTROL

27. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below (paragraphs 28 and 29) are limited to the internal control deficiencies that resulted in the findings on programme 2, on the annual performance report and the findings on non-compliance with legislation included in this report.

LEADERSHIP

28. With regard to stations audited in programme 2, commanders at station and cluster levels did not perform their specific responsibilities relating to conducting, and/or monitoring internal controls (including consequence management) and approved process flows for predetermined objectives at all times.

FINANCIAL AND PERFORMANCE MANAGEMENT

29. As a result of the Cabinet decision on 29 November 1995 placing an embargo on the destruction of records in government, the accumulated volumes of records surpassing infrastructure capacity of the department to efficiently store documents.

OTHER REPORTS

INVESTIGATIONS CONDUCTED WITHIN THE DEPARTMENT

30. One thousand, one hundred and seventy two (1 172) members representing 0, 01% of the total establishment (194 852) were charged in terms of the Prevention and Combating of Corrupt Activities Act, 2004 (Act. No 12 of 2004). Refer to the annual report page 226 to 227 in this regard.

EXTERNAL INVESTIGATIONS CONDUCTED WITHIN THE DEPARTMENT

31. Special investigations are currently in process with regard to the procurement processes within SAPS. These investigations were still on-going at the reporting date.

Auditor-General

Pretoria
31 July 2014



DEPARTMENT OF POLICE
VOTE 25
APPROPRIATION STATEMENT
for the year ended 31 March 2014

Appropriation per Programme									
2013/14									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2012/13									
1. Administration									
Current payment	15,952,041	0	(266,682)	15,685,359	15,685,331	28	100%	14,253,524	14,253,510
Transfers and subsidies	299,757	0	168,298	468,055	468,055	0	100%	337,592	337,592
Payment for capital assets	1,303,550	0	(204,297)	1,099,253	1,099,253	0	100%	973,551	973,551
Payment for financial assets	0	0	13,630	13,630	13,630	0	100%	5,665	5,665
2. Visible Policing									
Current payment	30,690,167	0	168,424	30,858,591	30,858,591	0	100%	28,567,144	28,567,144
Transfers and subsidies	183,862	0	10,931	194,793	194,793	0	100%	156,141	156,141
Payment for capital assets	1,110,593	0	(101,880)	1,008,713	1,008,713	0	100%	803,771	803,771
3. Detective service									
Current payment	13,922,790	0	(229,756)	13,693,034	13,693,034	0	100%	12,411,077	12,178,995
Transfers and subsidies	58,236	0	12,748	70,984	70,984	0	100%	54,527	54,527
Payment for capital assets	569,895	0	370,135	940,030	940,030	0	100%	1,460,128	1,460,128
4. Crime Intelligence									
Current payment	2,681,190	0	9,025	2,690,215	2,690,215	0	100%	2,524,268	2,524,268
Transfers and subsidies	8,643	0	5,079	13,722	13,722	0	100%	15,040	15,040
Payment for capital assets	45,775	0	(9,685)	36,090	36,090	0	100%	30,779	30,779
5. Protection and Security Services									
Current payment	1,922,726	0	27,523	1,950,249	1,950,249	0	100%	1,749,795	1,749,795
Transfers and subsidies	4,303	0	(9)	4,294	4,294	0	100%	2,520	2,520
Payment for capital assets	37,898	0	26,516	64,414	64,414	0	100%	43,167	43,167
Total	68,791,426	0	0	68,791,426	68,791,398	28	100%	63,388,689	63,156,593
Reconciliation with Statement of Financial Performance									
Add:	Departmental revenue			386,341				342,023	
	Aid assistance			5,828				9,686	
				69,183,595				63,740,398	
Actual amounts per Statement of Financial Performance (Total Revenue)									
Add:	Aid assistance			11,594					11,387
Actual amounts per Statement of Financial Performance (Total Expenditure)									63,167,980

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VOTE 25
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for the year ended 31 March 2014

Appropriation per Economic classification											
2013/14											2012/13
Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure			
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000		
Current payments											
Compensation of employees	51,289,781	0	(5,036)	51,284,745	51,284,717	28	100%	46,828,690	46,828,676		
Goods and services	13,879,133	0	(286,430)	13,592,703	13,592,703	0	100%	12,677,118	12,445,036		
Transfers and subsidies											
Provinces and municipalities	27,963	0	6,633	34,596	34,596	0	100%	31,234	31,234		
Departmental agencies and accounts	31,944	0	40	31,984	31,984	0	100%	29,571	29,571		
Non-profit institutions	1,000	0	0	1,000	1,000	0	100%	0	0		
Households	493,894	0	190,374	684,268	684,268	0	100%	505,015	505,015		
Payment for capital assets											
Buildings and other fixed structures	1,036,884	0	(168,790)	868,094	868,094	0	100%	691,632	691,632		
Machinery and equipment	2,030,567	0	249,601	2,280,168	2,280,168	0	100%	2,619,442	2,619,442		
Biological assets	260	0	(22)	238	238	0	100%	322	322		
Payment for financial assets	0	0	13,630	13,630	13,630	0	100%	5,665	5,665		
Total	68,791,426	0	0	68,791,426	68,791,398	28	100%	63,388,689	63,156,593		

DEPARTMENT OF POLICE
VOTE 25
APPROPRIATION STATEMENT
for the year ended 31 March 2014

Detail per sub-programme		Detail per programme 1 - Administration									
		2013/14					2012/13				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	
1.1 Ministry											
Current payment	26,348	0	(2,506)	23,842	23,842	0	100%	21,791	21,791		
Transfer and subsidies	11	0	6	17	17	0	100%	45	45		
Payment for capital assets	1,297	0	(839)	458	458	0	100%	676	676		
1.2 Management											
Current payment	112,151	0	3,966	116,117	116,117	0	100%	94,909	94,909		
Transfers and subsidies	16	0	29	45	45	0	100%	302	302		
Payment for capital assets	1,450	0	3,177	4,627	4,627	0	100%	3,896	3,896		
1.3 Corporate Services											
Current payment	12,783,092	0	(324,727)	12,458,365	12,458,337	28	100%	11,348,720	11,348,706		
Transfers and subsidies	299,730	0	168,263	467,993	467,993	0	100%	337,245	337,245		
Payment for capital assets	1,300,803	0	(206,635)	1,094,168	1,094,168	0	100%	968,979	968,979		
Payment for financial assets	0	0	13,630	13,630	13,630	0	100%	5,665	5,665		
1.4 Office Accommodation											
Current payment	3,030,450	0	56,585	3,087,035	3,087,035	0	100%	2,788,104	2,788,104		
Total	17,555,348	0	(289,051)	17,266,297	17,266,269	28	100%	15,570,332	15,570,318		

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for the year ended 31 March 2014

Economic classification	Detail per programme 1 - Administration									
	2013/14					2012/13				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	
Current payments										
Compensation of employees	8,722,377	0	22,401	8,744,778	8,744,750	28	100%	7,844,074	7,844,060	
Goods and services	7,229,664	0	(289,083)	6,940,581	6,940,581	0	100%	6,409,450	6,409,450	
Transfers and subsidies										
Provinces and municipalities	4,119	0	1,656	5,775	5,775	0	100%	6,241	6,241	
Departmental agencies and accounts	31,944	0	40	31,984	31,984	0	100%	29,571	29,571	
Households	263,694	0	166,602	430,296	430,296	0	100%	301,780	301,780	
Payment for capital assets										
Buildings and other fixed structures	1,036,884	0	(169,882)	867,002	867,002	0	100%	690,823	690,823	
Machinery and equipment	266,406	0	(34,393)	232,013	232,013	0	100%	282,547	282,547	
Biological assets	260	0	(22)	238	238	0	100%	181	181	
Payment for financial assets	0	0	13,630	13,630	13,630	0	100%	5,665	5,665	
Total	17,555,348	0	(289,051)	17,266,297	17,266,269	28	100%	15,570,332	15,570,318	

DEPARTMENT OF POLICE
VOTE 25
APPROPRIATION STATEMENT
for the year ended 31 March 2014

Detail per sub-programme		Detail per programme 2 - Visible Policing									
		2013/14					2012/13				
Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure			
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000		
2.1 Crime Prevention											
Current payment	26,549,930	0	100,120	26,650,050	0	100%	24,706,754	24,706,754		24,706,754	
Transfers and subsidies	170,282	0	9,805	180,087	0	100%	134,521	134,521		134,521	
Payment for capital assets	1,049,503	0	(115,217)	934,286	0	100%	714,702	714,702		714,702	
2.2 Border Security											
Current payment	1,543,950	0	(8,287)	1,535,663	0	100%	1,456,613	1,456,613		1,456,613	
Transfers and subsidies	1,698	0	1,189	2,887	0	100%	3,348	3,348		3,348	
Payment for capital assets	29,878	0	(17,743)	12,135	0	100%	7,346	7,346		7,346	
2.3 Specialised Interventions											
Current payment	2,596,287	0	76,591	2,672,878	0	100%	2,403,777	2,403,777		2,403,777	
Transfers and subsidies	11,882	0	(63)	11,819	0	100%	18,272	18,272		18,272	
Payment for capital assets	31,212	0	31,080	62,292	0	100%	81,723	81,723		81,723	
Total	31,984,622	0	77,475	32,062,097	0	100%	29,527,056	29,527,056		29,527,056	

DEPARTMENT OF POLICE
VOTE 25
APPROPRIATION STATEMENT
for the year ended 31 March 2014

Economic classification	Detail per programme 2 - Visible Policing									
	2013/14					2012/13				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	
Current payments										
Compensation of employees	27,322,812	0	(23,579)	27,299,233	27,299,233	0	100%	25,182,761	25,182,761	
Goods and services	3,367,355	0	192,003	3,559,358	3,559,358	0	100%	3,384,383	3,384,383	
Transfers and subsidies										
Provinces and municipalities	16,848	0	2,059	18,907	18,907	0	100%	16,997	16,997	
Non-profit institutions	1,000	0	0	1,000	1,000	0	100%	0	0	
Households	166,014	0	8,872	174,886	174,886	0	100%	139,144	139,144	
Payment for capital assets										
Buildings and other fixed structures	0	0	732	732	732	0	100%	753	753	
Machinery and equipment	1,110,593	0	(102,612)	1,007,981	1,007,981	0	100%	802,877	802,877	
Biological assets	0	0	0	0	0	0		141	141	
Total	31,984,622	0	77,475	32,062,097	32,062,097	0	100%	29,527,056	29,527,056	

DEPARTMENT OF POLICE
VOTE 25
APPROPRIATION STATEMENT
for the year ended 31 March 2014

Detail per sub-programme	Detail per programme 3 - Detective service									
	2013/14					2012/13				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	
3.1 Crime Investigations										
Current payment	9,309,377	0	148,014	9,457,391	9,457,391	0	100%	8,574,243	8,567,819	
Transfers and subsidies	51,038	0	7,140	58,178	58,178	0	100%	45,872	45,872	
Payment for capital assets	248,327	0	(35,517)	212,810	212,810	0	100%	364,813	364,813	
3.2 Criminal Record Centre										
Current payment	1,790,138	0	(37,124)	1,753,014	1,753,014	0	100%	1,600,809	1,466,382	
Transfers and subsidies	1,445	0	3,361	4,806	4,806	0	100%	2,720	2,720	
Payment for capital assets	90,542	0	76,565	167,107	167,107	0	100%	113,320	113,320	
3.3 Forensic Science Laboratory										
Current payment	1,540,085	0	(264,010)	1,276,075	1,276,075	0	100%	1,115,406	1,024,175	
Transfers and subsidies	401	0	240	641	641	0	100%	348	348	
Payment for capital assets	213,439	0	288,975	502,414	502,414	0	100%	897,911	897,911	
3.4 Specialised Investigations										
Current payment	1,283,190	0	(76,636)	1,206,554	1,206,554	0	100%	1,120,619	1,120,619	
Transfers and subsidies	5,352	0	2,007	7,359	7,359	0	100%	5,587	5,587	
Payment for capital assets	17,587	0	40,112	57,699	57,699	0	100%	84,084	84,084	
Total	14,550,921	0	153,127	14,704,048	14,704,048	0	100%	13,925,732	13,693,650	

DEPARTMENT OF POLICE
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APPROPRIATION STATEMENT
for the year ended 31 March 2014

Economic classification	Detail per programme 3 - Detective service									
	2013/14					2012/13				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	
Current payments										
Compensation of employees	11,045,798	0	(2,017)	11,043,781	11,043,781	0	100%	9,934,016	9,934,016	
Goods and services	2,876,992	0	(227,739)	2,649,253	2,649,253	0	100%	2,477,061	2,244,979	
Transfers and subsidies										
Provinces and municipalities	5,688	0	2,540	8,228	8,228	0	100%	6,609	6,609	
Households	52,548	0	10,208	62,756	62,756	0	100%	47,918	47,918	
Payment for capital assets										
Buildings and other fixed structures	0	0	360	360	360	0	100%	56	56	
Machinery and equipment	569,895	0	369,775	939,670	939,670	0	100%	1,460,072	1,460,072	
Total	14,550,921	0	153,127	14,704,048	14,704,048	0	100%	13,925,732	13,693,650	

DEPARTMENT OF POLICE
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APPROPRIATION STATEMENT
for the year ended 31 March 2014

Detail per programme 4 - Crime Intelligence												
Detail per sub-programme	2013/14						2012/13					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	R'000	R'000	
4.1 Crime Intelligence Operations												
Current payment	1,127,962	0	(31,809)	1,096,153	1,096,153	0	100%	989,005	989,005			989,005
Transfers and subsidies	4,295	0	2,638	6,933	6,933	0	100%	5,217	5,217			5,217
Payment for capital assets	25,343	0	(6,622)	18,721	18,721	0	100%	21,944	21,944			21,944
4.2 Intelligence and Information Management												
Current payment	1,553,228	0	40,834	1,594,062	1,594,062	0	100%	1,535,263	1,535,263			1,535,263
Transfers and subsidies	4,348	0	2,441	6,789	6,789	0	100%	9,823	9,823			9,823
Payment for capital assets	20,432	0	(3,063)	17,369	17,369	0	100%	8,835	8,835			8,835
Total	2,735,608	0	4,419	2,740,027	2,740,027	0	100%	2,570,087	2,570,087			2,570,087
Economic classification												
Economic classification	2013/14						2012/13					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	R'000	R'000	R'000
Current payments												
Compensation of employees	2,432,867	0	24,435	2,457,302	2,457,302	0	100%	2,287,274	2,287,274			2,287,274
Goods and services	248,323	0	(15,410)	232,913	232,913	0	100%	236,994	236,994			236,994
Transfers and subsidies												
Provinces and municipalities	755	0	172	927	927	0	100%	781	781			781
Households	7,888	0	4,907	12,795	12,795	0	100%	14,259	14,259			14,259
Payment for capital assets												
Machinery and equipment	45,775	0	(9,685)	36,090	36,090	0	100%	30,779	30,779			30,779
Total	2,735,608	0	4,419	2,740,027	2,740,027	0	100%	2,570,087	2,570,087			2,570,087

DEPARTMENT OF POLICE
VOTE 25
APPROPRIATION STATEMENT
for the year ended 31 March 2014

Detail per sub-programme	Detail per programme 5 - Protection and Security Services									
	2013/14					2012/13				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
5.1 VIP Protection Services										
Current payment	756,692	0	66,928	823,620	823,620	0	100%	712,250	712,250	
Transfers and subsidies	1,431	0	190	1,621	1,621	0	100%	866	866	
Payment for capital assets	17,591	0	33,518	51,109	51,109	0	100%	35,047	35,047	
5.2 Static and Mobile Security										
Current payment	877,694	0	(24,818)	852,876	852,876	0	100%	779,312	779,312	
Transfers and subsidies	2,360	0	(415)	1,945	1,945	0	100%	1,077	1,077	
Payment for capital assets	14,476	0	(6,250)	8,226	8,226	0	100%	4,483	4,483	
5.3 Government Security Regulator										
Current payment	90,156	0	(912)	89,244	89,244	0	100%	86,185	86,185	
Transfers and subsidies	11	0	66	77	77	0	100%	155	155	
Payment for capital assets	1,381	0	192	1,573	1,573	0	100%	3,181	3,181	
5.4 Operational Support										
Current payment	198,184	0	(13,675)	184,509	184,509	0	100%	172,048	172,048	
Transfers and subsidies	501	0	150	651	651	0	100%	422	422	
Payment for capital assets	4,450	0	(944)	3,506	3,506	0	100%	456	456	
Total	1,964,927	0	54,030	2,018,957	2,018,957	0	100%	1,795,482	1,795,482	

DEPARTMENT OF POLICE
VOTE 25
APPROPRIATION STATEMENT
for the year ended 31 March 2014

Economic classification	Detail per programme 5 - Protection and Security Services									
	2013/14					2012/13				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Current payments										
Compensation of employees	1,765,927	0	(26,276)	1,739,651	1,739,651	0	100%	1,580,565	1,580,565	
Goods and services	156,799	0	53,799	210,598	210,598	0	100%	169,230	169,230	
Transfers and subsidies										
Provinces and municipalities	553	0	206	759	759	0	100%	606	606	
Households	3,750	0	(215)	3,535	3,535	0	100%	1,914	1,914	
Payment for capital assets										
Machinery and equipment	37,898	0	26,516	64,414	64,414	0	100%	43,167	43,167	
Total	1 964 927	0	54 030	2 018 957	2 018 957	0	100%	1 795 482	1 795 482	

DEPARTMENT OF POLICE
VOTE 25
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2014

- 1. Detail of specifically and exclusively appropriated amounts voted (after Virement):**
Detail of these transactions can be viewed in **note 1** (Annual Appropriation) to the annual financial statements.
- 2. Detail of transfers and subsidies as per Appropriation Act (after Virement):**
Detail of these transactions can be viewed in **note 7** to the annual financial statements.
- 3. Detail of payments for financial assets**
Detail of these transactions can be viewed in **note 6** to the annual financial statements.

DEPARTMENT OF POLICE
VOTE 25
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2014

PERFORMANCE	<i>Note</i>	2013/14 R'000	2012/13 R'000
REVENUE			
Annual appropriation	1	68,791,426	63,388,689
Departmental revenue	2	386,341	342,023
Aid assistance	3	5,828	9,686
TOTAL REVENUE		<u>69,183,595</u>	<u>63,740,398</u>
EXPENDITURE			
Current expenditure			
Compensation of employees	4	51,284,717	46,824,559
Goods and services	5	13,592,703	12,449,153
Aid assistance	3	5,851	11,387
Total current expenditure		<u>64,883,271</u>	<u>59,285,099</u>
Transfers and subsidies			
Transfers and subsidies	7	751,848	565,820
Total transfers and subsidies		<u>751,848</u>	<u>565,820</u>
Expenditure for capital assets			
Tangible capital assets	8	3,148,500	3,311,396
Aid assistance	3	5,743	0
Total expenditure for capital assets		<u>3,154,243</u>	<u>3,311,396</u>
Payments for financial assets	6	13,630	5,665
TOTAL EXPENDITURE		<u>68,802,992</u>	<u>63,167,980</u>
SURPLUS FOR THE YEAR		<u>380,603</u>	<u>572,418</u>
Reconciliation of Net Surplus for the year			
Voted funds		28	232,096
Annual appropriation		28	232,096
Departmental revenue	14	386,341	342,023
Aid assistance	3	(5,766)	(1,701)
SURPLUS FOR THE YEAR		<u>380,603</u>	<u>572,418</u>

DEPARTMENT OF POLICE
VOTE 25
STATEMENT OF FINANCIAL POSITION
as at 31 March 2014

POSITION	<i>Note</i>	2013/14 R'000	2012/13 R'000
ASSETS			
Current assets		187,018	335,922
Cash and cash equivalents	9	13,242	136,054
Prepayments and advances	10	33,812	29,538
Receivables	11	139,964	170,330
Non-current assets		153,801	177,399
Receivables	12	153,801	177,399
TOTAL ASSETS		<u>340,819</u>	<u>513,321</u>
LIABILITIES			
Current liabilities		132,217	250,096
Voted funds to be surrendered to the Revenue Fund	13	28	232,096
Departmental revenue to be surrendered to the Revenue Fund	14	1,279	6,844
Bank overdraft	15	123,537	0
Payables	16	6,871	4,659
Aid assistance repayable	3	0	229
Aid assistance unutilised	3	502	6,268
TOTAL LIABILITIES		<u>132,217</u>	<u>250,096</u>
NET ASSETS		<u>208,602</u>	<u>263,225</u>
Represented by:			
Recoverable revenue		208,602	263,225
TOTAL		<u>208,602</u>	<u>263,225</u>

DEPARTMENT OF POLICE
VOTE 25
STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2014

NET ASSETS	<i>Note</i>	2013/14 R'000	2012/13 R'000
Recoverable revenue			
Opening balance		263,225	225,289
Transfers:		(54,623)	37,936
Irrecoverable amounts written off	6.4	(21,029)	(20,414)
Debts revised	11.6	(59,967)	(61,991)
Debts recovered (included in departmental receipts)		(152,997)	(145,058)
Debts raised		179,370	265,399
Closing balance		<u>208,602</u>	<u>263,225</u>

DEPARTMENT OF POLICE
VOTE 25
CASH FLOW STATEMENT
for the year ended 31 March 2014

CASH FLOW	<i>Note</i>	2013/14 R'000	2012/13 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts:		69,179,838	63,737,648
Annual appropriated funds received	1.1	68,791,426	63,388,689
Departmental revenue received	2	381,815	338,493
Interest received	2.3	769	780
Aid assistance received	3.3	5,828	9,686
Net (increase)/decrease in working capital		51,902	(24,259)
Surrendered to Revenue Fund	13 & 14	(624,002)	(956,085)
Surrendered to the RDP Fund	3.3	(229)	(1,810)
Current payments		(64,883,271)	(59,285,099)
Payments for financial assets		(13,630)	(5,665)
Transfers and subsidies paid		(751,848)	(565,820)
Net cash flow available from operating activities	17	2,958,760	2,898,910
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	3.3 & 8	(3,154,243)	(3,311,396)
Proceeds from sale of capital assets	2	3,757	2,750
Net cash flows from investing activities		(3,150,486)	(3,308,646)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(Decrease) in net assets		(54,623)	37,936
Net cash flows from financing activities		(54,623)	37,936
Net increase/(decrease) in cash and cash equivalents		(246,349)	(371,800)
Cash and cash equivalents at beginning of period		136,054	507,854
Cash and cash equivalents at end of period	18	(110,295)	136,054

DEPARTMENT OF POLICE
VOTE 25
ACCOUNTING POLICIES
for the year ended 31 March 2014

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2010.

1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

2 Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

3 Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

4 Comparative figures

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

5 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the Appropriation Statement.

DEPARTMENT OF POLICE
VOTE 25
ACCOUNTING POLICIES
for the year ended 31 March 2014

6 Revenue

6.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against revenue fund (e.g. statutory appropriation)

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

The net amount of any appropriated funds due to/from the relevant revenue fund at the reporting date is recognised as a payable/receivable in the statement of financial position.

6.2 Departmental revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Fund is recognised as a payable in the statement of financial position.

6.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

7 Expenditure

7.1 Compensation of employees

7.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

DEPARTMENT OF POLICE
VOTE 25
ACCOUNTING POLICIES
for the year ended 31 March 2014

7.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

7.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

7.3 Accrued expenditure payable

Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department. Accrued expenditure payable is measured at cost.

7.4 Leases

7.4.1 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.

7.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or

DEPARTMENT OF POLICE
VOTE 25
ACCOUNTING POLICIES
for the year ended 31 March 2014

- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

8 Aid assistance

8.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

9 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

Bank overdrafts are shown separately on the face of the statement of financial position.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

10 Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

11 Receivables

Receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

DEPARTMENT OF POLICE
VOTE 25
ACCOUNTING POLICIES
for the year ended 31 March 2014

12 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

13 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

14 Capital assets

14.1 Immovable capital assets

Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of immovable capital assets cannot be determined accurately, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.

14.2 Movable capital assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined accurately, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

DEPARTMENT OF POLICE
VOTE 25
ACCOUNTING POLICIES
for the year ended 31 March 2014

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Biological assets are subsequently carried at fair value.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

15 Provisions and Contingents

15.1 Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

15.2 Contingents liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

15.3 Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

15.4 Commitments

Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

DEPARTMENT OF POLICE
VOTE 25
ACCOUNTING POLICIES
for the year ended 31 March 2014

16 **Unauthorised expenditure**

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

17 **Fruitless and wasteful expenditure**

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

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

18 **Irregular expenditure**

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 impracticable to determine, in which case reasons therefor are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.

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

DEPARTMENT OF POLICE
VOTE 25
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2014

1. Annual Appropriation

1.1 Annual Appropriation	Final Appropriation R'000	2013/14 Actual Funds Received R'000	Funds not requested/ not received R'000	2012/13 Appropriation Received R'000
Administration	17,266,297	17,266,297	0	15,570,332
Visible Policing	32,062,097	32,062,097	0	29,527,056
Detective service	14,704,048	14,704,048	0	13,925,732
Crime Intelligence	2,740,027	2,740,027	0	2,570,087
Protection and Security Services	2,018,957	2,018,957	0	1,795,482
Total	68,791,426	68,791,426	0	63,388,689

2. Departmental revenue

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Sales of goods and services other than capital assets	2.1	165,800	150,335
Fines, penalties and forfeits	2.2	50,563	22,710
Interest, dividends and rent on land	2.3	769	780
Sales of capital assets	2.4	3,757	2,750
Transactions in financial assets and liabilities	2.5	165,452	165,448
Departmental revenue collected		386,341	342,023
2.1 Sales of goods and services other than capital assets	2		
Sales of goods and services produced by the department		153,412	139,491
Administrative fees		23,255	20,518
Other sales		130,157	118,973
Sales of scrap, waste and other used current goods		12,388	10,844
Total		165,800	150,335
2.2 Fines, penalties and forfeits	2		
Fines		869	1,741
Forfeits		49,694	20,969
Total		50,563	22,710

DEPARTMENT OF POLICE
VOTE 25
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2014

Detail note 2 continued

	<i>Note</i>	2013/14 R'000	2012/13 R'000
2.3 Interest, dividends and rent on land	2		
Interest		769	780
Total		<u>769</u>	<u>780</u>
2.4 Sale of capital assets	2		
Tangible assets		3,757	2,750
Machinery and equipment	28.2	3,730	2,736
Biological assets	28.2	27	14
Total		<u>3,757</u>	<u>2,750</u>
2.5 Transactions in financial assets and liabilities	2		
Stale cheques written back		5,291	18,219
Other Receipts including Recoverable Revenue		160,161	147,229
Total		<u>165,452</u>	<u>165,448</u>
3. Aid assistance			
3.1 Assistance received in cash from RDP			
Foreign			
Opening Balance		5,023	3,298
Revenue		0	9,031
Expenditure		4,292	5,496
Current		4,292	5,496
Capital		0	0
Surrender to the RDP		229	1,810
Closing Balance		<u>502</u>	<u>5,023</u>
3.2 Aid assistance received in cash from other sources			
Local			
Opening Balance		655	0
Revenue		0	655
Expenditure		655	0
Current		655	0
Capital		0	0
Surrendered to the donor		0	0
Closing Balance		<u>0</u>	<u>655</u>

DEPARTMENT OF POLICE
VOTE 25
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2014

Detail note 3 continued

	<i>Note</i>	2013/14 R'000	2012/13 R'000
3.3 Aid assistance received in cash from CARA Fund			
Opening Balance		819	6,710
Revenue		5,828	0
Expenditure		6,647	5,891
Current		904	5,891
Capital		5,743	0
Closing Balance		0	819
3.4 Total assistance			
Opening Balance		6,497	10,008
Revenue		5,828	9,686
Expenditure		11,594	11,387
Current		5,851	11,387
Capital		5,743	0
Surrender to the RDP		229	1,810
Closing Balance	Annex 4	502	6,497
3.5 Analysis of balance			
Aid assistance receivable		0	0
RDP		0	0
Aid assistance unutilised		502	6,268
RDP		502	4,794
Other sources		0	655
CARA Fund		0	819
Aid assistance repayable		0	229
RDP		0	229
Closing balance		502	6,497
4. Compensation of employees			
4.1 Salaries and wages			
Basic salary		32,863,989	30,291,193
Performance award		4,239	4,468
Service Based		132,937	62,769
Compensative/circumstantial		697,078	658,358
Other non-pensionable allowances		6,040,526	5,727,760
Total		39,738,769	36,744,548

DEPARTMENT OF POLICE
VOTE 25
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2014

Detail note 4 continued

	<i>Note</i>	2013/14 R'000	2012/13 R'000
4.2 Social contributions			
Employer contributions			
Pension		5,436,539	4,823,747
Medical		6,102,480	5,254,640
Official unions and associations		6,929	5,741
Total		<u>11,545,948</u>	<u>10,084,128</u>
Total compensation of employees		<u>51,284,717</u>	<u>46,828,676</u>
Average number of employees		<u>196,478</u>	<u>198,132</u>
5. Goods and services			
Administrative fees		60,088	52,531
Advertising		33,277	16,673
Assets less than R5,000	5.1	366,405	251,038
Bursaries (employees)		6,970	4,863
Catering		41,158	28,367
Communication		708,427	674,959
Computer services	5.2	2,263,725	2,132,842
Consultants, contractors and agency/ outsourced services	5.3	1,555,552	1,480,473
Entertainment		2,166	1,610
Audit cost - external	5.4	32,858	29,819
Inventory	5.5	247,123	296,994
Consumables	5.6	3,983,683	3,492,368
Operating leases		2,308,703	2,058,263
Property payments	5.7	929,175	933,698
Transport provided as part of the departmental activities		2,617	972
Travel and subsistence	5.8	761,031	712,673
Venues and facilities		45,092	41,855
Training and staff development		82,156	62,799
Other operating expenditure	5.9	162,497	172,239
Total		<u>13,592,703</u>	<u>12,445,036</u>

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Detail note 5 continued

	<i>Note</i>	2013/14 R'000	2012/13 R'000
5.1 Minor Assets	5		
Tangible assets		78,989	87,017
Buildings and other fixed structures		5	52
Biological assets		0	0
Transport assets		0	0
Machinery and equipment		78,984	86,965
Intangible		287,416	164,021
Computer software		287,416	164,021
Total		<u>366,405</u>	<u>251,038</u>
5.2 Computer services	5		
SITA computer services		1,766,255	1,662,010
External computer service providers		497,470	470,832
Total		<u>2,263,725</u>	<u>2,132,842</u>
5.3 Consultants, contractors and agency/ outsourced services	5		
Business and advisory services		20,534	23,480
Infrastructure and planning		22	78
Laboratory services		5,501	2,786
Legal costs		291,362	165,684
Contractors		975,941	907,842
Agency and support/outsourced services		262,192	380,603
Total		<u>1,555,552</u>	<u>1,480,473</u>
5.4 Audit cost - External	5		
Regularity audits		32,857	29,493
Performance audits		0	326
Environmental audits		1	0
Total		<u>32,858</u>	<u>29,819</u>
5.5 Inventory	5		
Clothing material and accessories		159,694	229,489
Other supplies	5.5.1	87,429	67,505
Total		<u>247,123</u>	<u>296,994</u>

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Detail note 5 continued

	<i>Note</i>	2013/14 R'000	2012/13 R'000
5.5.1 Other Supplies			
Ammunition and security supplies		87,429	67,505
Total		<u>87,429</u>	<u>67,505</u>
5.6 Consumables	5		
Consumable supplies		3,617,459	3,178,623
Household supplies		50,600	50,550
Building material and supplies		545,780	509,519
Communication accessories		65	51
Other consumables		3,021,014	2,618,503
Stationery, printing and office supplies		366,224	313,745
Total		<u>3,983,683</u>	<u>3,492,368</u>
5.7 Property payments	5		
Municipal services		858,434	784,777
Property management fees		42,093	39,184
Cleaning services		7,392	14,277
Safeguarding and security		1,640	80,703
Other		19,616	14,757
Total		<u>929,175</u>	<u>933,698</u>
5.8 Travel and subsistence	5		
Local		673,128	626,838
Foreign		87,903	85,835
Total		<u>761,031</u>	<u>712,673</u>
5.9 Other operating expenditure	5		
Professional bodies, membership and subscription fees		4,688	5,528
Resettlement costs		19,464	38,470
Towing cost		60,961	61,694
Informer fees		30,394	33,403
Printing and publications		6,536	7,049
Other		40,454	26,095
Total		<u>162,497</u>	<u>172,239</u>

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6. Payments for financial assets	<i>Note</i>	2013/14 R'000	2012/13 R'000
Material losses through criminal conduct		20	446
Theft		0	0
Other material losses	6.1	20	446
Other material losses written off	6.2	108	159
Debts written off	6.3	13,502	5,060
Total		<u>13,630</u>	<u>5,665</u>
6.1 Other material losses	6		
Nature of other material losses			
Incident	Disciplinary steps taken/ criminal proceedings		
Lost cash: Advance		20	427
Lost cash: Police actions		0	3
Erroneous payments		0	16
Total		<u>20</u>	<u>446</u>
6.2 Other material losses written off	6		
Nature of losses			
Lost cash: Advance		26	59
Erroneous payments		82	100
Total		<u>108</u>	<u>159</u>
6.3 Debts written off	6		
Nature of debts written off			
Salaries		13,302	4,421
State guarantees		160	23
Tax debt		26	13
Other Departments		0	599
State money		2	0
Vehicle accidents		12	4
Total		<u>13,502</u>	<u>5,060</u>
6.4 Recoverable revenue written off			
Salary related debt		(20,572)	(19,122)
Property related debt		(1,873)	(1,200)
Admin related debt		(2,330)	(92)
Total		<u>(21,029)</u>	<u>(20,414)</u>

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	<i>Note</i>	2013/14 R'000	2012/13 R'000
7. Transfers and subsidies			
Provinces and municipalities	7.1	34,596	31,234
Departmental agencies and accounts	7.2	31,984	29,571
Non-Profit Institutions	7.3	1,000	0
Households	7.4	684,268	505,015
Total		<u>751,848</u>	<u>565,820</u>
7.1 Provinces and municipalities	7		
Fines and penalties		27	90
Vehicle licences		34,569	31,144
Total		<u>34,596</u>	<u>31,234</u>
7.2 Departmental agencies and accounts	7		
Safety and Security Sector Education & Training Authority		31,984	29,571
Total		<u>31,984</u>	<u>29,571</u>
7.3 Non-Profit Institutions	7		
Donations and Gifts NPI		1,000	0
Total		<u>1,000</u>	<u>0</u>
7.4 Households	7		
Employer social benefit		345,939	267,376
Claims against the State (Households)		291,659	204,057
Payment as an act of grace		119	153
Medical expenses detainees		46,551	33,429
Total		<u>684,268</u>	<u>505,015</u>
8. Expenditure for capital assets			
Tangible assets			
Buildings and other fixed structures	30	873,837	691,632
Machinery and equipment	29.1	2,280,168	2,619,441
Biological assets	29.1	238	323
Total		<u>3,154,243</u>	<u>3,311,396</u>

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*Detail note 8 continued***8.1 Analysis of funds utilised to acquire capital assets - 2013/14**

	Voted Funds R'000	Aid assistance R'000	Total R'000
Tangible assets	3,148,500	5,743	3,154,243
Buildings and other fixed structures	868,094	5,743	873,837
Machinery and equipment	2,280,168	0	2,280,168
Biological assets	238	0	238
Total	3,148,500	5,743	3,154,243

8.2 Analysis of funds utilised to acquire capital assets - 2012/13

	Voted Funds R'000	Aid assistance R'000	Total R'000
Tangible assets	3,311,396	0	3,311,396
Buildings and other fixed structures	691,632	0	691,632
Machinery and equipment	2,619,441	0	2,619,441
Biological assets	323	0	323
Total assets acquired	3,311,396	0	3,311,396

9. Cash and cash equivalents

	Note	2013/14 R'000	2012/13 R'000
Consolidated Paymaster General Account		0	124,151
Cash on hand		12,060	12,007
Cash with commercial banks (Local)		1,182	(104)
Total		13,242	136,054

10. Prepayments and advances

Staff advances		3,631	3,752
Travel and subsistence		28,084	20,962
Prepayments		535	3,140
Advances paid to other entities	10.1	1,562	1,684
Total		33,812	29,538

10.1 Advances paid

National departments	Annex 8	1,552	1,674
Public entities	Annex 8	10	10
Total		1,562	1,684

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11. Receivables - current		2013/2014			2012/13	
		Less than one year	One to three years	Older than three years	Total	Total
		R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1	11,462	3,174	20,424	35,060	33,156
	Annex 2					
Staff debtors	11.2	54,589	22,324	17,291	94,204	125,521
Private enterprises	11.3	9	0	0	9	2
Fruitless Expenditure	11.5	120	0	0	120	65
Other debtors	11.4	5,437	561	4,573	10,571	11,651
Total		71,617	26,059	42,288	139,964	170,395

		Note	2013/14 R'000	2012/13 R'000
11.1	Claims recoverable	11		
	National departments		26,460	17,722
	Provincial departments		8,336	14,940
	Private enterprises		264	494
	Total		35,060	33,156
11.2	Staff debtors	11		
	Salary related debt		78,037	108,791
	Administration related debt		4,268	5,444
	Inventory/property related debt		11,899	11,286
	Total		94,204	125,521
11.3	Private enterprises	11		
	Dishonoured cheques		3	2
	Disallowance miscellaneous		6	0
	Total		9	2
11.4	Other debtors	11		
	Administration related debt		10,571	11,651
	Total		10,571	11,651

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Detail note 11 continued

	<i>Note</i>	2013/14 R'000	2012/13 R'000
11.5 Fruitless and wasteful expenditure	11		
Opening balance		65	0
Less amounts recovered		(70)	0
Less amounts written off		0	0
Transfers from note 26 Fruitless and Wasteful expenditure		125	65
Total		<u>120</u>	<u>65</u>
11.6 Debts revised			
Capital increase		4,967	13,971
Capital decrease		(64,890)	(75,875)
Interest correction		(45)	(87)
Total		<u>(59,968)</u>	<u>(61,991)</u>
12. Receivables - non-current			
Staff debtors		153,784	177,397
Claims recoverable	Annex 2	17	2
Total		<u>153,801</u>	<u>177,397</u>
13. Voted funds to be surrendered to the Revenue Fund			
Opening balance		232,096	617,416
Transfer from Statement of Financial Performance		28	232,096
Paid during the year		(232,096)	(617,416)
Closing balance		<u>28</u>	<u>232,096</u>
14. Departmental revenue to be surrendered to the Revenue fund			
Opening balance		6,844	3,490
Transfer from Statement of Financial Performance		386,341	342,023
Paid during the year		(391,906)	(338,669)
Closing balance		<u>1,279</u>	<u>6,844</u>
15. Bank Overdraft			
Consolidated Paymaster General Account		123,537	0
Total		<u>123,537</u>	<u>0</u>

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	<i>Note</i>	2013/14 R'000	2012/13 R'000
16. Payables – current			
Clearing accounts	16.1	6,871	4,055
Other payables	16.2	0	604
Total		<u>6,871</u>	<u>4,659</u>
16.1 Clearing accounts	16		
Description			
Amounts recovered to be cleared		6,871	4,055
Total		<u>6,871</u>	<u>4,055</u>
16.2 Other payables	16		
Description			
Salary deductions to be paid over to institutions		0	604
Total		<u>0</u>	<u>604</u>
17. Net cash flow available from operating activities			
Net surplus as per Statement of Financial Performance		380,603	572,418
Add back non cash/cash movements not deemed operating activities		2,578,157	2,326,492
(Increase) in receivables – current		53,964	(34,180)
(Increase) in prepayments and advances		(4,274)	19,779
Increase in payables – current		2,212	(9,858)
Proceeds from sale of capital assets		(3,757)	(2,750)
Surrenders to revenue fund		(624,002)	(956,085)
Surrenders to RDP Fund/Donor		(229)	(1,810)
Expenditure on capital assets		3,154,243	3,311,396
Net cash flow generated by operating activities		<u>2,958,760</u>	<u>2,898,910</u>
18. Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General Account		(123,537)	124,151
Cash on hand		12,060	12,007
Cash with commercial banks		1,182	(104)
Total		<u>(110,295)</u>	<u>136,054</u>

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These amounts are not recognised in the annual financial statements and are disclosed to enhance the usefulness of the financial statements.

		<i>Note</i>	2013/14 R'000	2012/13 R'000
19. Contingent liabilities				
	Liable to	Nature		
	Housing loan guarantees	Employees	Annex 1 10,285	26,063
	Claims	Private parties	Annex 5 20,544,283	18,447,358
	Other departments (unconfirmed balances)		Annex 3 25,834	73,251
	Other: Sanlam Middestad	Lease	611,692	611,692
	Total		<u>21,192,094</u>	<u>19,158,364</u>

Due to the fact that the Department of Public Works has taken a decision to apply for a declaratory order in the Sanlam Middestad Lease Agreement for the Court to make a ruling on the legality or otherwise of the lease agreement, it was decided to include it as a contingent liability.

20. Commitments				
	Current expenditure			
	Approved and contracted		857,802	963,181
			<u>857,802</u>	<u>963,181</u>
	Capital expenditure			
	Approved and contracted		397,072	388,076
			<u>397,072</u>	<u>388,076</u>
	Total Commitments		<u>1,254,874</u>	<u>1,351,257</u>

21. Accruals and payables not recognised					
	Listed by economic classification	30 Days	30+ Days	Total	Total
	Goods and services	422,833	10,256	433,089	715,130
	Transfers and subsidies	14,507	21,709	36,216	47,928
	Capital assets	12,539	181	12,720	102,298
	Total	<u>449,879</u>	<u>32,146</u>	<u>482,025</u>	<u>865,356</u>

		<i>Note</i>	2013/14 R'000	2012/13 R'000
	Listed by programme level			
	Administration		252,086	329,156
	Visible Policing		139,203	312,254
	Detective service		78,077	193,425
	Crime Intelligence		6,159	13,872
	Protection and Security Services		6,459	16,527
	Donor funds		41	122
	Total		<u>482,025</u>	<u>865,356</u>

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Detail note 21 continued

	Note	2013/14 R'000	2012/13 R'000
Confirmed balances with other departments	Annex 3	42,568	52,023
Total		42,568	52,023

22. Employee benefits

Leave entitlement	2,161,455	2,089,789
Thirteenth cheque	5	24
Capped leave commitments	5,288,170	5,249,621
Other	1	98
Total	7,449,631	7,339,532

23. Lease Commitments

23.1 Operating leases expenditure

	Land R'000	Buildings & other fixed structures R'000	Machinery and equipment R'000	Total R'000
2013/2014				
Not later than 1 year	3,748	779,258	67,968	850,974
Later than 1 year and not later than 5 years	3,208	1,596,164	40,306	1,639,678
Later than five years	94,562	943,125	29	1,037,716
Total lease commitments	101,518	3,318,547	108,303	3,528,368

	Land R'000	Buildings & other fixed structures R'000	Machinery and equipment R'000	Total R'000
2012/2013				
Not later than 1 year	4,685	752,709	65,227	822,621
Later than 1 year and not later than 5 years	4,742	1,490,373	46,086	1,541,201
Later than five years	2,472	549,436	33	551,941
Total lease commitments	11,899	2,792,518	111,346	2,915,763

23.2 Finance leases expenditure

	Land R'000	Buildings & other fixed structures R'000	Machinery and equipment R'000	Total R'000
2013/2014				
Not later than 1 year	0	0	52,728	52,728
Later than 1 year and not later than 5 years	0	0	21,960	21,960
Later than five years	0	0	54	54
Total lease commitments	0	0	74,742	74,742

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Detail note 23 continued

	Land	Buildings & other fixed structures	Machinery and equipment	Total
2012/2013	R'000	R'000	R'000	R'000
Not later than 1 year	0	0	52,969	52,969
Later than 1 year and not later than 5 years	0	0	23,617	23,617
Total lease commitments	0	0	76,586	76,586

	<i>Note</i>	2013/14	2012/13
		R'000	R'000
24. Accrued departmental revenue			
Sales of goods and services other than capital assets		563	143
Fines, penalties and forfeits		11	7
Interest, dividends and rent on land		51	21
Sale of capital assets		3	0
Financial transactions in assets and liabilities		730	727
Total		1,358	898
24.1 Analysis of accrued departmental revenue			
Opening balance		898	997
Less: Amounts received		898	997
Add: Amounts recognised		1,358	898
Closing balance		1,358	898
25. Irregular expenditure			
25.1 Reconciliation of irregular expenditure			
Opening Balance		1,847	1,980
Add: Irregular expenditure - relating to prior year		2,694	2,565
Add: Irregular expenditure - relating to current year		339	984
Less: Prior year amounts condoned		(1,714)	(3,682)
Less: Current year amounts condoned		(339)	0
Irregular expenditure awaiting condonation		2,827	1,847
Analysis of awaiting condonation per age classification			
Current year		1,149	0
Prior years		1,678	1,847
Total		2,827	1,847

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*Detail note 25 continued*25.2 **Details of irregular expenditure - current year**

Incident	Disciplinary steps taken/ criminal proceedings		2013/14 R'000
	Cases	Amount R'000	
Security Services	2	104	219
Printing & Publications	1	11	13
Transport	2	15	14
Labour Hiring	1	158	158
Training	4	394	353
Storage Fees	1	227	227
Accommodation & Meals	2	7	330
Repairs	6	67	67
Catering	8	49	49
Day to Day Maintenance	5	56	61
Cleaning Services	4	420	1,139
Venues and Facilities	4	162	163
Investigation of Crime	1	11	11
Towing Cost	4	9	18
Renovation (Buildings)	3	268	140
Leases	2	4	4
Computer Consumables	1	35	35
Licence Fees	1	4	4
Capital	1	28	28
Total	53	2,029	3,033

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Detail note 25 continued

25.3	Details of irregular expenditure condoned	2013/14
Incident	Condoned by (condoning authority)	R'000
Licence Fees	BAC	4
Leases	BAC	4
Transport	BAC	14
Storage fees	BAC	226
Training	BAC	395
Security Services	BAC	104
Investigation of Crime	BAC	11
Accommodation & Meals	BAC	10
Repairs	BAC	67
Catering	BAC	49
Day to Day Maintenance	BAC	61
Cleaning Services	BAC	425
Printing and Publications	BAC	13
Venues and Facilities	BAC	163
Labour Hiring	BAC	158
Towing Cost	BAC	18
Capital	BAC	28
Renovation (Buildings)	BAC	268
Computer Consumables	BAC	35
Total		2,053
25.4	Details of irregular expenditure under investigation	2013/14
	Incident	R'000
	Funeral Costs	832
	Training	21
	Security Services	318
	Accommodation & Meals	334
	Repairs	31
	Catering	3
	Language Services	5
	Day to Day Maintenance	155
	Cleaning Services	809
	Stationery	8
	Communication	312
	Total	2,828

The outcome of the investigations with reference to the two outstanding contracts regarding the fire-arm registration system and the terrestrial radio communication contract system is still awaited.

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26. Fruitless and wasteful expenditure	<i>Note</i>	2013/14	2012/13
26.1 Reconciliation of fruitless and wasteful expenditure		R'000	R'000
Opening balance		0	2,411
Adjustment to opening balance		0	(1,903)
Fruitless and wasteful expenditure – relating to prior year		541	76
Fruitless and wasteful expenditure – relating to current year		117	18
Less: Amounts resolved		(493)	(537)
Less: Amounts transferred to receivables for recovery	11.5	(125)	(65)
Fruitless and wasteful expenditure awaiting resolution		<u>40</u>	<u>0</u>

26.2 Analysis of Current Year's Fruitless and wasteful expenditure

Incident	Disciplinary steps taken/ criminal proceedings		2013/14
	Cases	Amount R'000	
License fees	3	1	303
Accommodation	0	0	80
Air/bus tickets	2	3	57
Training	7	7	37
Interest	0	0	4
Erroneous payments	1	57	172
Other	1	0	5
Total	<u>14</u>	<u>68</u>	<u>658</u>

27. Key management personnel

The aggregate compensation of the senior management of the department is as follows:

Description	No of Individuals	2013/14	2012/13
		R'000	R'000
Political Office Bearers	2	3,845	3,658
Officials:			
Level 15 to 16 (including CFO)	40	51,873	47,406
Total		<u>55,718</u>	<u>51,064</u>

28. Impairment

Staff debtors	6,943	4,726
Other debtors	300	182
Total	<u>7,243</u>	<u>4,908</u>

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29. **Movable Tangible Capital Assets****MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	16,000,592	(169,442)	2,071,182	1,054,158	16,848,174
Transport assets	10,386,433	(230,711)	1,293,398	817,616	10,631,504
Computer equipment	2,401,466	(117,204)	383,903	168,846	2,499,319
Furniture and Office equipment	168,266	(34,901)	38,060	4,063	167,362
Other machinery and equipment	3,044,427	213,374	355,821	63,633	3,549,989
BIOLOGICAL ASSETS	35,878	(13,403)	4,566	4,303	22,738
Biological assets	35,878	(13,403)	4,566	4,303	22,738
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	16,036,470	(182,845)	2,075,748	1,058,461	16,870,912

Adjustments were made to prior year balances inter alia due to movement between minor and capital, economic reclassification etc, on the asset register of the Department.

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Detail note 29 continued

29.1 **ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSET PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Cash	Non-Cash	(Capital work in progress - current costs and finance lease payments)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	2,280,167	64,081	(186,893)	(86,173)	2,071,182
Transport assets	1,318,267	12,971	(4,231)	(33,609)	1,293,398
Computer equipment	433,425	5,190	(4,268)	(50,444)	383,903
Furniture and Office equipment	25,871	12,918	0	(729)	38,060
Other machinery and equipment	502,604	33,002	(178,394)	(1,391)	355,821
BIOLOGICAL ASSETS	238	4,328	0	0	4,566
Biological assets	238	4,328	0	0	4,566
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	2,280,405	68,409	(186,893)	(86,173)	2,075,748

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Detail note 29 continued

29.2 **DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Sold (cash)	Transfer out or destroyed or scrapped	Total	Cash Received
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	920,806	133,352	1,054,158	3,730
Transport assets	813,943	3,673	817,616	3,514
Computer equipment	95,559	73,287	168,846	2
Furniture and Office equipment	0	4,063	4,063	0
Other machinery and equipment	11,304	52,329	63,633	214
BIOLOGICAL ASSETS	1,503	2,800	4,303	27
Biological assets	1,503	2,800	4,303	27
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	922,309	136,152	1,058,461	3,757

29.3 **MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013**

	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	13,723,957	846,083	2,329,675	899,123	16,000,592
Transport assets	9,464,219	166,025	1,427,229	671,040	10,386,433
Computer equipment	1,684,832	227,439	588,744	99,549	2,401,466
Furniture and Office equipment	139,596	(2,397)	34,203	3,136	168,266
Other machinery and equipment	2,435,310	455,016	279,499	125,398	3,044,427
BIOLOGICAL ASSETS	20,085	14,976	3,922	3,105	35,878
Biological assets	20,085	14,976	3,922	3,105	35,878
TOTAL MOVABLE CAPITAL TANGIBLE ASSETS	13,744,042	861,059	2,333,597	902,228	16,036,470

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*Detail note 29 continued*29.4 **Minor Assets****MINOR ASSETS OF THE DEPARTMENT FOR 31 MARCH 2014**

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	0	0	1,435,617	0	1,435,617
Adjustment to prior year balance	0	0	(36,194)	0	(36,194)
Additions	0	0	78,984	0	78,984
Disposals	0	0	(106,225)	0	(106,225)
TOTAL	0	0	1,444,570	0	1,444,570
Number of minor assets	0	0	472,184	0	472,184
TOTAL	0	0	472,184	0	472,184

Minor Assets**MINOR ASSETS OF THE DEPARTMENT FOR 31 MARCH 2013**

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Minor Assets	0	0	1,435,617	0	1,435,617
TOTAL	0	0	1,435,617	0	1,435,617
Number of minor assets	0	0	468,461	0	468,461
TOTAL	0	0	468,461	0	468,461

29.5 **Movable assets written off****MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2014**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	0	0	0	1,054,158	4,303	1,058,461
Total movable assets written off	0	0	0	1,054,158	4,303	1,058,461

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Detail note 29 continued

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2013

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	0	0	0	899,122	3,105	902,227
Total movable assets written off	0	0	0	899,122	3,105	902,227

30 Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Opening balance R'000	Current year adjustments to prior year balances R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	30,790	(449)	7,360	906	36,795
Dwellings	13,213	(753)	6,535	906	18,089
Non-residential buildings	17,577	304	825	0	18,706
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	30,790	(449)	7,360	906	36,795

30.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Cash R'000	Non-cash R'000	(Capital work-in- progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
BUILDINGS AND OTHER FIXED STRUCTURES	868,094	1,486	(858,784)	(3,436)	7,360
Dwellings	5,864	1,487	0	(816)	6,535
Non-residential buildings	862,230	(1)	(858,784)	(2,620)	825
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	868,094	1,486	(858,784)	(3,436)	7,360

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Detail note 30 continued

30.2 Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash received Actual
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	0	906	906	0
Dwellings	0	906	906	0
Non-residential buildings	0	0	0	0
TOTAL DISPOSAL OF IMMOVABLE TANGIBLE CAPITAL ASSETS	0	906	906	0

30.3 Movement for 2012/13

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Opening balance	Current year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	34,167	(4,784)	2,783	1,376	30,790
Dwellings	18,862	(5,315)	994	1,328	13,213
Non-residential buildings	15,305	531	1,789	48	17,577
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	34,167	(4,784)	2,783	1,376	30,790

30.4 Immovable assets written off

IMMOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2014

	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Total
	R'000	R'000	R'000	R'000
Assets written off	906	0	0	906
Total immovable assets written off	906	0	0	906

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Detail note 30 continued

IMMOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2013

	Buildings and other fixed structures R'000	Heritage assets R'000	Land and subsoil assets R'000	Total
Assets written off	1,376	0	0	1,376
Total movable assets written off	1,376	0	0	1,376

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**ANNEXURE 1
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2014 - LOCAL**

Guarantee in respect of and Guarantor institution	Original Guaranteed capital amount	Opening balance 1/4/2013	Current year adjustments to prior year closing balances	Guarantee draw downs during the year	Guarantee Repayments/ cancelled/ Released/ Reduced during the year	Closing balance 31/03/2014	Realised losses not recoverable i.r.o. claims paid out
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Housing							
STANDARD BANK		534	0	164	119	579	0
NEDBANK PTY LTD		1,172	0	0	685	487	0
FIRSTRAND BANK: FNB		20,331	0	0	12,504	7,827	0
ABSA		1,930	0	237	1,013	1,154	0
HLANO FIN SERVICES		49	0	0	11	38	0
ITHALA LIMITED		932	0	0	932	0	0
FREESTATE DEVEL CORP		818	0	0	818	0	0
MPUMALANGA		72	0	0	56	16	0
NP DEVELOP. CORP. LTD		120	0	0	41	79	0
GREEN START H/LOAN		89	0	0	0	89	0
INDLU FIN PTY LTD		16	0	0	0	16	0
Total		26,063	0	401	16,179	10,285	0

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**ANNEXURE 2
CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
Departments						
THE PRESIDENCY	0	0	73	31	73	31
DEPARTMENT OF DEFENCE	0	0	194	121	194	121
DEPARTMENT OF AGRICULTURE	0	0	427	346	427	346
DEPARTMENT OF ARTS AND CULTURE	0	0	5	199	5	199
DEPARTMENT OF COMMUNICATIONS	0	0	125	114	125	114
DEPARTMENT OF CORRECTIONAL SERVICES	0	0	241	226	241	226
DEPARTMENT OF ECONOMIC DEVELOPMENT	0	0	0	0	0	0
DEPARTMENT OF EDUCATION	0	0	41	49	41	49
DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND TOURISM	0	0	56	38	56	38
DEPARTMENT OF FOREIGN AFFAIRS	0	0	11,459	11,367	11,459	11,367
DEPARTMENT OF HEALTH	0	0	744	410	744	410
DEPARTMENT OF HOME AFFAIRS	0	0	206	139	206	139
DEPARTMENT OF HOUSING	0	0	76	43	76	43
DEPARTMENT OF JUSTICE AND CONSTITUTIONAL DEV	0	0	487	520	487	520
DEPARTMENT OF LABOUR	0	0	31	89	31	89
DEPARTMENT OF LAND AFFAIRS	0	0	59	52	59	52
DEPARTMENT OF PUBLIC ENTERPRISES	0	0	21	9	21	9
DEPARTMENT OF PUBLIC WORKS	0	0	1,493	1,534	1,493	1,534
DEPARTMENT OF SOCIAL DEVELOPMENT	0	0	677	27	677	27

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ANNEXURE 2 Continue....	Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
		31/03/2013		31/03/2013		31/03/2013	
		R'000	R'000	R'000	R'000	R'000	R'000
	DEPARTMENT OF TRADE AND INDUSTRY	0	0	251	38	251	38
	DEPARTMENT OF TRADITIONAL AND LOCAL GOVERNMENT AFFAIRS	0	0	0	0	0	0
	DEPARTMENT OF TRANSPORT	0	0	139	322	139	322
	DEPARTMENT OF WATER AFFAIRS AND FORESTRY	0	0	97	302	97	302
	DEPARTMENT OF MINERALS AND ENERGY	0	0	74	173	74	173
	DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION	0	0	32	21	32	21
	DEPARTMENT OF SCIENCE AND TECHNOLOGY	0	0	17	9	17	9
	DEPARTMENT OF SPORT AND RECREATION	0	0	564	40	564	40
	DEPARTMENT OF PROVINCIAL AND LOCAL GOVERNMENT	0	0	13	13	13	13
	DEPARTMENT OF STATISTICS	0	0	25	25	25	25
	INDEPENDENT COMPLAINTS DIRECTORATE	0	0	79	227	79	227
	NATIONAL ASSEMBLY: PARLIAMENT	0	0	1,934	465	1,934	465
	NATIONAL INTELLIGENCE AGENCY	0	0	340	342	340	342
	NATIONAL PROSECUTING AUTHORITY	0	0	104	104	104	104
	NATIONAL TREASURY	0	0	62	27	62	27
	SA SOCIAL SECURITY AGENCY	0	0	666	0	666	0
	NATIONAL COMMUNICATION CENTRE	0	0	0	130	0	130
	SOUTH AFRICAN REVENUE SERVICE	0	0	0	36	0	36
	DEPARTMENT OF FINANCE	0	0	6	85	6	85
	OFFICE OF THE PUBLIC SERVICE COMMISSIONER	0	0	16	15	16	15
	GOVERNMENT PRINTING WORKS	0	0	36	36	36	36

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ANNEXURE 2 Continue....

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
SUB TOTAL	0	0	20,870	17,724	20,870	17,724
Provinces						
OFFICES OF THE PREMIERS	0		144	259	144	259
MEC SAFETY AND SECURITY	0		446	220	446	220
KWAZULU-NATAL: PROVINCIAL GOVERNMENT	0		5,127	928	5,127	928
FREE STATE PROV: PROVINCIAL GOVERNMENT	0		122	180	122	180
WESTERN CAPE PROV: PROVINCIAL GOVERNMENT	0		1,397	1,511	1,397	1,511
LIMPOPO PROV: PROVINCIAL GOVERNMENT	0		364	582	364	582
EASTERN CAPE PROV: PROVINCIAL GOVERNMENT	0		4,275	9,150	4,275	9,150
GAUTENG PROV: PROVINCIAL GOVERNMENT	0		767	963	767	963
NORTH WEST PROV: PROVINCIAL GOVERNMENT	0		803	476	803	476
MPUMALANGA: PROVINCIAL GOVERNMENT	0		165	167	165	167
NORTHERN CAPE: PROVINCIAL GOVERNMENT	0		331	504	331	504
SUB TOTAL	0	0	13,941	14,940	13,941	14,940

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ANNEXURE 2 Continue....	Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
		31/03/2013		31/03/2013		31/03/2013	
		R'000	R'000	R'000	R'000	R'000	R'000
	ICF AFRICA	0	0	6	6	6	6
	INSTITUTION FOR SECURITY STUDIES	0	0	0	0	0	0
	SA SOCIAL SECURITY AGENCY	0	0	0	317	0	317
	SCHINDLER LIFTS	0	0	0	7	0	7
	AIRPORTS COMPANY SOUTH AFRICA	0	0	0	3	0	3
	VENTURESCAPES	0	0	12	92	12	92
	SA SECRET SERVICE	0	0	3	3	3	3
	4D DÉCOR	0	0	0	5	0	5
	RED HOT EVENTS	0	0	2	2	2	2
	URBAN TONIC	0	0	0	0	0	0
	EVENTS MANAGEMENT SOLUTIONS	0	0	0	2	0	2
	SOUTH AFRICAN COMMUNIST PARTY	0	0	0	22	0	22
	GREEN DOLPINE RESTAURANT	0	0	0	12	0	12
	GREEN ROUTE PTY LTD	0	0	0	21	0	21
	SIYA ZAMA GVK BUILDING RENOVATION	0	0	0	0	0	0
	AFRICAN CUP OF NATIONS	0	0	244	0	244	0
	SALSA CATERING	0	0	0	2	0	2
	SUB TOTAL	0	0	267	494	267	494
	TOTAL	0	0	35,078	33,158	35,078	33,158

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**ANNEXURE 3
INTER- GOVERNMENTAL PAYABLES**

	GOVERNMENT ENTITY						TOTAL	
	Confirmed balance outstanding		Unconfirmed balance outstanding		31/03/2014		31/03/2013	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	R'000	R'000	R'000	R'000
Departments								
Amounts not included in Statement of financial position								
Current								
DEPARTMENT OF INTERNATIONAL RELATIONS	15,224	5,844	25,831	37,010		41,055		42,854
DEPARTMENT OF JUSTICE AND CONSTITUTIONAL DEV	27,344	46,177	3	36,223		27,347		82,400
TOTAL	42,568	52,021	25,834	73,233		68,402		125,254
Other Government Entities								
Amounts not included in Statement of financial position								
Current								
PROVINCIAL ADMINISTRATION WESTERN CAPE	0	0	0	18		0		18
TOTAL	0	0	0	18		0		18
GRAND TOTAL	42,568	52,021	25,834	73,251		68,402		125,272

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ANNEXURE 4
STATEMENT OF LOCAL AND FOREIGN AID ASSISTANCE RECEIVED FOR THE YEAR ENDED 31 MARCH 2014

NAME OF DONOR	PURPOSE	OPENING	REVENUE	REVENUE	REVENUE	EXPENDITURE	CLOSING
		BALANCE					BALANCE
		R'000	R'000	R'000	R'000	R'000	R'000
Received in cash							
Local							
Home Affairs		655	0	0	655	0	0
CARA Funds		819	5,828	0	6,647	0	0
Subtotal		1,474	5,828	0	7,302	0	0
Foreign							
Enhlangano Project France	Training support	229	0	229	0	0	0
Norway (Sudan)	Training support	4,794	0	0	4,292	502	502
Subtotal		5,023	0	229	4,292	502	502
Total		6,497	5,828	229	11,594	502	502

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**ANNEXURE 5
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2014**

Nature of Liability	Opening Balance 01/04/2013	Current year adjustments to prior year balances	Liabilities incurred during the year	Claims settled during the year			Closing Balance 31/03/2014
				Original claim Amounts	Amounts Paid	Amounts Cancelled/ Reduced	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Claims against the department							
Vehicle accidents	164,141	27,632	33,132	48,909	18,800	30,109	175,996
Legal expenses	363,478	100,676	61,237	31,109	1,312	29,797	494,282
Damage to property	2,576	799	106	1,127	137	990	2,354
Assault	801,313	61,553	89,531	99,105	8,414	90,691	853,292
Damage to State property	8,236	90	473	205	17	188	8,594
Police actions	13,000,984	1,655,738	5,079,260	3,148,747	180,452	2,968,295	16,587,235
Shooting incidents	1,159,163	155,825	418,236	258,457	42,059	216,398	1,474,767
Other (Not yet classified)	2,947,467	(2,127,255)	252,044	124,493	1	124,492	947,763
Total	18,447,358	(124,942)	5,934,019	3,712,152	251,192	3,460,960	20,544,283

Note: Amounts on this schedule reflects the actual amounts paid and actual amounts claimed (NOT ESTIMATED SETTLEMENT AMOUNTS) in respect of all pending civil claims against the state, which may or may not be settled in future.

Claim amounts are subject to change, due to matters becoming litigious of nature, revision of claim amounts by claimants or subsequent actuarial or medical assessments of damages suffered.

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ANNEXURE 5 (Continued)

STATEMENT OF THE RECOVERABILITY OF ACCUMULATED PAYMENTS MADE AS AT 31 MARCH 2014

Nature of recoverability	Opening Balance 01/04/2013	Current year adjustments to prior year balances	Detail of finalized transactions	Movement during the year		Closing Balance 31/03/2014
				Amount finalized	New transactions Amount	
	R'000	R'000		R'000	R'000	R'000
[Vehicle accidents, Legal expenses, Damage to property, Assault, Damage to State property	146,757	711	Written off (TR 11.4 & 12) State funds Claim by the Department Exemption as an Act of Grace (TR 22.1) Waiver of claims (TR 12.7.3) Cash payment	3,558 5,775 11,904	296,500	172,933
Police actions, Shooting incidents and Other (not yet allocated)]				249,565		
Total	146,757	711		271,035	296,500	172,933

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ANNEXURE 6**INVENTORY**

	<i>Note</i>	Quantity	2013/14 R'000	Quantity	2012/13 R'000
Inventory					
Opening balance		54,965,400	670,753	46,784,936	600,015
Add/(Less): Adjustments to prior year balances		(16,242,205)	(319,886)	(75,955)	(37,977)
Add: Additions/Purchases - Cash		17,000,620	171,920	26,770,419	393,124
Add: Additions - Non-cash		14,407	1,254	29,527	5,408
(Less): Disposals		(205,462)	(791)	(48,528)	(3,269)
(Less): Issues		(19,006,616)	(198,610)	(18,705,454)	(319,388)
Add/(Less): Adjustments		610,819	14,590	210,455	32,840
Closing balance		37,136,963	339,230	54,965,400	670,753

ANNEXURE 7**Movement in Capital Work-in-Progress****MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2014**

	Opening balance	Current Year Capital WIP	Completed Assets	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	3,171,711	858,784	2,203,737	1,826,758
Dwellings	0	0	0	0
Non-residential buildings	3,171,711	858,784	2,203,737	1,826,758
Other fixed structures	0	0	0	0
TOTAL	3,171,711	858,784	2,203,737	1,826,758

During the year journal changes were made to the opening balance

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ANNEXURE 8
INTER-ENTITY ADVANCES PAID (note 10.1)

	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Department International Relation and Cooperation	829	651	0	0	829	651
Government Communication and Information System	723	1,023	0	0	723	1,023
Subtotal	1,552	1,674	0	0	1,552	1,674
PUBLIC ENTITIES						
SA POST OFFICE	10	10	0	0	10	10
Subtotal	10	10	0	0	10	10
TOTAL	1,562	1,684	0	0	1,562	1,684

