



2021/22

First Quarter

Performance Report

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STRATEGIC OVERVIEW

VISION

A world class innovative Skills Institute to ensure an empowered South African citizenry with 4IR capabilities.

MISSION

To catalyse national digital skills for meaningful use of technologies to improve the quality of life of all people in South Africa.

To fulfil our mission, the Institute will:

- Be the driver of innovation promotion and development.
- Create an enabling skilling environment for 4IR innovation and technologies.
- Be a primary facilitator for all digital training opportunities in South Africa by positioning itself as a national catalyst for digital skills development for the public and private sector.
- Develop and present training programmes where appropriate, as identified through various mechanisms.
- Create national awareness for the understanding of digital transformation.
- Position itself as a preferred institution and a thought leader in the digital skills development

VALUES

Agility – Uphold a principle of flexibility, adapting to accelerating changes without losing our identity.

Collaboration – We believe in the power of working across multiple organisations, individuals, and constituencies in order to co-create ideas and innovations that will improve our human capital through partnerships that work. We espouse values of inter programme collaboration so that we create a united workforce that will sustain the organisation through communication as a strong vehicle.

Integrity – Strive to be the epitome of honesty through sound, moral and ethical principles which all employees will uphold in our dealings with a variety of stakeholders.

Professionalism – In everything we do we strive to maintain a professional etiquette when dealing with our stakeholders.

Commitment to excellence – We are committed to excellence, to always providing value to our customers, partners, and stakeholders. We set and achieve ambitious goals, we pursue high expectations, innovate by trying new ways of doing things and model a positive example.

OVERVIEW BY CEO

COVID-19 is impacting all industries, and NEMISA was no exception. As mandated by the government to contain the spread of COVID-19 throughout the various levels of the lockdown, we remain focused on achieving the performance targets as outlined in the Annual Performance Plan. Measures have been taken to ensure that they continue to meet our mandate in a safe manner, keeping the wellbeing of employees in mind.

During the first quarter (FYQ1), we have delivered sequential monthly improvement as COVID-19 lockdown eased, the Parktown campus and CoLabs began operating, and mobility gradually returned. We have achieved 15 of the 18 planned targets set for FYQ1; this implies that the organisation has achieved 83% of the set target. NEMISA made a surplus of R629 277.62 for the quarter. The Entity has a strong cashflow flow balance and remains liquid and solvent.

We have had 18 interns placed at Multimedia Production House (MMPH). Also, Creative Media (In-house) has registered 103 learners for different programs (full qualifications and skills programs), and the OTT has experienced steady growth. A total of 8636 CoLab beneficiaries received digital literacy, specialist technology, and digital transformation programmes, with 58.4% of them being female.

The Colab underperformance in quarter one is low due to many participants owning low-end smartphones with limited memory and capacity to install or run the programs required. Covid still has a significant impact on face-to-face training as previously used venues are no longer available, space limitations due to social distancing, and people being scared to attend training. As corrective action measures the recovery plan will be put in place to address the shortfall.

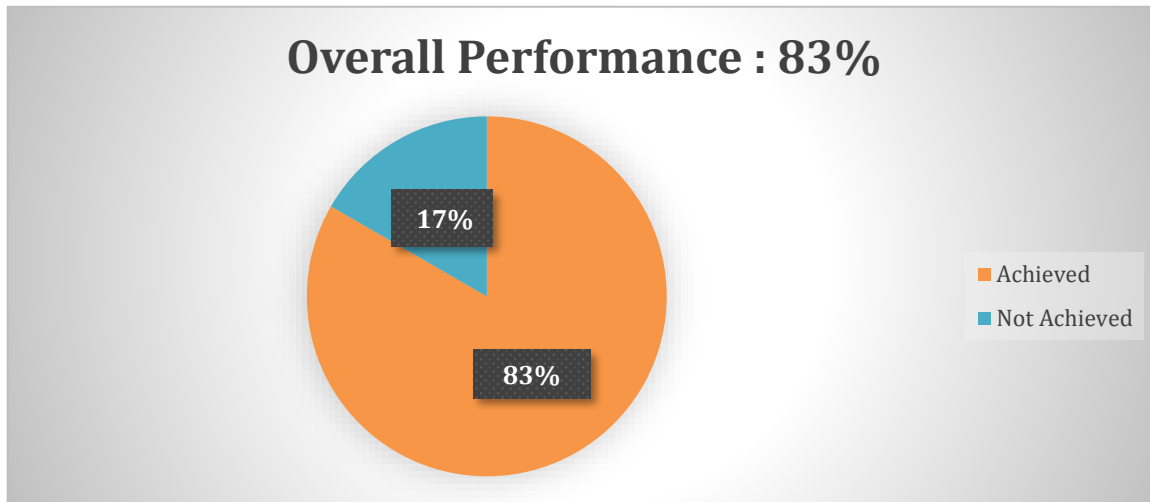
The Transformation and Change Strategy implemented is well underway, with the Organisational Design project to commence in August 2021. Staff have taken up planned initiatives for further studies with a focus on enhancing their digital skills. The review and development of NEMISA instructional material include “legacy” SAQA and QCTO type qualifications, with the institute sorting extension of scope on skills programmes to grow its product offerings and participate in the MICT SETA qualification development process as a Community of Expert Practitioners (CEP).

Mr. Trevor Rammitlwa

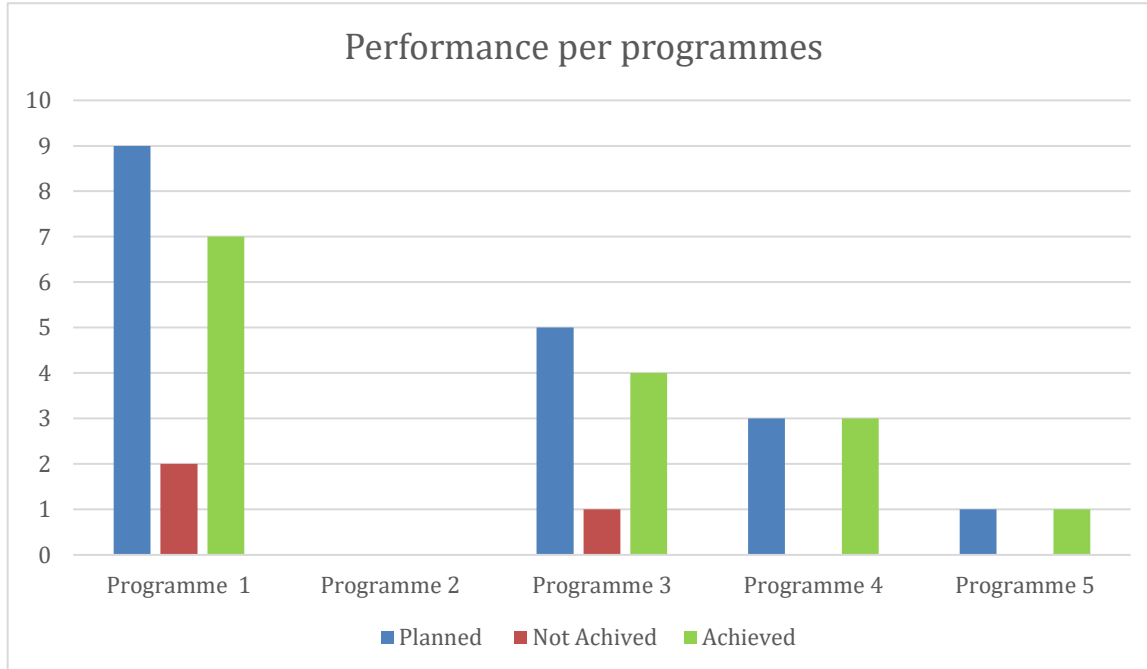
Chief Executive Officer

SUMMARY OF OVERALL PERFORMANCE

NEMISA has achieved 15 of the 18 planned targets set for quarter. This implies that the organisation has achieved 83%. Detailed performance is outlined in the programme development sections.



Breakdown of planned targets Vs achieved targets per programmes



Breakdown of Planned targets Vs Achieved Vs Not Achieved targets per programmes

Part 1: Programme Development

1.1. Programme 1: Administration

The purpose is to provide support to the overall management of the Institute to ensure organisational efficiency, effectiveness, and sound financial management.

Programme 1: Administration									
No	Annual Target	Q1 Target	Achievement	% Targeted Progress	% Actual Progress	Year-to-date Achievement	Challenges	Corrective Action	Status
1.1.1	Transformation and Change Strategy implemented	Progress Report on the Transformation and Change Strategy implementation plan	Progress report on the Transformation and Change Strategy implementation plan has been completed	25%	25%	Progress report on the Transformation and Change Strategy implementation plan has been completed	N/A	N/A	Achieved
1.1.2	Upskilling staff with digital skills	Consultation with NEMISA Staff on digital skills training plan	Consultation with staff on digital skills plan has been conducted	25%	25%	Consultation with staff digital skills plan has been conducted	N/A	N/A	Achieved
1.1.3	Organization structure and culture change report	Consultation between NEMISA and DCDT on organisational structure change	None	20%	0%	None	N/A	A meeting with DCDT is scheduled for Friday the 9 July 2021.	Not Achieved

1.1.4	Reviewed curriculum of training programmes to align with the National Digital and Future Skills Strategy	Review training programmes to align to the National Digital and Future Skills Strategy on the future of work	Reviewed creative media training programmes to ensure alignment with the National Digital and Future Skills Strategy on the future of work	20%	20%	Reviewed creative media training programmes to ensure alignment with the National Digital and Future Skills Strategy on the future of work	N/A	N/A	Achieved
1.1.5	Research report on the future of work	Submit the proposed research agenda for approval to the Board	A research agenda for 2021/22 financial year has been submitted and approved by board	25%	25%	A research agenda for 2021/22 financial year has been submitted and approved by board	N/A	N/A	Achieved
1.2.1	Content development increased to compliment the LMS	Progress report developed: Produce two productions for LMS content development.	Progress report developed and 1 production for LMS content developed	25%	12,5%	Progress report developed and 1 production for LMS content developed	N/A	A recovery plan is in place to ensure that production of identified courses happen	Not Achieved
1.2.2	Create work experience for interns	90% of interns are retained in the internship	18 of 19 (96%) interns have been retained	25%	25%	18 of 19 (96%) interns have been retained	N/A	N/A	Achieved
1.2.3	Getting the OTT to run and improve	Increase in the number of	The number of used in the OTT platform	25%	25%	The number of used in the OTT			Achieved

		users in the OTT	increased by 86. There were 18 users in Q4 and currently there are 104 users			platform increased by 86. There were 18 users in Q4 and currently there are 104 users			
1.2.4	To expand the platform through partnerships	No planned target	-	-	-	-	N/A	N/A	N/A
1.2.5	New controls are implemented and monitored to prevent recurrence of audit findings	30% of the Audit findings are addressed and controls implemented. Preventative measures are implemented to manage risk of new findings	More than 30% audit findings addressed and control measures in the audit action plan have been implemented	30%	30%	More than 30% audit findings addressed and control measures in the audit action plan have been implemented	N/A	N/A	Achieved

Legend:

Achieved Not Achieved

1.2. Programme 2: Multi-stakeholder collaboration

The purpose is to build a substantive, formalized. multi-stakeholder. collaborative network involving partners across Government, Business, State Owned Entities (SOEs), global development partners and agencies through bilateral agreements, continental and international partners, community, organised labour and education (universities, TVET Colleges, Schools and public and private sectors) that will contribute to building a digitally skilled society.

Programme 2: Multi-stakeholder Collaboration									
No	Annual Target	Q1 Target	Achievements	% Targeted Progress	% Actual Progress	Year-to-date Achievement	Challenges	Corrective Action	Status
2.1	2 MoUs	No planned target	-	-	-	-	N/A	N/A	N/A

Legend:

Achieved

Not Achieved

Corporate Social Investment

The Corporate Social Investment Policy was approved in March 2021. As per the policy a CSI committee has been constituted. 7 Members from all the internal divisions signed their appointment letters. The committee has had 5 meetings where projects that need to be implemented internally and externally were discussed.

Organisational Culture

Organization is in the process of reviewing its organizational structure, the review includes the Survey as one of the deliverables to assist the organisation in developing a tailor-made Employee Wellness and culture development.

Culture Development of NEMISA lays at the heart of how we do things and somehow defined our culture in this financial year.

The Board approved the Action Plan for Organisational Values , and it is now in its implementation stage

A matrix will be developed to guide and assist the organization adapt to these newly implemented measures.

1.3 Programme 3: e-Astuteness development

To provide digital skills training interventions to leverage existing ICT education and training expertise to better align and meet the digital skills targets in the MTSF and NDP.

Impact: Ensure the digital skills shortage is addressed. Digital skills training forms the basis (entry step) for the digitally skilled/e-astute learning pathway. (Digital Literacy is ‘the ability of individuals to use digital tools and facilities to perform tasks, to solve problems, to communicate, to manage information, to collaborate, to create and share content and to build knowledge, in all areas of everyday life and for work’.)

Digital skills delivery is targeted at all levels (e-practitioners, information / knowledge workers [e-users], thought-leaders and ICT illiterate citizens) and will leverage existing centres (community centres, schools, TVET colleges and universities) to ensure local knowledge production and digitally skilled citizenry.

Programme 3: e-Astuteness Development

No	Annual Targets	Q1 Targets	Actual Achievement	% Targeted Progress	% Actual Progress	Year-To-Date Achievement	Challenges	Corrective Action	Status
3.1	60 000 citizens trained in basic digital literacy	15 000	7 100	25%	11,8%		Please see table 1 below	Please see table 1 below	Not Achieved
3.2.1	120 learners trained in creative media courses	No planned target	103 learners registered for creative media courses	-	-	103 learners registered for creative media courses	N/A	N/A	N/A
3.2.2	1 creative media course developed	1 Creative media course specification investigated	Creative media course specification investigation has been completed and a concept document has been put in place	30%	30%	Creative media course specification investigation has been completed and a concept document has been put in place	N/A	N/A	Achieved
3.3	2750 citizens trained on specialist technologies	500	697	18%	22,7%	697	N/A	N/A	Achieved
3.4	800 employees within government departments and institutions participating in digital transformation advocacy and awareness campaigns	200	200	25%	25%	200	N/A	N/A	Achieved

3.5	LMS implemented to support online digital skills roll out	The SOP and controls for content development and loading into the LMS are developed and approved and implemented.	The SOP and controls for content development have been developed, approved, and implemented	25%	25%	The SOP and controls for content development have been developed, approved, and implemented	N/A	N/A	Achieved
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Legend:

Achieved

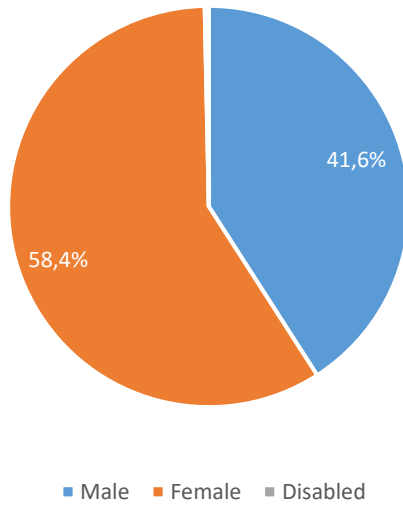
Not Achieved

Table 1: Comments on deviations and intervention

	Outcomes	Challenges	Corrective actions
3.1	Number of Citizens trained in basic digital literacy	<p>Many participants only have low-end smartphones with limited memory and capacity to install or run the programs required.</p> <p>Lack of infrastructure to support the targeted population of the unemployed youth in rural and township areas to access online learning is a barrier to achieving the target.</p> <p>COVID 19 pandemic has also challenged plans to be revised thus impacting training outputs.</p>	<p>NEMISA is in discussions with potential partners to avail their facilities in townships and rural areas for the youth to access</p> <p>NEMISA has also applied for zero-rating of its LMS in order to increase access for online learning.</p>

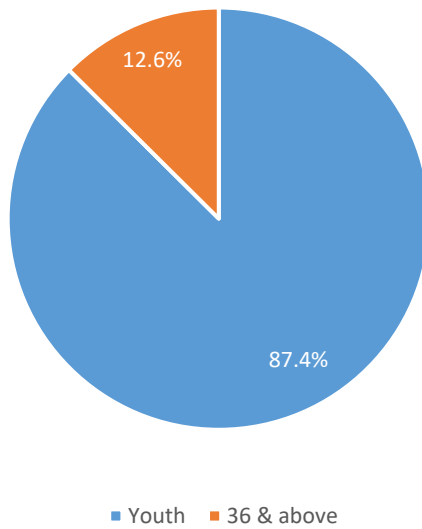
Q1 Training Conducted 2020/2021	TOTAL	GENDER		Disabled	AGE		RACE			
		Male	Female		Youth	36 & above	African	Coloured	Indian	White
Overall Total	7997	3299	4698	33	6966	1031	7617	257	31	92
%		41.2%	58.7%	0.4%	87.4%	12.6%	95.6%	3.0%	0.4%	1.1%
Number of citizens trained in basic digital literacy	7100	2809	4291	21	6314	792	6872	176	10	42
Number of citizens trained on specialist technology	697	416	281	9	598	93	592	56	18	31
Number of employees within government departments & institutions participating in digital transformation advocacy & awareness campaigns	200	74	126	3	54	146	153	25	3	19

Trained Gender Breakdown (%)

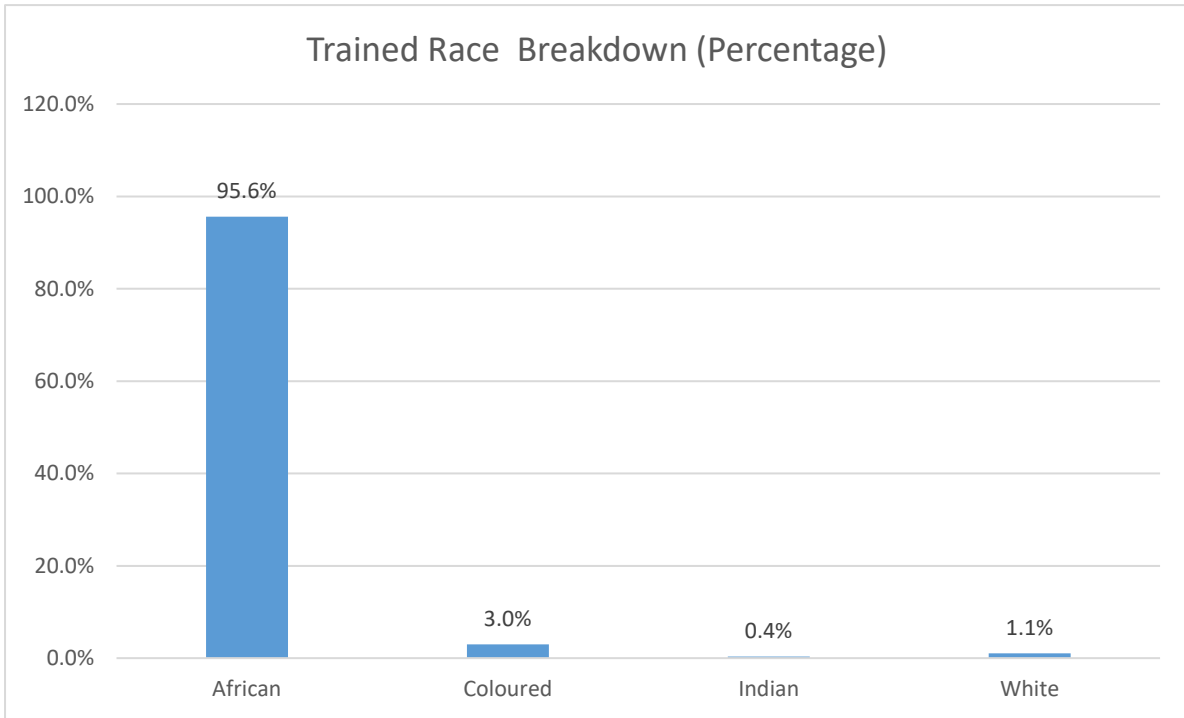


Breakdown of digital skills training per gender

Trained Age Group breakdown (Percentage)



Breakdown of digital skills training per age



Breakdown of digital skills training per race

THE CREATIVE MEDIA TRAINING DEPARTMENT

The Creative Media Department set out to deliver against Programme 3: E-Astuteness Development. The aim is to provide digital skills training interventions to leverage existing ICT education and training expertise to align better and meet the digital skills targets in the MTSF and NDP. The quarter one performance is on track with the lockdown due to COVID19 and the re-accreditation of qualifications with the Media, Information, and Communication Technologies Sector Education and Training Authority (MICT SETA) posing as the most significant risk to the department's programme delivery.

Accredited Programmes and Project Status:

As of June 2021, there are 103 learners registered with the creative media training unit. The tables below show the breakdown of the learner registration per qualifications in the two schools:

A. School of Animation/ Multimedia.

Performance - School of Animation and Multimedia				
	Project Name	Training Programme	Student groups	Number of Learners Registered
1	Animation	NC: 2D Animation – 18 months face-to-face	Cohort B	7
2	Graphic Design	Graphic design Techniques - 12 months face-to-face	Cohort A	9
3	Graphic Design	Graphic design Techniques - 12 months face-to-face	Cohort B	5
4	Siyafunda Community Technology Centre	Interactive media - 6 months blended approach	Cohort B	9
5	Animation	Animation Bootcamp (6 weeks face-to-face)	-	7
6	Graphic design	Graphic design Bootcamp (6 weeks face-to-face)	-	13
7	Interactive media	Interactive media Bootcamp (6 weeks face-to-face)	-	8
TOTAL				58

B. School of Broadcast

Performance - School of Broadcast				
	Project Name	Training Programme	Workplace	Number of Learners Registered
1	Limpopo	National certificate: Radio Production – SAQA ID 62069 - NQF 5	Sekhukhune Community Radio (SKFM)	11
2	Gauteng	National certificate: Radio Production SAQA ID 62069 - NQF 5	Koffifi FM	8
3	Parktown Campus	National certificate: Radio Production – SAQA ID 62069 - NQF 5	None	14
4	Parktown Campus	Film and television production - SAQA ID; 58394 - NQF 5	None	12
TOTAL				45

Highlights

- a. Learner orientation accompanied by an alumni address to guide current student cohorts on the industry, possible opportunities, and challenges. Sessions yielded great enthusiasm amongst the learners.
- b. A Memorandum of Understanding (MOU) from the Media, Information and Communication Technologies Sector Education and Training Authority (MICT SETA) that NEMISA is to endorse. NEMISA and MICT SETA will cooperate in program implementation, research, qualification development, and guidance on accreditation processes.
- c. The possible collaboration with the National Association of Broadcasters (NAB) – qualification re-view. The MICT SETA is to be further engaged on the qualification re-view process to align to the Quality Council for Trades and Occupations (QCTO) type qualification.
- d. The newly developed course from the 2020/2021 financial year on “Digital Story Telling” is planned for the last week of June 2021, learners will be trained in programme delivery through the “Train the trainer programme”. Learners will be taught on audio-visual content production via a mobile device and to facilitate using a variety of given methodology, with the possibility of later being appointed as the facilitators for the Digital Story telling training programme.

1.3. Programme 4: Knowledge for Innovation (K4I)

The purpose is to look for appropriate, and often innovative, ways to address systemic problems and other inefficiencies and weaknesses in achieving learning success.

Programme 4: Knowledge for Innovation									
No	Annual Target	Q1 Target	Achievement	% Targeted Progress	% Actual Progress	Year-to-date Achievement	Challenges	Corrective Action	Status
4.1	1 Hackathon hosted	Hackathon concept document submitted to board for approval	The concept document was submitted and approved by the board in Quarter 1	25%	25%	The concept document was submitted and approved by the board in Quarter 1	N/A	N/A	Achieved
4.2	1 Digital skills Summit hosted	Digital skills summit concept document submitted to board for approval	The concept document was submitted and approved by the board in Quarter 1	25%	25%	The concept document was submitted and approved by the board in Quarter 1	N/A	N/A	Achieved
4.3	1 Colloquiums hosted	Colloquium concept document developed and submitted to board for approval.	The concept document was submitted and approved by the board in Quarter 1	25%	25%	The concept document was submitted and approved by the board in Quarter 1	N/A	N/A	Achieved

Legend:

Achieved Not Achieved

1.4. Programme 5: Aggregation framework

The purpose of Programme 5 is to build a formalised multi-stakeholder aggregation and a collaborative network that allows the Institute to link outputs to impact by helping existing service providers to demonstrate measurable impact against national strategic plans

Programme 5: Aggregation Framework									
No	Annual Target	Q1 Target	Actual Achievement	% Targeted Progress	% Actual Progress	Year-to-date Achievement	Challenges	Corrective Action	Status
5.1	Evaluation and impact report developed	Quarterly Monitoring and evaluation report developed	Quarterly Monitoring and evaluation report developed	25%	25%	Quarterly Monitoring and evaluation report developed	N/A	N/A	Achieved

Legend:

Achieved Not Achieved

Part 2: National Support Services: Institutional Development (Administration)

This section of the report highlights the key activities related to Programme one. It comprises of the work done in the areas of:

- Managing human resources
- Managing its assets
- Operations
- Managing financial resources and how they support national policies such as SMME Development

2.1 Creating a workforce for the future

Introduction

The purpose of the HR Unit role in the organisation is to effectively manage and execute the HR Strategy and Plan aligned with the organisation's overall strategic and annual performance plan. This report provides an update on HR activities for quarter one, and these include headcount within the organisation, appointments and terminations, employee age analysis, the current status about performance against the HR operational plan, a report on employment equity at NEMISA and labour relations matters that arose in the quarter

Headcount / Establishment comparison

Table 2: Headcount

Group	Quarter 1
Permanent staff	34
Fixed-term staff	11
Temporary staff	2
Total	47

The above table depicts that NEMISA has 34 permanent employees, 11 fixed-term contracts employees and 2 temporary employees

Note: The short-term contracts are linked to specific short-term projects.

- **Permanent employee:** an employee appointed on a permanent basis.
- **Fixed-term employee:** an employee appointed on a long term (1-5 years) that has an end date in a full-time position or for a specific project.
- **Temporary employee:** An employee who is appointed on a short term (1 day to 6 months) to meet a temporary and finite organisational need.

Table 3: Occupational Levels (Approved headcount in line with funded structure)

Occupational levels	NO
Top Management (level 14- 15)	3
Senior Management (level 13)	4
Professional qualified (level 11-12)	7
Skilled level (6-10)	26
Semi-skilled (1-5)	8
Total	47

43 were employed as per the approved structure, and four were employed on a project based.

Appointments and Terminations

Table 4: Appointments: Employees

Occupational levels	Quarter 1
Top Management (level 14- 15)	-
Senior Management (level 13)	1
Professional qualified (level 11-12)	-
Skilled level (6-10)	-
Semi-skilled (1-5)	-
Total	1

The following appointment was made in quarter 1:

- Head of Training

Table 5: Appointments: Interns

Group	Quarter 1
Interns	-
Total	-

Table 6: Terminations : Interns

Group	Quarter 1
Interns	1
Total	1

Table 7: Terminations:

Occupational levels	Quarter 1
Top Management (level 14- 15)	1
Senior Management (level 13)	-
Professional qualified (level 11-12)	1
Skilled level (6-10)	-
Semi-skilled (1-5)	-
Total	2

Reasons for leaving

- End of contract and resignation

Reasons for non-renewal of contract

- The posts were advertised.

Impact on operations

- The posts were advertised to ensure there is stability in these key Departments and avoid disruptions of business operations.

Staff vacancies

There are currently four vacancies as per the approved structure.

Table 8: All Staff Vacancies (Approved Funded Structure)

Level	Vacancies (Q1)
Top Management (Executives) (level 14- 15)	2
Senior Management (level 13)	-
Professional (level 11-12)	2
Skilled (level 6-10)	-
Semi-Skilled (1-5)	-
Total	4

The following are the key vacant posts:

- Chief Financial Officer (The interview process is underway)
- Chief Operating Officer
- Manager: Supply Chain Management
- National CoLab Director

Interviews were held for posts of Manager: Supply Chain Management and National CoLab Director. Recommended candidates accepted offers and shall assume duty on the 1st of July 2021.

Employee Age Analysis

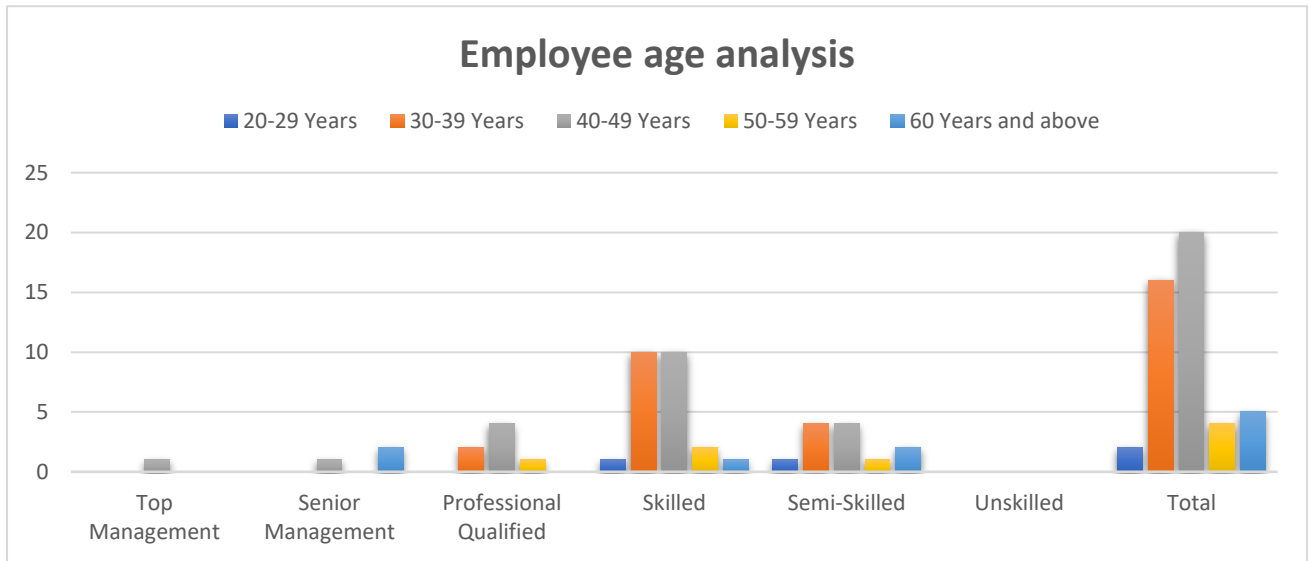


Table 9: Employee Age analysis

	20-29 Years	30-39 Years	40-49 Years	50-59 Years	60 Years and above
Top Management	0	0	1	0	0
Senior Management	0	0	1	0	2
Professional qualified	0	2	4	1	0
Skilled	1	10	10	2	1
Semi-Skilled	1	4	4	1	2
Unskilled	0	0	0	0	0
Total	2	16	20	4	5

Moving towards a performance management culture

Table 10: HR Annual Operational Plan: Current Status against the plan

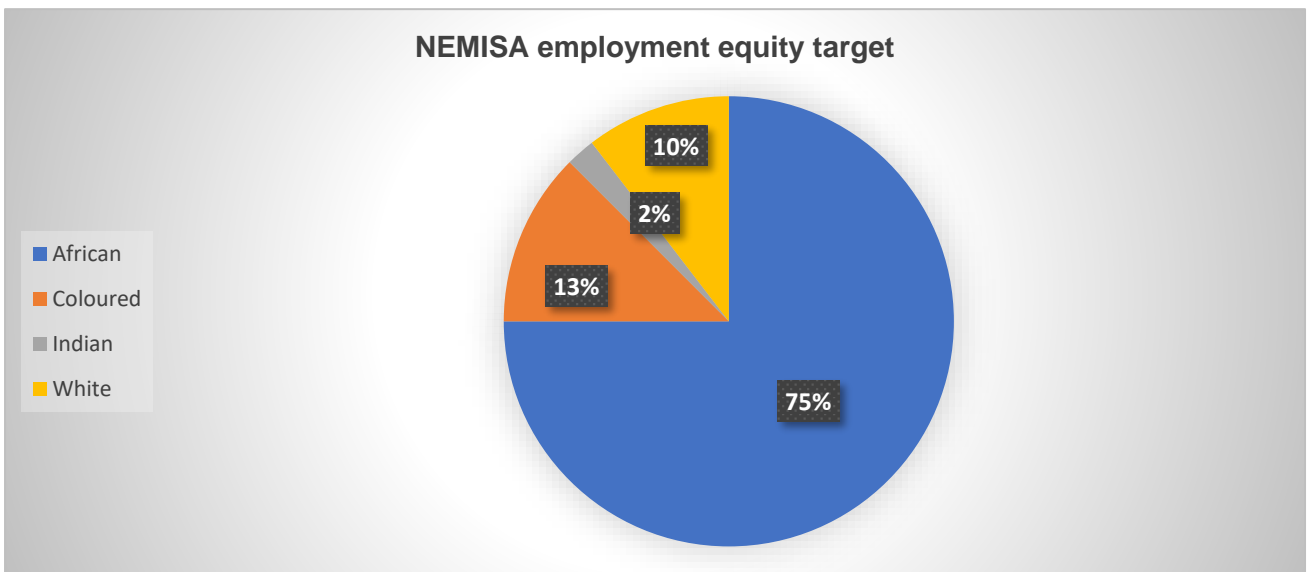
Outcome	Output Indicator	Activities
Skilled Employees	Organisational WSP/ATR approved by Board	<ul style="list-style-type: none"> • WSP/ATR was submitted to MICT-SETA in April 2021. The WSP is currently under implementation. <p>Staff Development Progress in line with the 2021/22 WSP:</p> <ul style="list-style-type: none"> • Following the EXCO's Strategic Session, EXCO agreed in support of the Transformation and Change Strategy: Staff Skills development HR Unit put together a Training/Skill Plan that will consolidate the different planned training needed for all managers and employees at large. • Most training planned will be offered Online, whereas few others will be Contact- based. • The primary purpose of the Staff Development Plan is to improve the quality of work and re-skilling and upskill every individual, especially in their digital skills, in aligning with NEMISA's mandate. • Since some planned training interventions will be relevant to individual Units, specific training shall specifically focus on such Units, whereas some will be generic to the entire workforce. • The 18th of June 2021: A Staff meeting was held chaired by the CEO, and the main items for discussion were the following: <ul style="list-style-type: none"> - Consultation with NEMISA staff on Digital Skills - Communication of 2021/22 APP and the Five-year Strategic Plan Document to all • The training attended during quarter 1 was in line with the approved WSP, with more anticipated training to be registered and attended by many employees during quarter two following the Staff Memo from the CEO's office.
Compliant Unit	Organisational statutory registration prepared.	The HR Unit successfully submitted NEMISA's COID Returns of Earnings (ROE) to the Department of Labour in April 2021. NEMISA received a letter of Good Standing.
Excellent HR Service Delivery	HR Plan redesign	Service delivery of the HR Unit was implemented as expected.

Outcome	Output Indicator	Activities
Required Organisational support	HR Policies developed, amended and reviewed	<p>The third batch of prioritised HR policies was developed, amended and reviewed in 2020/21. The HR unit reviewed the following fourth batch of HR Policies during Quarter 1</p> <ol style="list-style-type: none"> 1. Leave Policy 2. Employment Equity 3. Relocation and Resettlement Policy 4. Code of Conduct and Ethics Policy 5. Grievance Procedure 6. Staff Declaration of Interest <p>The Staff Induction Plan were also reviewed during this quarter.</p> <p>Prior the reviewed policies were shared with EXCO members on 28 June, the Legal opinion was sought from HR service provider, LabourNet whom have provided inputs as well as concur with all the reviewed policies, Bench-marking with other SOEs was conducted and own Desktop research on best practices was done.</p> <p>Following EXCO members inputs, minor amendments were made, Grammarly on policies was checked and Plagiarism reports were printed.</p> <p>Consultation with different Stakeholders were conducted and additional inputs were provided and incorporated into the reviewed policies.</p>
Desired Culture	Organisational Satisfaction and Wellness Survey conducted	<p>The HR Unit conducted the survey and shared and acknowledged the results by HRRNC/SETCOM in January 2021.</p> <p>At the HRRNC meeting on the 11th of January 2021, the committee members recommended that the organisational climate survey must be analysed and interpreted by an independent specialist. For this reason, the recruitment of an External Service Provider is to be sourced, which forms part of the current Tender process for the design/review of the organisational structure.</p> <p>The Terms of Reference for structural review include the Survey as one of the deliverables to assist the organisation in developing a tailor-made Employee Wellness policy.</p> <p>The Culture Development of NEMISA lays at the heart of how we do things and somehow defined our culture in this financial year.</p> <p>The Board approved the Action Plan for Organisational Values on the 29th of January 2021, and it is now in its implementation stage.</p>

Outcome	Output Indicator	Activities
		<p>Thus, the Values workshop was conducted with EXCO on the Charter on the 28th of June 2021. Different ideas were shared amongst the entire Management team, demonstrating the below-mentioned values in line with the START-STOP-CONTINUE Process!!!</p> <ul style="list-style-type: none"> ○ Agility ○ Collaboration ○ Integrity ○ Professionalism ○ Commitment to excellence
High Performing culture	Signed and submitted Individuals' Performance Contracts/Agreements and Reviews as per the approved Performance Management Framework policy.	Performance Management Framework and Policy was reviewed and approved by Board on the 29 th of January 2021. The new templates are currently in use by all employees to complete their individuals' performance agreements.
Filled posts as per the approved structure	Skilled employees appointed to help carry forward NEMISA's mandate	<p>Budgeted positions confirmed aligned with the approved structure.</p> <p>The total number of Headcounts have not been exceeded when there were New Intakes to fill vacant posts. Thus, by the end of quarter 1, the total headcount was 47 versus 48.</p> <p>The recruitment process continued to be followed and appointed skilled employees to help contribute to the organisational performance; this includes a key position relating to the newly appointed Head of Training.</p> <p>The current organisational structure is not aligned with the strategy. For NEMISA to continuously achieve its APP targets, it requires reviewing the organisational structure to align with the new strategy.</p> <p>To update HRRNC of the Organisation Structure Review current process that will assist in appointing the successful service provider through Supply Chain Management Unit.</p> <p>The Review of organisational structure Tender will be closing has closed on the 30th of June 2021.</p> <p>Four individuals have been appointed to serve on the Bid evaluation.</p>
Ethical workforce	2021/22 Annual Staff Declaration of Interest	Employees have submitted their 2021/22 Annual Declaration of Interest Forms.

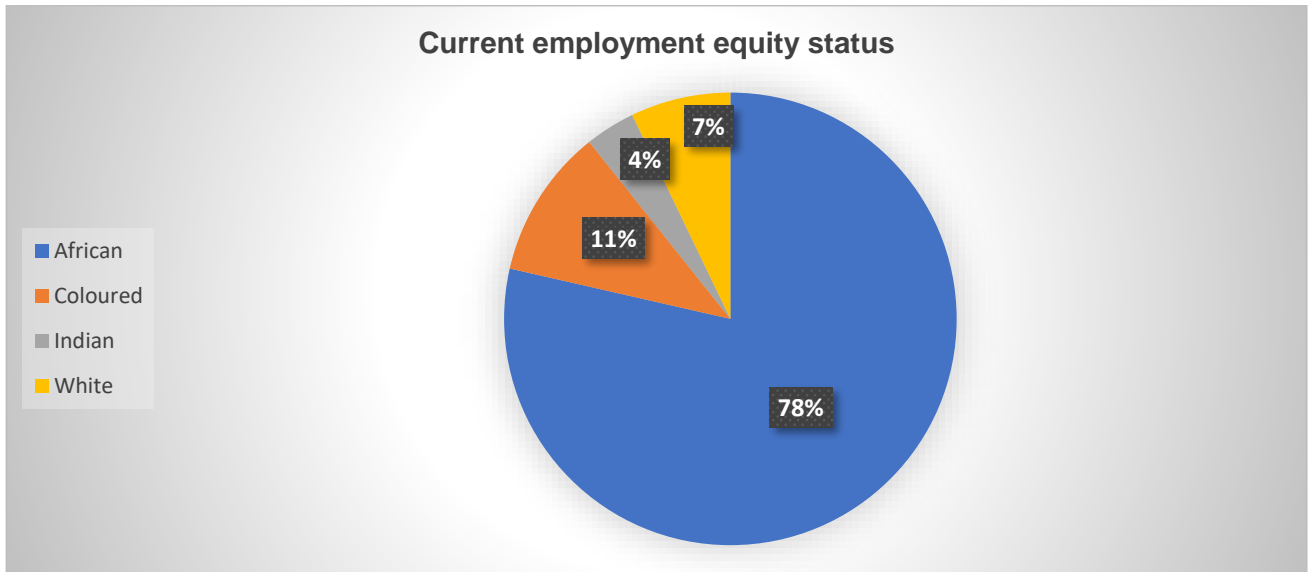
Outcome	Output Indicator	Activities
	Forms submitted by all employees	

A PIE CHART SHOWING WHERE NEMISA SHOULD BE IN TERMS OF EMPLOYMENT EQUITY



NEMISA employment equity target	
African	36
Coloured	6
Indian	1
White	5

PIE CHART SHOWING CURRENT NEMISA'S STATUS IN TERMS OF EMPLOYMENT EQUITY



CURRENT NEMISA'S STATUS IN TERMS OF EMPLOYMENT EQUITY	
African	35
Coloured	6
Indian	2
White	4

Employment Equity

As per the Employment Equity Act (EEA) 1998 (No 55 of 1998), the organisation submits its Employment Equity Plan on a three (3) year basis and Employment Equity Report annually to the Department of Labour.

Table 10: Occupational Level – Employment Equity

Occupational Levels	Male				Female				Disability	Foreign Nationals		Total
	A	C	I	W	A	C	I	W	All	Male	Female	
Top management	1	0	0	0	0	0	0	0	0	0	0	1
Senior management	0	1	0	0	1	0	1	0	0	0	0	3
Professionally qualified and experienced specialists and mid-management	1	1	1	0	3	1	0	0	0	0	0	7
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	8	0	0	0	11	1	0	2	0	0	0	22
Semi-skilled and discretionary decision making	3	0	0	1	5	1	0	1	0	0	0	11
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	13	2	1	1	20	3	1	3	0	0	0	44
TOTAL TEMPORARY EMPLOYEES	1	0	0	0	1	1	0	0	0	0	0	3
GRAND TOTAL	14	2	1	1	21	4	1	3	0	0	0	47

Employee Relations

Table 11: IR Status

Nature of Disciplinary Action	Quarter 1
Corrective Counselling	-
Verbal Warning	-
Written Warning	-
Final Written Warning	-
Suspension	-
Dismissal	-
Total	-

Table 12: Grievances

Grievances lodged	Quarter 1
Grievance (s)	-
Total	-

Table 13: CCMA Cases

Cases	Quarter 1
CCMA Cases	-
Total	-

Training and Skills Development

Table 14: Training and Development Status

Nature of Training Intervention	Budget	Expenditure	Training in Q1
Study Assistance/ Bursaries	R56 000.00	R35 670.00	1
Short-term Training	R544 259.20	R68 071.00	6
Conferences/ Workshops		-	-
Memberships/ Continuing Professional Development	R3000.00	-	-
Total	R610 259.20	R103 741.00	7

Table 15: Staff training list and numbers

TRAINING	NUMBER OF EMPLOYEES
Digital Transformation Course	2
Certified in Risk Management and Information System Control (CRISC)	1
ITIL Foundation	1
Security Management training	1
Christian Neuro-Linguistic Training Programme	1
Project Management	1
Total	7

EMPLOYEES WELLNESS

Table 16: COVID-19 Statistics

CURRENT STATUS CONCERNING COVID-19 CASES	
Number of Cases in Quarter 1	The support given to the affected employee
0	N/A

Table 17: Employees over 60 years and those with comorbidities

CURRENT STATUS CONCERNING THE NUMBER OF EMPLOYEES THAT ARE OVER 60 YEARS AND THOSE WITH COMORBIDITIES	
Number of employees over 60 years of age	Number of employees with comorbidities
5	23

2.2 An ICT-Enabled NEMISA

The strategic theme of the ICT business unit is 'towards a digitally-enabled NEMISA'. This encompasses alignment with NEMISA's strategy and business plan, growth and development of the organization and its employees, and alignment to global trends.

The ICT Business Plan establishes the ICT vision and mission and identifies four overarching ICT goals, their respective objectives and critical strategies. It provides a blueprint for achieving the ICT mission and draws upon the NEMISA Strategic Plan and Annual Performance Plan of NEMISA, consultations with business units, previous internal audit finding from the information technology general controls review, institutional challenges and opportunities, as well as ICT priorities.

Budgetary constraints continue to be a stumbling block in delivering some of the key objectives in the ICT business unit. As a result, some strategies and projects have been deferred, and the activities during the period are as outlined below.

ICT Tools for Creative Media Department

In the first quarter, the ICT department overhauled the desktop infrastructure for the In-House training programmes to prepare for the onboarding of the new cohort of students. This aligns with the approved ICT strategy to enable and support the creative media programmes for NEMISA. Furthermore, software licensing for all the programmes was acquired and distributed.

Cloud Services for the Microsoft Training Programmes

At the heart of NEMISA's transformation strategy are the spirit of collaboration and the dissemination of training content seamlessly among all our learners. The recent MOU with Microsoft South Africa saw training content that will equip our learners with skills to participate in the digital economy being available through a NEMISA digital platform in addition to the LMS. The ICT business unit secured the cloud infrastructure to host the Microsoft Cloud Society and the Microsoft Community Training on a digital platform.

Migration of online backups

One of the requirements for the POPI Act is to ensure that the sovereignty of data is within the borders of South Africa. This prompted the ICT department to migrate all the cloud backup systems and services to those within a data centre hosted in South Africa. The migration of backup data was successfully concluded in the first quarter to comply with the legislation.

Cybersecurity Workshops

With most of the global workforce working remotely, cyber risk has increased substantially as criminals aim to take advantage of remote workers who do not have the same protection that the office affords them. With most of the tasks performed online and an increased reliance on ICT's, remote workers are far more vulnerable to cyber-attacks. A cybersecurity awareness workshop was conducted for all employees and students. The workshop covered a myriad of issues and provided

practical steps to protect the organization's systems and data and people. This will enable all NEMISA system users to protect themselves and the organization while using the systems that ICT provides.

Franschhoek Fibre project

The fibre project for the Franschhoek office kick-started in the first quarter in line with the approved ICT strategy and cloud migration strategy. However, the project will be delayed because there is currently no infrastructure in the area to support connectivity.

2.3 Smart Procurement

Purpose

The objective of this section of the report, is to present an overview of the NEMISA`s procurement activities for the second quarter ending end 31 March 2021 the financial information contained herein

Background

NEMISA is wholly State owned and Schedule 3A Entity which exists under the mandate of the Ministry of the Department of Communications and Digital Technologies (DCDT).

NEMISA operates with its own procurement unit whereby all supply chain management (SCM) activities are managed, governed and comply with the Legislative framework:

- The constitution of the Republic of SA, 1996 (Section 217)
- Supply Chain Management (SCM) Guidelines from National Treasury
- Public Finance Management Act (PFMA) and Regulations
- Preferential Procurement Policy Framework Act (PPPFA) and its preferential Regulations
- NEMISA Procurement policy – submitted to Employment Equity (EE) Committee for approval
- The prevention and combating of corrupt Activities Act No. 12 of 2004
- Treasury regulations (issued in terms of PFMA Act 29 of 1999)
- National Treasury Central Supplier Database (CSD)
- National Treasury Practice notes and Instructions and circulars issued by National Treasury and the Office of the Chief Procurement Officer (OCPO).
- SCM: A guide to Accounting Officers
- Broad Band Black Economic Empowerment (BBBEE)

Analysis of Procurement activities in the quarter ending 30 June 2021

Activities for the quarter are as below:

- Procurement in the Quarter and BBBEE procurement
- Report on Fruitless and Wasteful expenditure
- Report on Irregular expenditure

Annexure A lists the goods and services procured during the quarter.

Fruitless and Wasteful Expenditure for the quarter

No fruitless and wasteful expenditure was incurred in quarter 1

Irregular expenditure for quarter

No irregular expenditure was incurred in quarter 1

Awarded tenders for first quarter:

Three tenders awarded for the quarter under review

Tender No	Description	Date awarded	Amount	Winning Bidder
RFB005	Provision of cleaning services until 31 MAY 2022	30 APRIL 2021	R497 391.96	Powerful Cleaning services (Pty)Ltd
RFB006	Provision of physical security service until 31 MAY 2022	30 APRIL 2021	R974 225.41	Maanda-Nes Investment (Pty) Ltd
RFB006	Provision of Internal Audit Services for 3 Years	25 May 2021	R1 826 843.75	Masegare and Associates

1 bid was issued during the quarter 1

Tender No	Description	Closing Date
RFP009	Design/Review the organizational structure for the new approved Strategy	30 June 2021

General

SCM Unit

Turnaround time for requisitions

The turnaround time for requisitions in the SCM department have been discussed internally. The specifications need to be clear and complete and analysis on the market or industry conducted before the requisition is uploaded

The turnaround times were suggested as follows:

- 5 working days for the Suppliers to submit their quotations
- 2 days for SCM to evaluate the RFQ
- The delivery date of the requested goods will depend on the type goods or services required.
- Some suppliers require 7 days to deliver from the date they receive the purchase order.

Deviations in the SCM are only allowed for the following reasons:

- Urgent and emergency cases
- Sole suppliers
- Any other matter where it is impractical to perform competitive bidding.

The Delegations

To ensure that all delegated officials understand and perform their duties in an effective and efficient manner all officials are required to read relevant policies which are available on NEMISA drives and understand the legislation on the following areas:

- Governance Monitoring and Compliance
- Delegations
- Declaration of interest
- Code of conduct
- Acceptance of gifts
- Procurement process
- Financial Misconduct leading to Fruitless, Wasteful, and Irregular expenditure

2.4 Smart Oversight

Board of Directors

During the period under review, the Board continued driving the organisational strategic direction and oversight over the organisational affairs. The Board consists of seven Non-Executive Directors and the Chief Executive Officer (CEO) as an ex officio member. The Chief Financial Officer (CFO) and the Audit and Risk Committee (ARC) Chairperson are prescribed officers and have a standing invitation to Board meetings.

Following the declaration of the national lockdown by the President of South Africa, the Board continued the oversight role of ensuring that the mandate of NEMISA is being fulfilled while adhering to the set government regulations. During this period the Board also endorsed plans on ensuring business disruptions were kept at a minimum. The Board continually monitors the effect and implements plans to ensure that NEMISA's productivity level is maintained during the lockdown.

The CFO's, Mr Thilivhali Archibald Ramawa, contract ended on 1 May 2021 and on 13 May 2021 the Minister of Communications and Digital Communications approved the appointment of Ms Kimberly Matlosa as the Acting CFO.

The Board held five (5) meetings, two (2) held for the consideration of quarterly submissions, policies, amongst others. The three (3) special meetings included the consideration of the Annual Financial Statements, Annual Procurement Plan, Annual Performance Report, Board Evaluation Action Plan, amongst others, for submission to the Auditor-General South Africa (AGSA) and the approval of the top five (5) candidates for the CFO position.

Table 18: Quarter 1 Board Composition and Attendance at Board Meetings

Name	Position	Ordinary Board	In-Committee	Special Board
Ms Molebogeng Leshabane	Chairperson	2	0	3
Ms Tobeka Buswana	Member	2	1	3
Ms Nomonde Hlatshaneni	Member	2	1	3
Ms Bongekile Filana	Member	2	1	3
Mr Melvyn Lubega	Member	2	1	3
Prof Christian Michael Adendorff	Member	2	1	3
Mr Lionel Ricardo Adendorf	Member	2	1	3
Mr William Trevor Rammitlwa	CEO	2	1	3
Mr Jaruzelski Leonid Le Guma	ARC Chairperson	2	1	3

Mr Thilivhali Archibald Ramawa	CFO	1	0	0
Ms Kimberly Matlosa	Acting CFO	1		1

BOARD COMMITTEES

The Audit and Risk Committee (“ARC”)

The ARC serves, as an advisory committee to the Board, assisted the Board in fulfilling its responsibilities in relation to an entity's governance, financial reporting, internal control system, risk management system and internal and external audit functions.

During the period under review, the committee held one (1) meeting and two (2) special meetings for the consideration and recommendation of the unaudited Annual Financial Statements, Annual Procurement Plan, Annual Performance Report, amongst others, for the Board's approval for submission to the AGSA.

Table 19: Quarter 1 ARC Composition and Members' Attendance at ARC Meetings

Name	Position	Ordinary ARC	In-Committee	Special ARC
Mr Jaruzelski Leonid Le Guma	ARC Chairperson	1	1	2
Mr Melvyn Lubega	Member	1	1	2
Mr Lionel Ricardo Adendorf	Member	1	1	2
Ms Nomonde Hlatshaneni	Member	1	1	1

The following have standing invitations to the ARC meetings:

Name	Position
Mr William Trevor Rammitlwa	CEO
Mr Thilivhali Archibald Ramawa*	CFO*
Ms Kimberly Matlosa	ACFO*
Mr Sidney Mongala	DCDT Representative
Masegare and Associates Incorporated	Internal Auditors
Auditor-General South Africa	External Auditors

*Mr T A Ramawa attended meetings up to 1 May 2021 when his contract expired and Ms K Matlosa attended meetings thereafter in her position as Acting CFO.

The Human Resources, Remuneration and Nominations Committee (“HRRNC”)

The main purpose of this committee is to consider, guide and influence key human resources policies and strategies. The committee encourages best practice in human resources management.

The Committee held one (1) meeting and one special meeting during the quarter under review. The special meeting was held to consider and recommend the top five (5) candidates for the CFO’s position for the Board’s approval. The ARC Chairperson attended the special meeting as an invitee.

Table 20: Quarter 1 HRRNC Composition and Members’ Attendance at HRRNC Meetings

Name	Position	Ordinary HRRNC	In-Committee	Special HRRNC
Ms Nomonde Hlatshaneni	Chairperson	1	1	1
Ms Molebogeng Leshabane	Member	0	0	1
Ms Tobeka Buswana	Member	1	1	1
Mr Lionel Ricardo Adendorf	Member	1	1	1
Mr William Trevor Rammitlwa	CEO	1	1	1
Mr Thilivhali Archibald Ramawa	CFO*	1	1	1
Ms Kimberly Matlosa	Acting CFO*	0	0	0
Mr Jaruzelski Leonid Le Guma	ARC Chairperson	0	0	1

*Mr T A Ramawa attended meetings up to 1 May 2021 when his contract expired and Ms K Matlosa attended meetings thereafter in her position as Acting CFO

The Programme and Academic Committee (“PAAC”)

The PAAC provides oversight on the organisation’s programmes as approved in the Annual Performance Plan for recommendation to the Board.

The PAAC provides oversight on the organization’s programmes for recommendation to the Board. The purpose of this committee is to assist the Board with respect to matters related to the development, implementation and monitoring of NEMISA’s programmes, related projects, stakeholder management and funding in accordance with the vision, mission, and core values of the Company. The programmes executed through the CoLabs, collaborative partners and the current In-House Training Unit present their reports to the Committee.

This committee held one (1) meeting during the period under.

Table 21: Quarter 1 PAAC Composition and Members’ Attendance at PAAC Meetings

Name	Position	Ordinary PAAC
Prof Christian Michael Adendorff	Chairperson	1
Ms Molebogeng Leshabane	Member	1
Ms Tobeka Buswana	Member	1
Ms Bongekile Filana	Member	1
Mr Melvyn Lubega	Member	1
Mr William Trevor Rammitlwa	CEO	1
Mr Thilivhali Archibald Ramawa	CFO*	1
Ms Kimberly Matlosa	Acting CFO*	0

*Mr T A Ramawa attended meetings up to 1 May 2021 when his contract expired and Ms K Matlosa attended meetings thereafter in her position as Acting CFO

Social, Ethics and Transformation Committee (“SETCOM”)

The Committee was established by the Board of Directors in line with current legislation, to monitor organisational compliance with relevant social, ethical and legal requirements and best practice codes.

During the period under review, the committee convened one (1) meeting during the period under review.

Table 22: Quarter 1 SETCOM Composition and Members’ Attendance at SETCOM Meetings

Name	Position	Ordinary Board
Mr Lionel Ricardo Adendorf	Chairperson	1
Ms Tobeka Buswana	Member	1
Ms Bongekile Filana	Member	1
Mr William Trevor Rammitlwa	CEO	1
Mr Thilivhali Archibald Ramawa	CFO*	1
Ms Kimberly Matlosa	Acting CFO*	0

*Mr T A Ramawa attended meetings up to 1 May 2021 when his contract expired and Ms K Matlosa attended meetings thereafter in her position as Acting CFO

Board remuneration

The Board is remunerated in line with the directive from the Shareholder. The remuneration is accordingly disclosed in the quarterly and annual reports.

Table 23: Quarter 1 Board Remuneration

Name	Meeting Fees (R)	Retainer Fees (R)	Travel Claims (R)	Data Allowance (R)	Total (R)
Ms Molebogeng Leshabane	126 720.00	5 280.00	0.00	2 550.00	134 550.00
Ms Tobeka Buswana	43 296.00	3 960.00	0.00	2 550.00	49 806.00
Ms Nomonde Hlatshaneni	45 408.00	3 960.00	0.00	2 550.00	51 918.00
Ms Bongekile Filana	34 848.00	3 960.00	0.00	2 550.00	41 358.00
Mr Melvyn Lubega	52 800.00	3 960.00	2 550.00	2 550.00	61 539.10
Prof Christian Michael Adendorff	31 680.00	3 960.00	0.00	2 550.00	38 190.00
Mr Lionel Ricardo Adendorf	52 800.00	3 960.00	0.00	2 550.00	59 310.00
Mr Jaruzelski Leonid Le Guma	58 080.00	3 960.00	206.49	2 550.00	64 796.49
Total	445 632.00	33 000.00	2 435.00	20 400	501 467.59

Meeting with the Department of Communication and Digital Technologies (DCDT)

During the period under review, The Chairperson of the Board and the Chief Executive Officer attended the Chairpersons' forum and the CEO's forum on 10 June 2021.

Compliance with the Public Finance Management Act

Reporting deadlines as required in terms of the Act have been met.

The organisation continues to report to the National Treasury through the Department as required. The Audit and Risk Committee and the Board continue to monitor the Institutes' compliance to the PFMA through the Audit Action Plan.

Part 3: Financial Management

3.1 Executive Summary

NEMISA made a surplus of R629 277.62 for the quarter. The Entity has a strong cashflow flow balance and remains liquid and solvent. The current ratio is 1:1; this is the same as the industry norm of 1:1. The debt ratio is 0.9:1, which indicates that cash flow is sufficient to fund long and short-term liabilities.

3.2 Revenue

3.2.1 Appropriation Income

The total appropriation funding due to the Institute by way of transfer payments received from the Department of Communication and Digital Technologies (DCDT) for the First quarter was R24,617,000.00, of which R12,554,670.00 related to Administration while R12,062,330.00 related to Digital Skills.

3.2.2 Other income

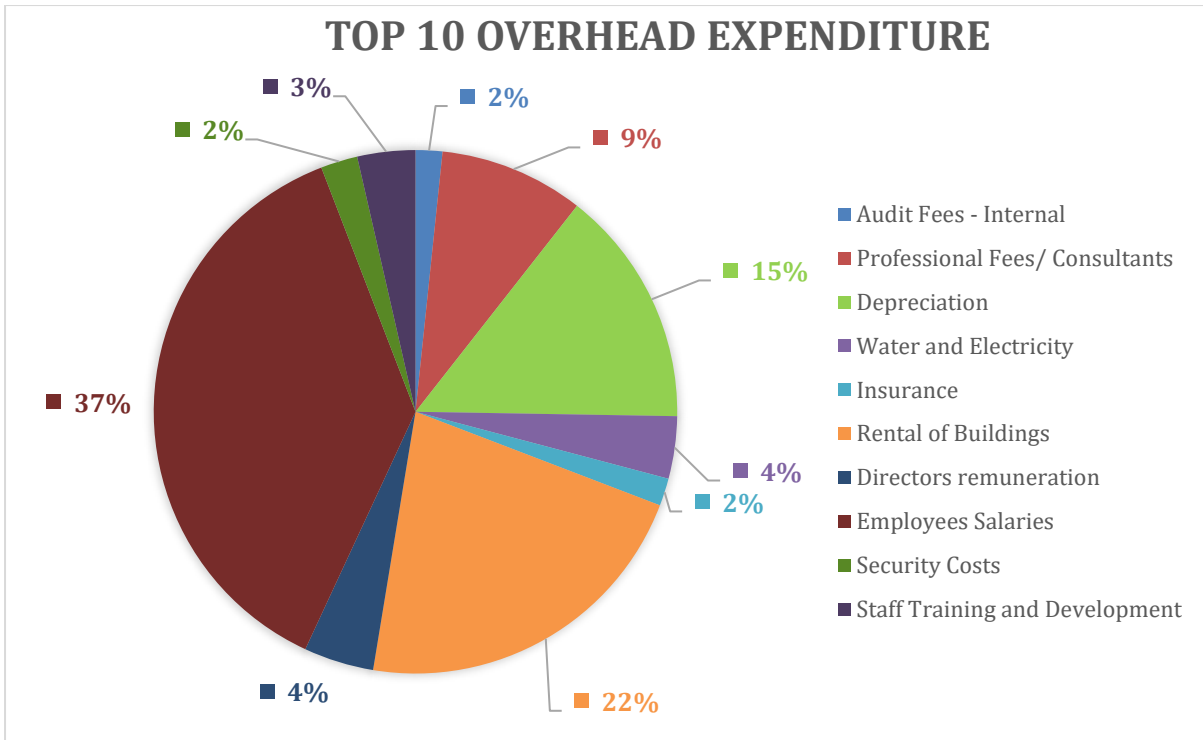
The Institute generates additional income from the Reserve bank call account and grants received from MICT SETA for skills development. The income generated by these revenue streams does not impact the Entity's overhead costs. Instead, it strengthens its ability to cover some of its administration costs.

For the period under review, additional revenue recognized (including interest received) amounted to R560,320.42, of this amount R521,981.87 related to Interest income and R38,338.55 grant received from MICT SETA.

3.3 Expenditure

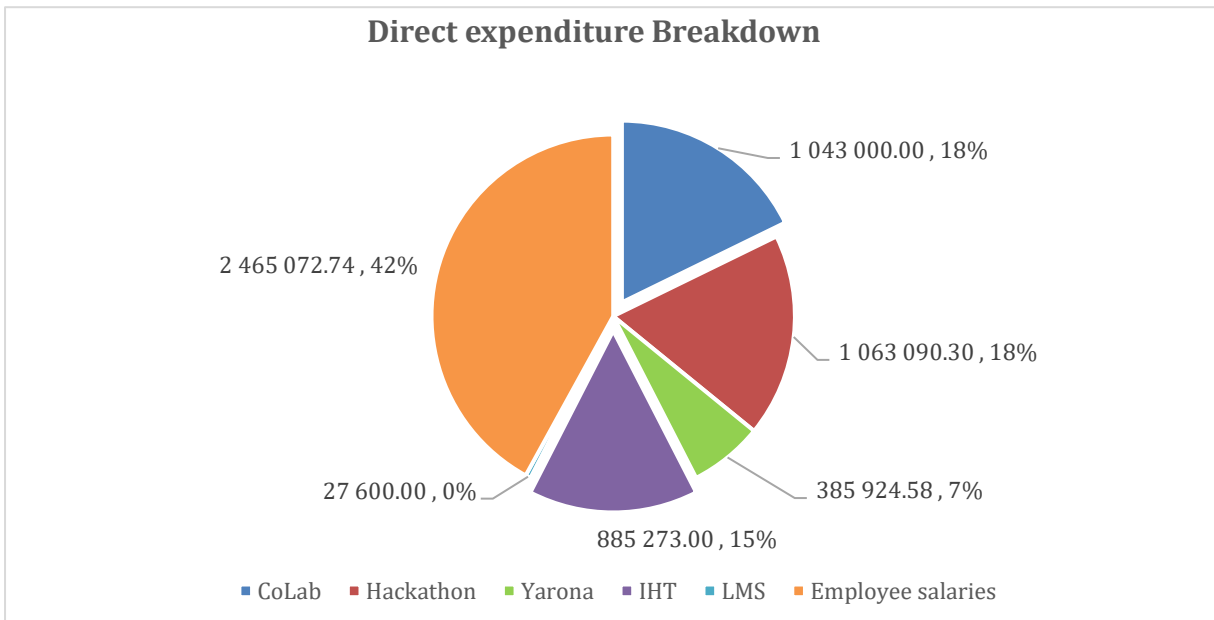
Top Ten Expenditure overheads:

Overhead expenditure relates to administration expenses incurred. Employee salaries constitute 37%, representing most of the overheads spent on the Top 10 Overhead.



3.3.2 Direct expenditure breakdown:

Direct expenditure relates to the training expenses in media courses, basic digital literacy training, 4IR related courses. Digital training provided by CoLab's constitutes 31% and Hackathon project, which is the majority of actual Direct expenditure



3.3.3 Budget vs Actual Direct expenditure

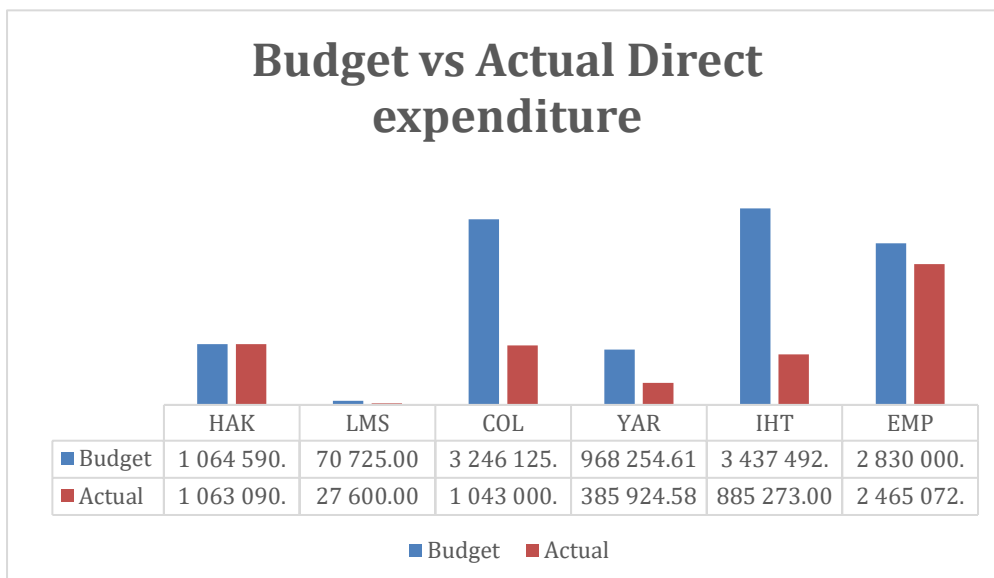
Direct expenditure relates to the training expenses in media courses, basic digital literacy training, 4IR related courses. Digital training provided by CoLab's constitutes 31% and Hackathon project, which is the majority of actual Direct expenditure

Direct expenditure	Budget	Actual	Variance
Direct expenditure	R11 672 759.76	R5 869 960.62	*50%

*More details on the variance refer to page 50 to 52

The largest underspending is due to:

- Delays in the Marketing campaign and OTT platform to be finalised in Q2 for Multi-media production house
- In-house training (Creative Media Training Division) reduced travel and accommodation as the majority of training conducted at the Parktown office. Due to the COVID19 lockdown, the campus had to be shut down, resulting in a reduction in facilitators fees
- CoLabs invoice based on success-to-pass rate due to low achievement in Q1 this had an impact on the spending in Q1.
- The rollout to other provinces is intended to start in June. However, due to delays in confirmations by provincial municipalities, the first intake in Q2. This delay has affected spending on facilitators fees, stipends, travel, and Computer equipment.



***Legends**

HAK – Hackathon : LMS - Learner management system : COL – CoLab's

YAR – Yarona project: IHT – Inhouse training (Creative media) including Multi-media production

EMP – Employee costs

3.3.4 Overhead and other expenditure

Overhead and other expenditure relates to administration expenditure that are incurred in running the operations on the Entity. The overall variance is -4%. Further information is provided significant variances on page 51 to 52

Overhead expenditure	Budget	Actual	Variance
Overhead expenditure	R12 030 307.71	R12 485 606.40	-4%

3.4 Surplus / Deficit

In Quarter 1, NEMISA posted a surplus of R629 277.62. This is highly due to other income received, which strengthening NEMISA's ability to cover some of its administration.

3.5 Reports

NATIONAL ELECTRONIC MEDIA INSTITUTE OF SOUTH AFRICA

STATEMENT OF FINANCIAL PERFORMANCE - Quarter 1









	Note	Actual - Quarter 1
Non-Exchange Revenue		
Appropriation income		
Appropriation income - Admin		R12 554 670,00
Appropriation income - UNISA		R1 063 090,30
Appropriation income - UMP		R439 500,00
Appropriation income - VUT		R603 500,00
Appropriation income - In-house Training		R3 763 763,92
Total Non-exchange Revenue		R18 424 524,22
Other Income		
Other Income		R38 338,55
Interest income - call account		R521 981,87
Total Income		R18 984 844,64
Direct expenditure	2	R3 404 887,88
Gross Income		R15 579 956,76
Overhead expenditure	3	R14 950 679,14
Surplus		R629 277,62




NOTES - STATEMENT OF FINANCIAL PERFORMANCE - QUARTER 1

Note	Expenditure	QUARTER 1				YEAR-TO-DATE			
		Budget	Actual	Variance	Var %*	Budget	Actual	Variance	Var %*
1	Direct expenditure								
	e-Astuteness - CoLab								
	CoLab - DUT	R 365 625.00	R -	R 365 625.00	↑100%	R 1 462 500.00	R -	R 1 462 500.00	↑100%
	CoLab - NWU	R 365 625.00	R -	R 365 625.00	↑100%	R 1 462 500.00	R -	R 1 462 500.00	↑100%
	CoLab - CUT	R 375 000.00	R -	R 375 000.00	↑100%	R 1 462 500.00	R -	R 1 462 500.00	↑100%
	CoLab - WSU	R 365 625.00	R -	R 365 625.00	↑100%	R 1 462 500.00	R -	R 1 462 500.00	↑100%
	CoLab - UMP	R 439 500.00	R 439 500.00	R -	→ 0%	R 1 462 500.00	R 439 500.00	R 1 023 000.00	↑ 70%
	CoLab - UL	R 365 625.00	R -	R 365 625.00	↑100%	R 1 462 500.00	R -	R 1 462 500.00	↑100%
	CoLab - UWC	R 365 625.00	R -	R 365 625.00	↑100%	R 1 462 500.00	R -	R 1 462 500.00	↑100%
	CoLab - VUT	R 603 500.00	R 603 500.00	R -	→ 0%	R 1 462 500.00	R 603 500.00	R 859 000.00	↑ 59%
	Total CoLab	R 3 246 125.00	R 1 043 000.00	R 2 203 125.00	↑ 68%	R 11 700 000.00	R 1 043 000.00	R 10 657 000.00	↑ 91%
	Hackathon	R 1 064 590.30	R 1 063 090.30	R 1 500.00	→ 0%	R 2 995 000.00	R 1 063 090.30	R 1 931 909.70	↑ 65%
	Impact assessment	R -	R -	R -		R 1 500 000.00	R -	R 1 500 000.00	↑100%
	Learner Management System	R 70 725.00	R 27 600.00	R 43 125.00	↑ 61%	R 945 528.52	R 27 600.00	R 917 928.52	↑ 97%
	Online Learning - 4IR			R -		R 9 370 000.00	R -	R 9 370 000.00	↑100%
	Transformation Strategy			R -		R 2 700 000.00	R -	R 2 700 000.00	↑100%
	Total e-Skills	R 1 135 315.30	R 1 090 690.30	R 44 625.00	→ 4%	R 17 510 528.52	R 1 090 690.30	R 13 719 838.22	↑ 94%
	Yarona								
	Travel and accommodation	R 300 000.00	R 19 311.11	R 280 688.89	↑ 94%	R 771 000.00	R 19 311.11	R 751 688.89	↑ 97%
	Marketing and advertising	R -	R -	R -		R 190 000.00	R -	R 190 000.00	↑100%
	Stationery and Consumables	R 75 297.48	R 1 575.14	R 73 722.34	↑ 98%	R 180 297.48	R 1 575.14	R 178 722.34	↑ 99%
	Refreshment & Meals	R 40 000.00	R -	R 40 000.00	↑100%	R 115 000.00	R -	R 115 000.00	↑100%
	Facilitation Fees	R 202 957.13	R 202 957.13	R -	→ 0%	R 1 280 000.00	R 202 957.13	R 1 077 042.87	↑ 84%
	Incidental cost	R 80 000.00	R 17 452.00	R 62 548.00	↑ 78%	R 140 000.00	R 17 452.00	R 122 548.00	↑ 88%
	Professional /Consultants	R -	R -	R -		R 100 000.00	R -	R 100 000.00	↑100%
	Stipends - Ambassadors	R 270 000.00	R 144 629.20	R 125 370.80	↑ 46%	R 3 510 000.00	R 144 629.20	R 3 365 370.80	↑ 96%
	Miscellaneous Assets			R -		R 650 000.00	R -	R 650 000.00	↑100%
	Total Yarona project	R 968 254.61	R 385 924.58	R 582 330.03	↑ 60%	R 6 936 297.48	R 385 924.58	R 6 550 372.90	↑ 94%
	Inhouse Training								
	License - Students	R 55 572.60	R 55 572.60	R -	→ 0%	R 135 773.60	R 55 572.60	R 80 201.00	↑ 59%
	Professional fees - Training course	R -	R -	R -		R 1 000 000.00	R -	R 1 000 000.00	↑100%
	Animation unit	R 808 795.00	R 197 097.00	R 611 698.00	↑ 76%	R 2 437 859.00	R 197 097.00	R 2 240 762.00	↑ 92%
	Multi-media Production	R 1 531 210.75	R 430 424.79	R 1 100 785.96	↑ 72%	R 4 633 179.00	R 430 424.79	R 4 202 754.21	↑ 91%
	Graphics units	R 47 000.00	R 24 910.00	R 22 090.00	↑ 47%	R 279 505.00	R 24 910.00	R 254 595.00	↑ 91%
	Radio unit	R 902 586.50	R 141 268.61	R 761 317.89	↑ 84%	R 4 333 802.00	R 141 268.61	R 4 192 533.39	↑ 97%
	Television unit	R 147 900.00	R 36 000.00	R 111 900.00	↑ 76%	R 751 600.00	R 36 000.00	R 715 600.00	↑ 95%
	Total Inhouse Training	R 3 437 492.25	R 885 273.00	R 2 552 219.25	↑ 74%	R 12 435 945.00	R 885 273.00	R 11 606 244.60	↑ 93%
	Total direct expenditure	R 8 787 187.16	R 3 404 887.88	R 5 382 299.28	↑ 61%	R 48 582 771.00	R 3 404 887.88	R 42 533 455.72	↑ 93%

NOTES - STATEMENT OF FINANCIAL PERFORMANCE - QUARTER 1

Note	Expenditure	QUARTER 4				YEAR-TO-DATE			
		Budget	Actual	Variance	Var %*	Budget	Actual	Variance	Var %*
3	Overhead expenditure								
	Audit Fees - Internal	R 190 785,00	R 190 785,00	R -	➔ 0%	R 1 266 585,00	R 190 785,00	R 1 075 800,00	⬆ 85%
	Audit Fees - External	R -	R -	R -		R 2 100 000,00	R -	R 2 100 000,00	⬆ 100%
	Other Overheads	R 141 981,07	R 72 754,05	R 69 227,02	⬆ 49%	R 388 600,00	R 72 754,05	R 315 845,95	⬆ 81%
	Promotional Items	R 49 136,00	R 41 650,82	R 7 485,18	⬆ 15%	R 169 136,00	R 41 650,82	R 127 485,18	⬆ 75%
	Website Development	R -	R -	R -		R 150 000,00	R -	R 150 000,00	⬆ 100%
	Professional Fees/ Consultants	R 1 036 840,71	R 1 031 334,40	R 5 506,31	➔ 1%	R 3 784 401,45	R 1 031 334,40	R 2 753 067,05	⬆ 73%
	Recruitment	R 73 789,10	R 26 149,60	R 47 639,50	⬆ 65%	R 256 789,10	R 26 149,60	R 230 639,50	⬆ 90%
	Depreciation	R -	R 1 695 187,58	-R 1 695 187,58		R -	R 1 695 187,58	-R 1 695 187,58	
	Water and Electricity	R 708 500,00	R 444 452,62	R 264 047,38	⬆ 37%	R 2 834 000,00	R 444 452,62	R 2 389 547,38	⬆ 84%
	Travel and Accommodation	R 252 035,63	R 57 821,71	R 194 213,92	⬆ 77%	R 1 121 999,99	R 57 821,71	R 1 064 178,28	⬆ 95%
	Transport Cost	R 24 000,00	R 18 008,75	R 5 991,25	⬆ 25%	R 80 000,00	R 18 008,75	R 61 991,25	⬆ 77%
	Training and Strategic - Board	R 30 976,00	R 30 976,00	R -	➔ 0%	R 118 000,00	R 30 976,00	R 87 024,00	⬆ 74%
	Rental of Computer Equipment	R 50 800,37	R 49 238,84	R 1 561,53	➔ 3%	R 205 800,37	R 49 238,84	R 156 561,53	⬆ 76%
	Events and Exhibitions	R 55 075,00	R 55 075,00	R -	➔ 0%	R 100 000,00	R 55 075,00	R 44 925,00	⬆ 45%
	Staff Cost Welfare	R 43 300,00	R 3 243,00	R 40 057,00	⬆ 93%	R 255 800,00	R 3 243,00	R 252 557,00	⬆ 99%
	CSI project	R -	R -	R -		R 200 000,00	R -	R 200 000,00	⬆ 100%
	Insurance	R 144 000,00	R 196 318,43	-R 52 318,43	⬇ -36%	R 1 800 000,00	R 196 318,43	R 1 603 681,57	⬆ 89%
	Rental of Buildings	R 2 514 080,00	R 2 514 079,42	R 0,58	➔ 0%	R 9 622 000,00	R 2 514 079,42	R 7 107 920,58	⬆ 74%
	Licence Fees Computers	R 45 905,53	R 111 878,19	-R 65 972,66	⬇ -144%	R 540 540,00	R 111 878,19	R 428 661,81	⬆ 79%
	Licence Fees Vehicles	R -	R 330,76	-R 330,76		R 5 000,00	R 330,76	R 4 669,24	⬆ 93%
	Stationery and Postage	R -	R -	R -		R 50 000,00	R -	R 50 000,00	⬆ 100%
	Printing and Publication	R -	R -	R -		R 376 500,00	R -	R 376 500,00	⬆ 100%
	Repairs and Maintenance	R 117 000,00	R 109 487,45	R 7 512,55	➔ 6%	R 429 963,00	R 109 487,45	R 320 475,55	⬆ 75%
	Directors remuneration	R 500 000,00	R 499 032,00	R 968,00	➔ 0%	R 2 000 000,00	R 499 032,00	R 1 500 968,00	⬆ 75%
	Employees Salaries	R 7 682 446,29	R 6 762 506,47	R 919 939,82	⬆ 12%	R 30 734 565,16	R 6 762 506,47	R 23 972 058,69	⬆ 78%
	Security Costs	R 263 058,42	R 263 058,42	R -	➔ 0%	R 1 320 000,00	R 263 058,42	R 1 056 941,58	⬆ 80%
	Cleaning Cost	R 133 251,24	R 122 846,44	R 10 404,80	➔ 8%	R 533 005,00	R 122 846,44	R 410 158,56	⬆ 77%
	Overheads Internet Cost	R 93 000,00	R 92 142,75	R 857,25	➔ 1%	R 589 624,00	R 92 142,75	R 497 481,25	⬆ 84%
	Overheads IT Infrastructure	R 145 000,00	R 144 648,81	R 351,19	➔ 0%	R 938 010,00	R 144 648,81	R 793 361,19	⬆ 85%
	Miscellaneous Assets	R 79 500,00	R 4 255,32	R 75 244,68	⬆ 95%	R 200 025,00	R 4 255,32	R 195 769,68	⬆ 98%
	Employee wellness	R 75 000,00	R -	R 75 000,00	⬆ 100%	R 300 000,00	R -	R 300 000,00	⬆ 100%
	Staff Training and Development	R 414 337,31	R 413 417,31	R 920,00	➔ 0%	R 1 010 924,41	R 413 417,31	R 597 507,10	⬆ 59%
	Total overhead expenditure	R 14 863 797,67	R 14 950 679,14	-R 86 881,47	➔ -1%	R 63 481 268,48	R 14 950 679,14	R 48 530 589,34	⬆ 76%

Overhead expenditure Significant variance > 15%	Variance %	COMMENTRY BOX
Other Overheads	 49%	Include advertising and bank charges. Bank charges were 25% lower than anticipated. No Advertising took place in Q1. Postponement is until Q2
Recruitment	 65%	Delay in the Project Recruitment Plan due to no municipalities that have been identified yet for appointment of three provinces ambassadors.
Water and Electricity	 37%	Reduction in water and electricity due to majority of staff working from home
Travel and Accommodation	 77%	Travel reduced due to COVID-19 restrictions and increased virtual meetings
Staff Cost Welfare	 93%	Reduction due to it majority of staff working from home
Employees' Salaries	 12%	Staff vacancies
Insurance	 -36%	Relates to prepayments of insurance realised in the Q1
Licence Fees Computers	 -144%	Relates to prepayment of annual license realised in the Q1

Direct expenditure Significant variance > 15%	Variance %	COMMENTRY BOX
Yarona project	 60%	The rollout to other provinces intended to start in June; however, due to delays in confirmations by provincial municipalities, the first intake will be in Q2. This delay has affected spending on facilitators fees, stipends, travel, and Computer equipment
In-house Training unit	 61%	Delays in Marketing campaigns and the OTT platform to be finalised in Q2. Due to the COVID19 lockdown, the campus had to be shut down, resulting in a reduced facilitators fee.
CoLab	 84%	CoLabs invoice based on success-to-pass rate due to low achievement in Q1 this had an impact on the spending in Q1

MATERIAL MOVEMENTS IN THE STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

1. Cash and Cash Equivalent – increase in cash is because of Digital Skill funding received without corresponding spending in training.
2. Non-Exchange revenue liability - increase in Liability is because of Digital Skill funding received without corresponding spending in Digital Skill

LIQUIDITY RATIO

This ratio analyses the ability of the Entity to pay their debts as they fall due.

Current ratio: 1:1

SOLVENCY RATIO

The solvency ratio indicates whether a company's cash flow is sufficient to meet its short-and long-term liabilities.

Total debt to total assets ratio: **0.9:1**

Annexure A: Analyses of Procurement Activities in for the quarter ending 30 June 2021

NO	SUPPLIER	TRANSACTION DETAILS	AMOUNT	BEE LEVEL	BLACK OWNED	SMME?
1	Altimax	Consultants	R 126 500	Level 1	100%	EME
2	Altron TMT	IT Contractor	R 55 039.21	Generic	100%	Generic
3	Apex business systems	IT Contractor	R26 458.63	Level 1	100%	EME
4	Arena holdings	Advertising	R 18 961.20	Level 1	100%	EME
5	Bondrite	Stationary	R 17 189.80	Level 1	100%	EME
6	Business Connexion	IT Contractor	R 55 572.60	Level 1	100%	EME
7	Bathathu Risk services	Insurance	R92 105.68	Level 1	100%	EME
8	Blacksmith Lovender	Computer equipment	R215 606.25	Level 1	100%	EME
9	Boikano accountants	Board evaluation	R194 235	Level 1	100%	EME
10	CCSA	Training	R 4 460	Level 1	100%	EME
11	Cybermotives	IT	R91 998	Level 1	100%	EME
12	Deenanee Business consulting	Risk	R100 700	Level 1	100%	EME
13	Ducharme training institute	Training	R30 820	Level 2	51%	EME
14	Dipula Property Investment	Property rental	R 2 229 000	Generic	0%	Non-Compliant
15	Eiffel Corp	LMS	R 209 990.69	Level 2	51%	EME
16	EOH Mthombo	IT Contractor	R 273 478.33	level 2	51%	QSE
17	Enterprise Univertisity of Pretoria	Training	R8 600	level 2	100%	QSE

18	Eyakhu Trading enterprise	Catering	R 1 468 .74	level 1	100%	EME
19	Finware Enterprise system	IT Contractor	R 42 262.50	level 2	100%	QSE
20	G9 consulting and advisory		R 374 900	level 1	100%	EME
20	Grand and Well	IT related	R82 800	level 1	100%	EME
21	Internet Solutions	IT Contractor	R 147	Generic	0%	Non-Compliant
22	Iron Mountain	External Archives	R 2 309.72	Generic	0%	Non-Compliant
23	Johann Peppler Alarm	Alarm system	R 1 386.90	Generic	0%	Non-Compliant
24	Labour Net	HR Consultants	R 9 334 .68	Level 2	100%	QSE
25	Maanda-nes investments	Security	R 81 185.45	Level 1	100%	EME
26	Managed intergrity evaluation	Background checks	R 7 188.40	Level 1	100%	EME
27	National association of broadcasters	Training	R 29 882 .11	Level 1	100%	QSE
28	Nditha holdings	Catering	R 44 575	Level 1	100%	EME
29	National empowerment and transformation	Training	R 242 233.85	Level 1	100%	EME
30	New era office cc	Furniture	R 311 448 .75	Level 1	100%	EME
31	Pears Food	Catering	R11 400	level 1	100%	EME
32	Powerful cleaning and projects	Cleaning	R 41 449 .33	level 1	100%	EME
33	Praxis Computing	IT contractor	R9 660	level 1	100%	EME

34	Promo one	Promotional items	R 164 590	level 1	100%	EME
35	Rendani legacy	Computer equipment	R 388 497	level 1	100%	EME
36	Rise Security	Physical Security	R 99 300.62	Level 1	100%	EME
37	Seanego attorneys	Legal review	R 27 600	Level 1	100%	EME
38	Sibanye promo	Promotional	R 6 890	Level 1	100%	EME
39	Stellenbosch Municipality	Tax and Rates	R 13066.16	Generic	0%	Non-Compliant
40	Telkom	IT related	R36 914.25	level 3	100%	QSE
41	Essential Boutique	Promotional Items	R 17 680	Level 1	100%	EME
42	The Vuvuzela Hotline	Fraud Detection	R 18 400	Level 1	100%	EME
43	Tic and Mend	Internal Audit	R 190 785	Level 1	100%	EME
44	Thembelinah Construction	Office Renovation	R 109 487.45	Level 1	100%	EME
45	Torque Technical Computer Training	IT Related	R 11 500	Generic	0%	Non-Compliant
46	Tracker Connect	Tracking Services	R 653.58	Level 1	100%	EME
47	Travel Touch	Travel Urgent	R 99 889	level 1	100%	QSE
48	Tri-star technology	IT related	R 346 552.50	level 1	100%	QSE
49	Vuka Nozuko group	Catering	R 8 157.50	Level 1	100%	EME
50	Vukani technologies	IT related	R 4 255 .32	Level 1	100%	EME

51	Walking Tall	Accommodation	R 39 947.78	Level 1	100%	EME
52	Winsome Africa	Finance Contractor	R 6 400	Level 1	100%	EME
53	Xon systems	IT	R 9 163.03	Level 1	100%	QSE
	Total		R6 664 078			
	CATERGORY	NUMBER	%			
	SMME Procurement	39	73 %			
	NON SMME Procurement	14	27 %			
			100%			

	%	R	NO
TOTAL PAYMENTS PER BEE LEVELS			
Level 1	57%	R 3 796 777,55	43
Level 2	8%	R 565 886,20	5
Level 3	2%	R 36 914.25	1
Level 4 - 8 and Non-Compliant	33%	R 2 240 500.00	4
	100%	R 6 640 078.00	53