



Annual Report

2017/2018



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ABBREVIATIONS AND ACRONYMS

AA	Accounting Authority
APP	Annual Performance Plan
APR	Annual Performance Report
AQP	Assessment Quality Partner
ATR	Annual Training Report
CBO	Community-Based Organisation
CESA	Civil Engineering South Africa
CETA	Construction Education and Training Authority
CIDB	Construction Industry Development Board
CPD	Corporation for Public Deposits
CPUT	Cape Peninsula University of Technology
CUT	Central University of Technology
DEAFSA	Deaf Federation of South Africa
DG	Discretionary Grant
DHET	Department of Higher Education and Training
DHS	Department of Human Settlements
DoL	Department of Labour
DPSA	Disabled People South Africa
DQP	Development Quality Partner
ETQA	Education and Training Quality Assurance
FETC	Further Education and Training Certificate
FITA	Flooring Industry Training Association
GCIS	Government Communication Information and System
HET	Higher Education and Training
ICB	Institute of Certified Bookkeepers
ICT	Information Communication and Technology
JPMT	Joint Project Management Team
KPI	Key Performance Indicator
KZN	KwaZulu-Natal
LGSETA	Local Government Sector Education and Training Authority
LMIP	Labour Market Intelligence Programme
LPQD	Learning Pathways and Quality Development
MBSA	Master Builders South Africa
MG	Mandatory Grant
MIS	Management Information System
MOU	Memorandum of Understanding
MQA	Mining Qualifications Authority
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NAMB	National Artisan Moderating Body
NARYSEC	National Rural Youth Service Corps



NC	National Certificate
NCV	National Certificate (Vocational)
NGO	Non-Governmental Organisation
NPO	Non-Profit Organisation
NHBRC	National Home Builders Registration Council
NLRD	National Learners' Records Database
NMMU	Nelson Mandela Metropolitan University
NQF	National Qualifications Framework
NSDS	National Skills Development Strategy
NSFAS	National Student Financial Aid Scheme
NVC	New Venture Creation
OFO	Organising Framework for Occupations
PABX	Private Automated Branch Exchange
PFMA	Public Finance Management Act
PIVOTAL	Professional Vocational Technical and Academic Learning
PSET	Post-School Education and Training
QAP	Quality Assurance Partner
QCTO	Quality Council for Trades and Occupations
QMR	Quarterly Monitoring Report
RPL	Recognition of Prior Learning
SAFCEC	South African Federation of Civil Engineering Contractors
SANMVA	South African National Military Veterans Association
SANRAL	South African National Roads Agency SOC Limited
SAQA	South African Qualifications Authority
SARS	South African Revenue Services
SAWIC	South African Women in Construction
SDA	Skills Development Act
SDF	Skills Development Facilitator
SDLA	Skills Development Levies Act
SETA	Sector Education and Training Authority
SLA	Service Level Agreement
SMME	Small, Medium and Micro-sized Enterprise
SSETA	Services Sector Education and Training Authority
SSP	Sector Skills Plan
SP	Strategic Plan
TETA	Transport Education and Training Authority
TVET	Technical and Vocational Education and Training
UKZN	University of KwaZulu-Natal
Univen	University of Venda
WITS	University of the Witwatersrand
WSP	Workplace Skills Plan





PART A

GENERAL INFORMATION



THE CETA GENERAL INFORMATION	
Registered name of the public entity	Construction Education and Training Authority
ISBN number	978-0-621-46283-8
RP number	116/2018
Registered office address	183 Kerk Street (Corner Old Pretoria Main Road),
	Halfway House, Midrand, 1685
Contact telephone numbers	+27 11 265 5900
Email address	<i>JabulaniJ@ceta.co.za</i>
Website address	<i>www.ceta.org.za</i>
EXTERNAL AUDITOR'S INFORMATION	
Auditor-General of South Africa	
Physical address	300 Middel Street
	New Muckleneuk
	Pretoria, South Africa
Postal address	Box 446
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Telephone	+27 12 426 8000
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BANKER'S INFORMATION	
Standard Bank	5 Simmonds Street
	Johannesburg
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Vision

To be a firm pillar of skills for all in construction and nation-building.

Mission

To create a solid skills base as a foundation for infrastructural development and economic empowerment

Values

- » Responsiveness
- » Respect
- » Integrity
- » Professionalism





Mrs GNM Pandor (MP)
Minister of Higher Education and Training

Submission of the Annual Report to the Executive Authority

To the Minister of Higher Education and Training, Mrs GNM Pandor (MP), I have the honour of submitting to you in accordance with the Public Finance Management Act (1 of 1999), the Annual Report of the Construction Education and Training Authority (CETA) for the period 1 April 2017 to 31 March 2018.

A handwritten signature in black ink, appearing to be 'R. Cele', written over a horizontal line.

Mr Raymond Cele
CETA Chairperson





PART B

ACCOUNTING AUTHORITY'S OVERVIEW

REPORT OF THE ACCOUNTING AUTHORITY TO THE EXECUTIVE AUTHORITY AND PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA



Mr Raymond Cele
CETA Chairperson

It is the responsibility of the Accounting Authority to prepare financial Statements that fairly present the CETA's financial position as well as the financial performance and summary of the cash flow activities for the year ending 31 March 2018. The financial statements comply with GRAP, including any interpretations of such Statements issued by the Accounting Practice Board and with the prescribed Standards of Generally Recognised Accounting Practice (GRAP).

General review of the state of affairs

The Construction Education and Training Authority (CETA) is a Schedule 3A public entity that was established by the Minister of Labour on 20 March 2000. In 2010 all SETAs' functions were transferred to the Department of Higher Education and Training (DHET), which resulted in the CETA subsequently being re-established by the Minister of Higher Education and Training with its current license period expiring on 31 March 2020.

The mandate of the CETA is to facilitate and fund skills development in the construction sector in South Africa.

The following are the sub-sectors served by the CETA:

- Building Construction
- Built Environment Professionals
- Materials Manufacturing
- Roads and Civil Construction
- Electrical

The CETA maintained a clean audit opinion from the Auditor General for the year under review due to the fact that – among others – appropriate accounting policies which are supported by reasonable and prudent judgements and estimates have been applied on a consistent basis.

The CETA is therefore responsible for

Based on the extended National Skills Development Strategy (NSDS) III, including its own Sector Skills Plan (SSP), Strategic Plan and Annual Performance Plans the CETA is, mainly responsible for the following:

- Review, development and registration of qualifications
- Accreditation of providers and the registration of practitioners.

- The implementation of quality assurance processes that will enhance and ensure quality provision of training.
- Funding of critical and scarce skills in the sector through the allocation of discretionary grants.
- The disbursements of mandatory grants based on the submission of Workplace Skills Plans (WSPs) and Annual Training Reports (ATRs) by qualified and registered companies in its sector.

Financial overview

The total revenue for the year ending 31 March 2018 amounted to R740 million consisting of R597 from levies and R143 million from other income.

Total expenditure for the year ending 31 March 2018 amounted to R504 million. Total expenditure is made up of mandatory grants expenditure, discretionary grants expenditure and Administrative expenditure.

The CETA committed R2.3 billion on discretionary grants projects which is backed by reserves. All the reserves are banked with Corporation of Public Deposits (CPD).

Governance

The Accounting Authority of the CETA is constituted in line with the prescripts of its Constitution.

The following are its Committees:

- Executive Committee
- Audit Committee
- Finance Committee
- Core Business Committee
- Governance and Strategy Committee
- Remuneration Committee

All the Committees of the Accounting Authority met as per the requirements of the Constitution and delivered on their respective mandates.

The CETA has an independent Audit Committee, which ensures that the necessary checks and balances are in place for the organisation to exercise its fiduciary responsibility and minimise risk. The Audit and Risk Committee functions are in line with the Audit and Risk Committee Charter and comply with the principles of good corporate governance and with the requirements of the Public Finance Management Act. The functions

of the Audit Committee include a review as well as an update of the risk analysis by management and internal audit (Also refer to the Audit Committee's report for detail).

A materiality framework is in place and no instance occurred during the year that required an implementation of the policy developed in the materiality framework.

The members of the Accounting Authority of the CETA for the reporting period are as follows:

NAME	CONSTITUENCY
Mr Raymond Cele	Chairperson
Ms Sibongile Nxumalo	Organised Employer
Mr Malusi Ganiso	Organised Employer
Mr Webster Mfebe	Organised Employer
Mr Josias Mpe	Organised Labour
Mr Lesiba Shai	Organised Labour
Mr Bongani Dlamini	Organised Labour
Mr Bhekani Ngcobo	Organised Labour
Mr Piet Matosa	Organised Labour
Ms Sankie Molefe	Organised Labour
Mr Roy Mnisi	Organised Employer

In conclusion, I would like to reiterate that there is undoubtedly a need to professionalise the construction sector and this must be coupled with the opening up of construction workplace as training spaces to allow both employed and unemployed people to gain skills. Such actions will go a long way in enabling us to deal with existing skills shortages and mismatches. In the year under review, good work has been done by the CETA, particularly through the CETA's consistent focus on achieving specific objectives. However, as we look to the new financial year, our sights are firmly set on enabling a Construction sector that grows the country's skills base, as well as shaping a sector that is an inclusive and attractive training ground for the South African youth.



Mr Raymond Cele
CETA Chairperson



ACCOUNTING AUTHORITY MEMBERS: Back row(L-R): Mr Webster Mfebe, Mr Bhekani Ngcobo, Ms Sankie Molefe, Mr Raymond Cele, Mr Piet Matosa, Mr Josias Mpe. **Front row (L-R):** Mr Malusi Ganiso, Mr Bongani Dlamini, Mr Lesiba Shai.



PART C

CHIEF EXECUTIVE OFFICER'S REVIEW



Mr Robert Semanya
CETA Acting CEO

It is our pleasure to present the Annual Report of the Construction Education and Training Authority (CETA) for the year 2017/18.

We are delighted to announce that the CETA maintained its clean audit opinion from the Auditor General (AG) for the year 2017/18. This third clean audit opinion is grounded on the foundations of a clean administration based on the realisation that the CETA is a public entity in the service of humanity. This service is rendered through the delivery of the CETA on its mandate – to fund and facilitate skills development in the construction sector.

Further to the above-mentioned clean audit achievement of the CETA, the organization maintained its R0 irregular expenditure as well as its R0 fruitless and wasteful expenditure which it reported over the last few financial years. This is a clear indication of the CETA's commitment to addressing the areas of continuous improvements as identified by the AG.

The overall audit report of the CETA clearly demonstrates that the internal controls are in place, adequate and effective. This is the culmination of the aggressive processes that the CETA put in place over the last few years in achieving a clean administration.

The CETA did not only achieve a clean audit for the third time in a row but it also delivered very strongly on its mandate which is demonstrated through its achievements in the number of learners reported. The CETA reported 29 432 learners for the year under review and had a commitment of R2,316 billion of which R1,316 billion was committed to public entities to support their skills development. Out of the public sector support R474,2 million directly supported the public TVET colleges

The Auditor General audited the reported performance information of the CETA for the following selected programmes which are presented in the Annual Performance Report of the entity for the year ended 31 March 2018:

- Programme 2: Skills Planning and Reporting
- Programme 3: Learning Programmes and Projects

CETA Strategic Imperatives

In the delivery of its mandate the CETA identified Women, People with Disability, Youth, Rural and Township Communities and Military Veterans as its strategic priorities through whom the CETA will have focused skills development initiatives.

In line with its objective to increase the meaningful participation of women within the construction sector, the CETA set a target of ensuring that through its various skills development initiatives, a minimum of 40% of its beneficiaries are women. To this end, the projects implemented in the Financial Year consisted of 51% of the beneficiaries being women. Similarly, in meeting its strategic imperative with regards to people with disability and youth, 16% of the beneficiaries are people with disability for learners on learnership projects whilst 83% of the beneficiaries are young people. The CETA's achievements with regards to rural and township development as well as military veterans is exemplary. The military veterans are supported through Mamuhle projects with 80 learners in learnerships implemented in Ermelo, Witbank and Nelspruit. While the 800 SANMVA learners who registered in various learnerships programmes are spread throughout the nine provinces. Through its structured focus in addressing the skills needs of these designated populations, the CETA has ensured allocation of 234 projects in rural areas.

Qualifications Development

One of the mandates of the CETA is to ensure the review of existing and the development of new qualifications. The CETA has signed MoUs with Industry bodies to develop and implement qualifications. The CETA responded to

this mandate by the development five new qualifications of which three are within the civil engineering sub-sector and the other two being in the building subsector. Currently the CETA has a total of fifty (50) qualifications re-registered on the National Qualifications Framework.

Inter-seta Collaboration

In line with the envisaged post 2018 SETA landscape which focuses on the need for interSETA collaboration, SSETA and CETA have signed a memorandum of understanding (MoU) according to which selected strategic projects are jointly funded and managed by the two SETAs. The partnership is informed by the recognition that most occupations are cross sectoral and as such they are not always adequately served by focusing one sector. The joint projects are strategic positioned to uplift beneficiaries from marginalised area like rural areas and township while also embracing specialised designated groups like people with disability, municipalities, military veterans associations, NGOs and faith based organisations. There are currently 18 entities jointly funded by the two SETAs to the value of R763 million intending to benefit 19 238 learners through various learning pathways like learnerships. The funded projects are mainly linked to public entities, NGOs and faith based organisations as outlined below.

No.	Project	Allocated Learners	Allocated Budget	Skills Centre Allocation	Total Budget
1	Setsquare Property Developers	10 000	R 323 215 000		R 323 215 000.00
2	Don Bosco Educational Project	545	R 22 147 500	R 5 000 000	R 27 147 500.00
3	Beaufort West Local Municipality	971	R 29 380 512.50	R 20 000 000	R 49 380 512.50
4	Priska	41	R 1 476 000,00	R 26 000 000	R 27 476 000,00
5	Inxuba Yethemba	547	R 23 096 000.00		R 23 096 000.00
6	Sakhisizwe Municipality	200	R 15 000 000,00	R 21 000 000	R 36 000 000,00
7	Kokstad	342	R 12 488 000,00	R 18 000 000	R 30 488 000,00
8	Motheo TVET College	102	R 2 880 000,00		R 2 880 000,00
9	North West - Department of Public Works	577	R 20 920 000,00		R 20 920 000,00
10	Namaqua District Municipality	204	R 4 994 000,00	R 8 000 000	R 12 994 000,00
11	Mangaung Municipality	509	R 20 000 000,00		R 20 000 000,00
12	MDA	1383	R 21 050 500,00		R 21 050 500,00
13	DPSA	2200	R 45 450 000,00		R 45 450 000,00
14	SANMVA	833	R 30 000 000,00		R 30 000 000,00
15	SAHPF	683	R 23 153 450,00	R 23 000 000	R 46 153 450,00
16	CSCC	3	R 90 000,00		R 90 000,00
17	Rand West City Local Municipality	500	R 18 000 000,00		R 18 000 000,00
18	Nkonkobe Local Municipality	44	R 468 000,00	R 28 466 822	R 28 934 822,28
		19684	R 613 809 962	R 149 466 822	R 763 275 784.28



Support to Higher Education Institutions

As part of its transformation of the sector and its contribution to the development of new professionals in the sector, the CETA took a decision to support higher education institutions. This support to higher education institutions, various from academic support, to programme development, bursaries and lecturer support.

To this end, the CETA supported the Universities of KwaZulu Natal, Witwatersrand, Johannesburg and Venda in various initiatives. The CETA further supported the Cape Peninsula University of Technology, Durban University of Technology, Mangosuthu University of Technology on various initiatives.

Corporate Services

In order to deliver on its mandate, the CETA has a national footprint with offices in all nine provinces which are located within public spaces and within easy access for the various communities it is meant to serve.

The CETA has a highly competent and committed staff complement, which is verified by the clean audit outcomes for third consecutive year. The CETA staff

compliment of the CETA for the year under review is 110.

Pre-Determined Objectives Analysis

The CETA's Annual Performance Plan (APP) for 2017/18 provided the plan of action for the year under review. It was based on an adaptation of the template prescribed by National Treasury for government departments and public institutions. In terms of strategic goals it responds specifically to the goals of the National Skills Development Strategy (NSDS) III, with the exception of project management, corporate management and corporate governance goals, which are unique goals aimed at addressing the corporate support management and corporate governance of the Construction SETA.

The CETA does not only measure performance against quantitative targets, but also considers qualitative factors that have an impact on the achievement of NSDS III objectives. Furthermore, there are activities which are not part of the APP which the CETA undertook in the main based on requests from DHET, which are not part of this analysis, but which will be reflected in the Annual Report of the CETA.

Mr Robert Semanya
CETA Acting CEO



PART C : Programme and Sub-Programme Plans**PROGRAMME 1: ADMINISTRATION**

This programme consists of the following sub-programmes:

- 1.1 Corporate Services
- 1.2 Finance
- 1.3 Governance
- 1.4 Information, Communications and Technology

Goal: To provide ethical, strategic leadership and management.

1.1 Sub-Programme	Corporate Services
Strategic Objective	Provide Effective Human Capital Management
Objective statement	To provide effective human resource management within the CETA for the delivery of its mandate.
Baseline	Approved organogram; Staff capacity; performance management system
Justification	To build required capacity in order to deliver on the mandate of the CETA.
Links	Key Acts include; the Occupational Health and Safety Act (OHS); Labour Relations Act (LRA); Basic Conditions of Employment Act (BCEA); the Employment Equity Act (EEA); Compensation for Injuries and Disease Act
1.2 Sub-Programme	Finance
Strategic Objective	Sound Financial Management and Accurate Reporting
Objective statement	To provide effective financial management in line with the requirements of the PFMA.
Baseline	Unqualified Audit Outcome
Justification	To ensure efficient and effective systems of financial management, internal controls, risk management and compliance.
Links	Public Finance Management Act (PFMA), Treasury Regulations, and CETA Policies and Procedures

PROGRAMME 1: Administration

This programme consists of the following sub-programmes:

1.1 Corporate Services

1.2 Finance

1.3 Governance

1.4 Information, Communications and Technology

Goal: To provide ethical, strategic leadership and management.

1.3 Sub-Programme	Governance
Strategic Objective	Exemplary Corporate Governance and Management
Objective statement	Provide effective corporate governance and management of the CETA in line with the Constitution and Strategic Plan.
Baseline	CETA Constitution; Strategic Plan; PFMA
Justification	Good corporate governance to be able to deliver on the mandate of the CETA.
Links	NSDS; CETA Constitution; PFMA; King IV; CETA Policies
1.4 Sub-Programme	Information, Communications and Technology
Strategic objective	Effective Governance of ICT
Objective statement	To provide an effective ICT environment based on the Department of Public Service and Administration (DPSA). Including an ICT corporate governance framework in line with applicable corporate governance frameworks.
Baseline	CETA ICT Governance Framework
Justification	To ensure a reliable, effective and efficient IT infrastructure environment at the CETA.
Links	DPSA Corporate Governance Framework (ICT)

1.1 Strategic Objective Annual Targets

Purpose – To provide strategic leadership, management and support services to the CETA.

LINKS TO STRATEGIC OBJECTIVES IN	PERFORMANCE INDICATORS	BASELINE (AUDITED / ACTUAL PERFORMANCE) 2016/2017	PLANNED TARGET 2017/2018	ACTUAL ACHIEVEMENT 2017/2018	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2017/2018
1.1 Provide Effective Human Capital Management	95% of the vacant positions, are filled as per the organogram (define "vacant" in TID)	17%	5%	27%	<p>Target Not Achieved</p> <p>During the Financial year under review, recruitment priorities were identified within the organization by the management team.</p> <p>21 new vacancies were filled. All of these vacancies were filled by internal candidates, should these vacancies had been filled external candidates, and the staff compliment would have been 131 employees which in turn would have meant that the current vacancy rate is 14%.</p> <p>Further to this, there were four resignations and one retirement within the period. There were also two positions advertised which were unsuccessful.</p>

1.1 Provide Effective Human Capital Management	Resource capacitation and human capital training and development of CETA Staff as per the organizational skills matrix (define “skills matrix – number of staff and programmes listed” in TID)	93%	100%	90%	<p>Target Not Achieved</p> <p>Bursaries - 18 staff members have enrolled for a PIVOTAL qualification through the Central University of Technology.</p> <p>Bursaries – 14 management staff members enrolled for a PIVOTAL qualification through Wits University.</p> <p>A further four staff members are being funded by the CETA on a bursary programme with UNISA and ICB.</p> <p>SCM legislation (SCM and Bid Committee) training– two interventions</p> <p>Capacity Building workshops; Inductions and Policy Workshops – 68 interventions.</p>
					Target Achieved
					Target Achieved
					Target Achieved
1.2 Sound Financial Management and Accurate Reporting	Statutory compliance requirements are adhered to maintain an unqualified audit opinion.	Unqualified Audit Opinion – Clean Audit	Unqualified Audit Opinion	Unqualified Audit Opinion – Clean Audit	Target Achieved
1.3 Exemplary Corporate Governance and Management	Number of functional governance structures in operation to monitor the efficiency and functionality of the organization in line with statutory requirements.	7	7	7	Target Achieved

1.3 Exemplary Corporate Governance and Management	Number of Governance Charter reports submitted	-	4	4	Target Achieved
1.4 Effective Governance of ICT	Quarterly ICT Progress Reports are submitted to the Audit Committee and Accounting Authority.	-	4	4	Target Achieved
1.4 Effective Governance of ICT	Availability of ICT systems in the organization as per the ICT plan.	-	90%	95%	Target Exceeded Systems were stable and the committed SLAs were exceeded in relation to the projected percentages.

Programme Performance Indicators and Annual Targets for MTEF 2017/18

Goal: To provide ethical, strategic leadership and management.

LINKS TO STRATEGIC OBJECTIVES IN	PERFORMANCE INDICATORS	BASELINE (AUDITED / ACTUAL PERFORMANCE) 2016/2017	PLANNED TARGET 2017/2018	ACTUAL ACHIEVEMENT 2017/2018	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2017/2018
1.1 Provide Effective Human Capital Management	Reduce Vacancy rate to 5%	17%	5%	27%	Target Not Achieved During the Financial year under review, recruitment priorities were identified within the organization by the management team.

					<p>21 new vacancies were filled. All of these vacancies were filled by internal candidates. Should these vacancies had been filled external candidates, the staff complement would have been that of 131 employees, which in turn would have meant that the current vacancy rate is 14%.</p> <p>Further to this, there were four resignations and one retirement within the period. There were also two positions advertised which were unsuccessful.</p>
1.1 Provide Effective Human Capital Management	% of staff trained or enrolled in further studies / received continuous development as per the skills matrix (informed by the signed PDP and statutory requirements).	93%	100%	90%	<p>Target Not Achieved</p> <p>Bursaries - 18 staff members have enrolled for a PIVOTAL qualification through the Central University of Technology.</p> <p>Bursaries – 14 management staff members enrolled for a PIVOTAL qualification through Wits University.</p> <p>A further two staff members are being funded by the CETA on a bursary programme with UNISA and ICB.</p> <p>SCM legislation (SCM and Bid Committee) training– two interventions.</p> <p>Capacity Building workshops; Inductions and Policy Workshops – 68 interventions.</p>

1.1 Provide Effective Human Capital Management	% of employees with approved performance plans	100%	100%	100%	Target Achieved
1.2 Sound Financial Management and Accurate Reporting	Quarterly financial reports are submitted to DHET	-	4	4	Target Achieved
1.2 Sound Financial Management and Accurate Reporting	Creditor payment age as per the Treasury Regulations.	30 days	30 days	30 days	Target Achieved
1.3 Exemplary Corporate Governance and Management	Number of functional governance committees meeting on a quarterly basis to provide oversight on the delivery of the CETA's mandate and provide guidance.	7	7	7	Target Achieved
1.3 Exemplary Corporate Governance and Management	Number of Governance Charter reports submitted	-	4	4	Target Achieved
1.3 Exemplary Corporate Governance and Management	Approved delegation of Authority Framework	Approved Delegation of Authority	Approved Delegation of Authority	Approved Delegation of Authority	Target Achieved

1.3 Exemplary Corporate Governance and Management	Policies and procedures are reviewed and approved annually.	Approved policies and procedures	Approved policies and procedures	Approved policies and procedures	Target Achieved
1.4 Effective Governance of ICT	ICT Charter and ICT Strategic and Implementation Plan are approved annually.	1	Approved ICT Charter and ICT Strategic and Implementation Plan	Approved ICT Charter and ICT Strategic and Implementation Plan	Target Achieved
1.4 Effective Governance of ICT	Quarterly ICT Progress Reports are submitted to the Audit Committee and Accounting Authority.	-	4	4	Target Achieved

PROGRAMME 2: Skills Planning and Reporting

This programme consists of the following sub-programmes:

1.1 Skills Planning

1.2 Reporting

Goal: To ensure a credible mechanism for skills planning and reporting in the construction sector.

2.1 Sub-Programme	Skills Planning
Strategic Objective	Sector Skills Needs Addressed
Objective statement	To ensure effective planning and address the skills priorities in the sector.
Baseline	Sector Skills Plans; Workplace Skills Plan; Annual Training Report
Justification	Suitably trained workforce in the construction sector.
Links	Labour Market Intelligence Programme (LMIP); Employment Equity Reports (Labour); Stats SA (labour force survey)
NSDS III Link	4.1 Establishing a credible institutional mechanism for skills planning. 4.2 Increasing access to occupationally-directed programmes.

2.2 Sub-Programme	Reporting
Strategic Objective	Skills Performance Reporting
Objective statement	To ensure accurate reporting of sector skills development initiatives.
Baseline	Quarterly Performance Report; Annual Performance Report
Justification	All training interventions are accurately reported to ensure further skills planning.
Links	Treasury Performance Information Guidelines; DHET Performance Information Guidelines
NSDS III Link	4.2 Increasing access to occupationally-directed programmes.

Strategic Objective Annual Targets

Goal: To ensure a credible mechanism for skills planning and reporting in the construction sector.

LINKS TO STRATEGIC OBJECTIVES IN	PERFORMANCE INDICATORS	BASELINE (AUDITED / ACTUAL PERFORMANCE) 2016/2017	PLANNED TARGET 2017/2018	ACTUAL ACHIEVEMENT 2017/2018	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2017/2018
2.1 Sector Skills Needs Addressed	Number of levy paying members with submitted and approved WSPs and ATRs that contribute to the development of the SSP.	2 192	2 050	2 345	Target Exceeded The CETA conducted stakeholder engagement sessions to support levy paying entities in ensuring submission of their WSPs and ATRs. This achievement excludes 9 non levy-paying entities that submitted WSPs.
2.2 Skills Performance Reporting	Ensuring accurate and compliant reporting on CETA Performance Information	-	4	4	Target Achieved

Programme Performance Indicators and Annual Targets for MTEF 2017/18

Goal: To ensure a credible mechanism for skills planning and reporting in the construction sector.

LINKS TO STRATEGIC OBJECTIVES IN	PERFORMANCE INDICATORS	BASELINE (AUDITED / ACTUAL PERFORMANCE) 2016/2017	PLANNED TARGET 2017/2018	ACTUAL ACHIEVEMENT 2017/2018	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2017/2018
2.1 Sector Skills Needs Addressed	Number of levy paying members with submitted and approved WSPs and ATRs that contribute to the development of the SSP.	2 192	2 050	2 345	Target Exceeded The CETA conducted stakeholder engagement sessions to support levy paying entities in ensuring submission of their WSPs and ATRs. This achievement excludes nine non levy-paying entities that submitted WSPs.
2.1 Sector Skills Needs Addressed	One SDF workshop per province per annum on WSP and ATR compilation and submission.	9	9	10	Target Exceeded The CETA conducted one additional workshop for the Eastern Cape due to the vast location of stakeholders in the province not being centralised.

LINKS TO STRATEGIC OBJECTIVES IN	PERFORMANCE INDICATORS	BASELINE (AUDITED / ACTUAL PERFORMANCE) 2016/2017	PLANNED TARGET 2017/2018	ACTUAL ACHIEVEMENT 2017/2018	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2017/2018
2.1 Sector Skills Needs Addressed	Produce an updated and approved Sector Skills Plan aligned to the DHET SSP Framework.	1	1	1	Target Achieved
2.2 Skills Performance Reporting	Quarterly Monitoring Reports (QMR) are submitted to DHET and validation reports are kept.	-	4	4	Target Achieved

PROGRAMME 3: Learning Programmes and Projects

This programme consists of the following sub-programmes:

1.1 Implementation of learning programmes e.g.:

- Short Skills Programmes
- Learnerships
- Apprenticeships
- Recognition of Prior Learning

1.2 Graduate Placements

1.3 Development of Skills Centres

1.4 Development and Support of SMME's, Co-ops, NGOs, CBOs & NPOs

1.5 Partnerships

1.6 Bursaries

1.7 Career and vocational guidance

1.8 Certification (excluding trades)

Goal: To address skills priorities within the construction sector.

3.1 Sub-Programme	Implementation of Learning Programmes
Strategic Objective	A skilled and capable workforce within construction sector.
Objective statement	To ensure the skills needs in the sector are addressed with adequately skilled workforce.
Baseline	Strategic Plan; Annual Performance Plan; Sector Skills Plan

3.1 Sub-Programme	Implementation of Learning Programmes
Strategic Objective	A skilled and capable workforce within construction sector.
Justification	A capacitated, empowered and appropriately skilled workforce within the Construction sphere
Links	CETA Grants Policy; PIVOTAL List
NSDS III Link	4.2 Increasing access to occupationally-directed programmes.
3.2 Sub-Programme	Graduate Placements
Strategic Objective	A Transformed Built Environment Profession
Objective statement	To address transformation challenges within the built environment through increasing access to built environment professions for individuals from previously disadvantaged groups.
Baseline	Employment Equity Report; Construction Industry Charter; Survey Reports; Sector Skills Plan
Justification	To address the current demographic imbalances and to achieve equity within the built environment professions.
Links	BBBEE; Construction Industry Charter Codes
NSDS III Link	4.2 Increasing access to occupationally-directed programmes.
3.3 Sub-Programme	Development of Skills Centres
Strategic Objective	Greater Access By Marginalized Communities To Skills Development Through Infrastructural Support
Objective statement	To ensure increased access to skills development programmes by marginalised communities through the construction of skills development centres.
Baseline	CETA Situational Analysis Research Report (Skills Development Institutes); Sector Skills Plan
Justification	To address the lack of technical infrastructure capacity for skills training in marginalized communities.
Links	Skills Development Act; CETA Grants Policy; Grant Regulations; National Development Plan
3.4 Sub-Programme	Development and Support Of SMME's, CO-OPs, NGOs, CBOs & NPOs
Strategic Objective	A Vibrant Civil Society Engagement In Skills Development Within The Construction Sector
Objective statement	To achieve sustainable development through increased participation of SMME's, Co-ops, NGOs, CBOs, NPOs in skills development in the construction sector.
Baseline	Sector Skills Plan; CETA SMME Programme
Justification	To address the imbalances within the construction sector.
Links	National SMME Strategy; Comprehensive Rural Development Programme; Stats SA Survey of Employers and Self Employed
NSDS III Link	4.6 Encouraging and supporting cooperatives, small enterprises, worker initiated, NGO and community training initiatives.

3.5 Sub-Programme	Partnerships
Strategic Objective	Strengthened Collaboration and Partnerships for skills development in the construction sector
Objective statement	To ensure a wider impact, including a greater reach and a multi sectorial approach to skills development.
Baseline	Signed Memorandum of Understanding (MOU); Sector Skills Plan
Justification	To give effect to the objective of the Constitution of inter-Governmental collaborations.
Links	NSDS III; Sector Skills Plan
NSDS III Link	4.3 Promoting the growth of a public TVET college system that is responsive to sector, local, regional and national skills needs and priorities 4.5 Encouraging better use of workplace-based skills development 4.7 Increasing public sector capacity for improved service delivery and supporting the building of a developmental state Item 6. Building partnerships for a skills revolution
3.6 Sub-Programme	Bursaries
Strategic Objective	An increased pool of skilled and competent graduates to enter the construction sector
Objective statement	To provide financial support to deserving students from previously disadvantaged communities in the main, to enrol for studies relevant to the construction sector.
Baseline	CETA funded bursaries
Justification	To address socio economic challenges faced by learners in the main-township and rural learners
Links	Rural Development Strategy of the Country; NSDS III; Sector Skills Plan; #FeesMustFall campaign
NSDS III Link	4.2 Increasing access to occupationally-directed programmes.
3.7 Sub-Programme	Career and Vocational Guidance
Strategic Objective	Increased knowledge and interest in the construction careers.
Objective statement	To attract new entrants into the construction sector occupations.
Baseline	CETA Career Guide; CETA career exhibitions
Justification	Promote post school education and training opportunities within the construction sector.
Links	NSDS III; Sector Skills Plan
NSDS III Link	4.8 Building career and vocational guidance

3.8 Sub-Programme	CERTIFICATION (EXCLUDING TRADES)
Strategic Objective	Increased throughput of learners on accredited construction programmes through a strengthened certification process.
Objective statement	To award successful learners with valid recognised certificates and Statement of Achievements.
Baseline	NLRD Uploads, QMR Reporting of certified learners
Justification	To conduct external moderation of the assessments in order to ensure that the quality standard is maintained by accredited CETA training providers. As well as reward qualifying learners with recognized certificates.
Links	NSDS III; Sector Skills Plan

3.1 Programme Performance Indicators and Annual Targets for MTEF 2017/18

Sub-Programme: Implementation of Learning Programmes

Purpose/Strategic Objective: A skilled and capable workforce in the construction sector

NSDS III Link: Goal 4.2 - Increasing access to occupationally-directed programmes in the construction Sector.

LINKS TO STRATEGIC OBJECTIVES IN	PERFORMANCE INDICATORS	BASELINE (AUDITED / ACTUAL PERFORMANCE) 2016/2017	PLANNED TARGET 2017/2018	ACTUAL ACHIEVEMENT 2017/2018	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2017/2018
3.1.2	Learnerships Entered				
	a) Unemployed learners per year	2 821 (funded)	2 750 (funded)	3 420	Target Exceeded The CETA has ensured increased support to entities implementing CETA-funded learnership projects through capacity building workshops by the Executive for stakeholders as well as JPMTs. This resulted in more entities being compliant with the requirements of the CETA and therefore more CETA-funded projects being implemented.

		832 (Unfunded)	350 (Unfunded)	1 178	<p>Target Exceeded</p> <p>The CETA has increased support and resources to assist entities with the registration of learners for unfunded projects.</p> <p>Out of the 1 178 learners reported, only 623 learners were entered in the previous reporting periods but were not reported.</p>
	b) Employed learners per year	0 (funded)	0 (funded)	-	<p>Not measured and therefore there is no deviation against this target. This performance indicator is included as per DHET SLA Template.</p>
		329 (Unfunded)	52 (Unfunded)	64	<p>Target Exceeded</p> <p>The CETA has increased support and resources to assist entities with registration of learners for unfunded projects.</p> <p>Out of the 64 learners reported, only four of the learners were entered in the previous period but were not reported.</p>
Learnerships Completed					
	a) Unemployed learners per year	1 745 (funded)	1 375 (funded)	1 981	<p>Target Exceeded</p> <p>In support of the decade of the artisan, the CETA has also ensured increased support to entities implementing CETA-funded apprenticeship projects through capacity building workshops by the Executive for stakeholders as well as JPMITs.</p> <p>The CETA has thus managed to exceed the target through ensuring learners entered in the previous financial years complete and exit programmes.</p>



		758 (Unfunded)	175 (Unfunded)	1 411	Target Exceeded This is due to the CETAs constant and active role in ensuring moderation and certification of learners that have completed training as well as compliance by industry and training providers.
	b) Employed learners per year	0 (funded)	0 (funded)	0	Not measured and therefore there is no deviation against this target. This performance indicator is included as per DHET SLA Template.
		422 (Unfunded)	25 (Unfunded)	97	Target Exceeded This is due to the CETAs constant and active role in ensuring external moderation and certification of learners that have completed training.
Skills Programmes Entered					
	a) Unemployed learners per year	1 170 (funded)	1 200 (funded)	2 605	Target Exceeded The CETA has ensured increased support to entities implementing CETA-funded skills programme projects through capacity building workshops by the Executive for stakeholders as well as JPMTs. This resulted in more entities being compliant with the requirements of the CETA and therefore more CETA-funded projects being implemented.
		846 (Unfunded)	250 (Unfunded)	736	Target Exceeded The CETA has increased support and resources to assist entities with registration of learners for unfunded projects.



	b) Employed learners per year	147 (funded)	0 (funded)	129	Not measured. However, the CETA had no target for this indicator yet it managed to achieve a total of 129 learners entered as a result of projects funded through discretionary grants. Target Exceeded
		115 (Unfunded)	125 (Unfunded)	344	The CETA has increased support and resources to assist entities with the registration of learners for unfunded projects.
Skills Programmes Completed					
	a) Unemployed learners per year	369 (funded)	600 (funded)	2 073	Target Exceeded This is due to the CETAs constant and active role in ensuring external moderation and certification of learners that have completed training.
		1 982 (Unfunded)	125 (Unfunded)	639	Target Exceeded This is due to the CETAs constant and active role in ensuring moderation and certification of learners that have completed training as well as compliance by industry and training providers.
	b) Employed learners per year	0 (funded)	0 (funded)	0	Not measured, therefore there is no deviation against this target. This performance indicator is included as per DHET SLA Template.
		2 654 (Unfunded)	63 (Unfunded)	668	Target Exceeded This is due to the CETAs constant and active role in ensuring external moderation and certification of learners that have completed training as well as compliance by industry and training providers.



Artisan Entered					
		2 595 (funded)	3 000 (funded)	5 801	Target Exceeded In support of the decade of the artisan, the CETA has also ensured increased support to entities implementing CETA-funded apprenticeship projects through capacity building workshops by the Executive for stakeholders as well as JPMTs. This has resulted in more entities being compliant with the requirements of the CETA and therefore more CETA-funded projects being implemented.
	a) Unemployed learners per year	634 (Unfunded)	500 (Unfunded)	1 626	Target Exceeded The CETA has ensured support and resources to assist entities with registration of learners for unfunded projects. 769 of these learners were unemployed learners funded by the Services SETA through joint partnership projects and reported as unfunded.
	b) Employed learners per year	426 (funded)	0 (funded)	490	Not measured, although the CETA had no target, it achieved 490 learners who were entered due to project allocations from previous years and those undergoing trade testing.
		1 026 (Unfunded)	0 (Unfunded)	413	Not measured, although the CETA had no target, it managed to achieve 413 learners who were entered due to submissions mostly for trade testing as received from industry.



Artisan Completed					Target Not Achieved	
	a) Unemployed learners per year	15 (funded)	1500 (funded)	1 511	<p>The CETA has provided increased support by establishing an Artisanal Development Unit as per the new approved organogram to ensure continued support to entities implementing artisanal projects as well as support through JPMTs.</p> <p>This is due to funded learners having completed their final year apprenticeship and were found competent through trade testing with some being certificated by the QCTO.</p> <p>Out of the 1511 learners reported, 49 of these learners completed in the previous reporting periods but were never reported.</p>	
					Target Exceeded	
		159 (Unfunded)	250 (Unfunded)	265	<p>The CETA has increased support and resources to assist entities with certification of learners for unfunded projects.</p> <p>Out of the 265 learners reported, two of these learners completed in the previous reporting periods but were not reported.</p>	
	b) Employed learners per year	17 (funded)	0 (funded)	124	<p>Not measured, although the CETA had no target, the CETA has achieved 124 learners who had completed due to project allocations from previous years and are reported as completed in the financial year under review.</p> <p>Out of the 124 learners reported, 32 of these learners completed in the previous reporting periods but were not reported.</p>	

		723 (Unfunded)	- (Unfunded)	60	Not measured although the CETA had no target, the CETA has achieved 60 learners completed due to competent learners trained by industry and requests for certification submitted for learners through the CETA.
3.1.2	Number of bursaries entered: Unemployed learners per year	652	600 (funded)	759	Target Exceeded Over and above the bursary support to public Universities and entities in the construction sector, the CETA has extended the bursary support to public TVET learners undertaking National Certificate Vocational qualifications. CETA has also ensured increased support to entities implementing CETA-funded bursary projects through capacity building workshops by the Executive for stakeholders.
3.1.2	Number of bursaries completed: Unemployed learners per year	66	80 (funded)	94	Target Exceeded This is due to previous funded learners having had successfully completed their qualifications as a result of funding opportunities made available by the CETA.
3.1.2	Number of internships entered: Unemployed learners per year	187	500 (funded)	537	Target Exceeded In the 2016/17 financial year, the CETA has advertised for discretionary grants for internships for implementation which contributed to the achievement. This also includes projects with old allocations that were revived through motivated support by the CETA. The CETA has also ensured increased support to entities implementing CETA-funded bursary projects through capacity building workshops by the Executive for stakeholders.

3.1.2	Number of internships completed: Unemployed learners per year	117	250 (funded)	82	<p>Target Not Achieved</p> <p>This is due to the low number of interns completed in line with those that entered in the previous year/s.</p> <p>Out of the 82 learners reported, 36 of these learners completed in the previous reporting periods but were never reported.</p>
3.1.2	Number of TVET Student/Graduate Placements entered per year	162	100 (funded)	227	<p>Target Exceeded</p> <p>The CETA has provided increased support to public TVET Colleges implementing CETA-funded construction projects through capacity building workshops by the Executive for stakeholders as well as JPMTs. This has resulted in more TVET Colleges being compliant with the requirements of the CETA and therefore more CETA-funded projects being implemented.</p>
3.1.2	Number of TVET Student/Graduate Placements completed per year	46	50 (funded)	57	<p>Target Exceeded</p> <p>The CETA has provided increased support to public TVET Colleges implementing CETA-funded construction projects. This has resulted in more TVET Colleges being compliant with the requirements of the CETA and therefore more CETA-funded projects being implemented and completed.</p>



3.1.2	Number of HET Students entered per year (P1, P2 / Learner placement in workplaces)	100	100 (funded)	188	Target Exceeded The CETA has provided increased support to Universities of Technology (UoT) implementing CETA-funded construction projects through capacity building workshops by the Executive for stakeholders as well as JPMTs. This has resulted in more UoT's applying and being funded for Discretionary Grants.
3.1.2	Number of HET Students completed per year (P1, P2 / Learner placement in workplaces)	22	50 (funded)	94	Target Exceeded The CETA has ensured continued support to Universities of Technology and thus the implementation of projects in line with the CETA requirements, with learners entering and exiting programmes successfully.
	Number of candidacy programmes entered per year	392	300 (funded)	332	Target Exceeded The CETA has provided increased support to entities implementing CETA-funded candidacy programme through capacity building workshops by the Executive for stakeholders as well as JPMTs. This has resulted in more entities being compliant with the requirements of the CETA and therefore more CETA-funded projects being implemented.



	Number of candidacy programmes completed per year	35	50 (funded)	57	<p>Target Not Achieved</p> <p>In line with the CETA transformation objective, the CETA has increased support to the funded candidacy entities. This has resulted in CETA-funded candidates being successfully registered as professionals with their respective professional councils and their information submitted to the CETA in the year under review.</p>
					<p>Out of the 57 learners reported, 39 learners were registered in the previous reporting periods but were not reported. However 18 learners were registered with their professional councils in the year under review. This CETA programme contributes significantly towards the achievement of transformation within the construction industry.</p>
3.1.2 Initiate and implement skills development centers in select areas in line with the CETA's Strategic Plan and Annual Performance Plan	Number of skills development centres in the construction sector supported	13	8	13	<p>Target Exceeded</p> <p>Although the CETA has opened a number of skills centres, the Accounting Authority made a decision to further enhance the services of the centres through the construction of workshops for learners to conduct simulations.</p>

3.2 Programme Performance Indicators and Annual Targets for MTEF 2017/18

Sub-Programme: Partnerships

Purpose/Strategic Objective: Strengthened Collaboration and Partnerships for skills development in the construction sector

NSDS III Linkage: Goal 4.3: Promoting the growth of Public TVET College system that is responsive to sector, local, regional and national skills needs and priorities partnerships

LINKS TO STRATEGIC OBJECTIVES IN	PERFORMANCE INDICATORS	BASELINE (AUDITED / ACTUAL PERFORMANCE) 2016/2017	PLANNED TARGET 2017/2018	ACTUAL ACHIEVEMENT 2017/2018	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2017/2018
3.2.1 Supporting and Promoting the growth of Public TVET Colleges	Number of SETA/University partnerships funded by the CETA through the discretionary grants for construction sector programmes	-	25	6	Target Not Achieved The CETA could only ensure six partnerships with Universities willing to implement construction skills development programmes through discretionary grants.
3.2.1 Supporting and Promoting the growth of Public TVET Colleges	Number of SETA/TVET College partnerships supported and accredited with CETA to deliver and implement skills development programmes in the construction sector.	35	50	48	Target Not Achieved Although the target was not achieved, the CETA managed to engage 48 TVET Colleges through various partnership models for implementation of skills development programmes.
3.2.1 Supporting and Promoting the growth of Public TVET Colleges	Number of CETA Offices opened in TVET Colleges	-	20	12	Target Not Achieved The CETA will engage with more TVET colleges to regarding the opening of satellite offices to enhance delivery and reach to CETA stakeholders alike.

3.3 Programme Performance Indicators and Annual Targets for MTEF 2017/18

Sub-Programme: Development and Support of SMME's, CO-OPs, NGOs, CBOs & NPOs

Purpose/ Strategic Objective: A Vibrant Civil Society Engagement In Skills Development Within The Construction Sector
NSDS III Link: Goal 4.6: Encouraging and supporting cooperatives, small enterprises, worker initiated, NGO and community training initiatives.

LINKS TO STRATEGIC OBJECTIVES IN	PERFORMANCE INDICATORS	BASELINE (AUDITED / ACTUAL PERFORMANCE) 2016/2017	PLANNED TARGET 2017/2018	ACTUAL ACHIEVEMENT 2017/2018	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2017/2018
3.3.1 Encourage and support cooperatives, small enterprises, worker-initiated, NGO, and community training initiatives in the construction sector	Number of SMMEs in the construction sector supported with accreditation	53	18	34	Target Exceeded Target exceeded due to sustenance of the CETA's established SMME project through support with accreditation. Of the 53 total CETA SMMEs supported to date, 51 have achieved accreditation status.
3.3.1 Encourage and support cooperatives, small enterprises, worker-initiated, NGO, and community training initiatives in the construction sector	Number of capacity building workshops in Skills Development for Trade Union support	-	2	2	Target Achieved

LINKS TO STRATEGIC OBJECTIVES IN	PERFORMANCE INDICATORS	BASELINE (AUDITED / ACTUAL PERFORMANCE) 2016/2017	PLANNED TARGET 2017/2018	ACTUAL ACHIEVEMENT 2017/2018	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2017/2018
3.3.1 Encourage and support cooperatives, small enterprises, worker-initiated, NGO, and community training initiatives in the construction sector	Two trade unions in the construction sector are supported for skills development related interventions.	2	2	2	Target Achieved
3.3.1 Encourage and support cooperatives, small enterprises, worker-initiated, NGO, and community training initiatives in the construction sector	Partnership projects to provide training and development support to cooperatives are supported.	5	9	23	Target Exceeded This is due to the CETAs continued support for development of cooperatives through skills development activities.
3.3.1 Encourage and support cooperatives, small enterprises, worker-initiated, NGO, and community training initiatives in the construction sector	Number of NGOs supported with skills development interventions/programmes within the construction sector.	6	3	12	Target Exceeded This is due to the CETAs continued efforts to support non-levy paying entities in ensuring skills development activities within the construction sector.

3.4 Programme Performance Indicators and Annual Targets for MTEF 2017/18

Sub-Programme: Partnerships

Purpose/Strategic Objective: Strengthened Collaboration and Partnerships for skills development in the construction sector

NSDS III Link: Goal 4.3: Promoting the growth of Public TVET College system that is responsive to sector, local, regional and national skills needs and priorities partnerships

LINKS TO STRATEGIC OBJECTIVES IN	PERFORMANCE INDICATORS	BASELINE (AUDITED / ACTUAL PERFORMANCE) 2016/2017	PLANNED TARGET 2017/2018	ACTUAL ACHIEVEMENT 2017/2018	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2017/2018
3.4.1 Increasing public sector capacity for improved service delivery	Partnerships entered with public institutions to improve service delivery through skills development.	40	10	57	Target Exceeded In line with the CETA public sector support strategy, the CETA has allocated discretionary grant funding to 57 public institutions and state agencies for the implementation of construction related skills development projects.
3.4.1 Increasing public sector capacity for improved service delivery	Number of CETA rural based projects planned for delivery of skills development programmes in the construction sector.	-	233	234	Target Exceeded In line with the CETA's priorities to address learners from rural areas, CETA has allocated discretionary grant funding for the implementation of construction related skills development projects.

3.5 Programme Performance Indicators and Annual Targets for MTEF 2017/18

Sub-Programme: Implementation of Learning Programmes

Purpose/Strategic Objective: A skilled and capable workforce in the construction sector

NSDS III Link: Goal 4.2 - Increasing access to occupationally-directed programmes in the Construction Sector

LINKS TO STRATEGIC OBJECTIVES IN	PERFORMANCE INDICATORS	BASELINE (AUDITED / ACTUAL PERFORMANCE) 2016/2017	PLANNED TARGET 2017/2018	ACTUAL ACHIEVEMENT 2017/2018	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2017/2018
3.5.1 Facilitating and supporting employed and unemployed learners with Recognition of Prior Learning programmes	Number of Learners RPLed (assessed) through Recognition of Prior Learning	1223	1200	1371	Target Exceeded The CETA has provided increased support to entities implementing projects under the qualifications of the CETA for certifications under RPL. This resulted in an increased understanding of the requirements for RPL certification amongst training providers which led to increased number of learners being certificated by the CETA.

3.6 Programme Performance Indicators and Annual Targets for MTEF 2017/18

Sub-Programme: Career and Vocational Guidance

Purpose/ Strategic Objective: Increased knowledge and interest in the construction careers
NSDS III Link: Goal 4.8: Building career and vocational guidance.

LINKS TO STRATEGIC OBJECTIVES IN	PERFORMANCE INDICATORS	BASELINE (AUDITED / ACTUAL PERFORMANCE) 2016/2017	PLANNED TARGET 2017/2018	ACTUAL ACHIEVEMENT 2017/2018	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2017/2018
3.6.1 Building career and vocational guidance in the construction sector	Number of career guidance events	22	18	30	Target Exceeded The CETA has conducted and ensured participation at career guidance events for the promotion of qualifications and careers in the construction sector.
	Number of career guidance booklets updated for the construction sector	1	1	1	Target Achieved

PROGRAMME 4: QUALITY ASSURANCE

This programme consists of the following sub-programmes:

- 1.1 NQF Provider Accreditations
- 1.2 Qualifications review and Development
- 1.3 Monitoring Evaluation

Goal: Implementation of quality assurance processes that will enhance and ensure quality provision of training.

4.1 Sub-Programme	NQF Provider Accreditations
Strategic Objective	Accredited skills training in the construction sector
Objective statement	To ensure the delivery of quality accredited training by skills development providers in the construction sector
Baseline	Database of accredited training providers
Justification	To ensure quality training within the construction sector.

4.1 Sub-Programme	NQF Provider Accreditations
Strategic Objective	Accredited skills training in the construction sector
Links	QCTO; NQF Act; Skills Development Act
	4.2 Increasing access to occupationally-directed programmes.
NSDS II Link	4.3 Promoting the growth of a public FET college system that is responsive to sector, local, regional and national skills needs and priorities.
4.2 Sub-Programme	Qualifications Review and Development
Strategic Objective	Qualifications development
Objective statement	To develop qualifications that meets the skills needs of the industry.
Baseline	Registered CETA qualifications
Justification	Qualifications that meets industry needs are registered and implemented.
Links	QCTO; NQF Act; Sector Skills Plan
NSDS III Link	4.2 Increasing access to occupationally-directed programmes
4.3 Sub-Programme	Monitoring & Evaluation
Strategic Objective	Increased and improved monitoring and evaluation of CETA programmes
Objective statement	To ensure the quality of training provision within the construction sector.
Baseline	CETA Quality Assurance Policy; CETA Monitoring and Evaluation Policy
Justification	To ensure efficiency and the effectiveness of project implementation and training.
Links	Government monitoring and evaluation policy framework; NSDS III
NSDS III Link	4.2 Increasing access to occupationally-directed programmes. 4.5 Encouraging better use of workplace-based skills development. Item 8. Monitoring and Evaluation

Strategic Objective Annual Targets

Goal: Implementation of quality assurance processes that will enhance and ensure quality provision of training.

STRATEGIC OBJECTIVE	5 YEAR STRATEGIC PLAN TARGET	BASELINE (AUDITED / ACTUAL PERFORMANCE) 2016/2017	PLANNED TARGET 2017/2018	ACTUAL ACHIEVEMENT 2017/2018	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2017/2018
4.1 Accredited skills training in the construction sector	Number of trained accredited providers	-	100	103	Target Exceeded The CETA has ensured capacitation of training providers through capacity building sessions and experienced even more than expected in terms of attendance.
4.2 Qualifications development	Design, develop and register new occupational qualifications and curriculum	5	2	13	Target Exceeded The CETA through its partnership with FITA, has ensured the development of qualification to address the new transitional arrangements in line with the QCTO requirements.

Programme Performance Indicators and Annual Targets for MTEF 2017/18

Sub-Programme: NQF Provider Accreditations

Purpose/Strategic Objective: Accredited skills training in the construction sector

NSDS III Link:

4.2 Increasing access to occupationally-directed programmes.

4.3 Promoting the growth of a public TVET college system that is responsive to sector, local, regional and national skills needs and priorities.

LINKS TO STRATEGIC OBJECTIVES IN	PERFORMANCE INDICATORS	BASELINE (AUDITED / ACTUAL PERFORMANCE) 2016/2017	PLANNED TARGET 2017/2018	ACTUAL ACHIEVEMENT 2017/2018	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2017/2018
4.1 Accredited skills training in the construction sector	Number of trained accredited providers	-	100	103	Target Exceeded The CETA has ensured ongoing support and capacitation of training providers through capacity building sessions and experienced even more than expected in terms of attendance.
4.1 Accredited skills training in the construction sector	Maintain a database of CETA accredited training providers	-	1	1	Target Achieved
4.1 Accredited skills training in the construction sector	Maintain a database of QCTO registered construction qualifications	-	1	1	Target Achieved

Sub-Programme	Qualifications Review and Development
Strategic Objective	Qualifications development
Objective statement	To develop qualifications that meets the skills needs of the industry.
Baseline	Registered CETA qualifications
Justification	Qualifications that meet industry needs are registered and implemented

Sub-Programme	Qualifications Review and Development
Strategic Objective	Qualifications development
Links	QCTO; NQF Act; Sector Skills Plan
NSDS III Link	4.2 Increasing access to occupationally-directed programmes.

LINKS TO STRATEGIC OBJECTIVES IN	PERFORMANCE INDICATORS	BASELINE (AUDITED / ACTUAL PERFORMANCE) 2016/2017	PLANNED TARGET 2017/2018	ACTUAL ACHIEVEMENT 2017/2018	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2017/2018
4.2 Qualifications development	Signed SLA with QCTO for the CETA to be the DQP	-	1	3	Target Exceeded This is due to the CETA having signed SLA's with the QCTO for development of three qualifications.
4.2 Qualifications development	Number of DQP Projects approved	4	2	2	Target Achieved
4.3 Increased and improved monitoring and evaluation of CETA programmes	Monitoring and Evaluation Policy is reviewed and approved by Accounting Authority annually	-	1	1	Target Achieved
4.3 Increased and improved monitoring and evaluation of CETA programmes	External Moderation Visits Schedule for CETA programmes is compiled and approved.	8	4	7	Target Exceeded This is due to the increased focus on and in monitoring CETA-funded projects by the organization.



PART D

CORE BUSINESS REPORT



Mr Thapelo Madibeng

CETA Core Business Executive

1976-2018

[May his soul rest in peace]

CETA Core Business division has two distinct and interlinked departments to enable it to fulfil its mandate of facilitating and funding skills development in the construction sector.

The CETA Core Business performs the following functions:

- Conducts research and analysis of the labour market within the construction sector including management of research on skills supply and demand, as well as being a trusted advisor on skills planning within the sector.
- Undertakes skills planning in line with Labour Market Information Intelligence Programme (LMIP) and PSET system, Skills Planning and Monitoring Framework, Goal 4.1 of the NSDS III as extended and the Medium Term Strategic Framework (MTSF) on the identification of medium to long-term skills shortages.
- Develop, review and update the Sector Skills Plan (SSP) for a credible mechanism for skills planning in the construction sector.
- Coordinate mechanisms such as ATR-WSP, for claiming of mandatory grants from the CETA by levy paying construction entities.
- The production of the Strategic Plan (SP) and the Annual Performance Plan (APP) and Service Level Agreement (SLA) of the CETA.
- The preparation and submission of quarterly progress reports against the APP and the APR of the CETA.
- Coordinate the design, development and/or revision of specified occupational standards and qualifications and/or part qualifications according to the QCTO procedure.
- Accredite providers for the qualifications or part qualifications listed in the schedule in terms of criteria determined by the QCTO.
- Register assessors to undertake assessment for specified qualifications or part qualifications in terms of criteria determined by the QCTO.
- Maintain a comprehensive learner information management system.
- Upload learner data to the NLRD according to the NLRD load specifications.

Research, Skills Planning and Reporting

The Research, Skills Planning and Reporting (P&R) department is responsible for conducting research; developing the Sector Skills Plan (SSP) and career guides; analysis of Workplace Skills Plans (WSPs) and Annual Training Reports (ATRs) submitted by employers; and compiling Quarterly Monitoring Reports (QMR) submitted to the Department of Higher Education and Training.

Research

The CETA has developed a Strategic Research Framework informed by the Sector Skills Plan. The CETA has approved funding to conduct research in line with the research agendas approved by AA. This research agenda includes:

- Conducting tracer studies (destination surveys) for CETA funded learners as at the end of NSDS III period in 2016.
- Conduct sectoral analysis and model labour market skills using Labour Market Information (LMI) and produce a List of Occupations in High Demand within the construction sector.
- Develop models for skills forecasting and methodologies to identify skills needs within the construction sector covering:
 - » Economic State of the Construction Industry
 - » Supply Side Research
 - » Demand Side Research
 - » Partnership Development
 - » Project Development
 - » Progression of learners in the Construction Sector

skills needs, trends and developments on supply and demand within the construction sector. In the year under review, the CETA reviewed and maintained skills-planning mechanism framework consisting of skills supply; skills demand; skills imbalances and the context of the economy, demography and labour force (within construction sector) for consideration in developing policies on skills planning and in actual strategic planning processes of the CETA. The CETA Sector Skills Plan (SSP) was updated in line with Labour Market Intelligence Framework and was approved by DHET during the financial year 2017/18. This SSP includes the introduction of a new chapter three entitled, “occupational shortages and skills gaps” which was previously referred to as “Extent of Skills Mismatch” and it has the following sub-sections:

- Occupational shortages and skills gaps
- Extent and nature of Supply
- PIVOTAL list

This SSP contains a list of priority occupations and qualifications and has included recommendations for priority interventions for the CETA.

The Workplace Skills Plan and Annual Training Report Submissions to CETA

The CETA Indicum system was duly opened for SDFs to commence the capturing process of the WSP on the 1st February 2018, for the 2018/19 financial year. The annual stakeholder capacity building sessions commenced on the 6th February 2018 and concluded on the 23rd February 2018 for all nine provinces as per the table below:

Review and Development of the 2017/18 Sector Skills Plan

The CETA engages and promotes current and future

TABLE 2: CETA WSP/ATR Workshops

Province	Workshop Date	Focus Area
Gauteng	06 February 2018	WSP/ATR & SSP
	07 February 2018	Qualifications development, accreditations and Certification
	08 February 2018	Projects processes and discretionary grants
Western Cape	07 February 2018	WSP/ATR & SSP
	08 February 2018	Qualifications development, accreditations and Certification
	09 February 2018	Projects processes and discretionary grants



Province	Workshop Date	Focus Area
Northern Cape	08 February 2018	WSP/ATR & SSP
	09 February 2018	Qualifications development, accreditations and Certification; Projects processes and discretionary grants
KwaZulu-Natal	13 February 2018	WSP/ATR & SSP
	14 February 2018	Qualifications development, accreditations and Certification
	15 February 2018	Projects processes and discretionary grants
Limpopo	14 February 2018	WSP/ATR & SSP
	15 February 2018	Qualifications development, accreditations and Certification
	16 February 2018	Projects processes and discretionary grants
North West	15 February 2018	WSP/ATR & SSP
	16 February 2018	Qualifications development, accreditations and Certification; Projects processes and discretionary grants
Eastern Cape(Port Elizabeth & East London)	20 February 2018	WSP/ATR & SSP
	21 February 2018	Qualifications development, accreditations and Certification
	22 February 2018	Projects processes and discretionary grants
Mpumalanga	21 February 2018	WSP/ATR & SSP
	22 February 2018	Qualifications development, accreditations and Certification
	23 February 2018	Projects processes and discretionary grants
Free State	22 February 2018	Projects processes and discretionary grants
	23 February 2018	Qualifications development, accreditations and Certification; Projects processes and discretionary grants

Skills Development Facilitator Registration Status

The CETA has capacitated the Skills Development Facilitators (SDFs) in the sector on the compilation and submission of Workplace Skills Plans (WSPs) and Annual Training Reports (ATRs). The CETA's WSP administrative phase requires that the Skills Development Facilitators SDFs submitting WSPs are duly appointed by the submitting entity and are approved and registered with the CETA on the Skills System. The table below is a statistical summary of SDFs registered on the CETA system as at year-end for the compilation and submission of the WSP-ATR:

Table 3:

Status	No of SDF's
Approved	5 006
Pending	619
Rejected	2 757
Other	258
Grand Total	8 640

WSP Submissions Status Report

The CETA conducted stakeholder engagement sessions and support in 2017 with all participating stakeholders, the results below were achieved by 30 April 2017 in terms of submission of applications for Mandatory Grants for the 2017/18 Financial Year:



Table 4:

Organisation WSP Status	Large (>149)	Medium (50-149)	Small (1-49)	Grand Total
Total Created	397	613	1 435	2 445
Total Submitted	386	584	1 384	2 354
Pending-not submitted	11	29	51	91

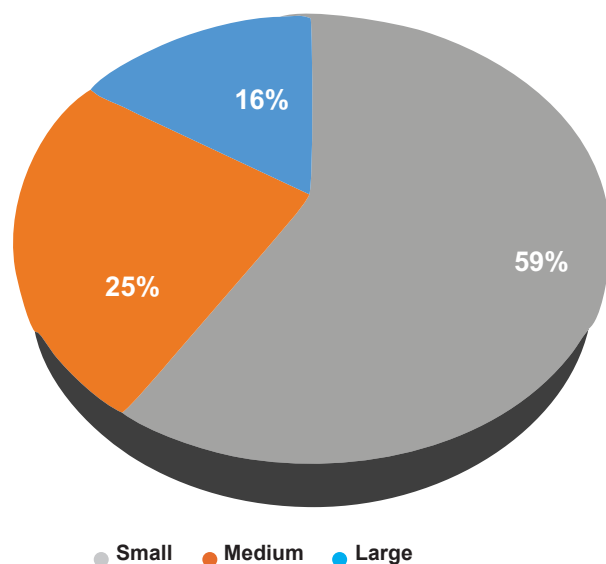
The table below provides an overview of WSP submissions per province:

Table 5:

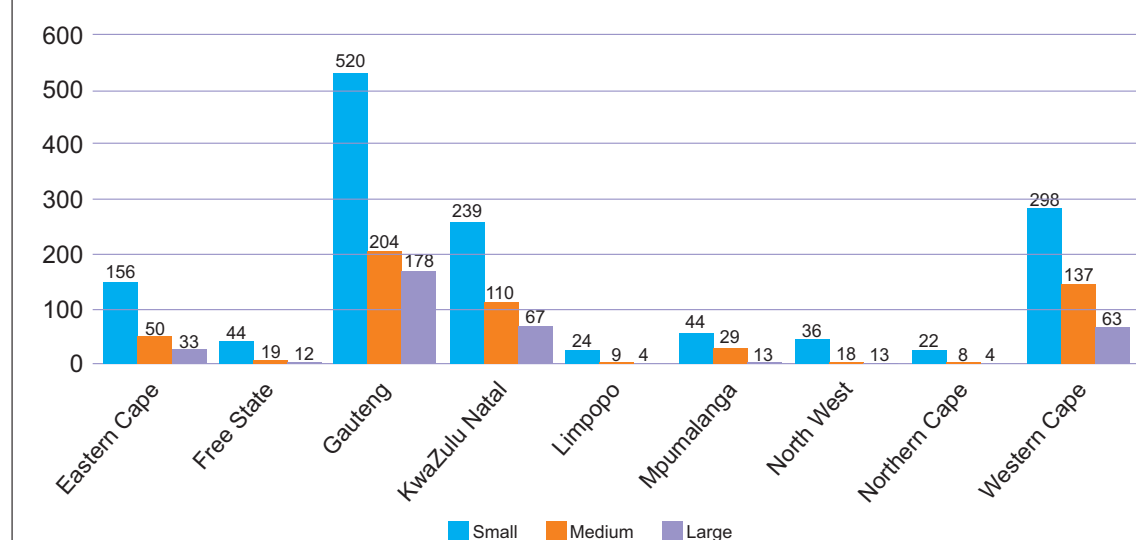
WSP/ATR Status 2017/18				
Province	Small	Medium	Large	Total
Eastern Cape	156	50	33	239
Free State	44	19	12	75
Gauteng	520	204	178	902
KwaZulu-Natal	239	110	67	416
Limpopo	24	9	4	37
Mpumalanga	44	29	13	86
North West	36	18	13	67
Northern Cape	22	8	4	34
Western Cape	298	137	63	498
Total	1 383	584	387	2 354

Graph 1: WSP Submissions by Organisational size

Breakdown of WSP/ATR Submissions by Size

**Graph 2: Percentage WSP Participation by Organisational size per Province**

WSP/ATR Submission Status 2017/18





DHET Update on development of a new uniform system for Mandatory Grant applications

DHET has initiated a process to engage SETAs on the review of the current WSP/ATR system/form. The proposal through a discussion document proposes that the WSP and ATR should be replaced by a modified instrument, called the Workplace Skills Survey (WSS), which is more relevant for skills planning.

The WSS requires employers to provide individual employee data to their designated SETA, instead of aggregated employee data as required by the current WSP/ATR template. By migrating to a system of collecting and providing individual employee data, the accuracy, reliability and consistency of data received from employers will be strengthened.

Performance Information Reporting

The CETA produced validated Quarterly Performance Reports as per DHET Compliance Calendar as well as Annual Performance Report for the year under review.

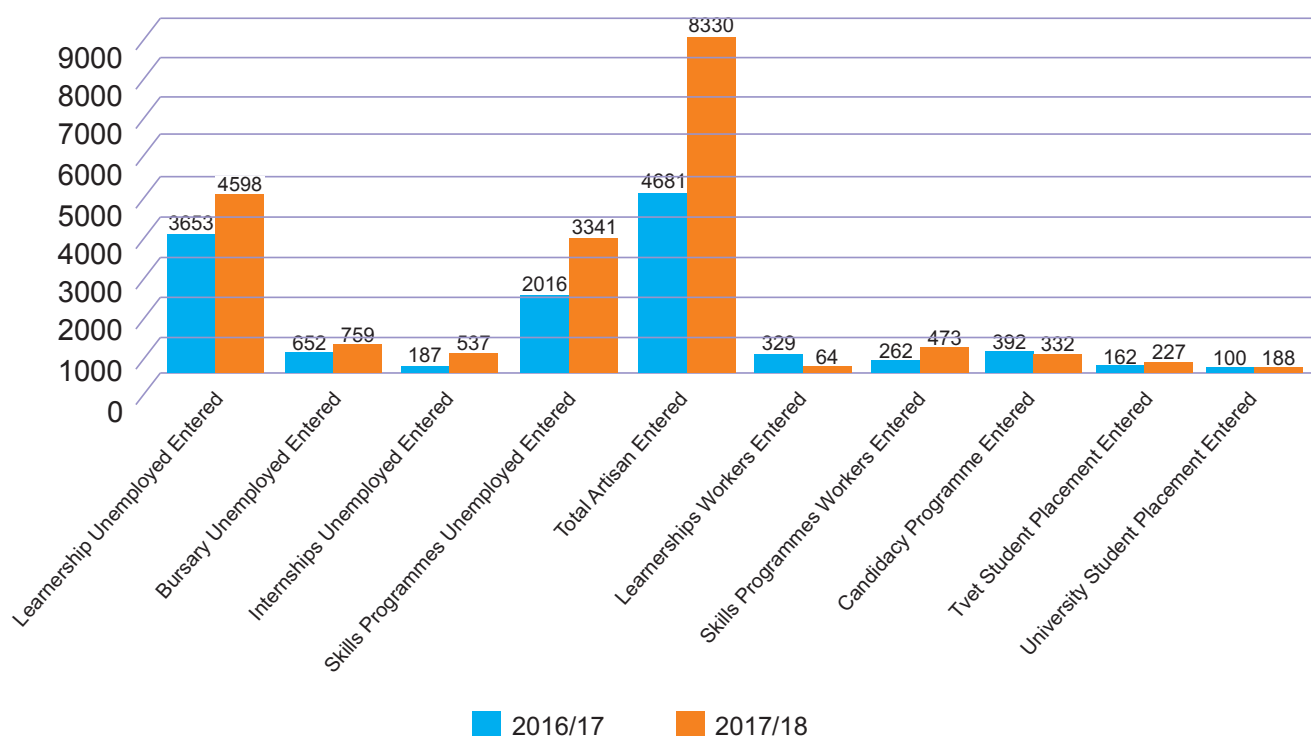
In line with the DHET analysis requirements, the CETA achieved 31 of the 34 indicators that are measurable or have targets – this indicates that the CETA achieved 91% of its annual targets by the end of the financial year.

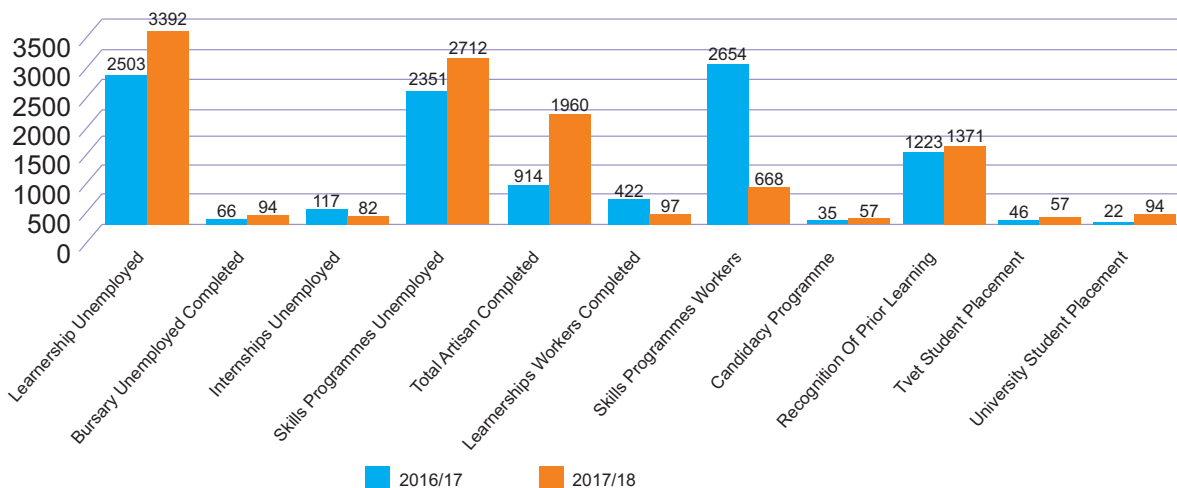
Baseline Comparison of 2016/17 and 2017/18 CETA Performance: Learners Entered and Completed

This comparative analysis demonstrates that in 2016/17, 12 434 learners were registered and reported by the CETA. In the 2017/18 financial year a total of 18 849 learners were entered. The percentage progress between these financial years of learners entered is 34%. In terms of completions comparison, in the 2016/17 financial year, a total of 10 353 learners had completed CETA programmes whereas in 2017/18, the total completions was 10 584 indicating a percentage progress of 2% from previous year. The overall learner enrolment and completions in 2016/17 was 22 787 and in the year under review was 29 433 showing percentage progress of 23% compared to previous year.

Graph 3: Learning Pathways Entered - 2016/17 vs 2017/18

Learning Pathways Entered - 2016/17 vs 2017/18



Graph 4: Learning Pathways Completed - 2016/17 vs 2017/18**Learning Pathways Completed - 2016/17 vs 2017/18****Learning Pathways and Quality Development (LPQD)**

The CETA is accredited with the South African Qualifications Authority (SAQA) as per ETQA Regulations, of 1998 and under quality assurance delegation from the Quality Council for Trades and Occupations (QCTO) to perform Education and Training Quality Assurance (ETQA) functions in the construction sector until 31 March 2020 for construction NQF qualifications. Pre-NQF construction skills development providers are accredited by the QCTO.

Occupational Qualifications development

The QCTO has introduced a basic operational methodology of assigning occupational qualifications,

curriculum design and development as well as quality assurance thereof. This new methodology introduced new entities called Development Quality Partners (DQP-coordinates occupational qualification and curriculum design and development) and Assessment Quality Partners (AQP-performs the quality assurance function).

CETA Occupational Qualifications Development Status

In the year under review, the CETA and QCTO signed the SLA to facilitate the registration of the following qualifications on the Occupational Qualifications Framework (OQF):

Table 6: CETA Occupational Qualifications Development Status

Occupational Qualification	DQP	Industry Partner	Completed and Submitted to QCTO
Civil Structures Construction Constructor	CETA	SAFCEC	Curriculum; assessment specifications; and the qualification
Civil Road Construction Constructor	CETA	SAFCEC	Curriculum; assessment specifications; and the qualification
Civil Services Constructor	CETA	SAFCEC	Curriculum; assessment specifications; and the qualification

It is planned that the above qualifications will be recommended by QCTO and registered by SAQA on the NQF in the 2018/19 financial year for implementation within the construction industry.

New Occupational Qualifications Developed

In the year under review, the CETA as a DQP completed the design and development of Floor Finisher – OFO Code - 642202 occupational qualification and its associated specialisations. In total, 14 flooring qualifications were completed and submitted to QCTO for registration on the Occupational Qualifications Framework:

Occupational Qualification	Qualifications to be replaced	DQP	Industry Partner	Completed and submitted to QCTO
Floor Finisher: OFO Code 642202	24296-NC: Construction: Installation of Floor Coverings L1 49022-NC: Floor Covering Installation L2	CETA	FITA	Curriculum; assessment specifications; and the qualification

Occupational Qualifications Registered with SAQA on the NQF – DQP Building Trades

Historically Registered Qualification	Registered Occupational Qualification
21853 NC: Construction Plumbing L3	91782 Occupational Certificate: Plumber L4
58782 FETC: Plumbing L4	
73313 NC: Electrical Engineering L2	91761 Occupational Certificate: Electrician L4
72051 NC: Electrical Engineering L3	
72052 FETC: Electrical Engineering L4	
20717 NC: Bricklaying L3	93627 Occupational Certificate: Bricklayer L4
20718 NC: Carpentry L3	94022 Occupational Certificate: Carpenter L4

Occupational Qualifications awaiting Registration on the NQF

Historically Registered Qualification	Occupational Qualification Developed
24133 NC: Construction Roadworks L2 24173 NC: Construction Roadworks L3	Occupational Certificate: Routine Road Maintenance Manager (Qualification ID will be available after registration)
65409 NC: Building and Civil Construction L3	Civil Road Construction Constructor Civil Services Constructor Civil Structures Construction Constructor Qualification IDs will be available after registration

New Qualification Development and Re-alignment Application Submitted to QCTO

The CETA has submitted its DQP application to the QCTO to re-align and develop the qualifications below into occupational qualifications for the construction sector:

QID Number	Qualification Title
48940	National Certificate: Construction Plant Operations, NQF Level 2
49081	National Certificate: Construction: Advanced Plant Operations, NQF Level 3
48961	National Certificate: Construction Crane Operations, NQF Level 2
49080	National Certificate: Construction: Advanced Crane Operations, NQF Level 3

CETA Assessment Quality Partner Status

In the year under review, the CETA was nominated by industry to become the AQP for the following occupational construction qualifications and submitted the AQP application to the QCTO for endorsement and approval:

Occupational Qualification	AQP	Industry Partner
Civil Engineering: Structures, Roads and Services	CETA	SAFCEC
Flooring Installer/Finisher	CETA	FITA
Construction Roadworks	CETA	SANRAL

Historically Registered NQF Qualifications Quality Assured by the CETA

SAQA has re-registered 50 CETA qualifications on the NQF including the transitional and teach out applicable periods. Once new occupational qualifications are registered, the historically registered NQF qualifications will be replaced and phased out. The NQF qualifications re-alignment process has begun for historically registered qualifications. The LPQD Department has drafted an OFO-aligned qualification framework to map these qualifications to OFO Code and determine areas that need qualifications. This will inform the CETA regarding the number of DQP projects required to develop replacement qualifications.

Below is the CETA list of qualifications with learner intake that was submitted to the QCTO to verify which qualifications to re-register; align or de-register. Some of the qualifications were recommended for de-registration as they are replaced by occupational qualifications. Other qualifications with no learner intake were recommended for de-registration by the QCTO subject to CETA's approval.

Table 7: CETA: List of Qualifications

Qualification/LP ID (SAQA)	LP ID (SAQA)	Qualification Title (SAQA)	Related Learning Programme Title (SAQA)	NQF Level	Credits	QAP	Initial Registration Date	Registration End Date	De-register/ Re-register
20486	20486	National Certificate: Surveying	N/A	4	153	CETA	2001/10/10	2018/06/30	De-register: replaced by Occupational Qualification
20487	20487	National Certificate: Hydrographic Surveying	N/A	4	145	CETA	2001/10/10	2018/06/30	De-register
20488	20488	National Certificate: Photogrammetry Surveying	N/A	4	141	CETA	2001/10/10	2018/06/30	De-register
20813	20813	National Certificate: Construction Contracting	N/A	2	190	CETA	2001/12/05	2018/06/30	In Development
22991	22991	National Certificate: Refractories Installation	N/A	2	120	CETA	2002/12/04	2018/06/30	De-register
22992	22992	National Certificate: Refractories Masonry	N/A	3	120	CETA	2002/12/04	2018/06/30	De-register

23675	23675	National Certificate: Management of Building Construction Processes	N/A	5	204	CETA	2003/06/11	2018/06/30	Developed
23683	23683	National Diploma: Management of Civil Engineering Construction Processes	N/A	5	271	CETA	2003/06/11	2018/06/30	To be developed
24133	24133	National Certificate: Construction: Roadworks	N/A	2	120	CETA	2003/02/19	2018/06/30	To be developed
24173	24173	National Certificate: Construction: Roadworks	N/A	3	155	CETA	2003/02/19	2018/06/30	To be developed
24194	24194	National Certificate: Construction Material Manufacturing	N/A	4	130	CETA	2003/08/13	2018/06/30	To be developed
24196	24196	National Certificate: Construction Material Manufacturing	N/A	3	120	CETA	2003/08/13	2018/06/30	To be developed



Qualification/LP ID (SAQA)	LP ID (SAQA)	Qualification Title (SAQA)	Related Learning Programme Title (SAQA)	NQF Level	Credits	QAP	Initial Registration Date	Registration End Date	De-register/ Re-register
24198	24198	National Certificate: Construction Material Manufacturing	N/A	2	120	CETA	2003/08/13	2018/06/30	To be developed
24273	24273	National Certificate: Community House Building	N/A	2	124	CETA	2003/06/11	2018/06/30	Community House Builder occupational qualification developed. To come back to QCTO
24295	24295	National Certificate: Timber Roof Erecting	N/A	3	120	CETA	2003/06/11	2018/06/30	De-register
24296	24296	National Certificate: Construction: Installation of Floor Coverings	N/A	1	120	CETA	2003/06/11	2018/06/30	Floor installer in development
48636	48636	National Diploma: Structural Steelwork Detailing	N/A	5	257	CETA	2004/04/07	2018/06/30	To be developed



48734	48734	National Certificate: Architectural Technology	N/A	5	120	CETA	2004/06/09	2018/06/30	To be developed
48817	48817	Further Education and Training Certification: Construction Materials Testing	N/A	4	142	CETA	2004/02/11	2018/06/30	To be developed
48961	48961	National Certificate: Construction: Crane Operations	N/A	2	121	CETA	2004/12/02	2018/06/30	To be developed
49016	49016	National Certificate: Construction-Concreting	N/A	3	152	CETA	2005/04/13	2018/06/30	To be developed
49017	49017	National Certificate: Construction Materials Testing	N/A	3	120	CETA	2005/04/13	2018/06/30	To be developed
49022	49022	National Certificate: Floor Covering Installation	N/A	2	141	CETA	2004/06/09	2018/06/30	In development
49058	49058	National Certificate: Construction Materials Testing	N/A	2	120	CETA	2004/08/11	2018/06/30	To be developed

Qualification/LP ID (SAQA)	LP ID (SAQA)	Qualification Title (SAQA)	Related Learning Programme Title (SAQA)	NQF Level	Credits	QAP	Initial Registration Date	Registration End Date	De-register/ Re-register
49063	49063	National Certificate: Geographical Information Sciences	N/A	5	121	CETA	2005/08/17	2018/06/30	De-register
49080	49080	National Certificate: Construction: Advanced Crane Operations	N/A	3	123	CETA	2004/12/02	2018/06/30	To be developed
49081	49081	National Certificate: Construction: Advanced Plant Operations	N/A	3	123	CETA	2004/12/02	2018/06/30	To be developed
49410	49410	National Certificate: Construction	N/A	2	120	CETA	2005/04/13	2018/06/30	To be developed
49411	49411	General Education and Training Certificate: Construction	N/A	1	120	CETA	2005/04/13	2018/06/30	To be developed
49602	49602	National Certificate: Construction-Geotechnical	N/A	3	145	CETA	2005/08/17	2018/06/30	De-register

50022	50022	National Certificate: General Draughting	N/A	3	121	CETA	2006/02/09	2018/06/30	De-register
57162	57162	National Certificate: Aluminium Fabrication and Installation	N/A	2	153	CETA	2006/11/16	2018/06/30	De-register
58247	58247	National Certificate: Ceiling and Partitioning Installation	N/A	3	129	CETA	2007/05/02	2018/06/30	Re-alignment
58780	58780	Further Education and Training Certificate: Quantity Surveying	N/A	4	145	CETA	2009/12/02	2018/06/30	To be developed
63589	63589	National Diploma: Geographical Information Science	N/A	5	240	CETA	2009/02/18	2018/06/30	De-register
65409	65409	National Certificate: Building and Civil Construction	N/A	3	140	CETA	2009/03/12	2018/06/30	Developed

Qualification/LP ID (SAQA)	LP ID (SAQA)	Qualification Title (SAQA)	Related Learning Programme Title (SAQA)	NQF Level	Credits	QAP	Initial Registration Date	Registration End Date	De-register/ Re-register
65709	65709	National Certificate: Construction-Steelwork	N/A	3	120	CETA	2009/05/13	2018/06/30	To be developed
65769	65769	National Certificate: Glazing	N/A	2	138	CETA	2009/04/08	2018/06/30	De-register
65789	65789	National Certificate: Construction Plant Operations	N/A	2	120	CETA	2009/04/08	2018/06/30	To be developed
65877	65877	Further Education and Training Certificate: Construction-Timber Vocations	N/A	4	120	CETA	2009/01/27	2018/06/30	De-register
65878	65878	Further Education and Training Certificate: Construction-Trowel Vocations	N/A	4	120	CETA	2009/01/27	2018/06/30	De-register
65879	65879	Diploma: Construction Technology	N/A	6	240	CETA	2009/01/27	2018/06/30	De-register

65891	65891	Further Education and Training Certificate: Construction-Plumbing	N/A	4	120	CETA	2009/01/27	2018/06/30	De-register: replaced by Occupational Qualification
65892	65892	Further Education and Training Certificate: Construction-Painting and Decorating	N/A	4	120	CETA	2009/01/27	2018/06/30	De-register
65895	65895	Diploma: Construction-Plumbing	N/A	6	240	CETA	2009/01/27	2018/06/30	De-register
65896	65896	Diploma: Construction-Painting and Decorating	N/A	6	240	CETA	2009/01/27	2018/06/30	De-register
65897	65897	Diploma: Construction-Trowel Vocations	N/A	6	240	CETA	2009/01/27	2018/06/30	De-register
65898	65898	Diploma: Construction-Timber Vocations	N/A	6	240	CETA	2009/01/27	2018/06/30	De-register

Qualification/LP ID (SAQA)	LP ID (SAQA)	Qualification Title (SAQA)	Related Learning Programme Title (SAQA)	NQF Level	Credits	QAP	Initial Registration Date	Registration End Date	De-register/ Re-register
65949	65949	Further Education and Training Certificate: Supervision of Construction Processes	N/A	4	181	CETA	2009/04/08	2018/06/30	Re-alignment
65969	65969	General Education and Training Certificate: Human Settlements Development	N/A	1	120	CETA	2009/05/13	2018/06/30	To be developed
65989	65989	Further Education and Training Certificate: Human Settlements Development	N/A	4	121	CETA	2009/05/13	2018/06/30	To be developed
66071	66071	Further Education and Training Certificate: Computer Aided Drawing Office Practice (CAD)	N/A	4	131	CETA	2009/04/08	2018/06/30	To be developed

66089	66089	National Certificate: Human Settlements Development	N/A	5	130	CETA	2009/05/13	2018/06/30	To be developed
77063	77063	National Certificate: Construction Health and Safety	N/A	3	133	CETA	2010/03/11	2018/06/30	To be developed
80946	83391	National Certificate: Community Development	National Certificate: Community Development-Human Settlements	5	147	CETA	2011/04/21	Same as parent qualification	To be developed
96402	65858	National Certificate: Hot Water System Installation	National Certificate: Hot Water System Installation	2	122	CETA	2009/04/08	Same as parent qualification	To be developed
49053	49053	National Certificate: Supervision of Construction Processes	N/A	4	176	CETA until Last Date for Achievement	2004/06/09	2018/06/30	Re-alignment



Accreditation Of Training Providers

The LPQD department has two functional units handling accreditation process: Accreditation Applications and Accreditation Approvals Units. The department has made a number of notable achievements during the year under review some of which are reflected hereunder:

Accreditation Applications Status Report

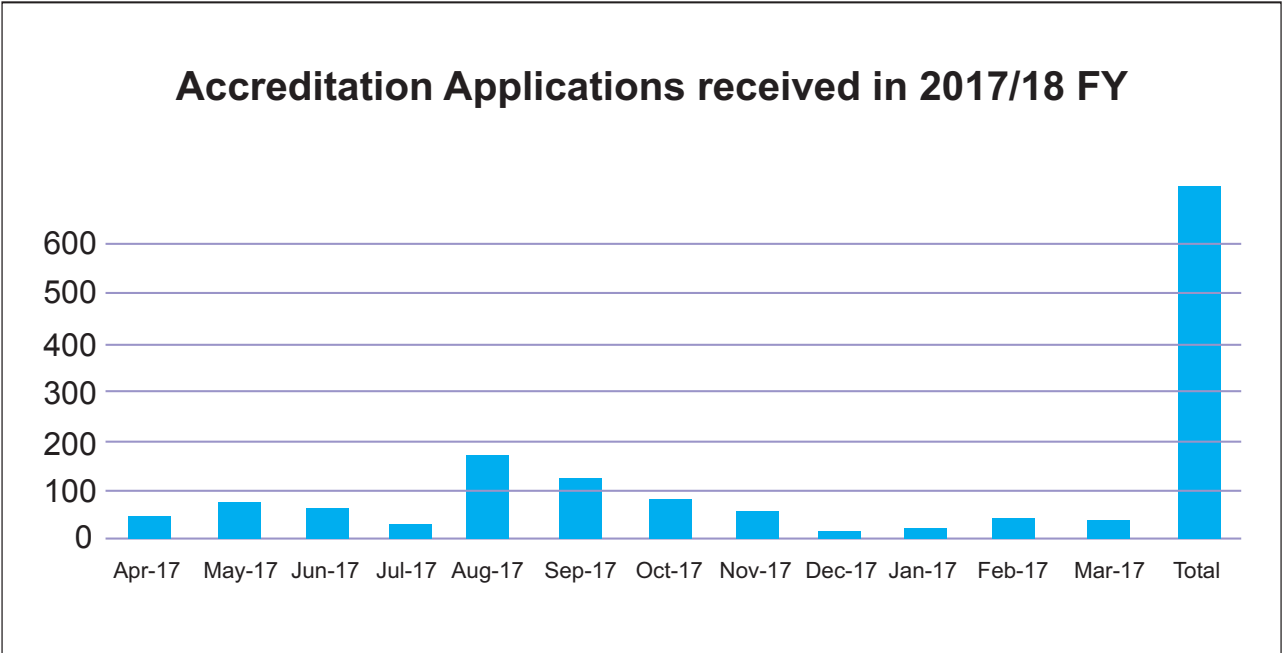
This report covers Administration - Accreditation and practitioner applications received by the CETA as well as Accreditation Site visits conducted by the CETA in the year under review.

Administration of Accreditation Applications for CETA NQF Qualifications

Accreditation applications received and processed by the CETA

The Accreditation Applications Unit ensures that upon receipt of an application, the necessary acknowledgements are processed to the applicants. A total of 514 acknowledgements of receipt were communicated to applicants in the year under review. Desktop evaluations were conducted on the submitted applications and the entities found compliant were scheduled for accreditation site audit visits.

Graph 5: Accreditation Application received in 2017/18 FY



Accreditation Site Audit Visits scheduled and conducted for Quarter 1- 4 by Province

The table below depicts the total number of accreditation site audit visits conducted by the CETA in the 2017/18 financial year:

Table 8:

Province	Number of sites
Eastern Cape	14
Free State	19
Gauteng	130

KwaZulu-Natal	33
Limpopo	31
Mpumalanga	51
North West	22
Northern Cape	3
Western Cape	19
Total Number of Entities Audited:	322



Practitioner and moderator applications status report

Month	Applications received- Assessors/Practitioners	Applications received-Moderators
April 2017	10	5
May 2017	24	12
June 2017	27	3
July 2017	21	9
August 2017	21	5
September 2017	26	2
October 2017	12	3
November 2017	15	12
December 2017	7	1
January 2018	11	2
February 2018	22	-
March 2018	25	-
Total:	221	54

Table 9:

Practitioners:	Number registered:	% Progress
Registered Compliant Assessors	102	46%
Registered Compliant Moderators	54	100%

Accreditation Approvals Status Report

CETA NQF qualifications accreditation status

The CETA quality assurance policy requires all CETA accredited training providers to re-apply for accreditation when the accreditation lapses. The last date of previously accredited training providers was 31 March 2016. The NSDS III period has been extended until 31 March 2020.

The following is the current status of CETA accredited training providers since 31 March 2016 to 31 March 2020. The statistical summary includes private

accredited training providers, Public TVET Colleges and the CETA established SMMEs. In summary, the accreditation status is as follows:

- 51 SMMEs are accredited with the CETA within the year under review;
- 359 private training providers are accredited by the CETA to date;
- 34 Public TVET Colleges are accredited by the CETA to offer construction related programmes.

Total accredited training providers with the CETA as at 31 March 2018, is 444.



Public TVET Colleges Accreditation Status

The table below depicts total number of Public TVET Colleges accredited by the CETA to date.

Table 10:

Province	TVET Colleges per Province	TVET Colleges not Accredited with the CETA to date	TVET Colleges Accredited by the CETA
Eastern Cape	08	05	03
			Port Elizabeth TVET College King Hintsa TVET College Ikhala TVET College
Free State	04	01	03
			Goldfields TVET College Maluti TVET College Motheo TVET College
Gauteng	08	04	04
			Central Johannesburg TVET College Ekurhuleni East TVET College Tshwane North TVET College Tshwane South TVET College
KwaZulu Natal	09	00	09
			Coastal KZN TVET College Elangeni TVET College Esayidi TVET College Majuba TVET College Mnambithi TVET College Mthashana TVET College Thekwini TVET College Umfolosi TVET College Umgungundlovu TVET College
Limpopo	07	02	05
			Capricon TVET College Lephalale TVET College Mopani South East TVET College Sekhukhune TVET College Waterberg TVET College
Mpumalanga	03	02	01
			Gert Sibande TVET College



Northern Cape	02	00	02
			Northern Cape Urban TVET College Northern Cape Rural TVET College
North West	03	01	02
			Orbit TVET College Vuselela TVET College
Western cape	06	01	05
			Boland TVET College College of Cape Town False Bay TVET College Northlink TVET College West Coast TVET College
TOTAL	50	16	34

CETA established SMMEs Accreditation Status

The table below indicates 51 CETA established SMMEs accredited by the CETA per province:

Table 11:

PROVINCE	NO. OF ACCREDITED SMMEs
Eastern Cape	09
Gauteng	07
KZN	13
Limpopo	05
Mpumalanga	06
North West	02
Western Cape	09
TOTAL	51

Private Providers Accreditation Status

The table below depicts total number of private providers accredited by the CETA per province:

Table 12:

Province	No
Eastern Cape	20
Free State	28
Gauteng	140
KwaZulu Natal	42
Limpopo	45
Mpumalanga	40
North West	20
Northern Cape	07
Western Cape	17
TOTAL	359



A smiling woman with dark curly hair, wearing a yellow hard hat and a black business suit over a white shirt, is holding large blueprints. She is standing on a construction site with a modern building's glass and steel structure in the background. The scene is brightly lit, suggesting daytime.

PART E

PROJECTS REPORT



Mr Innocent Ngenzi
CETA Projects Manager

Overview of the Projects Division

The core function of the Department, is to ensure the implementation of Discretionary Grants through special (targeted at meeting national and transformational objectives) and regular projects for infrastructure development.

The division remains driven towards meeting the objectives of the CETA in terms of its strategic priority areas as per the Strategic Plan to:

- Support skills development for the youth and workers in the Construction Sector.
- Create and promote greater opportunities for women in the Construction Sector.
- Create and promote greater participation of people with disabilities within the Construction Sector.
- Create and promote greater participation of rural and township communities in the Construction Sector.
- Create and promote greater participation of military veterans in the Construction Sector.
- Create and promote greater participation of worker led training initiatives in the Construction Sector.
- In the allocation of discretionary funding, the division has endeavoured to ensure that a criteria

exists for measuring the extent to which these priority groups are addressed under Programme 3: Learning Programmes and Projects e.g. 40% of CETA funded learners must include women and 2% of the overall enrolled and supported learners must be learners with disabilities.

The division supports and enhances the implementation of accredited construction training in the rural areas, townships and peri-urban areas by providing additional rural and disabilities discretionary grant allowances for qualifying CETA funded learners for the learning pathways as approved by the Accounting Authority.

These programmes are geared at addressing scarce and PIVOTAL interventions as identified in the CETA Sector Skills Plan.

In the year under review, the Accounting Authority approved the restructuring of the division to ensure enhanced visibility of the CETA through project delivery of service, monitoring and evaluation of projects.

The division now boasts capacity through three Departments, each with its reformed service offering:

Learner Contracting and Data Management

- Contract Management
- Data Management

Graduate Development

- Bursaries
- Internships
- Candidacy
- Higher Education Institution (HEI/HET) Student Placement
- Technical, Vocational, Education and Training (TVET) Student Placement

Monitoring and Evaluation

- Site Audits
- Workplace Approvals
- Inductions
- Project Monitoring
- External Moderation
- Certification
- Skills Development Centres
- SMMEs

The projects division is responsible for the implementation of the CETA-funded projects and the reporting of the industry-funded projects related to the construction sector. The CETA identified projects to fund in line with its Sector Skills Plan, Strategic Plan and Annual Performance Plan. These skills development interventions include among others the following: Learnerships, Apprenticeships, Short Skills Programmes, Recognition of Prior Learning, Bursaries, Candidacy programmes, Internships, Higher Education Training (HET) Graduate Placement, TVETs Graduate Placements, Work Integrated Learning, Lectures support and the establishment of Skills Development Centres. To this end, the CETA had an audited commitment schedule of R2,316 billion as at 31 March 2018.

In the year under review, the CETA reported an achievement of 29 432 learners reached through various learning interventions.

This achievement represents an overall increase of 22% from the previous financial year.

Out of these learners 18 848 are new entrants into the CETA programmes and 10 584 are learners who

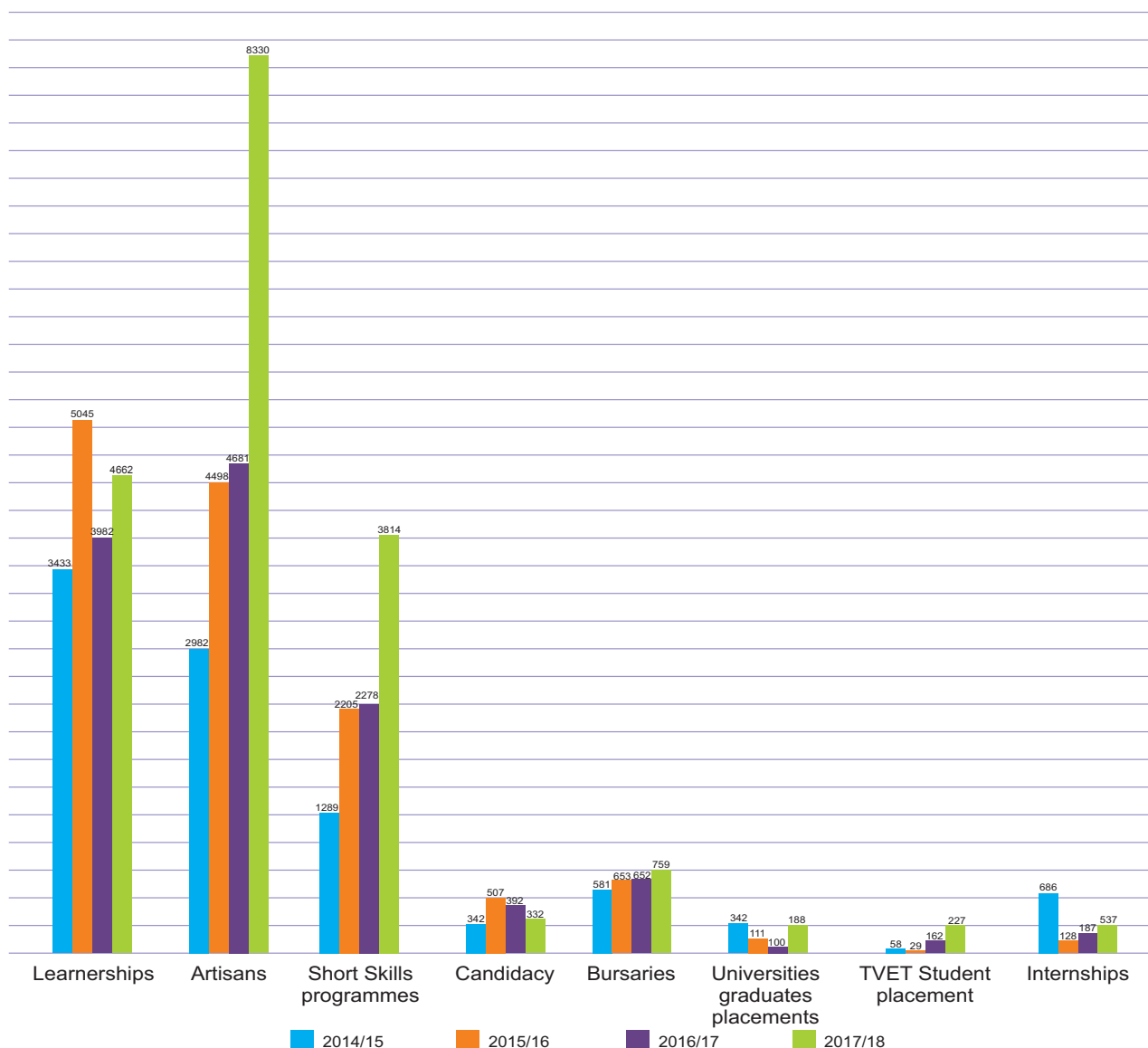
completed their programmes during the 2017/18 financial year. The total number of learners entered the system has increased from 12 434 to 18 848 between the financial year 2016/17 and 2017/18. The learning pathway that has dramatically increased is apprenticeships which has nearly doubled with an increase of 3 649 new learners entering the artisanal programme (78% increase) from the last financial year to the one under review. This confirms the target we have set ourselves of being an artisanal SETA during this decade of artisans launched four years ago by DHET.

The number of learners entering graduate development support programmes, (which are comprised of candidacy, universities graduate placements, TVET colleges graduates placements, internships and bursaries), has an overall increase of 37% from the financial year 2016/17 to 2017/18. This increase is particularly high for internship programmes which saw the number of learners enrolled in internships in different construction companies increasing by 187% between the two financial years (2016/17 and 2017/18).

The number of universities graduate placements has also increased substantially by 88% during the financial year under review compared to the previous year. TVET placements learners as well as bursaries intake have also increased by 40% and 16% respectively. The learning pathway, which will need more emphasis and attention in the next financial year, is candidacy. The number of learners/candidates who entered the programme decreased by 15% in this financial year when compared to the previous one.



Graph 6: Number of learners who entered the system since 2014/15 - 2017/18



The CETA has five designated groups in its strategic priorities and these have been targeted in the discretionary grants allocations. These designated groups are:

- Women
- People with Disabilities
- Youth
- Military Veterans
- Rural Populations

The performance of the five areas in the period under review are described below.

Women

The conditions of the offer letter in relation to discretionary grants funding indicates that in their recruitment, entities have to make sure that 40% of learners entering the programme are women. In 2017/18 financial year, out of the 4 565 learners who had enrolled in learnerships programmes. The African women represented 97% of the total number of women who enrolled in CETA-funded learnerships programmes.

The percentage of female learners that were enrolled in short skills programmes reached 61% of the total number of 3 341 registered in 2017/18. Out of the



total number of women enrolled for short skills programmes 59% were African.

The apprenticeship learning pathway, which ordinarily attracts more men than women, has registered 46% of women who enrolled in that programme during the 2017/18 financial year. The number of women enrolled in artisanship programmes has nearly doubled with an increase of 93% in comparison to the last financial year. In 2016/17, 1 895 women entered the programme while in 2017/18 that number increased dramatically, reaching 3 652.

With regard to graduates development support programmes, women registered in higher numbers than men in internships, holding a record of 54% and the percentage of women that entered TVET placements was 55% of the total TVET placements. The number of women entered in HET placements was however lower than of the men, with a 38% of the total entered in that learning pathway. Women that entered candidacy programmes were fewer compared to men with 40% of the total candidates registered with professional councils and funded by CETA in the financial year under review.

People with Disabilities

The discretionary grants allocations require that funded entities have to include in their recruited learners 2% of people living with disability. The learnerships programmes have registered 16% of learners with disabilities, allowing the learners in that category the opportunity to access in high number the skills development the same way as those who are able bodied.

Targets have also been reached in entering learners living with disability in short skills programmes as well as in HET placements. Other learning pathways have also enrolled learners living with disability but in relatively lower numbers.

Youth

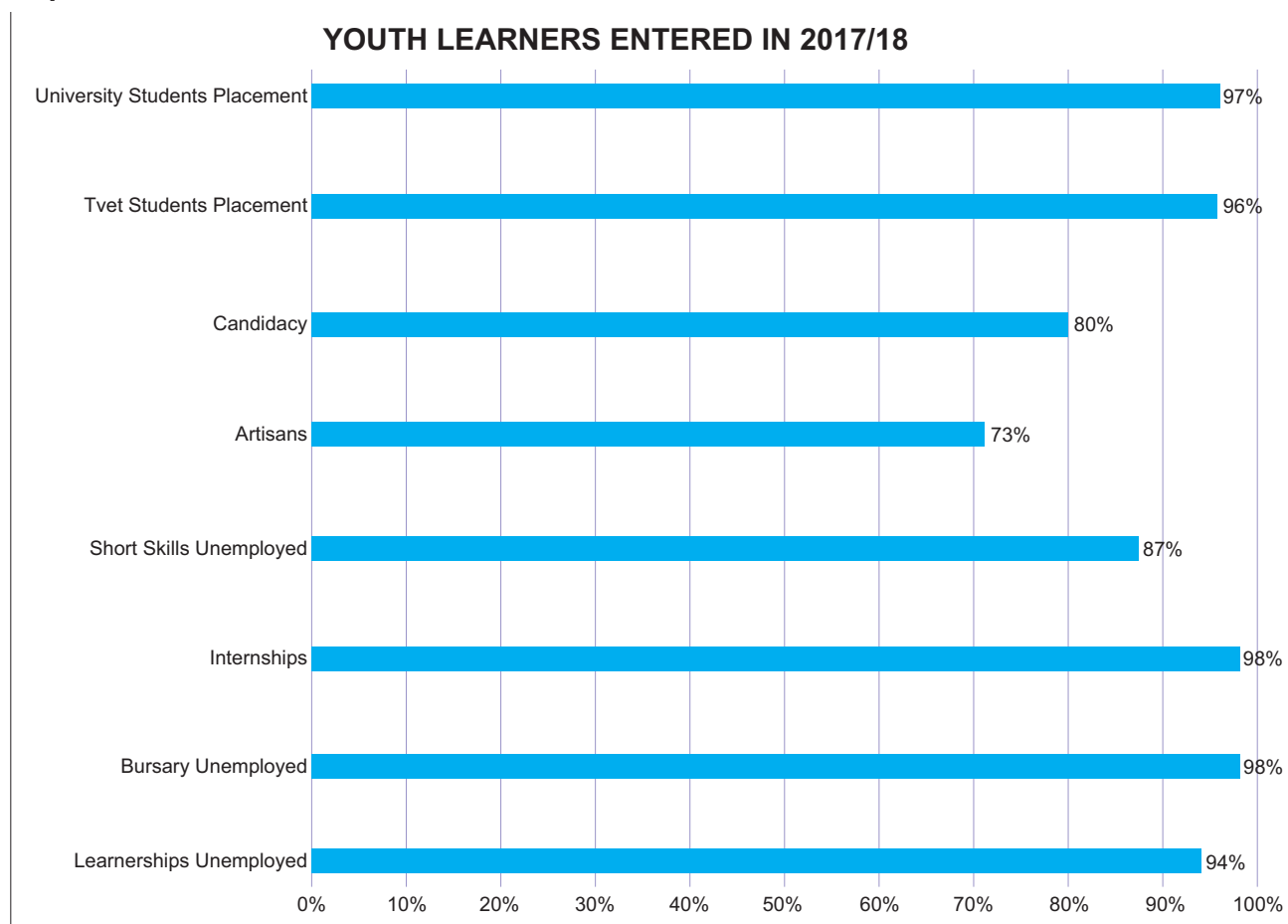
The youth are the main beneficiaries of CETA discretionary grants in all implemented projects. During the financial year under this review, the unemployed youth that entered all CETA projects was on average 83% across all projects. The Youth is the obvious target in graduate development support as most of them are still in universities and other institutions of

higher learning. The Youth is also highly represented in the unemployed learnerships with 94% of learners who entered the different qualifications being younger than 35 years of age.

During the 2017/18 financial year, learners who enrolled in apprenticeships reached 8 330 as highlighted earlier with among them 6 120 youth, representing 73% of the total enrolled apprentices. It is necessary to indicate that a high number of people go through short skills programmes than learnerships and ultimately enrol in apprenticeships to become artisans. In between those trainings, they find work but at the end aspire to become artisans which then leads them towards enrolling for artisanship programmes. Therefore, it becomes evident that people's age increases in that process. Which brings us to the reason as to why the youth dominates the apprenticeship programme for the 2017/18 financial year by only 73%. A slight increase from the 72% youth representation during the 2016/17 financial year.



Graph 7:



Rural population

The rural areas are one of the strategic areas that the CETA is targeting in order to ensure that under-served and remote areas are also benefiting in skills development. The CETA allocated 127 projects to entities located in rural areas in the last financial year, which represent 56% of all projects allocated in that period. These were not the only projects implemented in rural areas but also the projects that were allocated to entities located in urban areas have targeted rural areas in their implementation. About 99,7% of the learners who entered into the learnerships programmes come from rural areas, while 98,5% enrolled in short skills programmes and 67,5% in apprenticeships. The percentage of artisans implemented in rural areas was lower due to the fact some trades' workplaces are concentrated in urban areas more than rural places.

Military veterans

The military veterans are supported through Mamuhle projects with 80 learners in learnerships

implemented in Ermelo, Witbank and Nelspruit. While the 800 SANMVA learners who registered in various learnerships programmes are spread throughout the nine provinces.

The quarterly reports scheduled are compiled and approved by the CETA to monitor CETA-funded and industry-funded training programmes. In our pursuit to conduct credible monitoring visits, the CETA has appointed an independent monitoring and evaluation entity with subject matters per learning pathway to ensure proper reporting on project implementation and conducting of external moderation.

In the year under review, the CETA has increased the number of entered learners to 18 848, and that number represents a 34% increase compared to the previous year. In total, 29 432 learners were reported which represents an increase of 22% from the previous financial year



PART F

CORPORATE SERVICES REPORT



Mr Jabulani Jiyani
CETA Corporate Services Manager

Corporate Services is an integral part of the support structures of the organisation. It is the axil on which the various departments in the organisation rely to carry out their various functions and roles. The corporate services department is strategically positioned to enable the organisation to achieve its mandate. Without a strong-functioning corporate services department to support the organisation to carry out its mandate and mission, the organisation would collapse.

The role of corporate services in the organisation is to manage and oversee the following Departments in the organisation:

- Human Resources Management
- Stakeholder and Public Relationships Management
- Information and Communication Technology
- Corporate Services

Human Resources Management Department

The CETA Human Resources Department (HR) provides overall direction on human resource management issues and administrative support functions related to the management of employees of the CETA. The Department endeavours to be a strategic partner to the CETA by providing human resources programmes that attract, develop, retain,

and engage a skilled and diverse workforce, thereby positioning the CETA as an employer of choice.

- The Human Resources department is responsible for the following functions.
- Workforce planning, including recruitment, selection and talent management.
- Employee wellness.
- Learning and development.
- Employee relations management .
- HR service delivery, including HR administration and benefits administration .
- Performance Management .
- Reward and recognition management.

The CETA has an established Head Office in Midrand, Gauteng. The organisation also maintains a national footprint with provincial and satellite offices in all nine provinces.

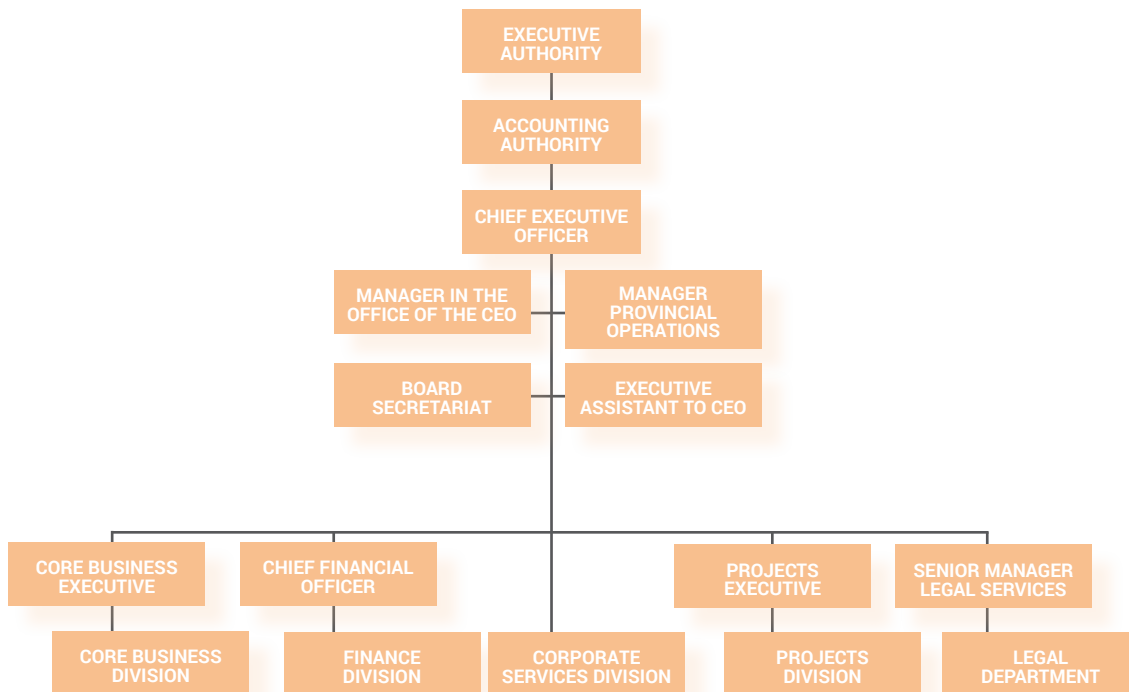
CETA Organisational Structure

The CETA organogram was restructured during the year under review. This process was undertaken with a view to ensuring that the CETA is sufficiently resourced to competently deliver on its mandate.

The CETA's approved organogram provides for staff complement of 226 employees and 88 interns to enable it to adequately deliver on its mandate.

The CETA organogram is reflected here under:

OFFICE OF THE CHIEF EXECUTIVE OFFICER

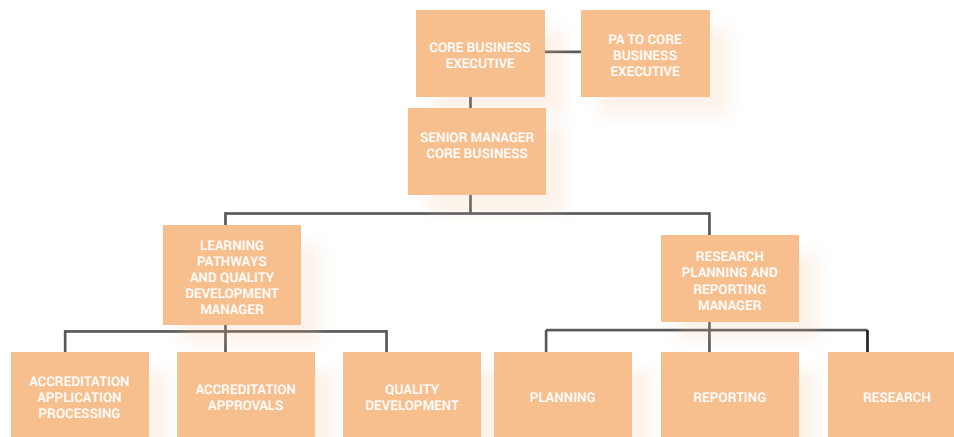


MANAGEMENT





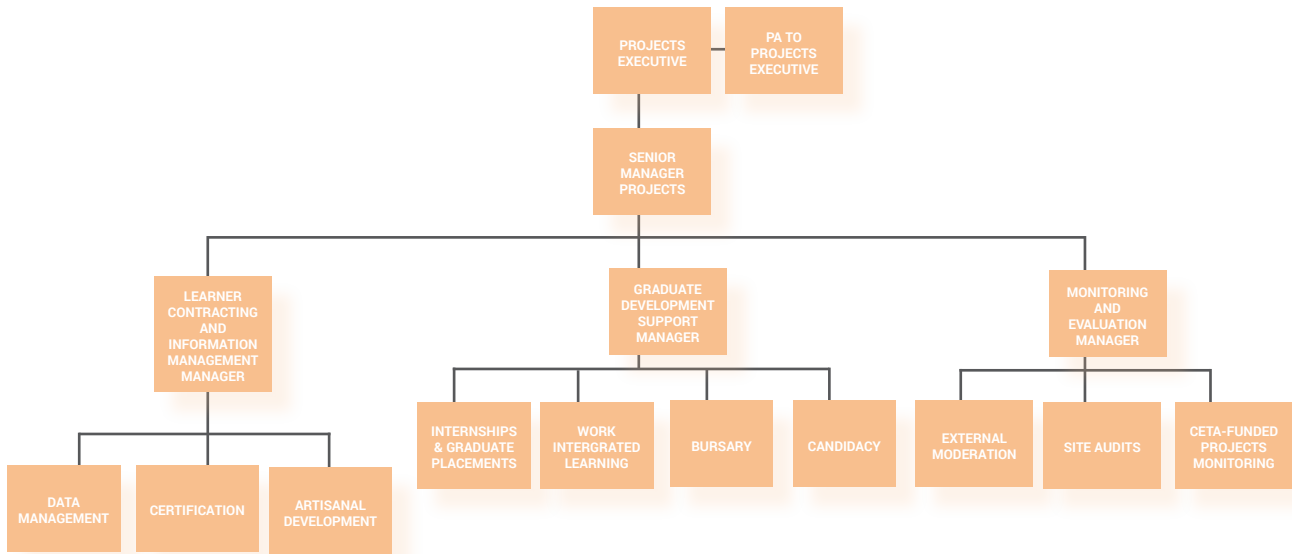
CORE BUSINESS DIVISION



CORE BUSINESS DIVISION



PROJECTS DIVISION

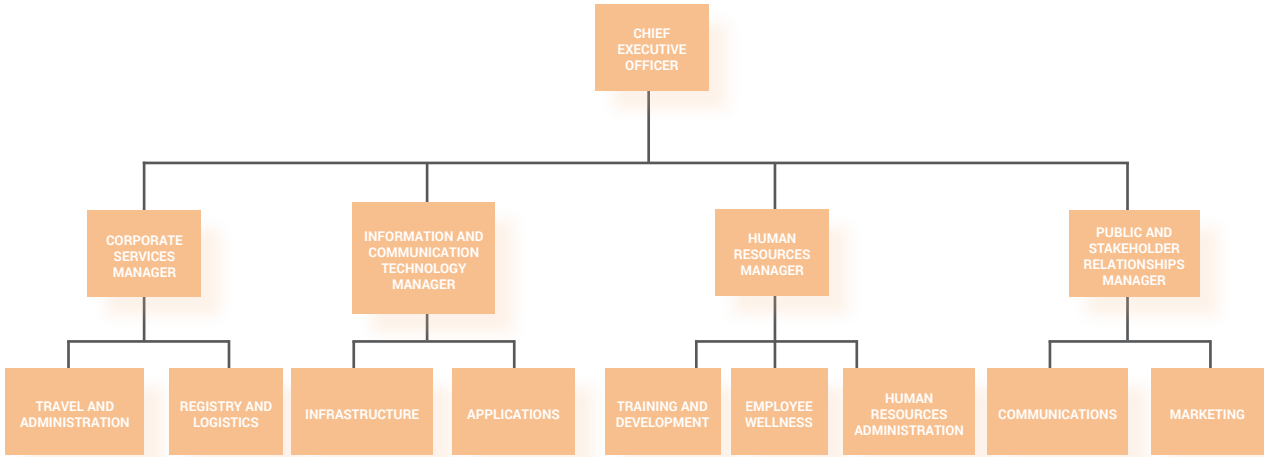


PROJECTS DIVISION





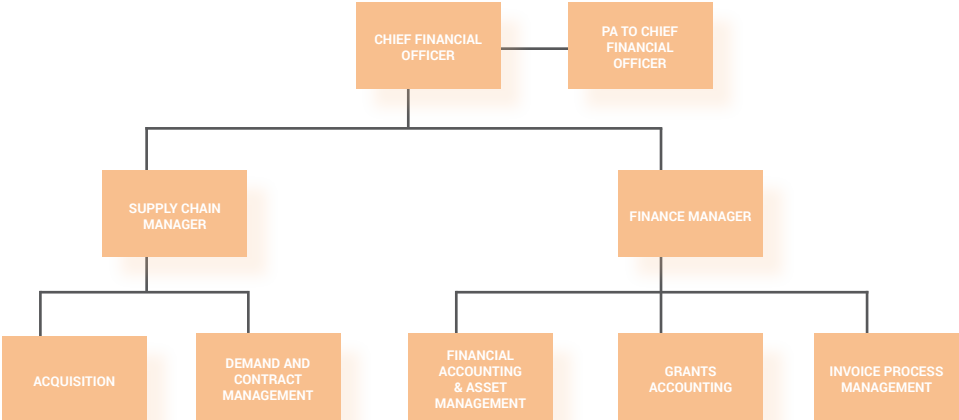
CORPORATE SERVICES DIVISION



CORPORATE SERVICES DIVISION



FINANCE DIVISION

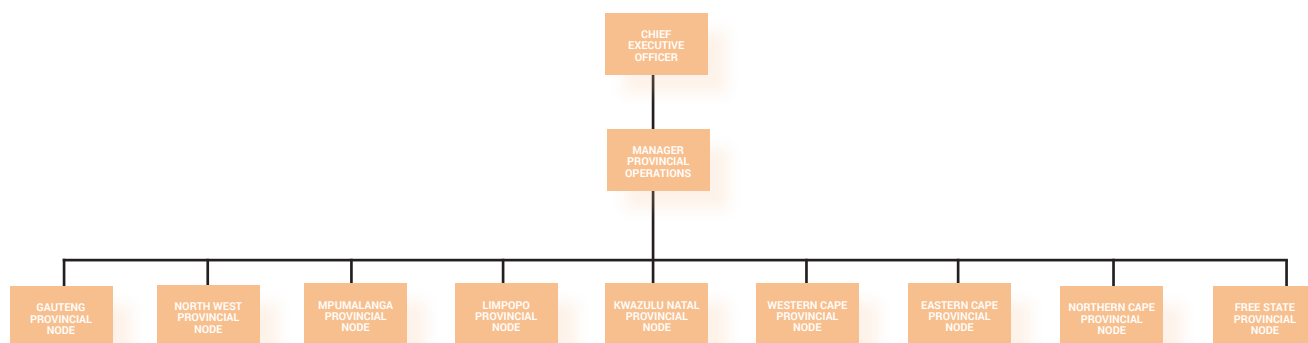


FINANCE DIVISION





PROVINCIAL NODES



PROVINCIAL STAFF



Learning and Development

The CETA is committed to developing a workforce that is skilled and competent in their respective performance areas.

To ensure that the organisation receives a return on investment, bursary applications are considered based on each applicant's current position and the relevancy

of the proposed qualification to their position within the organisation, to ensure that the organisation can receive a return on investment. The organisation granted bursaries to 35 employees during the period under review.

Employees also participated in capacity building sessions, and mentoring and coaching interventions.



Table 13:

Bursaries										
	African		Coloured		Indian		White		Total	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Executive	1	2	0	0	0	0	0	0	1	2
Senior Manager	1	0	0	0	0	0	0	0	1	0
Manager	5	3	0	1	0	0	1	0	6	4
Specialist	2	5	0	0	0	0	0	0	2	5
Officer	3	3	0	0	0	0	0	0	3	3
Administrator	2	5	0	0	0	0	0	1	2	6
TOTAL	14	18	0	1	0	0	1	1	15	20

Workforce Planning

Staff Establishment										
	African		Indian		White		Coloured		Total	
Profile	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Executive	1	2	0	0	0	0	0	0	1	2
Senior Manager	1	0	0	0	0	0	0	0	1	0
Manager	5	3	0	1	0	0	1	0	6	4
Coordinator	1	2	0	0	0	0	0	0	1	2
Specialist	7	11	0	1	0	0	0	0	7	12
Officer	12	18	0	0	0	0	0	1	12	19
Administrator	8	14	0	0	0	1	1	2	9	17
Other	1	11	0	0	0	0	0	0	1	11
Temporary staff/ Intern	1	4	0	0	0	0	0	0	1	4
TOTAL	37	65	0	2	0	1	2	3	39	71

Appointments										
	African		Coloured		Indian		White		Total	
Profile	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Manager	2	2	1	0	0	1	0	0	3	3
Specialist	3	2	0	0	0	0	0	0	3	2
Administrator	1	3	0	0	0	0	0	0	1	3
Data Capturer	0	3	0	0	0	0	0	0	0	3
Housekeeper	1	1	0	0	0	0	0	0	1	1
Intern	2	4	0	0	0	0	0	0	2	4
TOTAL	9	15	1	0	0	1	0	0	10	16



Promotions

Promotions										
Profile	African		Coloured		Indian		White		Total	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Officer	0	1	0	0	0	0	0	0	0	1
TOTAL	0	1	0	0	0	0	0	0	0	1

Attrition

Resignation/ Retirements										
Profile	African		Coloured		Indian		White		Total	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Coordinator	0	1	0	0	0	0	0	0	0	1
Specialist	0	1	0	0	0	0	0	0	0	1
Officer	1	0	0	0	1	0	0	0	2	0
Housekeeper	0	1	0	0	0	0	0	0	0	1
Intern	1	0	0	0	0	0	0	0	1	0
TOTAL	2	3	0	0	1	0	0	0	3	3

Stakeholder and Public Relationship Management Department

The department plays a critical role in ascertaining effective communication and stakeholder satisfaction internally and externally. The Department's role is that of a broad one, as it includes incorporating free flow of information dissemination to the CETA stakeholders and brand management. In its role the Department is ably supported by CETAs nine provincial nodes.

During the financial Year 2017/2018, the Department enjoyed continued support from CETA provincial nodes and was able to make significant strides in fulfilling its career guidance mandate amongst other various stakeholder support activities. Below is a guide indicating the strides made in the period under review:

Table 14:

	Name of Event	No. of Schools/Organizations
1	Fochville Parliamentary Constituency	84 Learners
2	Athlone Deputy Minister's career expo	119 Learners
3	Taletso TVET College	119 Learners
4	Douglas Community Park Expo	188 Learners
5	Badplaas Community Expo	79 Learners
6	Sasol Mpumalanga Node Sasol Techno	1 008 Learners
7	Vhembe District	68 Learners
8	Goldsfield TVET College Mini expo	129 Learners
9	Kwakhwatsi Youth Feedback Meeting	129 Learners
10	Career Guidance and exhibition launch & VTDS Skills Development Lekgotla	94 Learners



11	Beaufort West Graduation Ceremony Expo	305 Learners
12	MBSA Conference and Exhibition	59 Corporates
13	Services CETA Grade 9 Career Seminar	4072 Learners
14	Umfolozi College Esikhaweni Campus/Services SETA Career Expo	137 Learners
15	DPSA Project Launch	371 Learners
16	Mandela Day	228 Learners
17	East Cape Midlands College Career Fair	85 Learners
18	Ben W Mashigo Secondary School	124 Learners
19	NUM Conference	48 Learners
20	Urban TVET and GCIS Career Exhibition	101 Learners
21	BWI World Congress	160 Delegates
22	Department Labour Exhibition	52 Learners
23	King Hintsa	113 Learners
24	Lovedale TVET College	107 Learners
25	Gert Sibande	79 Learners
26	Gert Sibande	1083 Learners
27	Orbit TVET	86 Learners
28	NAFBI	15 Learners
29	Maluti TVET College	215 Learners
30	FP & MSETA Career Exhibition	56 Learners

One of the department's achievements is doubling the number of career guidance activities conducted during the year 2016/17 from 14 career exhibitions to 30 in the financial year 2017/18 .

Other stakeholder support activities for 2017/18 financial year.

- South African Forum of Civil Engineering South Africa
- Master Builders of South Africa conference
- South African Construction Awards
- Building Wood Worker's International congress
- Beaufort West Local Business Forum
- Disable People South Africa Graduation

Information and Communication Technology Department

ICT Department assists the organisation in the delivery of overall business strategy, and facilitates delivery of services as well as communicating with internal and external stakeholders. The Department oversees several

key systems used to protect and facilitate the organisation's intellectual property.

Financial year 2017/18 was a challenging and yet productive year for ICT, and many of the turnkey projects were concluded. ICT recruited an intern who played the crucial role in the day-to-day operations and projects support.

ICT deliverables during the year under review

- Implementation of cloud firewall with the Internet Service Provider was completed. This platform protects all internet traffic for all CETA provincial offices, and acts as a second layer security for CETA head office. The project was completed in May 2017.
- Implementation of Anti-Virus (Sophos) which replaced the existing outdated antivirus program. All CETA workstations (laptops and desktops) were deployed with an agent for protection and updating of the product, and the deployment was completed in August 2017.



- Physical office security measures were implemented and configured in June 2017. This included the Biometric access control, and Closed-Circuit TV (CCTV) systems. These systems are deployed in their own networks, and do not interconnect with the CETA core ICT infrastructure to promote security.
- Created a dedicated link to Deloitte (AX and Indiciu) systems, which was aimed at drawing a responsibility demarcation and increase bandwidth for the systems' traffic. The project was completed in August 2017.
- Reviewed ICT governance policy and procedure documents to continue strengthening Systems of Corporate Governance.
- Successfully deployed (Jan 2018) the Disaster Recovery equipment at the CETA head office, and ensured readiness to integrate with equipment at the recovery site. The integration is expected to be completed in the 2018/19 financial year.
- Successfully upgraded the Mimecast email services for redundancy and email perpetual archiving. This service provides the CETA with a failover and high-availability email services on the cloud, and all CETA users can directly connect to this service in an event of its data centre services' outage. This was completed in Feb 2018.
- Successfully deployed the end-user workstation backup solution, whereby CETA users are backed up frequently on the network. This is a crucial service and it ensures the CETA information is protected from loss, and productivity is not lost in case of damages, failure, or loss of equipment. This project was completed in September 2017.
- Successfully deployed Desktop Central manage engine, which is the central infrastructure management system for ICT support, updates, deployments, automation, monitoring and so forth. This is an invaluable ICT tool, which enabled a two man resources to manage over 150 computer systems with ease. The deployment was completed in October 2017.
- Installed network cabling for the CETA provincial offices (Durban, Cape Town, and Mpumalanga).
- Procured and installed additional network switches, which were to accommodate growth and office (head office) expansion. This was completed in February 2018.

Administration and Travel Unit

The purpose of the Travel Unit is to give support to the Core Business of the organisation by internal travel coordination with the implementation of the Travel policy guided by the National Treasury Travel Framework. In line with the above, the CETA vigorously implemented the cost containment measures as per the Treasury Regulations.

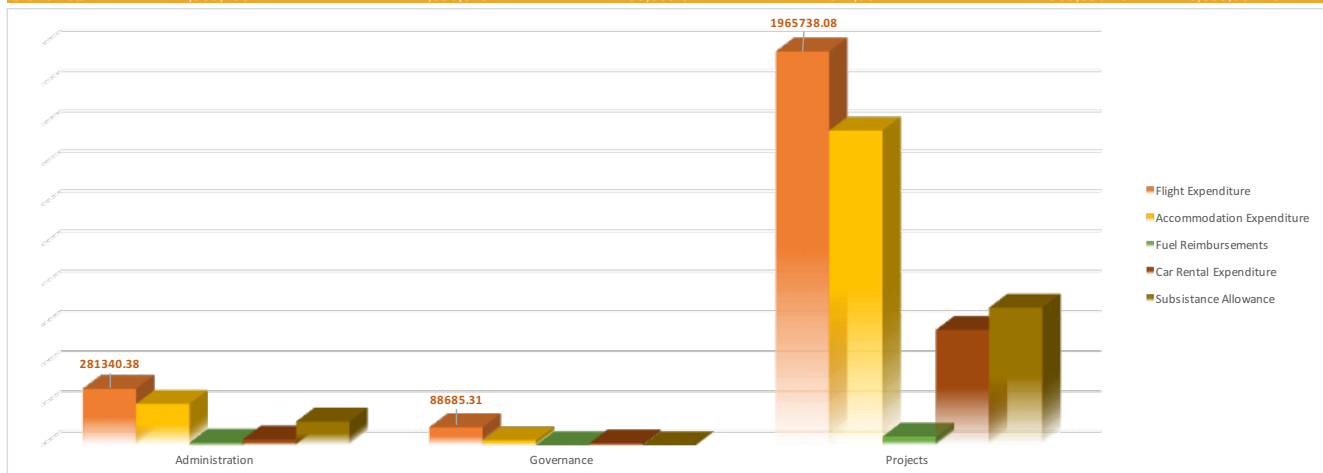


The unit further gave administrative support in terms of inventory management and facilities ensuring management of refurbishments and office moves to ensure they all run smoothly and according to plan. General upkeep and maintenance of buildings to ensure that they meet health and safety standards and the legal requirements.

Graph 8: Total travel expenditure

**"Total Travel Expenditure
Financial Year 2017/ 2018
R5 606 637.13"**

Category	Flight Expenditure	Accommodation Expenditure	Fuel Reimbursements	Car Rental Expenditure	Subsistence Allowance	TOTAL
Administration	R 281,340.38	R 205,953.15	R 12,476.57	R 28,304.87	R 117,250.00	R 645,324.97
Governance	R 88,685.31	R 24,216.03		R 8,638.20		R 121,539.54
Projects	R 1,965,738.08	R 1,570,404.04	R 42,532.97	R 574,961.07	R 686,136.46	R 4,839,772.62
Grand Total	R 2,335,763.77	R 1,800,573.22	R 55,009.54	R 611,904.14	R 803,386.46	R 5,606,637.13



"The total overall Travel Expenditure for Projects in the Financial year 2017/2018 was R 4 839 772.62 Followed by Admin travel costs R 645 324.97 AND Governance travel costs R 121 539.54"





PART G

FINANCE REPORT



Ms Velile Ndlovu
CETA Chief Financial Officer

General overview

CETA remains committed to sound management of funds in terms of PFMA, Treasury Regulations and Skills Development Levies Act 9 of 1999 in order to maintain an unqualified audit opinion. CETA continues to implement its policies and procedures to ensure that financial statements presented are accurate, valid and complete.

Internal controls

Internal controls include a risk-based system of internal accounting and administrative controls designed to provide reasonable assurance that assets are safeguarded and that transactions are executed and recorded in accordance with generally acceptable accounting practice, as well as policies and procedures established by the Accounting Authority and independent oversight by the Audit and Risk committees. The system contains self-monitoring mechanisms and actions are taken to correct deficiencies as they are identified.

Financial Performance

Revenue

The total revenue for the year ended 31 March 2018 amounted to R740 million which is 1.4% higher than R730 million of the 2016/17 financial year. Levy income decreased by 1.2% from R604 million for the year 2016/17 to R598 million for the 2017/18 because of SARS levy reversals. Interest received on investments, increased by 15% from R124 million to R142 million as a result of increase in the bank balance. All funds are currently invested with CPD and the average interest rates are quoted at 7.1%.

Expenditure

Total expenditure for the year ended 2017/18 amounted to R504 million increasing by 10% from R449 million in the year 2016/17. Total expenditure is made up of mandatory grants expenditure, Discretionary grants expenditure and administrative expenditure. Mandatory grant expenditure increased from R80 million to R84 million representing a 5% increase. This is attributable to increase in submissions by the companies. Discretionary grants expenditure increased by 14% from R303 million in 2016/17 to R345 million for

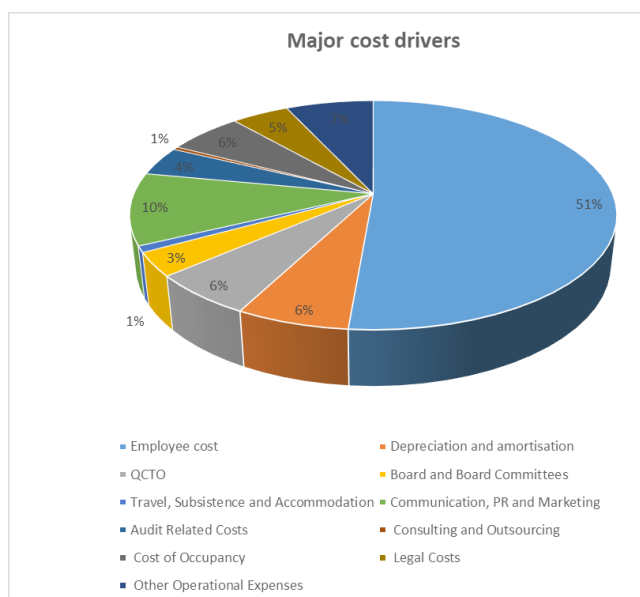
the year 2017/18. The increase is attributed to payments made for projects implemented in the current year.

Administration expenditure increased from R64 million in 2016/17 to R74 million during the year 2017/18. CETA kept its administrative expenditure below the regulated threshold of 10.5%. Employee costs increased from R24 million (2016/17) to R38 million (2017/18) because of vacant positions that were filled.

Major Cost Drivers

CETA's major cost driver is the cost of employment as human resource is required for the execution of the mandate. The CETA uses provincial node offices for easier access to our stakeholders in the provinces.

Graph 9: Major cost drivers



Commitments

CETA has a commitment balance of R2,3 billion. This amounts are committed to fund scarce and critical skills in the construction sector.

Financial Positions

Assets

Total assets increased by 13% from R2, 044 billion in the 2016/17 to R2, 311 million in 2017/18. The increase is attributable to capital assets purchased during the financial year and the increase in cash and cash equivalents due to delays in disbursements because of internal controls in place to ensure that all payments

made are valid. All funds are currently invested with Corporation for Public Deposits (South African Reserve Bank).

Liabilities

CETA's liabilities are made up of mandatory grants payables not disbursed, due to lack of bank details. Another major part relates to projects payments not yet paid at year-end. The total liabilities is R176 million for 2017/18, depicting a 18% increase.

Reserves

The 12% increase in total reserves from R1,895 billion in 2016/17 to R2, 135 billion in 2017/18 was because of the increase in interest from investments.

Irregular expenditure and fruitless and wasteful expenditure

No irregular, fruitless and wasteful expenditure were incurred by the CETA in the current and prior year.

Supply Chain Management Department

The Accounting Authority has implemented effective and efficient SCM systems through policies and procedures that are aligned to the Public Finance Management Act of 1999 (Act No. 1 of 1999), National Treasury regulations and other related legislation.

All relevant bid committees are in place. As a result, there were no identified irregular expenditures in the year under review that were caused by non-compliance to the supply chain policies and procedures of the organisation. No unsolicited bid proposals were received for the year under review.





PART H

AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2018. The CETA has achieved a clean audit according to the Auditor General's report and the Audit Committee is pleased to see the fruits of the assurance that internal controls are in place and effective.

Audit Committee members and attendance

The Audit Committee consists of the members listed here under and should meet 4 times per annum as per its approved terms of reference. During the current year 4 number of meetings were held.

Table 15:

Name of member	Number of meetings attended
Mogadime J (Chairperson)	4
Rankoe MD	3
Danisa M	4
Mutwanamba N	4
Fihlani Z	1

Audit Committee responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(10) (1) of the PFMA and Treasury Regulation 3.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affair in compliance with this charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control

The Audit Committee is satisfied that:

- The risk management process is in place and that CETA's major risks are properly managed
- The internal control systems are effective
- The internal auditors are operating objectively and independently
- Matters requiring management attention are being addressed

Evaluation of financial statements

The Audit Committee has:

- reviewed and discussed the audited financial statements to be included in the annual report, with the Auditor General and members;
- reviewed the Auditor General of South Africa's management report and management's response thereto;
- reviewed the entities compliance with legal and regulatory provisions;

The Audit Committee concur with and accept the Auditor General of South Africa's report on the financial statements, and are of the opinion that the audited financial statements should be accepted and read together with the report of the Auditor General of South Africa.

Internal Audit

The Audit Committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the organization and its audits.

Auditor General of South Africa

The Audit Committee has met with the Auditor General of South Africa to ensure that there are no unresolved issues.



Ms Jabu Mogadime

Chairperson of the Audit Committee



PART I

REPORT OF THE AUDITOR-GENERAL



Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Construction Education and Training Authority set out on pages 96 to 131, which comprise statement of financial position as at 31 March 2018, the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Construction Education and Training Authority as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Skills Development Act of South Africa, 1998 (Act No. 97 of 1998) (SDA).

Basis for opinion

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

Emphasis of matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Restatement of corresponding figures

7. As disclosed in note 18 to the financial statements, the corresponding figures for 31 March 2017 were restated as a result of an error in the financial statements of the entity at, and for the year ended, 31 March 2018.

Responsibilities of the accounting authority for the financial statements

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

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

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected

to influence the economic decisions of users taken on the basis of these financial statements.

11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

12. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
13. My procedures address the reported performance information, which must be based on the approved performance planning documents of the public entity. I have not evaluated the completeness and appropriateness of the performance indicators/ measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the public entity for the year ended 31 March 2018:

Table 16:

Programmes	Pages in the annual performance report
Programme 2 – Skills planning and reporting	26 – 29
Programme 3 – Learning programmes and projects	29 – 32

15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
16. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programmes:
- Programme 2 – Skills planning and reporting
 - Programme 3 – Learning programmes and projects

Other matter

17. I draw attention to the matter below.

Achievement of planned targets

18. Refer to the annual performance report on pages 19 to 44 for information on the achievement of planned targets for the year and explanations provided for the under-/ overachievement of a significant number of targets.

Report on the audit of compliance with legislation

Introduction and scope

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

20. I did not raise material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Auditor-General

Other information

21. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report, which includes foreword by the acting chairperson of the board, chief executive officer's overview, statement of responsibility and confirmation of accuracy for the annual report, strategic overview and the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.



Pretoria

31 July 2018

22. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
23. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
24. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

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

Annexure – Auditor-General's responsibility for the audit

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

Financial statements

27. In addition to my responsibility for the audit of the financial statements, as described in the auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors, which constitutes the accounting authority.
- conclude on the appropriateness of the board of directors, which constitutes the accounting authority's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on Construction Education and Training Authority's ability to continue as a going concern. If I conclude that a material uncertainty

exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also confirm to the accounting authority that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.





PART J

ANNUAL FINANCIAL STATEMENTS

Construction Education and Training Authority Annual Financial Statements for the Year Ended 31 March 2018

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AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

The Audited Financial Statements for the year ended 31 March 2018 have been approved by the Accounting Authority on 31 July 2018 in terms of section 51 (1) of the Public Finance Management Act (PFMA), No 1 of 1999 as amended, and are signed on the CETA's behalf by:



Mr Robert Semanya
CETA Acting CEO



MR Raymond Cele
CETA Chairperson





STATEMENT OF FINANCIAL PERFORMANCE

	NOTE	MARCH 2017/18 R '000	RESTATED MARCH 2016/17 R '000
Revenue			
Revenue from non-exchange transactions			
Transfer revenue			
Levies	2	575,609	582,247
Fines, Penalties and Forfeits	3	21,274	21,598
Total revenue from non-exchange transactions		596,883	603,845
Revenue from exchange transactions			
Other Income	4	1,012	2,046
Interest received - CPD	5	142,169	123,987
Total revenue from exchange transactions		143,181	126,033
Total revenue		740,064	729,878
Expenditure			
Administration Expenses	6	-73,615	-64,467
Employer Grant and Project Expenses	7	-430,643	-384,331
Total expenditure		-504,258	-448,798
Operating surplus		235,806	281,080
Surplus for the year	1	235,806	281,080



STATEMENT OF FINANCIAL POSITION

	NOTE	MARCH 2017/18 R '000	RESTATED MARCH 2016/17 R '000
Assets			
Current Assets			
Cash and Cash equivalents	8	2,292,861	2,025,205
Receivables from non-exchange transactions	9.1	6,018	6,432
Receivables from exchange transactions	9.2	3,715	2,692
Consumables	10	385	296
		2,302,980	2,034,626
Non-Current Assets			
Property, Plant and Equipment	11	8,134	9,855
Intangible Assets	12	371	151
		8,506	10,006
Total Assets		2,311,485	2,044,631
Liabilities			
Current Liabilities			
Payables from non-exchange transactions	13.1	21,881	18,996
Payables from exchange transactions	13.2	56,416	38,783
NARYSEC Funds	14	725	-
Provisions	15	97,149	91,400
Total Liabilities		176,170	149,179
		2,135,315	1,895,453
Funds and Reserves			
Administration reserve		8,506	10,006
Employer Grant reserve		352	617
Discretionary reserve		2,126,457	1,884,830
Total Net Assets		2,135,315	1,895,453

STATEMENT OF CHANGES IN NET ASSETS

	NOTE	Administration reserve R '000	Employer Grant reserve R '000	Discretionary Grant reserve R '000	Total reserves R '000	Unappropriated surplus R '000
Balance at 01 April 2016		7,896	485	1,605,992	1,614,373	-
Changes in net asset surplus for the year		-	-	-	-	281,080
Allocation of unappropriated surplus	1	13,644	61,950	205,486	281,080	-281,080
Excess reserves transferred (to)/from		-11,534	-61,817	73,352		
Total Changes		2,209	132	300,949	303,290	-
Restated Balance at 31 March 2017		10,006	617	1,884,830	1,895,453	
Adjustments to opening balance						
-Allocation to opening balance		52	4	4,001	4,057	-
Balance at 01 April 2017		10,058	621	1,888,831	1,899,509	-
Changes in net asset surplus for the year		-	-	-	-	235,806
Allocation of unappropriated surplus	1	3,040	59,905	172,861	235,806	-235,806
Excess reserves transferred (to)/from		-4,592	-60,174	64,766		
Total Changes		-1,500	-265	241,628	239,863	-
Balance at 31 March 2018		8,506	352	2,126,457	2,135,315	

STATEMENT OF CASH FLOWS

	NOTE	MARCH 2017/18 R '000	RESTATED MARCH 2016/17 R '000
Cash flow from operating activities			
Receipts			
Grants		596,185	604,492
Interest and Other Income		143,181	126,033
		739,366	730,524
Payments			
Employee costs		-37,614	-24,056
Payments to suppliers and stakeholders		-430,940	-393,712
		-468,553	-417,768
Net cash flow from operating activities	16	270,813	312,757
Cash flow from investing activities			
Purchase of property, plant and equipment	11	-2,701	-6,404
Net cash flows from loss/sale of property, plant and equipment		12	144
Purchase of other intangible assets	12	-468	-277
Net cash flows from investing activities		-3,157	-6,537
Cash flow from financing activities		-	-
Net cash flow from financing activities		-	-
Net increase in cash and cash equivalents		267,656	306,220
Cash and cash equivalents at the beginning of the year		2,025,205	1,718,985
Cash and cash equivalents at the end of the year	8	2,292,861	2,025,205

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

	NOTE	Final Budget as at March 2018 R '000	Actual amounts as at March 2018 R '000	Difference R '000
Statement of Financial Performance				
Revenue				
Revenue from exchange transactions				
Other Income		-	1,012	1,012
Interest received - CPD		71,855	142,169	70,314
Total revenue from exchange transactions		71,855	143,181	71,326
Revenue from non-exchange transactions				
Transfer revenue				
Levies		644,618	575,609	-69,009
Fines, Penalties and Forfeits		32,490	21,274	-11,215
Total revenue from non-exchange transactions		677,107	596,883	-80,224
Total Revenue		748,962	740,064	-8,898
Expenditure				
Administration Expenses		-87,170	-73,615	13,555
Employer Grant and Project Expenses		-661,793	-430,643	-231,149
Total expenses		-748,962	-504,258	-217,594
Surplus		-0	235,806	-226,492

Accounting Policies

1. Presentation of Financial Statements

The Financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These Financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise. They are presented in South African Rand. Comparative figures are disclosed.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 read with Directive 5. Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these Financial Statements, are disclosed below.

1.1 Going concern assumption

These Financial statements have been prepared based on the expectation that the CETA will continue to operate as a going concern for at least the next 12 months.

2. Revenue from non-exchange transactions

2.1 Skills Development Levy Income

The accounting policy for the recognition and measurement of skills development levy income is based on the Skills Development Act, Act No 97 of 1998, as amended and the Skills Development Levies Act, Act No 9 of 1999, as amended.

In terms of section 3(1) and 3(4) of the Skills Development Levies Act, 1999 (Act No. 9 of 1999) as amended, registered member companies of the CETA pay a skills development levy of 1% of the total payroll cost to the South African Revenue Services (SARS),

who collect the levies on behalf of the Department. Companies with an annual payroll cost less than R500 000 are exempted in accordance with section 4(b) of the Levies Act as amended, effective 1 August 2005. 80% of Skills Development Levies are paid over to the CETA (net of the 20% contribution to the National Skills Fund (NSF)). The CETA was not in a position to verify that SARS has collected all potential skills levy income.

Skills Development Levy (SDL) transfers are recognised on an accrual basis when it is probable that future economic benefits or service potential will flow to the CETA and these benefits can be measured reliably. This occurs when the Department makes an allocation to the CETA as required by Section 8 of the Skills Development Levies Act, 1999 (Act No. 9 of 1999) as amended.

Revenue is adjusted for transfers between the SETAs due to employers changing SETAs. Such adjustments are separately disclosed as inter-SETA transfers. The amount of the inter-SETA adjustment is calculated according to the most recent Standard Operating Procedure issued by the Department. Skills Development Levy (SDL) transfers are recognised on an accrual basis when it is probable that future economic benefits or service potential will owe the CETA and these benefits can be measured reliably. This occurs when the Department of Higher Education makes an allocation to the CETA, as required by Section 8 of the Skills Development Levies Act, 1999 (Act No. 9 of 1999) as amended.

2.2 Interest and penalties

Interest and penalties are economic benefits or service potential received or receivable by CETA, as determined by legislation, as a consequence of the breach of laws or regulations and is recognised on an accrual basis.

2.3 Conditional Grants and receipts

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the CETA has complied with any of the conditions embodied in the agreement. To the extent that the conditions have not been met, a liability is recognised.



2.4 Funds allocated by the National Skills Fund for Special Projects

Funds transferred by the National Skills Fund (NSF) are accounted for in the financial statements of the CETA as a liability until the related eligible special project expenses are incurred. The liability is reduced by any project expenditure incurred and recognised as revenue. Property, plant and equipment acquired for NSF Special Projects are capitalised in the financial statements of the CETA, as the CETA controls such assets for the duration of the project. Such assets may however only be disposed of in terms of agreement and specific written instructions by the NSF.

2.5 Inter-SETA Transfers

Revenue is adjusted for transfers of employers between SETAs that arise due to incorrect allocation to a SETA on registration for skills development levy or changes to their business that result in a need to change SETAs. Such adjustments are disclosed separately as inter-SETA transfers. The amount of the inter-SETA transfers is calculated according to the most recent Standard Operating Procedure as issued by the Department of Higher Education and Training.

2.6 Discretionary grants

The funding for discretionary grants and projects stems from the 49.5% of the total levies paid by the employers, levy grants that are not claimed by employers, the surplus of administration levies not utilised, investment income, and other income generated by the CETA.

CETA may out of any surplus monies determine and allocate discretionary grants to employers, education and training providers and workers of the employers who have submitted an application for a discretionary grant in the prescribed form within the agreed upon cut - off period. The grant payable and the related expenditure are recognised when the application has been approved, implementation has taken place and the conditions have been met, creating an obligation to pay. Up to a maximum of 7.5% of the allocated discretionary grant amount shall be budgeted to administer the project by the employer or training provider.

Discretionary grant support costs

The 7.5% limit shall not be applicable to the following:

- Consulting to support CETA strategic goals
- Expenditure incurred as a result of support to conceptualisation, implementation and conclusion
- Launches
- Legal costs
- Salaries of core business staff
- Travel and accommodation

3. Revenue from exchange transactions

Revenue from exchange transactions is recognised when it is probable that future economic benefits or service potential will flow to the CETA and these benefits can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable. The only exchange revenue received by the CETA is the interest earned on the investment when the conditions are met.

3.1 Investment income

Interest income is accrued on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the period to maturity.

4. Project expenditure

Project expenditure comprise:

- Costs that relate directly to the specific contract;
- Costs that are attributable to contract activity in general and can be allocated to the project; and
- Such other costs as are specifically chargeable to CETA under the terms of the contract.

Such costs are allocated using methods that are systematic and rational and are applied consistently to all costs having similar characteristics.

Project costs are recognised as expenses in the period the invoice is received and approved. A Receivable is recognised net of a provision for irrecoverable amounts for incentive and other payments made to the extent of expenses not yet incurred in terms of the contract.

At the end of the financial period any unspent or uncommitted funds must be transferred to the National Skills Fund Authority with an allowance of 5% of the uncommitted funds that will be carried over to the next financial year, except where a request to carry forward the uncommitted funds has been lodged as per the Grant Regulations requirements. The unspent funds



are determined by taking the surplus as stated in the Statement of Financial Performance for the financial period under review less the commitments for training of learners in programmes funded from discretionary funds.

4.1 Mandatory grants

The grants payable and the related expenditure are recognised when the employer has submitted an application for a grant in the prescribed form within the prescribed cut off period as the payment then becomes probable. The grant is equivalent of 20% of the total levies paid by the employer during the corresponding financial period for the skills implementation grant respectively.

4.2 Administrative expenditure

The funding for administrative expenditure is derived from 10.5% of the total levies paid by the employers. Administration expenses consist of the operational expenditure incurred by the CETA in delivering its mandate.

5. Property, plant and equipment Recognition

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits or service potential associated with the item will flow to the entity and the cost of the item can be measured reliably.

Initial Measurement

Property, plant and equipment is initially measured at cost. The cost of an item of property, plant and equipment is the purchase price and any other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Property, plant and equipment which has a cost price

less than R 2 000 are expensed and not capitalised. Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition. Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management. Major spare parts of equipment which are expected to be used for more than one period are included in property, plant and equipment.

Subsequent measurement

Building machinery, furniture and fixtures, motor vehicle, office equipment, computer equipment and computer network are carried at cost less accumulated depreciation and any impairment losses except for land and buildings which are carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluation

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset. Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.



Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognised.

Depreciation

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value. The depreciation of assets commences on the date that the asset is available for use, even if it is not yet in use.

Depreciation is calculated and provided for on an annual basis. If the residual value of an asset is at least equal to its carrying amount, depreciation amount is zero. Depreciation of an asset ceases at the date that the asset is derecognised. Any gains or losses arising from de-recognition of an asset is included in profit or loss when the item is derecognised. Useful lives are reviewed on an annual basis.

Depreciation rates

The depreciation methods and average useful lives of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	4-16 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	4-16 years
Computer equipment	Straight line	3 -9 years
Computer software	Straight line	2-9 years

Residual values

Residual values of other assets are determined by considering the second hand values of similar items which are already at the age the asset is expected to

be at the end of its useful life. This would be applicable especially to vehicles.

CETA reviews the residual values on an annual basis. The review revealed that the residual values used in the current or prior periods were still valid. No significant variances were identified.

De-recognition

The carrying amount of an item of property, plant and equipment shall be derecognised on disposal (including disposal through a non-exchange transaction) or when no future economic benefits or service potential are expected from its use or disposal. The gain or loss arising from de-recognition of an item of property, plant and equipment shall be included in surplus or deficit when the item is derecognised.

6. Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. An asset is identifiable if it either separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so or arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the CETA or from other rights and obligations.

Recognition

The recognition of an item as an intangible asset requires an entity to demonstrate that the item meets the definition of an intangible asset and the recognition criteria. An intangible asset is recognised when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the CETA; and the cost or fair value of the asset can be measured reliably.

CETA assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.



Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Initial Measurement

An intangible asset is initially measured at its cost and where an intangible asset is acquired at no cost or for a nominal cost, the cost is measured at its fair value as at the acquisition date.

Intangible assets which has a cost price less than R 2 000 are expensed and not capitalised.

Subsequent measurement

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

Amortisation

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date. Internally generated goodwill is not recognised as an intangible asset. Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values. The useful lives are detailed in the note for Property Plant and Equipment.

Derecognition

Intangible assets are derecognised when no future economic benefits or service potential are expected from its use or disposal. The gain or loss is the difference between the net disposal proceeds, if any, and the carrying amount. It is recognised in surplus or deficit when the asset is derecognised.

7. Related parties

Members of the Accounting Authority and employees are required to disclose their interest in any contracts that CETA is entering into with an outside party. Inter-SETA transactions and balances arise due to the movement of employers from one SETA to another. Transactions with related parties are supposed to occur under terms and conditions that are no less favourable than those available under similar arm's length dealings.

8. Financial instruments

Financial instruments are broadly defined as those contracts that results in a financial asset in one entity and a financial liability or residual interest in another

entity. A key distinguishing factor between financial assets and financial liabilities and other assets and liabilities, is that they are settled in cash or by exchanging financial instruments rather than through the provision of goods or services.

Financial assets and financial liabilities are initially recognised at fair value. Where an entity subsequently measures financial assets and financial liabilities at amortised cost or cost, transactions costs are included in the cost of the asset or liability.

Financial assets and financial liabilities that are non-derivative instruments with fixed or determinable payments, for example deposits with banks, receivables and payables, are measured at amortised cost. At initial recognition, an entity can however designate such an instrument to be measured at fair value

An entity cannot offset financial assets and financial liabilities in the statement of financial position unless a legal right of set-off exists, and the parties intend to settle on a net basis.

GRAP 104 requires extensive disclosures on the significance of financial instruments for an entity's statement of financial position and performance, as well as the nature and extent of the risks that an entity is exposed to as a result of its financial instruments. Some disclosures, for example the disclosure of fair values for instruments measured at amortised cost or cost and the preparation of a sensitivity analysis, are encouraged rather than required.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments),



the CETA shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

A financial asset is cash, residual interest of another entity, a contractual right to receive cash or another financial asset from another entity exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the CETA.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity or exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the CETA.

Classification

The CETA has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Receivables from non-exchange transactions	Financial assets measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method.
Receivables from exchange transactions	Financial assets measured at initial recognition value, and are subsequently measured at amortised cost using the effective interest rate method.
Cash and cash equivalents	Financial assets which comprise of cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known changes in value.

The CETA has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Provisions	Financial liabilities are initially measured at fair value, and are subsequently measured at amortised cost.
Payables from exchange transactions	Financial liabilities are initially measured at fair value, and are subsequently measured at amortised cost.
Payables from non-exchange transactions	Financial liabilities are initially measured at fair value, and are subsequently measured at amortised cost.

9. Offsetting

Financial assets and financial liabilities are offset if there is any intention to realise the asset and settle the liability simultaneously and a legally enforceable right to set off exists.

10. Leases

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of financial performance based on the straight-line method. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination take place. The CETA does not hold any finance leases.

11. Consumables

Consumables are recognised as an asset on the date of acquisition and are measured at the cost on the acquisition date. Consumables are valued at the lower of cost or net replacement value. Consumables are recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to the entity and they can be measured reliably.

12. Reserves

Reserves are sub-classified in the Statement of financial position between the following funds and reserves:

- Administration reserve



- Employer grant reserve
- Discretionary reserve

This sub-classification is made based on the restrictions placed on the distribution of monies received in accordance with the Regulations issued in terms of the Skills Development Act, Act No 97 of 1998 as amended. Member employer company levy payments are set aside in terms of the Skills Development Act, Act No 97 of 1998, as amended and the regulations issued in terms of the Act, for the purpose of:

	2018 %	2017 %
Administration costs of the CETA	10.50	10.50
Discretionary Grant	49.50	49.50
Mandatory Grant	20	20
National Skills Fund	20	20
	100	100

In addition, contributions received from public service employers in the national or provincial spheres of government may be used to pay for CETA administration costs.

Interest and penalties received from South African Revenue Services as well as interest received on Investments are utilised for discretionary grants and projects. Other income received are utilised in accordance with the original source of the income.

Surplus funds in the administration reserve and unallocated funds in the employer grant reserve are moved to the discretionary fund reserve. Reserves are created based on the accrual basis of accounting.

Contributions from Public Service	Split
Administration	1/3
Discretionary Grants	2/3

13. Employee benefits

Defined contribution plans

The CETA provides for retirement benefits for all its permanent employees through a defined contribution scheme that is subject to the Pension Funds Act, 1956 as amended. Contributions are at a rate of

15% of pensionable emoluments of which members contribute 7.5%. The CETA's contribution to the defined contribution plans are charged to the Statement of Financial Performance in the year to which they relate and there is no further liability for the CETA. The CETA pays for the medical aid of the staff members and there is no obligation to the CETA over and above medical aid contributions.

14. Provisions, accruals and contingencies

Provisions are recognised when CETA has a present obligation as a result of a past event and it is probable that this will result in an outflow of economic benefits that can be estimated reliably. Provisions are recognised when the CETA has a present legal or constructive obligation as a result of past events, and it is probable that this will result in an outflow of economic benefits that can be estimated reliably. Long-term provisions are discounted to net present value.

14.1 Provision for levies exempt companies

Exempt companies' provision includes employers who continued paying skills development levies even though they are exempt in terms of Skills Development Act.

14.2 Provision for employee entitlements

The cost of other employee benefits is recognised during the period in which the employee renders the related service employee entitlements are recognised when they accrue to employees. A provision is made for the estimated liability as a result of services rendered by employees up to the last day of the financial year. Leave provision are included under payables from exchange transactions in the statement of financial position based on the current salary rates and latest approved increases. Provision for bonus is also included.

15. Provisions for grants

15.1 Mandatory

A provision is recognised for grant payments due once the specific criteria set out in the regulations to the Skills Development Act, 97 of 1998, as amended has been complied with by member companies and it is probable that the CETA will approve the payment. The measurement of the obligation involves an estimate,



based on the established pattern of past practice of approval for each type of grant.

15.2 Discretionary

No provision is made for projects approved at year-end, unless the service in terms of the contract has been delivered or the contract is of an onerous nature. Where a project has been approved, but has not been accrued for or provided for, it is disclosed as commitment in the notes to the financial statements.

16. Contingent assets and contingent liabilities

A contingent liability 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 wholly in the control of the entity.

A contingent asset is a possible asset 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 wholly in the control of the entity. Contingent assets and contingent liabilities are not recognised.

17. Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds. Borrowing costs are recognised as an expense in the period in which they are incurred.

18. Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

19. Irregular, fruitless and wasteful expenditure

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with, a requirement of any applicable legislation, including:

- The PFMA,
- The Skills Development Act, Act No 97 of 1998 as amended,

Where irregular expenditure was incurred in the

previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law.

Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised.

All irregular, fruitless and wasteful expenditure is charged against income in the period to which it relates and disclosed in the period it was first discovered.


20. Taxation

No provision has been made for taxation, as CETA is exempt from income tax in terms of Section 10 of the Income Tax Act, (Act 58 of 1962).

21. Value Added Taxation (VAT)

The Revenue Laws Amendment Act, (Act No.45 of 2003) commenced on 22 December 2003. Previously the definition of enterprise placed Sectorial Education and Training Authorities (SETA) in Schedule 3A within the scope of VAT. The Amendment Act, however has amended this definition of enterprise and effectively





places the public entity outside the scope of VAT; effective 1 April 2005.

22. Subsequent events

Subsequent events are all events that occur between the reporting date and the date on which the financial statements are authorised for tabling in parliament. Adjusting events are all the events that confirm the financial performance and position of the SETA at yearend and if material the financial statements are adjusted accordingly.

23. Errors

Material prior period errors are corrected retrospectively in the first set of financial statements authorised for issue after their discovery by:

- (a) Restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- (b) If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets for the earliest prior period presented.

24. Budget

The approved budget covers the fiscal period from 1 April 2017 to 31 March 2018. The financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts. There are no entity or timing differences on the budget to actual information.

NOTES TO THE FINANCIAL STATEMENTS

1 Allocation of unappropriated surplus	Restated 2017	2018	Administration	Employer grant reserve	Discretionary grant reserve
	Total per Statement of Financial Performance R '000	Total per Statement of Financial Performance R '000	Administration reserve R '000	Mandatory skills grant R '000	Discretionary grants Total R '000
Revenue					
Skills development levy: income					
Admin levy income (10.5%)	78,111	76,655	76,655	-	-
Grant levy income (69.5%)	504,135	498,954	-	145,055	353,899
Skills development levy: penalties and interest	21,598	21,274	-	-	21,274
Interest received - CPD	123,987	142,169	-	-	142,169
Other income	2,046	1,012	-	-	1,012
Total	729,878	740,064	76,655	145,055	518,354
Expenses					
Administration expenses	-64,467	-73,615	-73,615	-	-
Employer grants and project expenses	-384,331	-430,643	-	-85,150	-345,493
Total	-448,798	-504,258	-73,615	-85,150	-345,493
	281,080	235,806	3,040	59,905	172,861
				59,905	172,861

NOTES TO THE FINANCIAL STATEMENTS

	NOTE	MARCH 2017/18 R '000	RESTATED MARCH 2016/17 R '000
2 Levies			
Levy income: Administration			
Levies in cash		76,862	78,313
Levies received from SARS		74,599	75,474
Government levies received		1,925	2,825
Inter-seta transfers in		338	14
Levies provision		-207	-201
		76,655	78,111
Levy income: Employer Grants			
Levies in cash		144,120	142,552
Levies received from SARS		143,443	142,525
Inter-seta transfers in		677	27
Levies provision		935	983
		145,055	143,535
Levy income: Discretionary Grants			
Levies in cash		356,042	362,748
Levies received from SARS		350,500	357,030
Government levies received		3,850	5,651
Inter-seta transfers in		1,692	68
Levies provision		-2,143	-2,148
		353,899	360,600
Total		575,609	582,247
3 Fines, Penalties and Forfeits			
Skills Development Levy: Interest		9,466	9,436
Skills Development Levy: Penalties		11,808	12,163
		21,274	21,598
4 Other Income			
Other income comprises of:			
Income from Recoveries by Attorneys		952	2,045
Profit on Write-Off of Asset		60	1
		1,012	2,046
5 Interest received - CPD			
Reserve Bank (CPD)		142,169	123,987
		142,169	123,987

6 Administration Expenses

6.1 Employee cost

Basic Salaries	13,963	10,921
Net Bonuses	6,094	2,845
PAYE	10,088	5,629
UIF	135	135
Pension	3,506	1,066
Medical Aid	2,957	1,559
Bond Subsidy	429	280
Other	440	1,621
	37,614	24,056

Defined Contribution Plan

The CETA's contribution to the defined contribution plan are charged to the Statement of Financial Performance in the year to which they relate and there is no further liability for the CETA.

Fringe Benefits

In the new financial year, the CETA introduced new fringe benefits for its employees namely the Bond Subsidy and contribution towards Medical Aid.

Included in other operating expenses are Garnishee orders, Leave pay, Compensation fund, employee wellness, union fees, recruitment fees, bursaries etc.

6.2 Depreciation and amortisation

Depreciation	4,362	3,258
Amortisation	247	749
	4,609	4,007

6.3 Operating Expenses

QCTO	4,763	3,008
Board and Board Committees	2,442	2,505
Travel, Subsistence and Accommodation	645	569
Communication, PR and Marketing	7,910	4,961
Audit Related Costs	3,034	3,716
Consulting and Outsourcing	316	1,406
Cost of Occupancy	3,782	7,478
Legal Costs	3,326	4,428
Other Operational Expenses	5,174	8,334
	31,392	36,405
Total	73,615	64,467

7 Employer Grant and Project Expenses

Mandatory Grants	85,150	81,585
- Expensed	80,039	80,628
- Movement in provision	5,111	957
Discretionary Grants	345,493	302,745
- Core expenditure	229,961	212,642
- Admin expenditure	115,533	90,103
- Employee cost	54,222	37,599
- Project Administration costs	61,311	52,504
	430,643	384,331

8 Cash and Cash equivalents

Cash on hand	2	3
Bank balance	2,292,859	2,025,202
	2,292,861	2,025,205

9 Receivables**9.1 Receivables from non-exchange transactions**

SARS Employer receivables - current year	14	199
SARS Employer receivables - prior years	7,996	7,343
Provision for bad debts	-1,992	-1,109
	6,018	6,432

9.2 Receivables from exchange transactions

9.2.1 Sundry debtors	546	518
Provision for bad debts	-96	-96
	450	422

9.2.2 Staff debtors	255	163
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9.2.3 Project debtors	3,004	2,052
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9.2.4 Prepaid expenses	6	54
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Total Receivables from exchange transactions	3,715	2,692
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Project debtors relate to cases successfully concluded in favour of the CETA during the financial year. The interest effect on the amount is immaterial as the amount equals the cost.

10 Consumables

Opening balance	296	473
Movement	89	-177
Closing balance	385	296

11 Property, Plant and Equipment

	2018			2017 (Restated)		
	Cost	Accumulated depreciation and impairment	Carrying amount	Cost	Accumulated depreciation and impairment	Carrying amount
Furniture and fittings	3,826	-1,998	1,828	3,707	-1,161	2,546
Motor vehicles	5,401	-3,567	1,834	5,401	-2,487	2,914
Office equipment	3,865	-2,616	1,249	3,745	-1,850	1,896
Computer equipment	7,050	-3,827	3,223	4,755	-2,256	2,499
Total	20,142	-12,008	8,134	17,608	-7,753	9,855

Reconciliation of Property, Plant and Equipment - 2018

	Opening balance	Additions	Disposals	Write-off	Depreciation	Total
Furniture and fittings	2,546	119	-	0	-838	1,828
Motor vehicles	2,914	-	-	0	-1,080	1,834
Office equipment	1,896	162	-	-13	-795	1,249
Computer equipment	2,499	2,420	-	-46	-1,649	3,223
Total	9,855	2,701	-	-59	-4,362	8,134

Reconciliation of Property, Plant and Equipment - 2017

	Opening balance	Additions	Disposals	Write-off	Depreciation	Total
Furniture and fittings	551	2,979	-364	-	-619	2,546
Motor vehicles	3,994	-	-	-	-1,080	2,914
Office equipment	1,084	1,564	-47	-	-705	1,896
Computer equipment	1,545	1,862	-30	-24	-854	2,499
Total	7,174	6,404	-441	-24	-3,258	9,855

12 Intangible Assets

2017 (Restated)		
	Cost	Accumulated amortisation and impairment
	1,707	-1,556
	1,707	-1,556
		151
		151

Reconciliation of Intangible Assets - 2018

	Opening balance	Additions	Amortization	Total
Computer software	151	468	-247	371
Total	151	468	-247	371

Reconciliation of Intangible Assets - 2017

	Opening balance	Additions	Amortization	Total
Computer software	623	277	-749	151
Total	623	277	-749	151

Remaining average useful lives:

	Years
Furniture and fittings	3
Motor vehicles	2
Office equipment	3
Computer equipment	3
Computer software	1



13 Payables

13.1 Payables from non-exchange transactions

Levy creditors	14,952	11,937
SARS payables	180	822
Skills development mandatory grants	6,749	6,238
	21,881	18,996

13.2 Payables from exchange transactions

Trade payables - Projects	19,968	7,682
Trade payables - Administration	6,267	3,877
Accrued expenses - Administration	1,612	2,781
Accrued expenses - Projects	26,849	22,497
Lease liability	562	598
NSF Lay-off scheme	37	37
Other creditors	1,120	1,311
	56,416	38,783

14 NARYSEC Funds

Opening balance	-	1,120
Amount received	1,001	-
Amount paid	-277	-1,120
	725	-

NARYSEC funds was made up of external funds received for the payment of an RPL program falling within the CETA's scope.

15 Provisions

15.1 Employer refund

Opening balance	18,761	17,395
transfers to discretionary grants	-3,437	-3,564
Current year	3,842	3,528
Change in provision	1,010	1,402
Closing balance	20,176	18,761

The provision for employer refund R20 176' (2017: R18 761') relates to levies incorrectly contributed by employers. Paid by SARS/DHET to the CETA despite being exempted from contributing the Skills Development Levy due to a legislation which came into effect on 1 August 2005. There has since been a Skills Development Circular no.09/2013 which states that SETAs should provide for no longer than five years as stipulated in terms section 190(4).



15.2 Other Mandatory Grant provisions

Opening balance	3,166	4,251
Change in provision	4,792	-1,085
Closing balance	7,958	3,166

15.3 Other provisions

Opening balance	707	-
Change in estimate	1,900	707
Closing balance	2,607	707

15.4 Discretionary grants

Opening balance	67,237	63,745
Utilised	-19,011	-25,542
Change in provision	16,277	29,034
Closing balance	64,503	67,237

15.5 Leave Pay

Opening balance	1,529	985
Additions	6	112
Utilised	-46	-14
Change in provision	415	446
Closing balance	1,904	1,529

Total

97,149	91,400
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16 Cash generated from operations

Surplus	235,806	281,080
Adjusted for:		
Depreciation and amortisation	4,609	4,007
Write-off of asset	48	-
Profit on write-off of asset	-	-1
Loss Disposal of assets	-	323
Prior year Adjustments	-	22,211
Adjustment to Opening Balances	4,057	-
Changes in working capital:		
Consumables	-89	177
Receivables from exchange transactions	-1,023	-937
Receivables from non-exchange transactions	415	1,407
Movement in provisions	5,749	5,023
Deferred Income	725	-1,120
Payables from exchange transactions	17,633	1,081
Payables from non-exchange transactions	2,885	-492
	270,813	312,757

17 Commitments

17.1 Discretionary Grants

Programmes	NOTE	Restated Balance 31/03/2017 R '000	Approved After 31/03/2017	Projects Cancelled	Adjustments R '000	Allocations R '000	2017/18 Utilized R '000	Balance c/ fwd R '000
Academic Development: Jnr Lecturers Addition of a Construction Development Wing in the incubation centre		-	-	-	2,000	-	-	2,000
Apprenticeships		1,000	-	-1,000	-	-	-	-
Associate lecturer positions (Transport planning/GIS/CAD for planning)		394,693	73,000	-42,915	27,212	156,970	-88,168	520,793
Bursaries		1,480	-	-	1,920	46,000	-3,076	46,324
Candidacy		56,474	19,560	-11,520	-1,254	79,120	-17,011	125,369
Development Of Academic Programme		113,661	9,600	-6,720	4,140	42,400	-8,092	154,989
DQP Status		747	-	-	-	-	-	747
Entrepreneurship And Mentorship Equity Development Post		7,049	-	-3,000	-	-	-175	3,874
Establishment And Development Of Cooperatives		720	-	-	-	-	-	720
Establishment of a Construction Laboratory and Workshop		2,926	-	-	2,880	-	-3,216	2,590
Establishment of a cooperative Establishment or Enhancement of Construction		12,997	-	-	-	-	-1,228	11,769
Departments in Public FET Colleges Internships		8,920	-	-	-	-	-	8,920
Joint Projects (JPMT)		500	-	-	-	-	-	500
Learnerships		2,967	-	-	-	-	-	2,967
Placement of learners in workplaces Programme Development		51,187	4,500	-5,976	-	45,000	-4,991	89,719
Recognition Of Prior Learning		-	-	-	-	7,000	-2,296	4,704
Short Skills Programmes		408,910	77,040	-43,971	7,142	231,200	-72,422	607,899
		56,157	8,460	-20,016	-	-	-5,846	38,754
		129	-	-	-	-	-	129
		22,845	-	-8,740	-	3,122	-1,689	15,539
		102,932	27,905	-17,886	796	41,280	-17,029	137,997

Skills Development Centre	112,239	-	-	-	300,000	-2,784	409,455
Trade Testing	10,669	-	-4,932	-	-	-226	5,511
Training of FET college staff in assessment and moderation	300	-	-	-	-	-	300
Special Projects	-0	-	-	-	7,974	-1,712	6,262
Various Projects	1,776	-	-1,472	-	-	-	304
Workplace Integrated learning	5,040	12,060	-720	4	60,300	-	76,684
Contemporary Leaders development	-	-	-	-	581	-	581
Future leaders	-	-	-	-	1,882	-	1,882
Academic Infrastructure and lecture support	-	-	-	-	25,680	-	25,680
Rural Community development project	-	-	-	-	11,360	-	11,360
New Leaders Development	-	-	-	-	2,030	-	2,030
Total Discretionary Grant Core Expenditure	1,376,318	232,125	-168,867	44,840	1,061,898	-229,961	2,316,354

Offer letters issued by 31 March 2018 and accepted by entities after 31 March 2018:

Programmes	Total R '000
Apprenticeships	3,575
Bursaries	4,400
Candidacy	2,500
Internships	4,000
Learnerships	2,500
Recognition Of Prior Learning	140
Short Skills Programmes	900
Work integrated learning	250
	18,265

17.2 Operating leases

Total of minimum lease payments under none cancellable leases

- within one year	2,628	2,419
- within two years	2,838	-
	5,466	2,419

The operating lease commitments have been straight lined over the period of the lease to take into account any escalation clauses contained therein. The operating lease relates to business premises used for office accommodation.

17.3 Administration Commitments

Company Name	MARCH 2017/18 R '000	MARCH 2016/17 R '000
ACCTECH Systems	-	465
African Dawn Risk Solutions	-	59
Blue Dove Projects and Services	-	21,059
Business Connexion	124	496
Casper Combrink Electronics T/A Security Integrated Systems	-	157
Cornastone Enterprise Systems (Pty)Ltd	1,464	-
Creative Consulting	-	175
Ctrack Mzansi (Digicore Management Services (Pty)Ltd	-	57
Deloitte & Touche	633	3,077
EOH Mthombo27	5	1,046
Fidelity Security Services	42	531
Galix Networking (Pty) Ltd	451	97
Jasco Power	-	258
Key Moves	-	68
Konica Minolta South Africa	1,074	-
Ngubane & Co (Jhb) Inc	-	1,349
Oyana Business Services	-	4,998
Prosperosa Consulting	-	138
Servest (Pty) Ltd	119	-
Steiner Hygiene (Pty) Ltd	-	8
The Vuvuzela Hotline	-	49
Tipp Focus Consulting	-	580
Clefele Holdings	16	-
First Hope Group Of Companies	21	-
Jos South African	5	-
Macman's Intelligent Systems	236	-
Matlama Trading & Projects	46	-
Thabitech 221-	-	-
Xon Systems	295	-
	5,023	34,668

18 Prior year errors

- a During the March 2018 financial year, it was discovered while preparing reconciliations that discretionary grant expenditure, accruals and provisions for the year ended 31 March 2017 were overstated, needed to be reclassified. The correction thereof resulted in a prior year error.
- b During the March 2018 financial year, it was discovered that a lease amount, insurance amount, asset amount, debtor amounts, provisions and leave amount needed to be corrected. The correction thereof resulted in a prior year error.
- c During the March 2018 financial year, it was discovered that SARS account receivables needed to be adjusted. The correction thereof resulted in a prior year error.

Impact on account balances:

a	Decrease in Associate lecturer positions Expenditure	-	-5
	Decrease in Apprenticeships Expenditure	-	-9,018
	Decrease in Bursary Expenditure	-	-73
	Decrease in Candidacy Programme Expenditure	-	-5,813
	Decrease in Internships Expenditure	-	-599
	Decrease in Learnership Expenditure	-	-8,631
	Decrease in RPL Expenditure	-	-640
	Decrease in Skills Programmes Expenditure	-	-1,291
	Decrease in Trade test Expenditure	-	-57
	Decrease in Establishment & Support of SMMES Expenditure	-	-212
	Decrease in Establ/Enhan of Cons Dpt FET Collg Expenditure	-	-471
	Increase in Skills Development Centre Expenditure	-	471
	Decrease in Place of Learners in Workplaces Expenditure	-	-183
	Increase discretionary grant reserves	-	-15,175
	Decrease in Discretionary Grant Accruals	-	7,477
	Decrease in Discretionary Grant Provisions	-	34,220
	Increase in Discretionary Grant Commitments	-	27,676
	Decrease Retention of surplus funds Disclosure	-	-27,676
b	Increase in Rent Paid Expenditure	-	61
	Decrease in Short Term Insurance Expenditure	-	-54
	Decrease in Administration Reserves	-	17
	Decrease in Sundry Debtors	-	-100
	Increase in Prepayment	-	54
	Increase in Lease Liability	-	-17
	Decrease in Other Provisions	-	40
	Decrease in Telephone Depreciation Expenditure	-	-3
	Decrease in Telephone Asset Additions	-	-92
	Decrease in Telephone Accumulated Depreciation	-	3
	Decrease in Administration Creditors Accruals	-	92
	Increase in Leave Pay Expenditure	-	2
	Increase in Leave Pay Provision	-	-2
c	Increase in SARS Provision for Bad Debts Expenditure	-	1,109
	Increase in Provision for Bad Debts - SARS	-	-1,109

19 Change in Accounting Estimates

During the financial year, the Expected Useful Lives of all assets that were bought before 1 April 2013, were all reviewed as follows:

Class of Asset	Useful life extension		
Furniture and fittings	2		
Office equipment	2		
Computer equipment	2		
Movements are as follows:			
Increase in Depreciation (Office equipment)		-	25
Increase in Accumulated Depreciation (Office equipment)		-	-25
Increase in Depreciation (Furniture and fittings)		-	79
Increase in Accumulated Depreciation (Furniture and fittings)		-	-79

20 Related Parties

Transactions with entities under common control

By virtue of the CETA being a National Public Entity related to entities and departments in the National sphere of government, it is considered related to Telkom, Eskom, South African Airways, other Seta's and National Skills Fund. The transactions are consistent with normal operating relationships between the entities, and are undertaken on terms and conditions that are normal for such transactions. Where there were transactions and balances arising due to the movement of funds between entities under common control for the department, these amounts were disclosed as below.

	2018		2017	
	R '000		R '000	
	Transaction Amount	Amount receivable/ (payables)	Transaction Amount	Amount receivable/ (payables)
MERSETA	2,708	-	109	-
	2,708	-	109	-

Note: Relating to Inter SETA transfers that the amount of the transaction, where applicable, includes interest and penalties transferred to or from the SETA.

Note: Emanating from the collaboration between the Services and Construction SETA, the SETAs share joint projects and resources such as office space, generator etc.

21 Irregular, fruitless and wasteful expenditure

There were no Irregular, fruitless and wasteful expenditure incurred during the financial year.

22 Financial Instruments

In the course of CETA operations, it is exposed to interest rate, credit, liquidity and market risk. CETA has developed a comprehensive risk strategy in terms of Treasury Regulation 28.1 in order to monitor and control these risks.

The risk management process relating to each of these risks is discussed under the headings below.

Financial instruments have not been discounted as they will all be settled or recovered within 6 months. Effect of discounting was considered and found not to be material.

Interest rate risk

CETA manages its interest rate risk by effectively investing CETA surplus the Corporation for Public Deposits (CPD) as per Treasury Regulation 31.3.3.

Credit risk

Floating rate Non-interest bearing

2018

Assets	Amount	Effective interest rate	Amount	Weighted average period until maturity in years	Total
Cash and cash equivalents	2,292,861	7.1%	-		2,292,861
Receivables from non-exchange transactions	-		6,018		6,018
Receivables from exchange transactions	-		3,715		3,715
Total financial assets	2,292,861		9,733		2,302,594

2017

Assets	Amount	Effective interest rate	Amount	Weighted average period until maturity in years	Total
Cash and cash equivalents	2,025,205	7.3%	-		2,025,205
Receivables from non-exchange transactions	-		6,432		6,432
Receivables from exchange transactions	-		2,692		2,692
Total financial assets	2,025,205		9,124		2,034,330

Financial assets, which potentially subject CETA to the risk of non-performance by counter parties and thereby subject to credit concentrations of credit risk, consist mainly of cash and cash equivalents, investments and accounts receivable.

CETA limits its treasury counter-party exposure by only dealing with well-established financial institutions approved by National Treasury through the approval of their investment policy in terms of Treasury Regulation 28. CETA's exposure is continuous.

Credit risk with respect to levy paying employers is limited due to the nature of the income received. CETA does not have any material exposure to any individual or counter-party. CETA's concentration of credit risk is limited to the industry (Financial).



Credit risk with respect to levy paying employers is limited due to the nature of the income received. CETA does not have any material exposure to any individual or counter-party. CETA's concentration of credit risk is limited to the industry (Construction related industries) in which CETA operates. No events occurred in the industry (Construction and related industries) during the financial year that may have an impact on the accounts receivable that has not been adequately provided for. Accounts receivable are presented net of allowance for doubtful debts.

Liquidity risk

CETA manages liquidity risk through proper management of working capital, capital expenditure (and actual versus forecasted cash flows and its cash management policy). Adequate reserves and liquid resources are maintained.

2018

Payables from non-exchange transactions
Payables from exchange transactions

Carrying Amount	Contractual Cash Flows	6 months or less
21,881	21,881	21,881
56,416	56,416	56,416
78,297		

2017

Payables from non-exchange transactions
Payables from exchange transactions

Carrying Amount	Contractual Cash Flows	6 months or less
18,996	18,996	18,996
38,783	38,783	38,783
57,779		

In case of liquidity problems, funding resources might be available in the terms of DHET and National Treasury approval for borrowing requirements in the open market.

Market risk

CETA is exposed to fluctuations in the employment market, for example, sudden increases in unemployment and changes in the wage rates. No significant events occurred during the year that CETA is aware of.

Fair values

CETA's financial instruments consist mainly of cash and cash equivalents, accounts and other receivables and account and other payables. No financial instruments were carried at an amount in excess of its fair value. Fair values could be reliably measured for all financial instruments.

The following methods and assumptions are used to determine the fair value of each class of financial instruments:

Cash and cash equivalent

Cash and cash equivalents comprise of cash held by CETA and short-term bank deposits with an original maturity of less than three months. The carrying amount of these assets approximates their fair values.

Accounts receivable

The carrying amount of accounts receivable is net of allowance for any doubtful debt, estimated by the Accounting Authority based on prior experience. The carrying amount of these assets approximates their fair value. The effect of discounting is considered and found to be immaterial.

Investments

The fair value of publicly traded investments is based on quoted market prices for those investments.



Accounts payables

The carrying amount of account and other payables approximate their fair value due to the relatively short term maturity of these financial liabilities.

Borrowings

The fair value of interest-bearing borrowings is based on the quoted market price for the same or similar issues or on the current rates available for debt with the same maturity profile and effective interest rate with similar cash flows (only if applicable). The effect of discounting was considered and found to be immaterial.

23 New accounting pronouncements

At the date of authorisation of these financial statements, there are Standards and Interpretations in issue but not yet effective. These include the following Standards and Interpretations that are applicable to the CETA and may have an impact on future financial statements.

Related Party Disclosures	GRAP 20	Not yet effective
Service Concession Arrangements: Grantor	GRAP 32	Not yet effective
Separate Financial Statements	GRAP 34	Not yet effective
Consolidated Financial Statements	GRAP 35	Not yet effective
Investments in Associates and Joint Ventures	GRAP 36	Not yet effective
Joint Arrangements	GRAP 37	Not yet effective
Disclosure of Interests in Other Entities	GRAP 38	Not yet effective
Statutory Receivables	GRAP 108	Not yet effective
Accounting by Principals and Agents	GRAP 109	Not yet effective
Living and Non-living Resources	GRAP 110	Not yet effective

24 Contingencies**Contingent Assets**

a Litigations	Description	R '000
Ms R Malatji	Employee related recoveries	22
African Haze Trading 8 CC t/a Tshamaano Construction	Recoveries claim by CETA for monies paid to the entity	466
Busi Ntuli Communications	Recoveries claim by CETA for monies paid to the entity	100
Kwambanjwa Carpentry & Construction Services CC	Recoveries claim by CETA for monies paid to the entity	171
Lekamva Academy - Case No: 11965/2013	Recoveries claim by CETA for monies paid to the entity	11,381
Lot Noko Moloko CC	Recoveries claim by CETA for monies paid to the entity	198
Masakhane Projects Managers	Recoveries claim by CETA for monies paid to the entity	312
Matodzi and Thibo Construction and Projects CC	Recoveries claim by CETA for monies paid to the entity	698
Moseme Road Construction	Recoveries claim by CETA for monies paid to the entity	1,446

Ndlwana Business Enterprises	Recoveries claim by CETA for monies paid to the entity	109
PA Letsoalo Construction Enterprises	Recoveries claim by CETA for monies paid to the entity	442
Selematsela Empowerment Projects CC	Recoveries claim by CETA for monies paid to the entity	1,446
Thabang Property Development	Recoveries claim by CETA for monies paid to the entity	1,040
Tshedza Consulting Engineers & Desto (Pty) Ltd	Recoveries claim by CETA for monies paid to the entity	2,101
Vharanani Properties CC	Recoveries claim by CETA for monies paid to the entity	767
Zenzulwazi Plumbing & Construction Services CC	Recoveries claim by CETA for monies paid to the entity	111
Zingwazi Contractors	Recoveries claim by CETA for monies paid to the entity	273
		21,083

b SARS Reversal

R '000

Aveng Africa (Pty) Ltd

165,370

The South African Revenue Services (SARS) reversed the levy that was paid to the CETA in July 2015, leaving the CETA with the above amounts as a possible recovery from Aveng.

Contingent Liabilities

a Retention of surplus funds

R '000

In terms of the Grant Regulation 3(11), SETAs are expected to have spent or committed (through actual contractual obligations) at least 95% of discretionary funds available to use as at 31 March of each year. The possible liability is calculated as follows:

Discretionary grant reserves	2,126,457
Less: Commitments	-2,298,089
Less: Allowable 5%	-106,323
	-

b SARS Reversal

R '000

Department of Higher
Education and Training

217,557

The South African Revenue Services (SARS) reversed the levy that was paid to the CETA in July 2015, leaving the CETA with the above amounts as a possible liability owed to the Department's system.

c	Litigations	Description	R '000
	SAYEP	Summons against the CETA claiming payment to entity	120
	ABANGUNI	Summons against the CETA claiming payment to entity	Not Available
	ONTIME DESIGNS	Summons against the CETA claiming payment to entity	Not Available
	MOHOTJI	Employee related claims	Not Available
	MOTHOA	Employee related claims	Not Available
	NDOVELA	Employee related claims	Not Available
	RASHIDAMALATJI	Employee related claims	Not Available
	TAU MALATJI	Employee related claims	Not Available
			120

25 Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

26 Events after the reporting period

Management is not aware of any matters or circumstances that arose from the end of the date of this reporting financial year which would require adjustments to or disclosure in the financial statements.

27 Presentation of Budget Information

Basis of preparation:

The budget was prepared on an accrual basis and presented hereto on a comparable basis since expenditure in the budget is comparable to the income statement.

Analysis of variances:

Revenue

Levy Income is less than the budgeted amount, this is due to a material SARS reversal that happened during the financial year. Other income such as Interest from CPD assisted the total income for the year.

Employer grant expenses

The Employer grant expenditure were lower than the budgeted amount with a pay-out ratio of 59%, this due to the lower levy income received and SARS reversals.

Project expenses

The movement in discretionary grant expenditure is influenced by stricter controls and a performance based payment model.

Administration expenditure

Admin expenditure were less than the budgeted amount during the year, the CETA has monitored its spending closely, especially since the projected levy income was not achieved.

28 Segment reporting

The CETA has identified the core operations of the CETA as reportable segments based on services rendered. Programme 1: is for Ensuring compliance with relevant laws and regulations governing the CETA, Ensuring good corporate governance, Ensuring good corporate management and Risk Management. Programme 2: represents Core Business which is responsible for Management of projects cost effectively, timely and productively, Ensure effective skills planning and reporting for the Construction Sector, Registration of qualifications and ensuring quality delivery of skills development programmes and Sound monitoring and evaluation of CETA skills development programmes. Programme 3: is Skills Development Provisioning and is responsible for Increasing access to Occupationally-Directed Programmes in the Construction Sector, Building project-based partnerships with TVET Colleges, SMMEs, NGOs, Cooperatives and worker initiatives, Enhancement of public sector capacity for improved service delivery, Facilitate and support learners with RPL programmes in the Construction Sector, Building career and vocational guidance. The assets and liabilities of the CETA cannot be separated into the segments disclosed, and hence are not disclosed under segment reporting.

		PROGRAMME 1	PROGRAMME 3	PROGRAMME 2	TOTAL
		R '000	R '000	R '000	R '000
Revenue					
Revenue from non-exchange transactions					
Transfer revenue					
Levies	2	76,655	145,055	353,899	575,609
Fines, Penalties and Forfeits	3	-	-	21,274	21,274
Total revenue from non-exchange transactions		76,655	145,055	375,173	596,883
Revenue from exchange transactions					
	4	-	-	1,012	1,012
Interest received - investment	5	-	-	142,169	142,169
Total revenue from exchange transactions		-	-	143,181	143,181
Total revenue		76,655	145,055	518,354	740,064
Expenditure					
Administration Expenses	6	-73,615	-	-	-73,615
Employer Grant and Project Expenses	7	-	-85,150	-345,493	-430,643
Total expenditure		-73,615	-85,150	-345,493	-504,258
Operating surplus		3,040	59,905	172,861	235,806
Surplus for the year	1	3,040	59,905	172,861	235,806

REMUNERATION TO KEY MANAGEMENT AND ACCOUNTING AUTHORITY DISCLOSURE

Paid to Key Management

The key management personnel (as defined by Related Party Disclosures) of the CETA are: the members of the accounting authority and the members of senior management.

	Total Cost to Company (R '000)	Bonus (R '000)	Total (R '000)
Executive Management	8,393	3,560	11,952
Total number			4

CETA-MEETING ALLOWANCES

Paid/Payable to Board Members

The accounting authority consists of members appointed in terms of its constitution. The chief executive officer attends meetings of the accounting authority but is not a member of the accounting authority.

Member Names	Accounting Authority	Executive Committee	Core Business Committee	Audit Committee	Finance Committee	Governance & Strategy Committee	Remuneration Committee	Other Meeting Allowance	Total Meetings
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Mr R Cele	53	130	-	-	-	-	-	200	383
Mr W Mfebe	25	82	22	-	-	15	-	104	248
Mr J Mpe	33	9	22	-	-	-	-	89	153
Mr L Shai	41	89	-	-	25	-	-	137	292
Mr B Dlamini	41	9	-	-	-	-	15	92	157
Mr T Matosa	25	60	-	-	25	-	-	15	125
Ms S Molefe	9	-	-	-	-	-	15	33	57
Mr R Mnisi	25	9	-	-	-	7	-	26	67
Mr B Ngcobo	33	-	-	-	-	15	-	126	174
Mr Rankoe	-	-	-	5	-	-	-	-	5
Ms J Mogadime	-	-	-	43	-	-	-	-	43
Mr Z Fihlani	-	-	-	10	-	-	-	-	10
	286	388	44	58	50	37	29	820	1,713



CETA Offices

Head Office	Midrand Builders Centre 183 Kerk Street (cnr Old Pretoria Main Road) Halfway House Midrand, 1685	Mr. Sabello Shabangu 071 371 7919 011 265 5900 SabelloS@ceta.co.za
Gauteng	Tshwane South TVET College 207 Quagga Road Pretoria West 0183	Ms. Cecilia Gumede 012 942 7140 071 371 0745 CeciliaG@ceta.co.za
Limpopo	Capricorn TVET College Corner Dorp and College Street Admin Block Polokwane Campus Polokwane 0699	Mr Vincent Namane 071 371 7153 015 590 7123 VincentN@ceta.co.za
Mpumalanga	37 Brown Street Midcity Building 4th Floor Nelspruit Mpumalanga 1200	Ms. Yolanda Sineke 071 3715727 013 590 7111 YonelaS@ceta.co.za
Eastern Cape	75 Havezock Street PE Central Port Elizabeth 6001	Ms. Chriscentia Kanyile 071 371 6928 041 450 7132 ChriscentiaK@ceta.co.za
Free State	152 Nelson Mandela Drive, Westdene Bloemfontein 9300	Mr Sibusiso Nkabinde 071 371 3351 018 011 7071/70/72 SibusisoN@ceta.co.za
KwaZulu-Natal	73 Ramsay Avenue, Musgrave KwaZulu-Natal 4001	Mr. Xolani Mtshali 071 371 6393 031 941 7200 XolaniM@ceta.co.za
North West	Provincial Node 74 Boom Street Klerksorp North West 2570 Satellite Office Taletso TVET College Dr Albert Luthuli Drive, Next to SABC (Kgora Building) Mmabatho 2735	Mr Peter Ntsowe 071 371 1176 018 011 7071/70/72 PeterN@ceta.co.za



Western Cape	False Bay College Westlake Drive Westlake Campus (House No 7) Western Cape 7760	Mr Sipho Masombuka 071 371 3454 021 202 7081/7080 SiphoM@ceta.co.za
Northern Cape	Advocates chambers 38a Sidney Street Kimberley 8301	Ms. Lerato Marx 071 370 9924 053 050 0701/0702 LeratoM@ceta.co.za

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