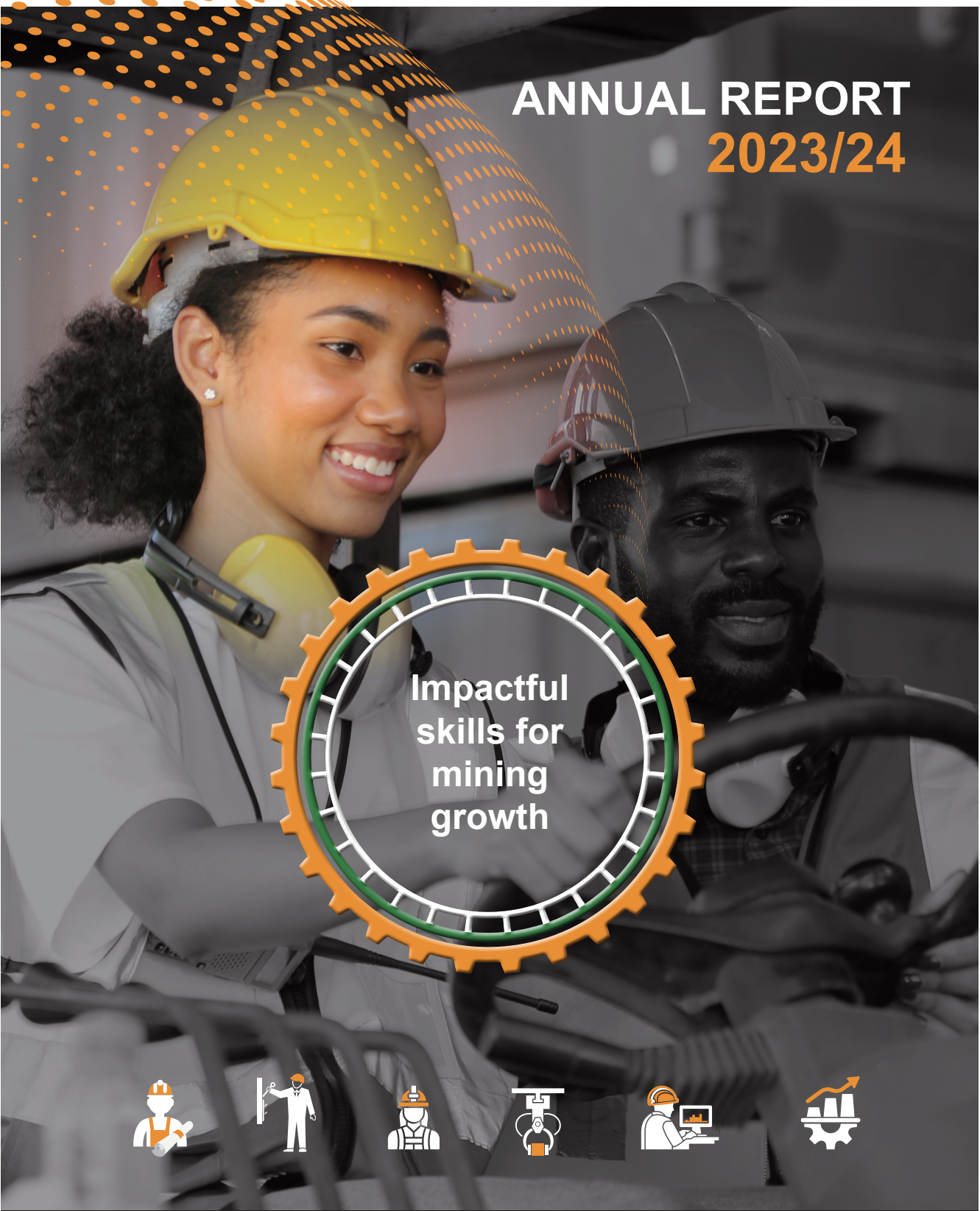
MINING QUALIFICATIONS AUTHORITY

# ANNUAL REPORT 2023/24



MINING QUALIFICATIONS AUTHORITY

# ANNUAL REPORT
# 2023/24

HONOURABLE MINISTERS, IT IS A PLEASURE TO PRESENT YOU WITH THE ANNUAL REPORT OF THE MINING QUALIFICATIONS AUTHORITY FOR THE FINANCIAL YEAR

**1 APRIL 2023 TO 31 MARCH 2024**



**MR GWEDE MANTASHE**
**Minister of Mineral and Petroleum Resources**

mineral resources & energy
Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA



**DR NOBUHLE NKABANE**
**Minister of Higher Education and Training**

higher education & training
Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA



**MR DAVID MSIZA**
**MQA Board Chairperson**

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SECTION 1



# GENERAL INFORMATION

# 1.1 PUBLIC ENTITY'S GENERAL INFORMATION

| | |
|---|---|
| **Registered name of the public entity:** | **Mining Qualifications Authority (MQA)** |
| Registered Office Address: | 7 Anerley Road, Parktown,<br>Johannesburg, 2193<br>Postal Address: Private Bag X118,<br>Marshalltown, 2107 |
| Telephone Number:<br>Email Address:<br>Website Address: | 011 547 2600<br>info@mqa.org.za<br>www.mqa.org.za |
| **External Auditors Information** | Auditor-General South Africa<br>P.O. Box 446<br>Pretoria<br>0001<br>South Africa |
| **Bankers Information** | Standard Bank<br>Simmonds Street, Johannesburg, 2001<br>South Africa |
| **Company Secretary** | Ms Siphiwe Ngwenya<br>Managing Director<br>IKB Company Secretaries (Pty) Ltd |
| Report Number :<br>ISBN Number : | 118/2024<br>978-0-621-52018-7 |

## 1.2 ACRONYM LIST

| | |
|---|---|
| **4IR** | Fourth Industrial Revolution |
| **AA** | Accounting Authority |
| **AET** | Adult Education and Training |
| **AFS** | Annual Financial Statements |
| **AGSA** | Auditor-General South Africa |
| **AMCU** | Association of Mineworkers and Construction Union |
| **APP** | Annual Performance Plan |
| **APR** | Annual Performance Report |
| **ARC** | Audit and Risk Committee |
| **ATR** | Annual Training Reports |
| **AQP** | Assessment Quality Partner |
| **B-BBEE** | Broad-based Black Economic Empowerment |
| **CCMA** | Commission for Conciliation, Mediation and Arbitration |
| **CEO** | Chief Executive Officer |
| **CET** | Community Education and Training |
| **CFO** | Chief Financial Officer |
| **COO** | Chief Operating Officer |
| **CoS** | Centre of Specialisation |
| **COSATU** | Congress of South African Trade Unions |
| **CRM** | Customer Relationship Management |
| **CRMEO** | Chief Risk Monitoring and Evaluation Officer |
| **CSD** | Central Supplier Database |
| **CSIR** | Council for Scientific and Industrial Research |
| **DHET** | Department of Higher Education and Training |
| **DMPR** | Department of Mineral and Petroleum Resources |
| **DQP** | Development Quality Partner |
| **EMCS** | Executive Manager: Corporate Services |
| **EMSR** | Executive Manager: Stakeholder Relations |
| **ERP** | Enterprise Resource Planning |
| **ERRP** | Economic Reconstruction and Recovery Plan |
| **EXCO** | Executive Committee |
| **FET** | Further Education and Training |
| **FINCOM** | Finance Committee |
| **FLC** | Foundational Learning Competence |
| **GDP** | Gross Domestic Product |
| **GRAP** | Generally Recognised Accounting Practice |
| **GSC** | Governance and Strategy Committee |
| **HDSA** | Historically Disadvantaged South African |
| **HEA** | Higher Education Act |
| **HET** | Higher Education and Training |
| **HR** | Human Resources |
| **HRD** | Human Resources Development |
| **HRREMCO** | Human Resources and Remunerations Committee |
| **HVAC** | Heating, Ventilation and Air Conditioning |
| **ICT** | Information and Communication Technology |
| **IT** | Information Technology |

## 1.2 ACRONYM LIST (continued)

| | |
|---|---|
| **ITIL** | Information Technology Infrastructure Library |
| **ITSC** | Information Technology Steering Committee |
| **KZN** | KwaZulu-Natal |
| **M&E** | Monitoring and Evaluation |
| **MEDP** | Management and Executive Development Programme |
| **MHSA** | Mine Health and Safety Act |
| **MMS** | Mining and Minerals Sector |
| **MoA** | Memorandum of Agreement |
| **MoU** | Memorandum of Understanding |
| **MPRDA** | Mineral and Petroleum Resources Development Act |
| **MQA** | Mining Qualifications Authority |
| **NATED** | National Accredited Technical Education Diploma |
| **NCV** | National Certificate (Vocational) |
| **NEDLAC** | National Economic Development and Labour Council |
| **NEHAWU** | National Education, Health and Allied Workers' Union |
| **NLRD** | National Learner Records Database |
| **NSA** | National Skills Authority |
| **NSDP** | National Skills Development Plan |
| **NSDS** | National Skills Development Strategy |
| **NSFAS** | National Student Financial Aid Scheme |
| **NUM** | National Union of Mineworkers |
| **NUMSA** | National Union of Metalworkers of South Africa |
| **OFO** | Organising Framework for Occupations |
| **OHS** | Occupational Health and Safety |
| **OQSF** | Occupational Qualifications Sub-Framework |
| **OTC** | Occupational Trades Convenor |
| **PFMA** | Public Finance Management Act |
| **PWD** | People with Disabilities |
| **QA** | Quality Assurance |
| **QAP** | Quality Assurance Partner |
| **QDP** | Quality Development Partner |
| **QCTO** | Quality Council for Trades and Occupations |
| **RPL** | Recognition of Prior Learning |
| **SAQA** | South African Qualifications Authority |
| **SARS** | South African Revenue Service |
| **SDA** | Skills Development Act |
| **SDF** | Skills Development Facilitator |
| **SDP** | Skills Development Providers |
| **SDR** | Skills Development and Research |
| **SETA** | Sector Education and Training Authority |
| **SLA** | Service-level Agreement |
| **SMME** | Small, Micro, Medium Enterprises |
| **SSP** | Sector Skills Plan |
| **TVET** | Technical, Vocational, Education and Training |
| **UASA** | United Association of South Africa |
| **Unisa** | University of South Africa |
| **UPS** | Uninterrupted Power Supply |
| **WSP** | Workplace Skills Plans |

## 1.3 VISION, MISSION, VALUES AND STRATEGIC OBJECTIVES

### VISION

A competent health and safety-oriented mining and minerals workforce.



### MISSION

To ensure that the mining and minerals sector has sufficient competent people to improve health and safety, entrench employment equity and increase productivity standards.

### VALUES

The MQA subscribes to the following values:

- Accountability
- Continuous Learning
- Integrity
- Respect
- Service Excellence
- Stakeholder Orientation
- Value for Money

### STRATEGIC OBJECTIVES



## 1.4 LEGISLATIVE AND OTHER MANDATES

The MQA is a Sector Education and Training Authority (SETA) that facilitates skills development under the Department of Higher Education and Training, and supports mine health and safety under the Department of Mineral and Petroleum Resources (DMPR) for the mining and minerals sector. There are various pieces of legislation that govern the operations of the MQA. These are:

**MINISTRY OF MINERAL AND PETROLEUM RESOURCES**

- Mine Health and Safety Act (MHSA) 29 of 1996
- Minerals and Petroleum Resources Development Act (MPRDA) 8 of 2002, as amended
- Social and Labour Plan

**Relevant Regulations**

**MINISTRY OF HIGHER EDUCATION AND TRAINING**

- Skills Development Act (SDA) 97 of 1998, as amended
- Higher Education Act (HEA) 101 of 1997, as amended
- National Financial Aid Scheme Act (NSFAS) 57 of 1999
- Continuing Education and Training (CET) Act 16 of 2006
- National Qualifications Framework Act 67 of 2008

**Relevant Regulations**

**MINISTRY OF FINANCE**

- Skills Development Levies Act 9 of 1999
- Income Tax Act 58 of 1962, Section 12H Learnership Allowances
- Public Finance Management Act (PFMA) 1 of 1999

**Relevant Regulations**

In addition to the legislation listed above, various national policy documents guide the development of skills in the sector, namely the National Skills Development Plan (NSDP) 2020–2030, the New Growth Path, the National Skills Accord, the Decade of the Artisan, the Mining and Minerals Sector Skills Plan (SSP), the King IV Report and the Code on Corporate Governance, the Protocol on Corporate Governance in the Public Sector (2002), the Companies Act 71 of 2008, Section 55 of the PFMA, Chapter 28 of the National Treasury Regulations (28.2) and all the MQA policies and procedures.



**MR DAVID MSIZA**
**MQA Board Chairperson**

## 1.5 STRATEGIC OVERVIEW BY THE BOARD CHAIRPERSON

On behalf of the governing Board of the Mining Qualifications Authority (MQA), it is my pleasure to present this annual report to the Honourable Minister of Higher Education, and Training, Dr Nobuhle Nkabane; the Honourable Minister of Mineral and Petroleum Resources, Mr Gwede Mantashe; various industry stakeholders; employees; organised business and labour; as well as organisations in the mining and minerals sector; on the activities of the MQA during the 2023-2024 financial year.

The MQA continues to execute its mandate diligently in line with requirements of the Skills Development Act 97 of 1998, to affect a positive impact on the mining and minerals sector and the communities the organisation serves.

As a public entity, the organisation is also guided by National Treasury in terms of the Public Finance Management Act No 1 of 1999, as amended by Act No 29 of 1999, whereby the MQA is required to ensure appropriate control measures are in place that will preserve the organisation's ability to fulfil its mandate. This is achieved through the powers that have been assigned to the governing Board to exercise responsibility over the core functions of the MQA.

Furthermore, the Board and the supporting Committees are fully functional and support the strategic mandate of the MQA in their respective operational and technical capacities.

This is further demonstrated through the following six strategic objectives that are aligned to the MQA's legislative mandate:

1. Promote efficient and effective governance and administration.
2. Improve skills development planning and decision-making through research.
3. Promote work-based skills development to support transformation in the mining and minerals sector.
4. Facilitate access to occupationally directed learning programmes for the unemployed.
5. Support mine community training initiatives to access economic opportunities.
6. Ensure the delivery of quality learning programmes in the mining and minerals sector.

The MQA has remained committed to upholding the precepts of good corporate governance in its overall operations which has resulted in the organisation achieving a clean audit opinion

outcome for the 2023–2024 financial year, as has been acknowledged by the office of the Auditor General of South Africa (AGSA). This outstanding achievement was heralded by the equally notable 100% performance achievement for the 2023–2024 financial year.

Furthermore, the MQA Audit and Risk Committee (ARC) exercised their fiduciary duties over identified risks and ensured that there were no deficiencies in internal controls during the period under review. The ARC's focus highlighted good corporate governance principles in the pursuit of sound financial management practices.

The MQA's risk strategy and fraud prevention campaign including the MQA toll-free hotline where the public and stakeholders can report fraudulent activities in absolute confidentiality, continues to ensure sound monitoring of MQA activities.

## Highlights of the 2023–2024 Financial Year

During the year under review, the MQA hosted the two-day inaugural Mining Skills Lekgotla event, alongside the Annual Consultative Conference on 23 and 24 November 2023 at the Birchwood Hotel and OR Tambo International Conference Centre and Mining and Minerals Sector Good Practice and Recognition Awards in Boksburg.

The event was well received by all MQA stakeholders. The resounding success of this event was attributable to the unmistakable strides the organisation continues to make in delivering unparalleled excellence in its skills development related initiatives.

The purpose of the Mining Skills Lekgotla focused on facilitating substantial engagements that brought together sector stakeholders, training providers, academics, and skills development role players to engage on some challenges and blockages experienced in implementing skills development interventions in the sector in order to find innovative means to address some of the challenges.

The summit also promoted the work within the skills development sector, highlighting the functions of the MQA as an authority and the central role it plays in the implementation of the National Skills Development Plan 2030.

Some outcomes that the event achieved included:

- Ensuring good practice skills.
- Enhancing engagements within the sector.
- Creating public and private partnerships to promote inclusivity within the sector.
- Emphasising entrepreneurial programmes that create employment opportunities for mine communities and the youth for sustainable livelihoods in the economy to increase employability amidst automation and digitisation processes replacing manual jobs in the sector.
- Assessing the MQA's state of readiness to address the needs of the future world of work in the sector through MQA learning programmes amidst the fourth and fifth industrial revolutions.
- Assessing the MQA's preparedness to meet its stakeholder needs in line with the implementation of the National Skills Development Plan 2030.
- Reskilling plans for the mining and minerals sector workforce and the unemployed youth.
- Positioning the MQA as a skills development authority responsive to the needs of its stakeholders.

As part of the strategy to further align the MQA's mandate to enhanced skills development projects, the MQA is looking forward to partnering with the DHET and other Sector Education and Training Authorities (SETAs) on impact events to promote the work of the MQA.

The event will also focus on profiling the meritorious contribution that SETAs have made and continue to make in propelling skills development forward.

Amongst its objectives the impact interventions will focus on:

- Fostering the development of strong partnerships and collaboration with all the SETAs.

- Collectively supporting economic sectors and stakeholders such as industry leaders, government departments, trade unions, higher education institutions including communities, universities, universities of technology, Technical Vocational Education Training colleges, Community Education Training colleges, skills development training providers, skills development facilitators, non-governmental organisations, community-based organisations, and non-profit organisations.
- Strengthening, promoting and showcasing the integrated SETA work within the skills development fraternity.
- Highlighting impactful interventions contributing to the broader South African Economy delivered by the SETAs.
- Establishing a good practice platform for stakeholders.

Consequently, the MQA remains poised to deliver on its skills development initiatives that are aligned to the SETA landscape that remains in place until 31 March 2030. To demonstrate this, the MQA supports the following outcomes:

| | |
|---|---|
| **Outcome 1** | Identify and increase production of occupations in high demand. |
| **Outcome 2** | Linking education and the workplace. |
| **Outcome 3** | Improving the level of skills in the South African workforce. |
| **Outcome 4** | Increase access to occupationally directed programmes. |
| **Outcome 5** | Support the growth of the public college system. |
| **Outcome 6** | Skills development support for entrepreneurship and cooperative development. |
| **Outcome 7** | Encourage and support worker-initiated training. |
| **Outcome 8** | Support career development services. |

Together with the MQA Board, we note the significant achievement by the MQA in concluding an agreement with the Chemical Industries Sector Education and Training Authority (CHIETA) to collaborate on joint programmes in the hydrogen economy and fourth industrial revolution (4IR), including the establishment of a centre for specialisation for excellence in hydrogen skills. This milestone will go a long way to revitalise the mining and minerals sector through ground-breaking skills development initiatives that will impart learning and employment opportunities especially amongst the youth.

As the rate of unemployment in South Africa remains consistent in its disheartening trajectory, a factor of great concern in the sector remains the retrenchments that compromise the ongoing career progression of the sector's employees. In spite of this challenge, the MQA was successful in accomplishing most of its set objectives by positively fulfilling the various skills development related targets.

And as part of its ongoing plans, the MQA reinforces its support for the DHET's skills strategy targeting various groupings that include the unemployed youth; employed persons seeking to upgrade their skills; as well as individuals who will be deciding on careers in occupations where there is a skills shortage.

To this end, I am gratified that 80 out of 80 targets were achieved in the Annual Performance Plan (APP) rendering an achievement of 100% of the targets met.

This commendable outcome is an indication that all efforts are being exercised to ensure that skills development initiatives remain well-functioning to enable the maximum learner uptake in all MQA learning programmes.

## Transformation

The MQA supports the importance of broad-based economic empowerment as espoused by the MPRDA by executing various projects and initiatives that demonstrate the organisation's investment in communities that participate in the mining and minerals sector.

In the year under review the MQA experienced a noticeable increase in the number of beneficiaries

from mining communities who gained technical and non-technical skills from participating in various training programmes.

This will culminate in the availability of skilled, employable human capital that will play a demonstrable role in improving the plight of mining communities.

The MQA is also beholden to the employers in the sector who have made their work spaces available to allow an increased number of learners to undertake this imperative training.

## Mandatory Grants

Mining companies irrespective of their size are required by legislation to submit an annual training report (ATR) and a workplace skills plan (WSP) to the Mining Qualifications Authority. The mandatory deadline date for the submission of WSPs and ATRs is 30 April annually.

During the year under review, employers in the sector responded positively whereby a sizeable number of WSPs and ATRs were submitted by the submission deadline. This demonstrates the sector's assurance that a culture of continuous learning is sustained, and an informed profile of critical skills required within the sector is always available.

During the year under review out of a target of 750 a total of **799** companies submitted their WSP-ATRs with 760 being approved. A total of thirty-nine (39) WSP-ATRs were not approved due to non-compliance with the submission requirements.

The MQA received R391 980 million from the mandatory levy income. A total of R348 782 million was disbursed for mandatory grant payments during the last financial year resulting in 104% of mandatory grants paid from a budget budget of R334 664 million. The MQA also invested in various projects that address the skills needs of the sector, and the results will inform the nature of interventions required to develop the sector.

As the MQA continues to review the skills needs of the sector, the organisation remains committed towards implementing a diverse number of projects that are appropriate to the sector and which address the evolving interventions required within the sector.

## Discretionary Grants

During the 2023–2024 financial year, the MQA Board in implementing its mandate approved a total budget of R1 351 086 million for discretionary projects, with R1 76 952 million allocated to commitments. The total spend for discretionary grants was R1 273 915 million.

These projects are established with a focus of addressing the skills gaps identified in the Sector Skills Plan to fulfil the strategic goals of the MQA that are informed by the deliverables outlined in the NSDP 2030.

The projects include various artisan (to support the increasing need for artisan trades) and non-artisan learning programmes, the occupational health and safety skills programme, bursaries, work experience, internships as well as projects to support historically disadvantaged individuals in their career progression within the sector.

## Artisan Development and Support for Artisan Aides

The objectives of artisan development in the sector remain entrenched in the "Decade of the Artisan" campaign that is overseen by the Department of Higher Education and Training, which is aimed at producing an increased number of skilled artisans annually and to ultimately produce 30 000 artisans annually by the year 2030.

The MQA continues to support this campaign and during the reporting year. The sector responded positively by showing its support for the artisan development programmes as demonstrated by the number of new learners that enrolled in and completed an artisan programme. Further success was shown in the number of learners that successfully completed their artisan aides and artisan Recognition of Prior Learning (RPL) programmes.

## Technical Vocational Education and Training College Support

The MQA continues to position itself as a partner supporting the skills development goals of public Technical Vocational Education and Training (TVET) colleges to foster improved skills.

This includes TVET learners that require experiential training in order to present themselves as suitably qualified for employment opportunities. To empower these learners, the MQA's Work Integrated Learning (work experience) programme offers workplace training support to unemployed undergraduates through on-the-job training activities that are necessary to obtain their qualifications, and to pursue mining related careers.

Therefore, a total of **1 243** TVET students that required work integrated learning were placed in workplaces, against the set target of 1 200; whereas a total of 335 students successfully completed their work integrated learning placements against the set target of 150.

## Occupational Health and Safety

For a number of years, South Africa's mining sector has experienced challenges with the prevalence of mine accidents that resulted in injuries, diseases, and fatalities. Although some gains have been made with regards to the reduction of the numbers of mine accidents over time, one mine accident resulting in a fatality remains one too many. Ensuring safety amongst employees in the mining and minerals sector remains a priority of the MQA, and the organisation reaffirms its commitment to support the principle of "Zero Harm" supported in the sector.

To this end, the Mining Qualifications Authority remains committed to the principles contained in the Mine Health and Safety Act (MHSA) of 1996 as amended, which was established to ensure that initiatives are in place to transform the sector through training and communication that will contribute to the decline of accidents and improve the general health of employees.

In 2023 the sector recorded the lowest fatal accidents and occupational diseases. However, the continued loss of life, injuries, and cases of ill health remains of great concern. It is of the utmost importance that the sector responds effectively to change management as well as the emerging risks. And it is for this reason that the MQA's OHS skills programme and other safety skills programmes remain significant and relevant in making inroads to reduce the incidence of mine accidents in the sector.

## Literacy Support for Continuous Learning

Literacy support is fundamental to skills development training, ensuring that all employees in the mining and minerals sector are progressively afforded superior learning opportunities. During the year under review, the continued engagements between the MQA and employers in the sector resulted in considerable support for the Adult Education and Training (AET), and the Foundational Learning Competency (FLC) programmes. This will ensure that all employees in the sector are afforded enough opportunities that will improve their skills levels and their growth within the mining and minerals sector.

## Career Guidance and Support for Graduates

Career guidance remains a fundamental cornerstone in shaping the vocational choices of young maths and science learners. This underpins the MQA's commitment to support the mining and minerals sector's needs for transformation through skills development interventions that also target the youth. In partnership with the DHET and other government departments, the MQA continues to support guidance activities throughout the country.

During the year under review, the MQA participated in numerous career guidance exhibitions and events to learners in grades 9 to 12 to inform them about careers that are available in the sector. This is to ensure that young people are encouraged to pursue mining-related qualifications at public universities, universities of technology, and TVET colleges.

Additionally, the MQA provided work experience opportunities to undergraduate students at tertiary institutions which is vital in ensuring students attain their qualifications. The MQA also provided internship opportunities to graduates, which is required to assist graduates to secure job opportunities in the sector. This was made possible by the positive support from employers in the sector to offer their workplaces as learning spaces that allow graduates to improve their prospects of gaining employment, and thus contributing to the objective of a transformed mining and minerals sector.

## Financial Affairs

The MQA's income continues to remain stable. In the year under review, the revenue for the period

ended 31 March 2024 increased from R1 593 902 million to R1 457 523 million. The total spend on administration costs increased from R160 496 million during 2022–2023 to R167 205 million in the 2023–2024 financial year. The administration budget for the year was R176 096 million.

## Meaningful Impact

The MQA continues to develop and implement measures to ensure that there is value for money and broaden the impact of skills development programmes. Where the focus previously was on focusing on increased numbers, the focus is now more on the impact that we make to young people's lives, so that they are able to secure meaningful employment for growth in the sector. As the MQA Board we are committed to programmes that empower learners to transform their economic circumstances through accessible, high-quality education and skills development, enabling them to:

- Acquire scarce and critical skills to enhance their employability and career prospects
- Increase earning potential and financial stability
- Develop an entrepreneurial mindset and skills to create sustainable income streams
- Contribute to their communities' economic growth and social development
- Enhance technological skills for employability

These efforts should contribute to the reduction of unemployment, ensure growth of our sector, as well as advance our economy.

## Challenges

The prevailing, slow growth of South Africa's economy continues to be of great concern especially towards the country's ability to overcome the rate of unemployment amongst the employable youth of the country.

The MQA will continue to engage with key role players, to ensure that measures are in place to support ongoing skills development in the sector.

Support should also be extended to learners currently enrolled in various MQA learnerships, to encourage them to complete this valuable training that will assist in their quest to achieve employability.

## Appreciation

To the Honourable Ministers of the Mineral and Petroleum Resources and of the Higher Education and Training, I extend my sincere gratitude for the support and diligent manner in which the MQA's mandate was executed during the reporting year.

I also extend my gratitude to all the MQA's governing structures for providing rigorous oversight and guidance during the year under review which has contributed to the organisation's ability to remain on its set trajectory. These include:

1. MQA Board
2. Audit and Risk Committee
3. Executive Committee
4. Governance and Strategy Committee
5. Remuneration Committee

On behalf of the Board, I take this opportunity to commend the MQA CEO, management and staff on the stellar performance on achieving superior performance targets. I would like to commend the state, employers, organised labour and community organisations for instilling their confidence in the MQA and for their continued support during the various stakeholder engagements.

My sincere gratitude is lastly extended to the MQA employers for their stellar performance and support in implementing the mandate of the organisation, which inevitably contributes towards the consistent success of the organisation. It is this commitment to service delivery and efforts for increased improvement that will ensure the MQA continues to be a vehicle for accelerated skills development training for the mining and minerals sector.

As we navigate the demands of an increasingly changing world, the MQA Board would like to assure the sector of the MQA's firm support in ensuring that accessible, quality learning delivery remains at the forefront of the organisation's goals.



**Mr David Msiza**
31 July 2024

# 1.6 OPERATIONAL OVERVIEW BY THE CHIEF EXECUTIVE OFFICER



**DR THABO MASHONGOANE**
**Chief Executive Officer**

As an organisation, we have realised that working *"Alone we can do so little; together we can do so much"* – Helen Keller. It's with this in mind that we present the performance overview report of the Mining Qualifications Authority for the period 1 April 2023 to 31 March 2024, to our valued stakeholders and the organisation's five (5) governing structures that comprise the:

1. MQA Board;
2. Executive Committee;
3. Audit and Risk Committee;
4. Governance and Strategy Committee; and the
5. Remuneration Committee.

The MQA was able to achieve this milestone through its continual adherence to the organisation's six (6) strategic objectives outlined below. These remain the bedrock for the MQA's vision, mission, and values in ensuring a safe, healthy, and adequately skilled mining workforce:

1. Promote efficient and effective governance and administration.
2. Improve skills development planning and decision-making through research.
3. Promote work-based skills development to support transformation in the mining and minerals sector.
4. Facilitate access to occupationally directed learning programmes for the unemployed.
5. Support mine community training initiatives to access economic opportunities.
6. Ensure the delivery of quality learning programmes in the mining and minerals sector.

## AUDIT MATTERS

The MQA demonstrated its commitment to fulfil its mandate to facilitate impactful, measurable, and quality learning programmes and training initiatives aimed at uplifting the status of beneficiaries who participate in the mining and minerals sector. This was exemplified by the organisation achieving a favourable outcome of a clean audit opinion from the Auditor General of South Africa for the 2023–2024 financial year, repeating the achievement of the previous financial year, and achieving a 100% of its deliverables this year, representing a proud moment for the staff and its stakeholders.

## UPHOLDING GOOD GOVERNANCE PRINCIPLES

The organisation remains steadfast in upholding the principles of sound corporate governance which is a key component of ensuring alignment between the MQA's mandate and the interests of stakeholders.

To this end the organisation is fast-tracking the appointment of both the Chief Operating Officer (COO) and the Executive Manager Stakeholder Relations (EMSR); positions that remained vacant for a while however, it is envisaged that the appointments will be announced during the first half of the 2024–2025 financial year.

## PERFORMANCE AND PROJECT HIGHLIGHTS

During the reporting year, the mining and minerals sector played a significant role in alleviating the rate of unemployment within the sector by creating employment opportunities. This was a noteworthy accomplishment by the sector while the country is beset with unfavourable economic conditions and high rates of unemployment, especially amongst the youth.

In response to the sector's efforts to enhance the skills of its employees in order to improve their livelihoods, the MQA supported the sector's training needs by successfully implementing the majority of its core skills development projects as indicated by number of performance targets attained, as set out in the MQA's annual performance agreement concluded with the Department of Higher Education and Training (DHET).

This was evidenced by the MQA achieving **80** of the **80** indicators, which equates to 100% of the performance targets attained.

The following is a representation of some of the organisation's noteworthy achievements in different skills development projects.

### Occupational Health and Other Safety Skills Programme

The role of occupational health and safety in the mining and minerals sector is fundamental in preserving the safety and wellness of employees whose contribution remains instrumental to the growth and success of the sector.

While the sector still faces challenges with the incidence of mine accidents that result in injuries, diseases and fatalities each year, it's reassuring that over time great strides have been made to achieve the relative decline in the number of these accidents, although it remains the position of the MQA that one mine accident resulting in a fatality is still one too many.

To this end, the MQA continues to sustain the efforts of the DMPR, aimed at ensuring health and safety standards are upheld within the mining and minerals sector.

One such avenue is the provision of the Occupational Health and Safety (OHS) skills programme that is offered to employees in the sector. Through this learning programme, the DMPR's objective of ensuring a pool of skilled, qualified OHS representatives is accelerated, thus addressing the reduction in the rate of unsafe working conditions within the sector.

During the year under review, the MQA continued to surpass the set target of training mining and minerals sector employees in OHS development and other safety related skills programmes, where a total of **4 267** employees completed the training programme against the set target of 3 415.

### Research in the Sector

The MQA undertakes thorough information gathering efforts in collaboration with stakeholder companies within the sector to collect pertinent information that identifies distinctive learning and training interventions. It is through these research initiatives that the MQA can respond to the training interventions required by the sector.

This is an invaluable step in the business activities of the MQA as it occupies a crucial position within the organisation's value-chain.

During the year under review, the MQA was able to accomplish a total of **11** research outputs, from the set target of 10, as part of the MQA's research agenda to gain a deeper understanding and appreciation of the overall profile of the sector.

Moreover, information collected through research mechanisms that include the workplace skills plans (WSP), the annual training reports (ATR) and the Sector Skills Plan (SSP), delivers a vital record of the sector including information about the sector's employees.

In the year under review, **799** workplace skills plans and annual training reports were received and evaluated from small, medium, and large-sized companies, exceeding the set target of 750.

Of this number, a total of **311** WSPs and ATRs from small-sized companies were approved against the set target of 290; a total of **166** WSPs and ATRs from medium-sized companies were approved

against the set target of 165; and at total of **283** WSPs and ATRs from large-sized companies were approved against the set target of 225.

## Career Guidance Learner Support

The high unemployment rate amongst the youth and graduates that lack marketable skills required by employers remains a challenge.

To address this challenge, the MQA employs practical interventions that include career guidance activities, work integrated learning and internship programmes to engage young people in career opportunities available in the sector.

During the year under review, the MQA head office as well as the six regional offices succeeded in participating in **39** career guidance activities, against the set target of 20, in urban areas where learners studying pure mathematics and physical science subjects were furnished with information on high demand careers in the mining and minerals sector.

The same career related information was imparted to learners residing in rural areas, where a total of **77** career guidance events against the set target of 70 were successfully conducted. This resulted in a total achievement of 116 events from a target of 90.

## Career Guidance Practitioner Support

The MQA recognises the supportive role that career guidance practitioners perform in guiding learners to ensure they make informed career choices, and this role forms an integral part of the MQA's overall career guidance activities. To this end, the MQA conducted a total of **52** out of the set target of 50 training initiatives to provide capacity to practitioners on the MQA's career guidance related information and processes.

## Work Integrated Learning

The MQA's Work Integrated Learning (work experience) programme has been devised to offer workplace training support to unemployed undergraduates by providing them with on-the-job training activities that are required to attain their qualifications, and to pursue careers within the mining and minerals sector. Beneficiaries of this programme include students studying at public universities and at Technical Vocational Education and Training (TVET) colleges.

During the year under review, **759** university students requiring work integrated learning to complete their qualifications were placed in workplaces against a set target of 750; and **618** university students successfully completed their workplace integrated learning placements against the set target of 450.

Additionally, **1 243** TVET students requiring work integrated learning were placed in workplaces against the set target of 1 200; whereas **335** students successfully completed their work integrated learning placements against the set target of 150.

## Internship Training Programme

The MQA's internship programme is another vehicle that is aimed at benefiting young individuals by providing unemployed graduates with the supplemental work experience that can increase their chances of gaining employment within the sector. During the 2023–2024 financial year, **828** graduates, against the set target of 750, entered the training programme. A total of **588** out of 250 graduates successfully completed this training programme.

## Bursary Support for Unemployed Youth

The MQA's Bursary Scheme programme sets out to provide responsive solutions to counter the futility often experienced by bright young people from disadvantaged financial backgrounds, some of whom reside within labour sending areas and mining communities.

One such worthy intervention is the MQA's Unemployed Youth Development Programme which aims to provide the youth with various portable skills to support their pursuit of securing or creating employment opportunities within their communities.

During the year under review, **2 435** unemployed youth from mining communities and labour sending areas entered portable skills training programmes against the set total of 2 300; and **2 144** unemployed youth completed training programmes in portable skills against the set target of 1 600.

The MQA supports the learning efforts of both employed and unemployed learners through its bursary scheme to enable them to obtain mining related qualifications from public institutes of higher learning.

During the reporting year, **1 011** unemployed learners were supported with bursaries against a set target of 1 000; **601** unemployed learners against the set target of 500 that were awarded bursaries, succeeded in completing their qualifications. Additionally, **2 545** unemployed learners, against the set target of 1 000, who had been awarded bursaries and were successful in their studies, were awarded bursaries to continue studying towards their qualifications.

The MQA also supports the career aspirations of employed learners to increase the pool of a knowledgeable and skilled workforce. To this end, **111** employed learners were awarded bursaries against the set target of 65. A total of **25** employed learners succeeded in completing their qualifications against a set target of 20. Additionally, **104** employed learners, against the set target of 50, who had previously been awarded MQA bursaries were supported with bursaries to further their studies.

## Mine Community Development

As part of the MQA strategic objective to assist mining communities to access employment opportunities, the MQA's Mine Community Development supports the call to develop learning and training initiatives focused on uplifting underprivileged beneficiaries that reside within communities where mining is prevalent to grow and sustain the economy of these communities.

During the year under review, **1 339** mine community beneficiaries enrolled in portable skills training programmes against the set target of 1 000. A total of **4 692** mine community beneficiaries, out of the set target of 2 145, successfully completed their portable skills training programmes.

A total of **145** people out of the set target of 50 were trained on entrepreneurial skills. Several cooperatives were also supported, where a total of **8** cooperatives out of the set target of 5 were funded for skills that would result in the development and the growth of their business.

During the year under review, the MQA provided numerous small businesses with opportunities to develop and grow their businesses. A total of **60**, out of the set target of 7, were supported through this venture.

A total of **27** out of the set target of 5 community-based businesses, non-governmental organisations, and non-profit organisations were also supported to develop and sustain the activities of their organisations.

## Small Scale Mining Support Project

The MQA's Small-Scale Mining Support project aims to facilitate and support the training of small-scale miners through recognised skills programmes registered with MQA.

The project is aimed at beneficiaries residing in mine communities and labour sending areas, including employees facing retrenchment or employees already retrenched/laid-off.

To this end, **223** beneficiaries were trained in small-scale mining against a set target of 150.

## Learnerships, Artisan and Non-artisan Development

During the year under review, the sector responded positively to the call to support employed and unemployed learners to participate in skills development opportunities delivered through the MQA's various learnership programmes.

During the year under review, **852** employed learners were enrolled in learnership programmes against the set target of 680. With regards to completions, **478** employed learners successfully completed their training in learnerships programmes, against the set target of 300.

To support unemployed learners to gain recognised qualifications, the mining and minerals sector was robust in supporting unemployed learners to undergo training offered through the MQA's learnerships programme. A total of **1 557** unemployed learners entered learnership programmes, against a set target of 1 200. In addition to this, **1 406** unemployed learners successfully completed learnership training programmes against the set target of 850.

The Recognition of Prior Learning (RPL) learnership provides an important avenue that bridges the gap that, at times, can result when highly skilled employees lack the necessary qualifications due to circumstances beyond their control, a condition which can limit their progression and further development within the mining and minerals sector.

Therefore, through the RPL learnership employees are equipped with qualifications that are equivalent to their technical skills. To this end, **43** employed learners successfully completed recognition of prior learning (RPL) training during the 2023–2024 financial year, against the set target of 32.

The MQA's artisan development programme pursues the DHET's initiative to produce an increased number of qualified artisans each year.

During the 2023–2024 financial year, **1 706** learners entered artisan programmes against the set target of 1 600; **1 101** learners completed artisan training against a set target of 580; and **190** learners completed artisan recognition of prior learning training against a set target of 105.

The artisan aides programme also received great support from stakeholders in the sector, where **332** learners completed training against a set target of 200.

## Management and Executive Development Programme

The MQA facilitates the provision of the Management Executive Development Programme (MEDP) which supports HDSA employees in the sector to access the requisite management and executive development programmes to advance their expertise.

During the reporting financial year, **240** HDSA sector employees entered the MEDP programme against the set target of 170; and **197** successfully completed the programme, against a set target of 80.

## Workplace Mentor and Coaches Training Programmes

The MQA supports transformation of the mining and minerals sector through training interventions such as the Workplace Mentor and Coaches Programme. This programme is aimed at placing mentors and coaches within workplaces to support employers and learners with on-the-job mentoring and coaching activities, whereby learners are assisted through structured workplace-based learning programmes. During the 2023–2024 financial year, **144** workplace coaches were placed within workspaces, against the set target of 126, to support employers with on-the-job mentoring and coaching activities.

## Candidacy Programme for Historically Disadvantaged Individuals

The Candidacy Programme supports unemployed and employed graduates placed in structured work-based programmes at host companies, whereby the graduate undergoes learning that will prepare them for the Government Certificate of Competency examination. This affords graduates with workplace learning that supports the qualification that has been achieved at higher education institutions.

During the reporting period, **96** HSDA learners, out of a set target of 85, entered the Candidacy Programme.

## Stakeholder Capacity Building

The MQA provides stakeholder capacity building training to ensure the sector has enough experts that are adept at collecting, assessing, and providing critical information pertaining to the training needs of the sector.

During the year under review, **25** Skills Development Facilitators (SDFs) capacity building workshops were hosted against the set target of 21.

## Support for Literacy in the Sector

Literacy support in the sector remains key in promoting the pursuit of learning amongst previously disadvantaged adult learners within the mining and minerals sector.

During the 2023–2024 financial year, **1 455** learners against the set target of 1 418 successfully completed level 1–4 Adult Education and Training (AET) and National Accredited Technical Education Diploma (NATED) courses.

A further **241** learners successfully completed Foundational Learning Competence (FLC) training against the set target of 233.

## Investing in African Mining Indaba

The MQA successfully participated at the 2024 Investing in African Mining Indaba from 5–8 February 2024, hosted at the Cape Town International Convention Centre where a record attendance of at least 6 000 delegates were observed in-person. The event allowed for the MQA to engage with representatives from the African diaspora and mining and mineral sector employers what were present at the event.

## World Skills Conference and Competition Participation

The MQA participated in the World Skills Conference and Competition event held at the Durban International Conference Centre from 1–3 February 2024. In partnership with the Murray & Roberts Training Academy the MQA showcased artificial intelligence training methods in the mining and mineral sector as part of the DHET *"Try a Skill"* exhibition.

## International Literacy Day (ILD)

The MQA celebrated International Literacy Day (ILD) on 9 September 2023 in Middleburg, Mpumalanga at the Middleburg Technical High School where 1 050 AET learners representing various mining houses from across the country attended. The event was represented by the Honourable Deputy Minister of the Department of Higher Education and Training (DHET), Mr Buti Manamela and various stakeholders from the sector. The Deputy Minister lauded the learners present as well as the facilitators who have made a marked contribution to the literacy levels in our country.

## MQA Mining Skills Lekgotla

Another highlight of the MQA's achievements was the resounding accomplishment of the organisation's inaugural Mining Skills Lekgotla event which was hosted alongside the Annual Consultative Conference on 23–24 November 2023 at the Birchwood Hotel and OR Tambo International Conference Centre in Boksburg.

The event brought together sector stakeholders, training providers, academics, and skills development role players, resulting in substantial engagements to identify blockages experienced in implementing skills development interventions in the sector to find innovative means to address some of the challenges. The summit also promoted the work within the skills development sector, highlighting the functions of the MQA as an authority and the central role it plays in the implementation of the National Skills Development Plan 2030. The event resulted in a working document that will contribute to the continuous improvement within the sector.

## InterSETA Impact Skills Summit

The InterSETA impact Skills Summit was planned in the last quarter of the financial year and took place on 23-24 April 2024. It focused on profiling the contribution that the SETAs have made to advance skills development training in various industries over a period spanning twenty-eight years since the establishment of SETAs in 1998.

The MQA is anticipating its partnership with SETAs and the DHET will be maintained as the SETAs focus on impact rather than numbers.

## Partnership Interventions

Another significant highlight was the conclusion of an agreement between the MQA and the Chemical Industries Sector Education and Training Authority (CHIETA), whereby both organisations agreed to collaborate on joint programmes in the hydrogen economy and fourth industrial revolution (4IR). This will include the establishment of a centre for specialisation for excellence in hydrogen skills.

Various collaborations also took place with institutions such as the DMPR and MINTEK on small scale mining and other partnerships with a state-owned entity such as the Mine Health and Safety Council (MHSC). Here the parties formed partnerships on the MHSC Occupational Health and Safety Summit, and planned joint stakeholder engagements and advocacy campaigns. A very important partnership agreement was also signed with the Association of Mine Managers South Africa (AMMSA) to partner on research interventions, participate in each other's structures and ensure participation in mine community and youth

development programmes. The MQA also engaged with Mine Council South Africa (MINCOSA) to further collaborate with employers in the sector and sharpen the MQA's focus on the learning programmes prioritised.

## Engagement with Higher Education Institutions

The MQA embarked on a drive to ensure greater inclusivity and partnerships with institutions of higher learning. Amongst these, the MQA engaged with the Vice Chancellors and staff at various institutions including the Mangosuthu University of Technology on 14 September 2023, the University of the Free State on 11 October 2023, the Walter Sisulu University on 18 October 2023, the Witwatersrand School of Mining on 25 October 2023, the Durban University of Technology on 22 February 2024, the Capricorn TVET College and Waterberg TVET colleges on 12 March 2024, the University of Venda on 11 March 2024, the Northen Cape Rural TVET college on 6 March 2023, the Sol Plaatjie TVET college on 6 March 2024, and the University of Pretoria School of Mining on 15 June 2023 as well as on 14 March 2024.

These visits were intended to collaborate with higher education institutions to advance skills development interventions based on the agreements the various institutions have with the MQA. Partnerships were formalised to ensure strategies are developed to support MQA beneficiaries to ensure academic excellence and participate in research for the benefit of the mining and minerals sector.

## Stakeholder Satisfaction Surveys

Without feedback from its stakeholders the MQA is unable to provide the valuable services to its stakeholders. During the last quarter of the financial year, the MQA through its appointed service provider Plus 94 Research, conducted the Biennial Stakeholder Satisfaction Survey where over 450 interviews were conducted, including Computer-Assisted Web Interviewing (CAWI) and Computer-Assisted Telephonic Interviewing (CATI) methods, to measure the perceptions of its key internal and external stakeholders. The stakeholders surveyed included amongst others the MQA Board members, committee members, MQA employees and external stakeholders that included levy-paying companies, skills development facilitators, accredited training providers and learners.

From a satisfaction target of 75 set, 81% satisfaction was recorded. This provides an improvement from previous surveys, highlighting that the MQA is making efforts to improve by implementing the recommendations made by stakeholders from previous surveys.

## Employee Development and Support

The MQA can attest to many successes in the sector. These are as a result of the growth of its internal resources that support the sector. Through the bursary programme for staff, at least 60% of MQA employees committed to further their studies. This highlights that the MQA is a learning organisation.

Additionally, staff also attend learning forums where subject matter experts are invited and presenters from other SETAs allow the MQA to benchmark its programmes and services.

## Challenges

The prevalence of retrenchments in the sector continues to pose an unwaning challenge that has a negative influence on the successful growth of the sector.

As the MQA, we urge the sector and all its stakeholder groupings to convene discussions that will produce practical resolutions that encourage innovation with a view to develop projects to reskill the mining and minerals sector workforce.

## Appreciation

To the Honourable Minister of Higher Education and Training, Dr Nobuhle Nkabane; the Honourable Minister of Mineral and Petroleum Resources, Mr Gwede Mantashe; and the Chairperson of the MQA Board, Mr David Msiza, I would like to express my heartfelt gratitude for entrusting me with the responsibility to direct this capable organisation.

The immense contribution provided by various stakeholders in the mining and minerals sector remains instrumental in the MQA's achievements during the reporting financial year. These include the DHET, DMPR, the MQA Board and standing committees, as well as employers and labour

organisations in the sector. The steady performance of the organisation is a result of the invaluable feedback received during various stakeholder engagements.

The MQA's exceptional achievement and successes are attributed to the dedication and commitment demonstrated by the MQA's management and staff. As we continue to elevate the profile of the mining and minerals sector, I would like to urge all stakeholders to continue to partner with the MQA to ensure the sector remains transformative, innovative, and successful for all stakeholders who participate in and contribute to this dynamic industry.

The MQA remains diligent and committed to the health, safety and wellness of our mining and minerals sector, and will remain steadfast in providing ongoing support to our stakeholders.



**Dr Thabo Mashongoane**
Chief Executive Officer
31 July 2024







*CEO Visits to Institutions of Higher Learning*

# EXECUTIVE STRUCTURE



**THABO MASHONGOANE**
**Chief Executive Officer**
1 May 2021 to current



**XOLISA NJIKELANA**
**(Acting) Chief Operations Officer**
1 June 2023 to 31 March 2024



**TOMMY BOIKHUTSO**
**(Acting) Executive Manager Stakeholder Relations**
1 December 2023 to 31 March 2024



**BETHUEL NEMAGOVHANI**
**Chief Risk Monitoring and Evaluation Officer**
01 July 2017 to current



**LEBOGANG MATLALA**
**Chief Financial Officer**
01 May 2018 to current



**MASHUDU MAVHUNGU**
**Executive Manager Corporate Services**
1 May 2021 to current



**BRIDGETTE MATHEBULA**
**(Acting) Chief Operations Officer**
1 April 2023 to 31 May 2023



**TSHEPO TSOTETSI**
**(Acting) Executive Manager Stakeholder Relations**
1 April 2023 to 31 May 2023



**MERLE CLARK**
**(Acting) Executive Manager Stakeholder Relations**
1 June 2023 to 31 November 2023

| CORE OPERATIONS |
|---|
| Strategic Planning |
| Skills Development and Research |
| Learning Programmes – Strategic Projects |
| Learning Programmes – Operations Projects |

| COMMUNITY EMPOWERMENT |
|---|
| Unemployed Youth |
| Mine Community Support |
| Small-scale mining |
| Small Business Development |
| Career Guidance |
| REGIONAL PRESENCE |
| Eastern Cape |
| Free State |
| Gauteng |
| KwaZulu-Natal |
| Limpopo |
| Mpumalanga |
| Northern Cape |
| North West |
| Western Cape |

| MONITORING, EVALUATION, RISK, QUALITY ASSURANCE |
|---|
| Monitoring and Evaluation |
| Risk and Fraud Administration |
| Quality Assurance |

| FINANCE, SUPPLY, INFORMATION TECHNOLOGY |
|---|
| Financial Management |
| Supply Chain Management |
| Information Technology |

| CORPORATE SERVICES |
|---|
| Corporate Governance |
| Customer Service and Communication |
| Human Resources |
| Legal and Governance |
| Facilities and Office Management |

**PERMANENT APPOINTMENTS FROM DATE OF EMPLOYMENT TO CURRENT**

**ACTING APPOINTMENTS FROM DATE OF ACTING TO END OF ACTING PERIOD**

SECTION 2



# CORPORATE GOVERNANCE INFORMATION

Corporate governance guides the processes and systems which are essential towards managing the organisational efficiency and effectiveness within the relevant prescripts. It is in line with these guidelines that the MQA ensures that its policies, processes, procedures and practices are reviewed regularly for consistent compliance with relevant legal provisions. The parameters amplified in the organisational strategies, policies and procedures enable MQA to utilise its resources in an efficient and effective manner.

The terms of Regulation 30 of the Treasury Regulations requires that a Service Level Agreement (SLA) must be concluded between the MQA and the Department of Higher Education and Training annually. This agreement should contain key performance indicators and outcomes expected by the stakeholders in line with the protocol for corporate governance in the public sector.

The Board provides strategic direction and leadership, determines goals and objectives of the MQA, and approves key policies, financial objectives, plans, goals and strategies. The MQA Constitution, the Board Charter and the Terms of Reference for all standing committees are aligned to the principles incorporated in the Code of Corporate Practices and Conduct in the King Code reports. The Board's standing committees play a critical oversight role that creates an enabling environment for achievement of organisational goals.

The Corporate Services unit provides support to the MQA Management, staff and Stakeholders in the execution of the organisational legislative mandate which is aimed at facilitating Skills Development in terms of the Skills Development Act.

The manner in which the MQA executes its mandate within the organisation depicts a satisfactory level of maturity of its Corporate Governance framework. The MQA is therefore proud to be an organisation whose values are embedded in the principles of good corporate governance.

## 2.2 GOVERNANCE STRUCTURES

In the execution of its oversight function, the Board is assisted by five standing Committees that provide strategic support.

- Audit and Risk Committee (ARC)
- Executive Committee (EXCO)
- Finance Committee (FINCOM)
- Governance & Strategy Committee (GSC)
- Remunerations Committee (REMCO)

## 2.3 BOARD STRATEGIC PLANNING SESSION

The strategic planning process is a critical aspect within any organisation as it is aimed at ensuring impeccable delivery on its strategic objectives. It is in line with this phenomenon that the MQA Board held its strategic session on 7–8 September 2023 with the purpose of reviewing the MQA's strategic direction, assessing internal and external challenges, providing direction and producing the Annual Performance Plan of the organisation.

The Strategic Planning Session also enabled the Board to deliberate on various policy initiatives aimed at streamlining operational processes for efficiency and effectiveness.

## 2.4 EXECUTIVE COMMITTEE (EXCO)

The EXCO meets monthly to deliberate on reports that are submitted to the Board Committee as recommended by the EXCO members.

## 2.5 ACCOUNTING AUTHORITY

The final responsibility for the future of the company depends upon the Board as they provide guidance and direction in which the company is to be led. Sections 50 and 51 of the Public Finance Management Act (PFMA) Act 1 of 1999 as amended by Act 29 of 1999, stipulates that the Accounting Authority must accept the fiduciary duties in writing.

## 2.6 BOARD RESPONSIBILITIES

The Board is responsible for:

- controlling the company and its strategic direction;
- ensuring the company adheres to the values which are formulated in its code of conduct;
- ensuring that its conduct and that of Management aligns to the values and is adhered to in all aspects of its business; and
- promoting the stakeholder inclusive approach of governance.

## 2.7 BOARD CHARTER

The charter is approved by the Accounting Authority and ensures there is compliance with the charter.

## 2.8 REMUNERATION OF THE BOARD

The remuneration of the Board is determined by National Treasury Rates and in line with the approved remuneration policy for Board members.

Employees of organs of state serving as office-bearers on public entities are not entitled to meeting fees.

Members of the Board are also reimbursed for their travel and the rate per kilometre is determined by the South African Revenue Service (SARS).

## 2.9 BOARD AND STANDING COMMITTEE'S ROLES AND RESPONSIBILITIES

| | NAME | FUNCTION | COMPOSITION | QUORUM | CHAIRPERSON | SECRETARY | MEETING |
|---|---|---|---|---|---|---|---|
| 1. | MQA Board | Accounting Authority policy, strategies and resource allocations. | Chairperson of the Board, six members representing Employers, six members representing Labour, one member representing State, one member representing Community | Three Stakeholder groups present | Chief Inspector of Mines | External Service Provider | Quarterly |
| 2. | Executive Committee (EXCO) | Board delegated tasks and management oversight. | Chairperson of the Board, two members from Employers, two members from Labour, CEO, COO, CFO, Executive Manager Corporate Services (EMCS), Chief Risk Monitoring & Evaluation (CRMEO), Executive Manager Stakeholder Relations (EMSR) | Two group Stakeholder present | Chief Inspector of Mines | External Service Provider | Monthly |
| 3. | Audit and Risk Committee (ARC) | Advise on the effectiveness of financial management systems and controls in terms of the PFMA. | Three external representatives, one representative per stakeholder group, representative from internal auditors, one representative from external auditors, CEO, COO, CFO, EMCS, CRMEO and EMSR | Two Stakeholders from different stakeholder groups and one external representative present | External representative | External Service Provider | Quarterly |
| 4. | Finance Committee (Fincom) | Advise on budget, financial control of projects and grants, levy grant disbursement. | Two representatives per stakeholder group, CEO, COO, CFO, EMCS, CRMEO and EMSR | Two Stakeholder groups present | Board Member | External Service Provider | Quarterly |
| 5. | Governance & Strategy Committee (GSC) | Assist with the development of the policies, principles, criteria and guidelines that are necessary for the Governance function of the SETA.<br>The promotion of good governance.<br>Development of the Skills Development Strategy for the sector. | Two representatives per stakeholder group | Two Stakeholder groups present | Board Member | External Service Provider | Quarterly |
| 6. | Remunerations Committee (REMCO) | Oversees the implementation of a Remuneration Framework for the MQA. | Three external representatives, one representative per stakeholder group, CEO, COO, EMCS, CFO, CRMEO, EMSR | One Stakeholder and one external representative present | External Representative | External Service Provider | Quarterly |

## 2.10 BOARD MEMBER COMPOSITION



**MR DAVID MSIZA**
Chairperson

**STATE**



**MR MTHOKOZISI ZONDI**
Department of Mineral and Petroleum Resources



**MS BREGGIE ELIZABETH HOWES**
Impala Platinum



**MS MABOSWANENG MALAZA**
Harmony Gold



**MR OGODISENG SENYE**
Mineral Council South Africa

**EMPLOYERS**



**MR REUBEN GIBB MOTLOU**
Tharisa Mine



**MS SANELISIWE DLAMINI-MTHETHWA**
TRONOX

**VACANT**

**LABOUR**



**MS ANNE ATLEE**
National Union of Mineworkers



**MR FRANZ STEHRING**
UASA the Union



**ADV. JOHANNA JANSEN VAN VUUREN**
Solidarity



**MR OLEHILE KGWARE**
National Union of Mineworkers



**MS TSHEPO TLHAPANE**
National Union of Mineworkers



**MR VIWE JAMES**
National Union of Metal Workers of South Africa

**COMMUNITY**



**DR KENNETH NETSHIOMBO**
Tshwane University of Technology

# 2.11 BOARD MEMBER MEETING ATTENDANCE

| | MEMBER | ORGANISATION | CONSTITUENCY | 3 April 2023 | 31 May 2023 | 2 June 2023 | 28 June 2023 | 31 July 2023 | 22 August 2023 | 30 August 2323 | 7–8 September 2023 (Strat Session) | 12 September 2023 | 25 October 2023 | 9 November 2023 | 20 November 2023 | 27 November 2023 | 8 January 2024 | 22 January 2024 | 29 January 2024 | 30 January 2024 | 23 February 2024 | 13 March 2024 | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | ***D. Msiza | DMPR – Pretoria | State | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | X | √ | √ | √ | √ | X | 17 |
| 2 | *M. Zondi | DMPR – Pretoria | Government | √ | √ | √ | √ | √ | √ | √ | √ | X | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | 18 |
| 3 | *K. Netshiombo | TUT | Community | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | 19 |
| 4 | **G. Motlou | Tharisa Mine | Employer | √ | √ | √ | √ | √ | √ | X | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | 18 |
| 5 | *M. Malaza | Harmony Gold | Employer | √ | X | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | 18 |
| 6 | **O. Senye | MINCOSA | Employer | Appointed effective 15 June 2023 | | | | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | 19 |
| 7 | *S. Dlamini-Mthethwa | Tronox | Employer | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | X | √ | √ | √ | √ | √ | √ | √ | √ | 18 |
| 8 | *E. Howes | Impala Platinum | Employer | X | X | √ | √ | √ | X | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | 16 |
| 9 | **F. Stehring | UASA | Labour | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | 19 |
| 10 | **O. Kgware | NUM | Labour | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | 19 |
| 11 | *A. Atlee | Sibanye Still Water | Labour | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | 19 |
| 12 | *T. Tlhapane | NUM | Labour | √ | √ | √ | √ | √ | √ | √ | √ | √ | X | √ | X | √ | √ | √ | √ | √ | √ | √ | 17 |
| 13 | *V. James | NUMSA | Labour | √ | √ | √ | √ | √ | X | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | 18 |
| 14 | *H. Jansen van Vuuren | Solidarity | Labour | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | 19 |

*** Chairperson
** EXCO
* Members

SECTION 3



# PERFORMANCE INFORMATION

# 3.1 STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION FOR THE YEAR ENDED 31 MARCH 2024

As the Chief Executive Officer (CEO) of the MQA, I confirm that to the best of my knowledge and belief that:

- all information and amounts disclosed in the Annual Report are consistent with the Annual Financial Statements audited by the Auditor-General;
- the Annual Report is complete, accurate and is free from any omissions;
- the Annual Report has been prepared in accordance with the guidelines as issued by National Treasury;
- the Annual Financial Statements (Section 11) have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) that are the standards applicable to the public entity;

I accept that as the Accounting Authority I am responsible for the preparation of the Annual Financial Statements and the MQA performance information, as well as for the judgements made on this information; and as the Accounting Authority, I am also responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.

The MQA Annual Financial Statements (pages 113 to 154) and the performance information (pages 29 to 51) approved by the MQA Board for the year ended 31 March 2024, have been examined by the external auditors to express an independent opinion and their report is presented on pages 102 to 105 of this report.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the MQA for the financial year ended 31 March 2024.

Yours faithfully



**Mr David Msiza**
Board Chairperson
31 July 2024



**Dr Thabo Mashongoane**
Chief Executive Officer
31 July 2024

## 3.2 MQA Value Chain

**SKILLS PLANNING AND RESEARCH**

### SECTOR SKILLS PLANNING

- Identify skills needs for the sector.
- Evaluate and approve WSP-ATRs to facilitate payment of Mandatory Grants to the qualifying companies.
- Compile a Sector Skills Plan and annual updates.
- Support sector research.

**LEARNING PROGRAMMES IMPLEMENTATION AND STAKEHOLDER MANAGEMENT**

### STRATEGIC PROJECTS

- Lecturer Support at Higher Education Institutions (HEIs).
- Internship Support.
- Management Development Support.
- Lecturer Support at Technical, Vocational, Education and Training (TVET) Colleges.
- Support National Certificate Vocational (NCV) Level 4.
- Work Experience
- Workplace Coach Development.

### OPERATIONS PROJECTS

- Adult Education and Training (AET).
- Artisan Aides.
- Artisan Learnerships.
- Foundation Learning Competency (FLC).
- Non-artisan Learnerships.
- Non-artisan Learnerships (RPL).
- Occupational Health and Safety (OHS) Representative Development.

### STAKEHOLDER RELATIONS

- Mine Community Support.
- TVET Lecturer Support.
- Unemployed Youth.
- Small Scale Mining.
- SMME Development.
- Worker Initiated Training.
- NCV Level 4 Support
- Manage six (6) regional offices.

**RISK, MONITORING, EVALUATION AND QUALITY ASSURANCE**

### RISK MANAGEMENT

- Enterprise Risk Management Function.
- Ensures compliance with the risk management strategy, policies and processes.
- Implements risk management systems.
- Facilitates the establishment and monitoring of risk throughout the organisation.
- Ensures risk assessments facilitation.
- Develops a compliance framework for the organisation to ensure good corporate governance.
- Manages, co-ordinates and monitors internal audit.
- Designs and develops a Fraud Management Strategy.
- Devises roadmaps, frameworks and structures related to the prevention and detection of fraud.
- Designs strategies and techniques to continuously monitor fraud risk.

### MONITORING AND EVALUATION

- Ensures the validation of APP and the QMR performance.
- Develops a learner verification plan on funded learners and conducts visits to employers or training providers.
- Ensures the monitoring of action plans arising from assurance to prevent any risks.
- Reports and investigates any incidents of fraudulent activities in line with the Fraud Prevention Policy.
- Evaluates whether the planned deliverables meet the intended impact in line with the M&E Policy.

### QUALITY ASSURANCE (QA)

- Acts as an Assessment Quality Partner (AQP) for the development of assessment tools, assessment centres and conducts the moderation process.
- Acts as a Development Quality Partner (DQP) to develop learning programmes and materials.
- Acts as Quality Assessment Partner (QAP) for the accreditation of Skills Development Providers, TVET colleges, and Assessment Centres.
- Quality assures learner records for the National Learner Records Database (NLRD).
- Certifications of learner completion including certifications for learning programmes in line with the Section 26D process.
- Approves workplace based learning and linked practitioners.

**SUPORT SERVICES AND ANNUAL UPDATES**

### CORPORATE SERVICES

- Corporate Governance
- Human Resources, Legal and Governance
- Customer Service and Communication
- Facilities and Office Management

### FINANCE

- Finance
- Supply Chain Management
- Information Technology

## 3.3 THE MINING CHARTER DECLARATION, COMMITMENTS AND SCORECARD FOR 01 APRIL 2023 TO 31 MARCH 2024

The MQA's support for the Mining Charter objectives and elements during the reporting period included but were not limited to:

### Beneficiation Support

The MQA continued to support the training of learners in the diamond processing and jewellery manufacturing disciplines by funding a total of **495** learners who entered the learnership programme and **787** learners who completed programmes in these disciplines in the year under review. A total of **366** learners who entered the learnership programme are learners with disabilities and **9** learners completed the programme.

### Mine Community Development Support

The MQA supported various mining communities and labour sending areas with skills development initiatives. These programmes were not restricted to mining skills and included training in portable skills such as plant, poultry and/or livestock production, SME Operator-Shelf Filler, new venture creation, mixed farming systems, SMME development, clothing manufacturing, crop farming, surface mining, domestic installation, solar water heating, electrical, carpentry, and painting. A total of **R63 million** was disbursed for mine community support. In addition, **223** community learners were supported with small scale mining skills. **116** Career guidance activities were conducted in urban and rural mining communities to highlight career opportunities in the mining and minerals sector.

### Historically Disadvantaged South Africans (HDSA) Support

The primary objective of the Mining Charter is to facilitate the transformation of the mining industry to ensure that historically disadvantaged South Africans, particularly Black individuals, have meaningful participation and ownership in mining operations. Furthermore, it aims to promote employment equity in the mining sector, ensuring that historically disadvantaged groups have access to job opportunities and are represented at all levels of the industry, including management and executive positions. The MQA, in response to the Mining Charter objectives is implementing the Management Development Programme (MDP) and Candidacy Programme. **197** HDSA learners were supported and completed MDP and **96** HDSA learners were supported in candidacy programmes.

The MQA continued to support **41** HDSA lecturers at universities and **73** HDSA TVET lecturers. The objective of these interventions are to transform the mining and minerals related departments within the institutions of higher learning through a provision of exposure, experience, and employment of Historically Disadvantaged South Africans. The MQA also funded **1 011** unemployed bursars and **69** employed bursars in disciplines related to the mining and minerals sector. These bursaries are targeted at previously disadvantaged learners in rural communities. The MQA increased its Black Economic Empowerment (BEE) level 1–4 spend to **97.25%** of service providers and vendors providing services to the SETA.

A number of other projects and initiatives in the MQA strategic plan supported the Mining Charter. These include programmes and projects in artisan development, core learnerships, skills development, work experience, internships, adult education and training (AET), recognition of prior learning (RPL), occupational health and safety (OHS), and other health and safety programmes. These initiatives support objectives and elements such as employment equity and human resources development.

# 3.4 ANNUAL PERFORMANCE REPORT FOR THE PERIOD 1 APRIL 2023 TO 31 MARCH 2024

Performance against targets agreed with the Department of Higher Education and Training.
Disclaimer: Refer to the signed Annual Performance Report (APR) for Performance Information.

**Service Level Agreement Performance**

| Number of Targets Agreed Upon | Number of Targets Not Met | Number of Targets Achieved |
|---|---|---|
| 57 | 0 | 57 |
| 100% | 0 | 100% |

**Summary of Annual Performance Plan Achievement**

| Number of Targets Agreed Upon | Number of Targets Not Met | Number of Targets Achieved |
|---|---|---|
| 80 | 0 | 80 |
| 100% | 0 | 100% |

TOTAL OVERALL ORGANISATION PERFORMANCE: 100%

**Summary of Discretionary Grants Budget Achievement**

| Annual Budget | Total Expenditure | Percentage Expenditure |
|---|---|---|
| R1 351 086 million | R1 273 915 million | 94% |

The MQA identified four (4) programmes in line with its six (6) strategic objectives, supported by the eight (8) NSDP outcomes which are crucial to the achievement of its skills development mandate, as well as its operational efficiency:

| Programme | | Strategic Objective | | NSDP Outcome | |
|---|---|---|---|---|---|
| **PROGRAMME 1** | Administration | **STRATEGIC OBJECTIVE 1** | Promote efficient and effective governance and administration. | **NSDP OUTCOME 9** | Maintain effective corporate governance. |
| **PROGRAMME 2** | Skills Planning and Research | **STRATEGIC OBJECTIVE 2** | Improve skills development planning and decision-making through research. | **NSDP OUTCOME 1** | Identify and increase production of occupations in high demand. |
| **PROGRAMME 3** | Learning Programmes | **STRATEGIC OBJECTIVE 3**<br><br>**STRATEGIC OBJECTIVE 4**<br><br>**STRATEGIC OBJECTIVE 5** | Promote work-based skills development to support transformation in the mining and mineral sector.<br><br>Facilitate access to occupationally directed learning programmes for the unemployed. Support training initiatives in mine communities. | **NSDP OUTCOME 2, 3, 4, 6, 7, 8 and 10** | Link education and the workplace.<br><br>Improve the level of skills in the South African workforce. Increase access to occupationally directed programmes.<br><br>Support skills development for entrepreneurship and cooperative growth.<br><br>Encourage and support worker-initiated training.<br><br>Support career development services.<br><br>Initiate rural development projects. |
| **PROGRAMME 4** | Quality Assurance | **STRATEGIC OBJECTIVE 6** | Ensure the delivery of quality and impactful learning programmes in the mining and minerals sector. | **NSDP OUTCOME 4 and 5** | Increase access to occupationally directed programmes.<br><br>Support the growth of the public college system. |

## THE MQA ANNUAL PERFORMANCE REPORT FOR THE PERIOD 01 APRIL 2023 TO 31 MARCH 2024

## PERFORMANCE AGAINST TARGETS AGREED WITH THE DEPARTMENT OF HIGHER EDUCATION AND TRAINING

80 OUT OF 80 INDICATORS HAVE MET/EXCEEDED TARGET = 100%

0 OUT OF 80 INDICATORS HAVE NOT YET MET TARGET = 0%

**Programme 1: Administration**

Ensure efficient and effective governance and administration.

Ensure the delivery of quality and impactful learning programmes in the mining and minerals sector.

Facilitate training for stakeholders, communities and entrepreneurs.

| Ref. No. | Programme performance indicator | Actual Achievement 2022-2023 | Planned Target 2023-2024 | Actual Achievement 2023-2024 | Deviation from planned target to Actual Achievement for 2023-2024 | Dashboard | Comments on Deviation |
|---|---|---|---|---|---|---|---|
| 1.1 | Unqualified audit outcome | Unqualified Audit Outcome | Unqualified Audit Outcome | Unqualified Audit Outcome | None | | No Variance. |
| 1.2 | Achievement of 90% spend on BBBEE level 1-4 suppliers (goods and services). | 98% | 90% | 97.25% | 7.25% | | **Target exceeded** This is due to increased use of level 1-4 BBBEE suppliers. |
| 1.3 | One customer satisfaction survey conducted biennially and 75% Customer satisfaction. | N/A | One customer satisfaction survey conducted biennially and 81% Customer satisfaction. | 81% | 6% | | **Target exceeded** This is due to increased positive responses from stakeholders due to efforts to improve customers satisfaction level. |
| 1.4 | Percentage of MQA twelve (12) monitorable projects monitored through learner verification | 111% | 100% | 100% | 0% | | No Variance. |
| 1.5 | Number of MQA projects evaluated per annum (Value for Money analysis) conducted | 3 | 3 | 3 | 0 | | **No Variance.** |

## Programme 1: Administration

Ensure efficient and effective governance and administration.

Ensure the delivery of quality and impactful learning programmes in the mining and minerals sector.

Facilitate training for stakeholders, communities and entrepreneurs.

| Ref. No. | Programme performance indicator | Actual Achievement 2022-2023 | Planned Target 2023-2024 | Actual Achievement 2023-2024 | Deviation from planned target to Actual Achievement for 2023-2024 | Dashboard | Comments on Deviation |
|---|---|---|---|---|---|---|---|
| 1.6 | Implementation of Change Management Strategy Recommendations/Priorities for the MQA. | 30% | 30% of Change Management priorities implemented | 30% of Change Management priorities implemented | 0% | | No variance. |
| 1.7 | Quarterly SETA Good Governance report per annum. | N/A | 4 | 4 | 0 | | No variance. |
| 1.8 | Number of SETA offices established and maintained in TVET colleges | N/A | 5 | 5 | 0 | | No variance. |

## Programme 2 : Research

Improve skills development planning and decision-making through research.

Facilitate training for stakeholders, communities and entrepreneurs.

| Ref. No. | Programme performance indicator | Actual Achievement 2022-2023 | Planned Target 2023-2024 | Actual Achievement 2023-2024 | Deviation from planned target to Actual Achievement for 2023-2024 | Dashboard | Comments on Deviation |
|---|---|---|---|---|---|---|---|
| 2.1.a | Number of workplace skills plans (WSPs) and annual training reports (ATRs) evaluated to access mandatory grants per annum. | 810 | 750 | 799 | 49 | | **Target exceeded** This is due to the high number of companies that submitted the WSPs-ATRs against the set target as a result of additional SDF feedback and capacity building workshops conducted. |
| 2.1.b | Number of WSPs and ATRs approved for small companies per annum. | N/A | 290 | 311 | 21 | | **Target exceeded** This is due to the high number of companies that submitted the WSPs-ATRs against the set target as a result of additional SDF feedback and capacity building workshops conducted. |

| Programme 2 : Research | | | | | | | |
|---|---|---|---|---|---|---|---|
| Improve skills development planning and decision-making through research. | | | | | | | |
| Facilitate training for stakeholders, communities and entrepreneurs. | | | | | | | |
| **Ref. No.** | **Programme performance indicator** | **Actual Achievement 2022-2023** | **Planned Target 2023-2024** | **Actual Achievement 2023-2024** | **Deviation from planned target to Actual Achievement for 2023-2024** | **Dashboard** | **Comments on Deviation** |
| **2.1.c** | Number of WSPs and ATRs approved for medium companies per annum | N/A | 165 | 166 | 1 | | **Target exceeded** This is due to the high number of companies that submitted the WSPs-ATRs against the set target as a result of additional SDF feedback and capacity building workshops conducted. |
| **2.1d** | Number of WSPs and ATRs approved for large companies per annum | N/A | 225 | 283 | 58 | | **Target exceeded** This is due to the high number of companies that submitted the WSPs-ATRs against the set target as a result of additional SDF feedback and capacity building workshops conducted. |
| **2.2** | Number of sector research outputs completed per annum. | 6 | 10 | 11 | 1 | | **Target exceeded** This was due to an additional research project conducted in the year under review. |
| **2.3** | Number of MoAs signed with targeted public and private organisations. | 4 | 3 | 5 | 2 | | **Target exceeded** This is due to the addition of new research topics from the previous 2022/2023 financial year to the 2023/2024 MQA Annual Research Agenda. |
| **2.4** | Number of Skills Development Facilitator capacity building workshops per annum. | 20 | 21 | 25 | 4 | | **Target exceeded** This is due to conducting additional five OFO code workshops to update the OFO dictionary as required by DHET. requirement. |

## Programme 2 : Research

Improve skills development planning and decision-making through research.

Facilitate training for stakeholders, communities and entrepreneurs.

| Ref. No. | Programme performance indicator | Actual Achievement 2022-2023 | Planned Target 2023-2024 | Actual Achievement 2023-2024 | Deviation from planned target to Actual Achievement for 2023-2024 | Dashboard | Comments on Deviation |
|---|---|---|---|---|---|---|---|
| 2.5 | Number of capacity building workshops conducted for skills development committee members per annum. | 27 | 21 | 21 | 0 | | None, annual target met. |

## Programme 3: Learning Programmes

Facilitate opening of workplace-based learning opportunities and access to occupationally directed programmes.

Facilitate training for stakeholders, communities, and entrepreneurs.

Support industry collaboration with public college system.

| Ref. No. | Programme performance indicator | Actual Achievement 2022-2023 | Planned Target 2023-2024 | Actual Achievement 2023-2024 | Deviation from planned target to Actual Achievement for 2023-2024 | Dashboard | Comments on Deviation |
|---|---|---|---|---|---|---|---|
| 3.1a | Number of learners that enter an artisan programme per annum. | 1522 | 1600 | 1706 | 106 | | **Target exceeded** This is due to the sector's interest in increasing learner uptake and additional budget added to the project. |
| 3.1b | Number of learners that complete an artisan programme per annum. | 670 | 580 | 1101 | 521 | | **Target exceeded** as a result of sufficient pipeline for learners completion which was already committed. |

| Programme 3: Learning Programmes | | | | | | | |
|---|---|---|---|---|---|---|---|
| Facilitate opening of workplace-based learning opportunities and access to occupationally directed programmes. | | | | | | | |
| Facilitate training for stakeholders, communities, and entrepreneurs. | | | | | | | |
| Support industry collaboration with public college system. | | | | | | | |
| **Ref. No.** | **Programme performance indicator** | **Actual Achievement 2022-2023** | **Planned Target 2023-2024** | **Actual Achievement 2023-2024** | **Deviation from planned target to Actual Achievement for 2023-2024** | **Dashboard** | **Comments on Deviation** |
| **3.1c** | Number of learners that complete artisan recognition of prior learning (ARPL) programmes per annum. | 63 | 105 | 190 | 85 | | **Target exceeded** This is due to the sector's interest in increasing learner uptake and sufficient pipeline for learner completion. |
| **3.1d** | Number of learners that complete an artisan aides programme per annum. | 446 | 200 | 322 | 122 | | **Target exceeded** Target is exceeded as a result of sufficient pipeline for learners completion. |
| **3.2a** | Number of employees entering a learnership per annum. | 552 | 680 | 852 | 172 | | **Target exceeded** This is due to the sector's interest in increasing learner uptake and additional budget added to the project. |
| **3.2b** | Number of employees completing a learnership per annum. | 246 | 300 | 478 | 178 | | **Target exceeded** Target is exceeded as a result of sufficient pipeline for learner completion. |
| **3.2c** | Number of unemployed learners entering a learnership per annum. | 1531 | 1200 | 1557 | 357 | | **Target exceeded** This is due to the sector's interest in increasing learner uptake and additional budget added to the project. |

| Programme 3: Learning Programmes | | | | | | | |
|---|---|---|---|---|---|---|---|
| Facilitate opening of workplace-based learning opportunities and access to occupationally directed programmes. | | | | | | | |
| Facilitate training for stakeholders, communities, and entrepreneurs. | | | | | | | |
| Support industry collaboration with public college system. | | | | | | | |
| **Ref. No.** | **Programme performance indicator** | **Actual Achievement 2022-2023** | **Planned Target 2023-2024** | **Actual Achievement 2023-2024** | **Deviation from planned target to Actual Achievement for 2023-2024** | **Dashboard** | **Comments on Deviation** |
| **3.2d** | Number of unemployed learners completing a learnership per annum. | 1620 | 850 | 1406 | 556 | | **Target exceeded** Target is exceeded as a result of sufficient pipeline for learner completions which was already committed. |
| **3.2e** | Number of learners completing RPL for learnership per annum. | 51 | 32 | 43 | 11 | | **Target exceeded** This is as a result of a sufficient pipeline for learner completion. |
| **3.3** | Number of workers completing Occupational Health and Safety Skills Programmes per annum. | 3972 | 3415 | 4267 | 852 | | **Target exceeded** This is as a result of a sufficient pipeline for learner completion. |
| **3.4** | Number of learners that successfully complete AET programme per annum. | 1661 | 1418 | 1455 | 37 | | **Target exceeded** This is as a result of a sufficient pipeline for learner completion. |
| **3.5** | Number of learners that successfully complete FLC per annum. | 289 | 233 | 241 | 8 | | **Target exceeded** This is as a result of a sufficient pipeline for learner completion. |
| **3.6a** | Number of unemployed graduates that enter an internship programme per annum. | 930 | 750 | 828 | 78 | | **Target exceeded** This is due to the sector's interest in increasing learner uptake and additional budget added to the project. |

| Programme 3: Learning Programmes | | | | | | | |
|---|---|---|---|---|---|---|---|
| Facilitate opening of workplace-based learning opportunities and access to occupationally directed programmes. | | | | | | | |
| Facilitate training for stakeholders, communities, and entrepreneurs. | | | | | | | |
| Support industry collaboration with public college system. | | | | | | | |
| **Ref. No.** | **Programme performance indicator** | **Actual Achievement 2022-2023** | **Planned Target 2023-2024** | **Actual Achievement 2023-2024** | **Deviation from planned target to Actual Achievement for 2023-2024** | **Dashboard** | **Comments on Deviation** |
| **3.6b** | Number of unemployed graduates completed Internship per annum. | N/A | 250 | 588 | 338 | | **Target exceeded** This was due to a sufficient pipeline of learners from previous years who were due to complete their internship programme in the financial year and was already committed. |
| **3.7a** | Number of university students requiring work integrated learning to complete their qualifications placed in workplaces per annum. | 688 | 750 | 759 | 9 | | **Target exceeded** This is due to the sector's interest in increasing learner uptake and additional budget added to the project. |
| **3.7b** | Number of university students completed their Work Integrated Learning placements per annum. | 562 | 450 | 618 | 168 | | **Target exceeded** This was due to more Vacation Work learners registered and completed their training in the repoting period. |
| **3.8a** | Number of HDSA MMS employees that enter a Management Development Programme per annum. | 210 | 170 | 240 | 70 | | **Target exceeded** This is due to the sector's interest in increasing learner uptake. |

| Programme 3: Learning Programmes | | | | | | | |
|---|---|---|---|---|---|---|---|
| Facilitate opening of workplace-based learning opportunities and access to occupationally directed programmes. | | | | | | | |
| Facilitate training for stakeholders, communities, and entrepreneurs. | | | | | | | |
| Support industry collaboration with public college system. | | | | | | | |
| **Ref. No.** | **Programme performance indicator** | **Actual Achievement 2022-2023** | **Planned Target 2023-2024** | **Actual Achievement 2023-2024** | **Deviation from planned target to Actual Achievement for 2023-2024** | **Dashboard** | **Comments on Deviation** |
| **3.8b** | Number of HDSA MMS employees that complete a Management Development programme per annum | 137 | 80 | 197 | 117 | | **Target exceeded** This was due to more learners who started and completed in the same year. |
| **3.9** | Number of HDSA HET lecturers that enter into a lecturer development programme per annum | 41 | 5 | 6 | 1 | | **Target exceeded** This was due to budget availability. |
| **3.10** | Number of HDSA MMS learners that enter candidacy programme per annum. | 52 | 85 | 96 | 11 | | **Target exceeded** This was due to the uptake by employers on the allocated grants and additional budget. |
| **3.11** | Number of coaches placed within workplaces to support employers with on-the-job mentoring and coaching activities per annum | 118 | 126 | 144 | 18 | | **Target exceeded** This was due to the demand from the industry requesting additional allocations on this project. |
| **3.12a** | Number of unemployed learners awarded a bursary per annum. | 1585 | 1000 | 1011 | 11 | | **Target exceeded** This was due to high number of applications received who met the requirements to be allocated a bursary. |

| Programme 3: Learning Programmes | | | | | | | |
|---|---|---|---|---|---|---|---|
| Facilitate opening of workplace-based learning opportunities and access to occupationally directed programmes. | | | | | | | |
| Facilitate training for stakeholders, communities, and entrepreneurs. | | | | | | | |
| Support industry collaboration with public college system. | | | | | | | |
| **Ref. No.** | **Programme performance indicator** | **Actual Achievement 2022-2023** | **Planned Target 2023-2024** | **Actual Achievement 2023-2024** | **Deviation from planned target to Actual Achievement for 2023-2024** | **Dashboard** | **Comments on Deviation** |
| **3.12b** | Number of unemployed learners awarded a bursary completing per annum. | 407 | 500 | 601 | 101 | | **Target exceeded** This was due to the sufficient number of learners in the pipeline due to complete in this reporting period. |
| **3.12c** | Number of unemployed learners granted bursaries (continuing) per annum. | N/A | 1000 | 2545 | 1545 | | **Target exceeded** This was due to a large number of unemployed learners that were successful in their studies and who met the requirements to be awarded a bursary for continuation. |
| **3.13a** | Number of employed learners awarded a bursary per annum. | 61 | 65 | 111 | 46 | | **Target exceeded** This was due to high number of applications received who met the requirements to be allocated a bursary and additional budget. |
| **3.13b** | Number of workers granted bursaries completed their studies per annum. | N/A | 20 | 25 | 5 | | **Target exceeded** This was due to a sufficient number of learners in the pipeline due to complete in this reporting period. |

| Programme 3: Learning Programmes | | | | | | | |
|---|---|---|---|---|---|---|---|
| Facilitate opening of workplace-based learning opportunities and access to occupationally directed programmes. | | | | | | | |
| Facilitate training for stakeholders, communities, and entrepreneurs. | | | | | | | |
| Support industry collaboration with public college system. | | | | | | | |
| **Ref. No.** | **Programme performance indicator** | **Actual Achievement 2022-2023** | **Planned Target 2023-2024** | **Actual Achievement 2023-2024** | **Deviation from planned target to Actual Achievement for 2023-2024** | **Dashboard** | **Comments on Deviation** |
| **3.13c** | Number of workers granted bursaries (continuing) per annum. | N/A | 50 | 104 | 54 | | **Target exceeded** This was due to a large number of employed learners that were successful in their studies and met the requirements to be awarded a bursary for continuation. |
| **3.14a** | Number of mine community beneficiaries that enter a portable skills programme per annum. | 5569 | 1000 | 1337 | 337 | | **Target exceeded** This is due to pipeline of deferred allocations implemented in the current financial year. |
| **3.14b** | Number of mine community beneficiaries that complete a portable skills programme per annum. | 2964 | 2145 | 4692 | 2547 | | **Target exceeded** This was due to a sufficient pipeline for learners completion which was already committed. |
| **3.15a** | Number of unemployed youth in mining communities and labour sending areas that enter a portable skills programme per annum. | 2824 | 2300 | 2425 | 125 | | **Target exceeded** This was as a result of sufficient pipeline for learners completion which was already committed. |
| **3.15b** | Number of unemployed youth in mining communities and labour sending areas that complete a skills portable programme per annum. | 1755 | 1600 | 2144 | 544 | | **Target exceeded** This was due to a sufficient pipeline for learners completion which was already committed. |

| Programme 3: Learning Programmes | | | | | | | |
|---|---|---|---|---|---|---|---|
| Facilitate opening of workplace-based learning opportunities and access to occupationally directed programmes. | | | | | | | |
| Facilitate training for stakeholders, communities, and entrepreneurs. | | | | | | | |
| Support industry collaboration with public college system. | | | | | | | |
| **Ref. No.** | **Programme performance indicator** | **Actual Achievement 2022-2023** | **Planned Target 2023-2024** | **Actual Achievement 2023-2024** | **Deviation from planned target to Actual Achievement for 2023-2024** | **Dashboard** | **Comments on Deviation** |
| **3.16** | Number of beneficiaries trained in small-scale mining per annum. | 237 | 150 | 223 | 73 | | **Target exceeded** Target is exceeded as a result of sufficient pipeline for learners completion. |
| **3.17a** | Number of Career Development Events in urban areas on occupations in high demand per annum. | N/A | 20 | 39 | 19 | | **Target exceeded** This is due to the number of invitations received to participate in career guidance activities. |
| **3.17b** | Number of Career Development Events in rural areas on occupations in high demand per annum. | N/A | 70 | 77 | 7 | | **Target exceeded** This is due to the number of invitations received to participate in career guidance activities. |
| **3.17c** | Number of career development practitioners trained per annum | N/A | 50 | 52 | 2 | | **Target exceeded** This is due to the responsiveness of the career guidance practioners to participate in the programme. |
| **3.17d** | Number of capacity building workshops on career development services initiated per annum. | N/A | 5 | 5 | 0 | | No variance. |

| Programme 3: Learning Programmes | | | | | | | |
|---|---|---|---|---|---|---|---|
| Facilitate opening of workplace-based learning opportunities and access to occupationally directed programmes. | | | | | | | |
| Facilitate training for stakeholders, communities, and entrepreneurs. | | | | | | | |
| Support industry collaboration with public college system. | | | | | | | |
| **Ref. No.** | **Programme performance indicator** | **Actual Achievement 2022-2023** | **Planned Target 2023-2024** | **Actual Achievement 2023-2024** | **Deviation from planned target to Actual Achievement for 2023-2024** | **Dashboard** | **Comments on Deviation** |
| **3.18a** | Number of TVET students requiring work integrated learning to complete their qualifications placed in workplaces per annum. | 596 | 1200 | 1233 | 33 | | **Target exceeded** This is due to additional budget. |
| **3.18b** | Number of TVET students completed their work integrated learning placements per annum. | 281 | 150 | 334 | 184 | | **Target exceeded** This is due to sufficient pipelines which was already committed. |
| **3.19a** | Number of TVET Lectures exposed to the industry through skills programmes per annum | N/A | 20 | 21 | 1 | | **Target exceeded** This is due to the respon-siveness of the TVET Colleges to enrol their lecturers in the programme. |
| **3.19b** | Number of TVET colleges lecturers awarded bursaries per annum. | 40 | 35 | 52 | 17 | | **Target exceeded** This is due to additional budget. |
| **3.19c** | Number of CET Colleges lecturers awarded skills development programmes per annum. | N/A | 35 | 35 | 0 | | No variance. |

| Programme 3: Learning Programmes | | | | | | | |
|---|---|---|---|---|---|---|---|
| Facilitate opening of workplace-based learning opportunities and access to occupationally directed programmes. | | | | | | | |
| Facilitate training for stakeholders, communities, and entrepreneurs. | | | | | | | |
| Support industry collaboration with public college system. | | | | | | | |
| **Ref. No.** | **Programme performance indicator** | **Actual Achievement 2022-2023** | **Planned Target 2023-2024** | **Actual Achievement 2023-2024** | **Deviation from planned target to Actual Achievement for 2023-2024** | **Dashboard** | **Comments on Deviation** |
| **3.20** | Number of people enrolled in CET internships | N/A | 20 | 23 | 3 | | **Target exceeded** This is due to the responsiveness of the CET colleges to participate in the programme. |
| **3.21** | Number of TVET College graduates that enter an Internship Programme at a TVET college per annum. | N/A | 50 | 50 | 0 | | No variance. |
| **3.22** | Annual International Literacy Day hosted. | 1 | 1 | 1 | 0 | | No variance. |
| **3.23** | Number of Centres of Specialisation supported per annum. | N/A | 5 | 6 | 1 | | **Target exceeded** This is due to the responsiveness of the CoS to participate in the programme. |
| **3.24** | Number of CET learners accessing AET programmes per annum. | N/A | 350 | 395 | 45 | | **Target exceeded** This is due to the responsiveness of the CET colleges to participate in the programme. |
| **3.25a** | Number TVET managers receiving training on curriculum related studies per annum | N/A | 15 | 16 | 1 | | **Target exceeded** This is due to the responsiveness of the TVET colleges to participate in the programme. |

| Programme 3: Learning Programmes | | | | | | | |
|---|---|---|---|---|---|---|---|
| Facilitate opening of workplace-based learning opportunities and access to occupationally directed programmes. | | | | | | | |
| Facilitate training for stakeholders, communities, and entrepreneurs. | | | | | | | |
| Support industry collaboration with public college system. | | | | | | | |
| **Ref. No.** | **Programme performance indicator** | **Actual Achievement 2022-2023** | **Planned Target 2023-2024** | **Actual Achievement 2023-2024** | **Deviation from planned target to Actual Achievement for 2023-2024** | **Dashboard** | **Comments on Deviation** |
| **3.25b** | Number of CET managers receiving training on curriculum related studies per annum | N/A | 10 | 15 | 5 | | **Target exceeded** This is due to the responsiveness of the CET Colleges to participate in the programme. |
| **3.26** | Number of people to be trained on entrepreneurial skills per annum. | N/A | 50 | 145 | 95 | | **Target exceeded** High demand from industry to increasing learner uptake and additional budge to the project. |
| **3.27** | Number of cooperatives funded for skills that enhance enterprise growth and development per annum. | N/A | 5 | 8 | 3 | | **Target exceeded** This is due to cooperatives responsiveness to participate in the programme and availability of budget. |
| **3.28** | Number of small businesses funded for skills that enhance growth and development per annum. | N/A | 7 | 60 | 53 | | **Target exceeded** High demand from industry to increasing learner uptake and additional budget to the project. |
| **3.29** | Number of CBOs/ NGOs/NPOs funded for skills that enhance the development and sustainability of their organisation activities per annum. | N/A | 5 | 27 | 22 | | **Target exceeded** High demand from industry to increasing learner uptake and additional budget to the project. |

| Programme 3: Learning Programmes | | | | | | | |
|---|---|---|---|---|---|---|---|
| Facilitate opening of workplace-based learning opportunities and access to occupationally directed programmes. | | | | | | | |
| Facilitate training for stakeholders, communities, and entrepreneurs. | | | | | | | |
| Support industry collaboration with public college system. | | | | | | | |
| **Ref. No.** | **Programme performance indicator** | **Actual Achievement 2022-2023** | **Planned Target 2023-2024** | **Actual Achievement 2023-2024** | **Deviation from planned target to Actual Achievement for 2023-2024** | **Dashboard** | **Comments on Deviation** |
| **3.30** | Number of Federations / Trade Unions supported through the relevant skills training interventions per annum. | N/A | 4 | 5 | 1 | | **Target exceeded** This is due to additional budget. |
| **3.31** | Number of TVET partnerships established per annum. | N/A | 30 | 31 | 1 | | **Target exceeded** This is due to the high demand expressed by applications in the 2023/24 funding window. |
| **3.32** | Number of HEI partnerships established per annum. | N/A | 5 | 6 | 1 | | **Target exceeded** This was due to a concerted drive that was embarked on by the organisation to visit universities and engage with the office of the Vice Chancellors of the various universities to advocate for the MQA work and how the MQA can partners on more interventions with the universities. |
| **3.33** | Number of CET partnerships established per annum. | N/A | 9 | 9 | 0 | | No variance. |

| Programme 3: Learning Programmes | | | | | | | |
|---|---|---|---|---|---|---|---|
| Facilitate opening of workplace-based learning opportunities and access to occupationally directed programmes. | | | | | | | |
| Facilitate training for stakeholders, communities, and entrepreneurs. | | | | | | | |
| Support industry collaboration with public college system. | | | | | | | |
| **Ref. No.** | **Programme performance indicator** | **Actual Achievement 2022-2023** | **Planned Target 2023-2024** | **Actual Achievement 2023-2024** | **Deviation from planned target to Actual Achievement for 2023-2024** | **Dashboard** | **Comments on Deviation** |
| **3.34** | Number of SETA-Employer partnerships established per annum. | N/A | 10 | 586 | 576 | | **Target exceeded** This is due to the interest of mining employers to participate in various MQA Learning Programmes. |
| **3.35** | Number of Rural Development Projects initiated per annum. | N/A | 15 | 27 | 12 | | **Target exceeded** High demand from industry to increasing learner uptake and additional budget to the project. |
| **3.36a** | Percentage of discretionary grant budget allocated at developing high level skills. | N/A | 48% | 89% | 41% | | **Target exceeded** To ensure inclusion of beneficiaries of high level skills and availability of budget. |
| **3.36b** | Percentage of discretionary grant budget allocated at developing intermediate skills | N/A | 35% | 108% | 73% | | **Target exceeded** To ensure inclusion of beneficairies of intermediate level skills and availability of budget. |
| **3.36c** | Percentage of discretionary grant budget allocated at developing elementary skills. | N/A | 17% | 66% | 49% | | **Target exceeded** To ensure inclusion of beneficiaries of elementary level skills and availability of budget. |

**Programme 4: Quality Assurance, Monitoring and Evaluation**

Ensure the delivery of quality and impactful learning programmes in the Mining and Minerals Sector.

| Ref. No. | Programme performance indicator | Actual Achievement 2022-2023 | Planned Target 2023-2024 | Actual Achievement 2023-2024 | Deviation from planned target to Actual Achievement for 2023-2024 | Dashboard | Comments on Deviation |
|---|---|---|---|---|---|---|---|
| 4.1 | Number of skills development providers quality assured per annum. | 180 | 150 | SDP-30 Assessment centres - 5 Workplace based learning -115 | SDPs - 9 Assessment centers -0 Workplace based learning - 0 | | **Target exceeded** This is due to the sector demand for new SDPs accreditations and compliance audit for SDPs to retain the accreditation status. |
| 4.2 | Number of reviewed and developed learning programmes/ assessments toolkits/ learning materials. | 152 | 100 | 166 | 66 | | **Target exceeded** More learning programmes and assessment toolkits being developed due to the transational policy of the QCTO coming into effect. |
| 4.3 | Number of HDSA supported on primary accreditation as training providers for entry into the mining and minerals sector per annum. | 4 | 4 | 5 | 1 | | **Target exceeded** This is due to availability of budget. |

# 3.5. STRATEGIC PLANNING AND ANNUAL PERFORMANCE PLANNING

The Strategic Planning Unit is responsible for facilitating the planning, reporting and quality management system for the organisation. Its core functions are:

- Co-ordinate the development and review of the organisational Strategic Plan (SP) and Annual Performance Plan (APP).
- Co-ordinate the annual review of the organisational Funding Policy.
- Co-ordinate the Discretionary Grants advertising process and recording of applications received.
- Consolidate and report on the MQA performance to the DHET, Auditor General, National Treasury, MQA management, Governance committees and Board.

### 3.5.1 STRATEGIC PLAN (SP), ANNUAL PERFORMANCE PLAN (APP) AND THE DHET SERVICE LEVEL AGREEMENT (SLA)

The 2023–2024 Strategic Plan and Annual Performance Plan was internally reviewed by Management and approved by the Board for submission to the DHET in line with the submission compliance calendar. The APP was revised and approved by the Board and DHET in November 2023 to ensure alignment with the DHET SLA and APP indicators.

### 3.5.2 MQA FUNDING POLICY

The Funding Policy was reviewed by Management and approved by the Board in November 2022 for implementation in the 2023–2024 financial year. The consultation process with MQA stakeholders was conducted through the Governance and Strategy Committee and Minerals Council South Africa (MINCOSA) Education Advisory Committee meeting to encourage employers' participation on MQA mandatory and discretionary grants.

The consultation process to review the MQA funding policy starts internally by Management and Executive Management who review the implementation of the policy during the previous year and to ensure alignment with relevant regulations. It is then reviewed by the Governance Committees and Board for approval.

### 3.5.3 DISCRETIONARY GRANT (DG) APPLICATIONS

Four discretionary grant application windows were opened for the 2023–2024 financial year for stakeholders to apply.

### 3.5.4 QUARTERLY PERFORMANCE REPORT

The Strategic Planning Unit consolidates all performance information from different departments on a quarterly basis and prepares the quarterly performance report to be tabled at the Governance Committees, the Board then submitted to the DHET for compliance.

### 3.5.5 QUALITY MANAGEMENT SYSTEM (ISO 9001:2015)

ISO 9001:2015 provides a framework for establishing, implementing, maintaining, and continually improving the quality management system (QMS) of the MQA. This assists the MQA to consistently improve service delivery in order to meet stakeholders' requirements and comply with regulations. The following milestones were achieved in the 2023–2024 financial year:

- The ISO awareness training for all MQA staff was conducted in October 2023.
- The ISO internal audit was conducted in October 2023.
- The ISO external audit was conducted in April 2024.
- The MQA has been re-certified for ISO 9001:2015 until 14 April 2027.

## 3.6 SKILLS DEVELOPMENT AND RESEARCH

The report is a highlight of the annual performance update for the Skills Development and Research Unit (SDRU) for the 2023–2024 financial year. It captures the mandate and key responsibilities of the SDRU and represent its performance against the targets in the Strategic and Annual Performance Plan by highlighting the work which was done to achieve the set targets. The mandate of the unit is to improve skills development planning and decision-making through research. It is the responsibility of the unit to manage the implementation of research and administer sectorial data by meeting the key responsibilities of the unit, which are to:

- Manage the registration of the companies within the mineral and mining sector.
- Register and support Skills Development Facilitators (SDFs) and manage the Workplace Skills Plan (WSP) Annual Training Report (ATR) and/or Mandatory Grant submissions, evaluation, and approvals.
- Pay Mandatory Grants.
- Update the 2019 Dictionary of the Organising Framework for Occupations (OFO).
- Develop the Sector Skills Plan (SSP) including the identification of hard-to-fill vacancies.
- Develop and implement the annual Research Agenda.

### 3.6.1 REGISTRATION OF COMPANIES WITHIN THE MINING AND MINERALS SECTOR

This section highlights companies that moved from one SETA to the MQA and the progress to date.

| INTER-SETA TRANSFERS | PROGRESS TO DATE |
|---|---|
| To allow companies to move from one SETA to another to ensure that companies are classified with the correct and/or preferred SETA that is in line with their core business. | There were twenty-nine (29) Inter-SETA transfers during the year under review. Six (6) of the twenty-nine (29) companies have been successfully transferred over to the MQA. The balance of twenty-three (23) is pending the outcome of the DHET transfer process. |

### 3.6.2 UPDATING THE 2019 ORGANISING FRAMEWORK FOR OCCUPATIONS (OFO DICTIONARY)

The Department of Higher Education and Training (DHET) has requested the Sector Education Training Authorities (SETAs) to provide their contributions for the 2023 update of the OFO. In response to this request, the MQA's OFO workshops involved subject matter experts from different domains to gather inputs specifically related to the mining and minerals sector (MMS). The table below indicates the number of workshops, number of participants and inputs in each required category:

| Group Type | Focus Group 1 | Focus Group 2 | Focus Group 3 | Focus Group 4 | Focus Group 5 | Total |
|---|---|---|---|---|---|---|
| **Type of Focus Group** | **Practitioners to define**: Mining Operations and Survey, Rock Engineering, Geology and Ventilation/ Environmental Control | **Practitioners to define**: Occupational Health and Safety (OHS) and Mining Support | **Practitioners to define**: Engineering and Trades | **Practitioners to define**: Diamond processing, and Jewellery Design and Manufacturing | **Practitioners to define**: Processing/ Beneficiation and Analytical Services | **5** |
| Number of Attendees | 39 | 21 | 46 | 18 | 25 | **149** |
| Number of Inputs | 38 | 0 | 17 | 0 | 4 | **59** |

Following the inputs from the subject matter experts in the workshops, and in accordance with the requirements and standard criteria set by the DHET, the MQA compiled an OFO report to provide inputs into the update of the DHET OFO dictionary. This report was submitted to the DHET in September 2023.

The table below indicates the number of OFO sessions held and the attending participants per province.

| Count | Workshop Category | Type of Workshop | Date of Event | Expected Attendance | Confirmed Attendees | Total Attendees |
|---|---|---|---|---|---|---|
| 1 | OFO – Focus Group 1 | Virtual | Thursday, 7 September 2023 | 50 | 28 | 39 |
| 2 | OFO – Focus Group 2 | Virtual | Friday, 8 September 2023 | 50 | 23 | 21 |
| 3 | OFO – Focus Group 3 | Virtual | Monday, 11 September 2023 | 50 | 27 | 46 |
| 4 | OFO – Focus Group 4 | Virtual | Monday, 18 September 2023 | 50 | 21 | 18 |
| 5 | OFO – Focus Group 5 | Virtual | Friday, 22 September 2023 | 50 | 18 | 25 |
| | | | **TOTAL** | **250** | **117** | **149** |

### 3.6.3 SECTORS SKILLS PLAN UPDATE

In line with the DHET's SSP Framework the MQA developed the draft SSP which was submitted on 14 June 2023 and subsequently received substantial feedback from the DHET in July 2023. The feedback was incorporated into the final SSP update which was submitted to the DHET on 30 August 2023. This SSP update met the DHET requirements and was recommended for approval and subsequently approved by the DHET in March 2024.

### 3.6.4 WORKPLACE SKILLS PLAN-ANNUAL TRAINING REPORTS FEEDBACK SESSIONS

The MQA conducted the WSP-ATR feedback sessions with the SDFs to reflect on past achievements and challenges and receive inputs from the SDFs on how to improve subsequent SDF capacity building workshops. The feedback sessions focused on topics such as the legislative context, funding models for SETAs, and the importance of the WSP-ATR to inform the development of the Sector Skills Plan (SSP). The table below indicates the number of SDF feedback sessions held and the attending participants per province.

| Number | Type of Workshop | Province | Date of Event | Expected Attendance | Confirmed Registrations | Total Attendees |
|---|---|---|---|---|---|---|
| 1 | In-person | Johannesburg, Gauteng | Friday, 6 October 2023 | 120 | 96 | 43 |
| 2 | In-person | North West | Monday, 9 October 2023 | 50 | 37 | 21 |
| 3 | Virtual | Free State | Thursday, 12 October 2023 | 50 | 9 | 18 |
| 4 | Virtual | Western Cape | Friday, 13 October 2023 | 70 | 13 | 21 |
| 5 | In-person | Mpumalanga | Monday, 16 October 2023 | 80 | 50 | 34 |
| 6 | Virtual | Eastern Cape | Wednesday, 18 October 2023 | 25 | 3 | 9 |
| 7 | In-person | Limpopo | Friday, 20 October 2023 | 40 | 25 | 22 |
| 8 | In-person | Northern Cape | Monday, 23 October 2023 | 20 | 18 | 15 |
| 9 | Virtual | KwaZulu-Natal | Wednesday, 25 October 2023 | 20 | 6 | 21 |
| 10 | In-person | Pretoria, Gauteng | Friday, 27 October 2023 | 100 | 81 | 62 |
| | | | **TOTAL** | **575** | **338** | **266** |

### 3.6.5 SKILLS DEVELOPMENT FACILITATOR (SDF) CAPACITY BUILDING WORKSHOPS

Before the 2024 WSP-ATR submission period the MQA also conducted capacity building workshops to ensure that the SDFs were well capacitated to successfully submit the WSP-ATRs in compliance with the legislative and MQA requirements. The table below indicates the details of the in-person SDF capacity building workshops that were conducted in various provinces.

| Number | Province | Date of Event | Expected Attendance | Confirmed Registrations | Total Attendees |
|---|---|---|---|---|---|
| 1 | Johannesburg, Gauteng | Tuesday, 30 January 2024 | 259 | 259 | 160 |
| 2 | North West | Friday, 2 February 2024 | 49 | 49 | 48 |
| 3 | Free State | Tuesday, 6 February 2024 | 78 | 78 | 65 |
| 4 | Western Cape | Friday, 9 February 2024 | 40 | 40 | 27 |
| 5 | Mpumalanga | Tuesday, 13 February 2024 | 98 | 98 | 74 |
| 5 | Eastern Cape | Friday, 16 February 2024 | 51 | 51 | 43 |
| 7 | Limpopo | Tuesday, 20 February 2024 | 20 | 20 | 12 |
| 8 | Northern Cape | Friday, 23 February 2024 | 28 | 28 | 26 |
| 9 | KwaZulu-Natal | Tuesday, 27 February 2024 | 76 | 76 | 58 |
| 10 | Pretoria, Gauteng | Friday, 1 March 2024 | 16 | 16 | 16 |
| | | **TOTAL** | **715** | **715** | **529** |

The target number of workshops was twenty-one (21). These included WSP-ATR feedback sessions as well as the OFO Workshops. The MQA exceeded this target set by four (4), and achieved a total of twenty-five (25) workshops over the period.

### 3.6.6 SUBMISSION, EVALUATION AND APPROVAL OF THE WORKPLACE SKILLS PLANS AND ANNUAL TRAINING REPORTS

In addition to conducting workshops before the submissions, the MQA communicated with the Mineral Council South Africa, the DMPR and mining companies encouraging them to submit their reports. The WSP-ATR system went live on 23 March 2023, allowing the Skills Development Facilitators access to register and submit the organisations' WSP-ATR. The MQA received 799 WSP-ATR submissions for the year 2023 against a target of 750. Evaluations were concluded, the data was cleaned and used to compile the 2025-2026 Sector Skills Plan (SSP) update for the mining and minerals sector. The table below indicates the number of companies that submitted the workplace skills plans (WSPs) and annual training reports (ATRs) by province and company size.

| Province | Large (150+) | Medium (50–149) | Small (0–49) | Grand Total |
|---|---|---|---|---|
| Eastern Cape | 3 | 2 | 9 | 14 |
| Free State | 11 | 2 | 5 | 18 |
| Gauteng | 109 | 82 | 165 | 356 |
| KwaZulu-Natal | 8 | 4 | 21 | 33 |
| Limpopo | 16 | 8 | 22 | 46 |
| Mpumalanga | 61 | 24 | 42 | 127 |
| North West | 55 | 24 | 35 | 114 |

| Province | Large (150+) | Medium (50–149) | Small (0–49) | Grand Total |
|---|---|---|---|---|
| Northern Cape | 17 | 13 | 15 | 45 |
| Western Cape | 10 | 15 | 21 | 46 |
| **GRAND TOTAL** | **290** | **174** | **335** | **799** |

The table below indicates the number of WSPs-ATRs evaluated and approved against the APP targets.

| Programme Description (Output Indicator) | Annual Target | Achievement |
|---|---|---|
| 2.1.a. Number of WSP-ATRs evaluated to access mandatory grants per annum | 750 | 799 |
| 2.1.b. Number of WSPs and ATRs approved for small firms per annum | 290 | 311 |
| 2.1.c. Number of WSPs and ATRs approved for medium firms per annum | 165 | 166 |
| 2.1.d. Number of WSPs and ATRs approved for large firms per annum | 225 | 283 |
| 2.1.e. Number of SDF capacity building workshops conducted per annum | 21 | 25 |

Of these companies that made WSP-ATRs submissions, seven hundred and sixty-nine (769) were approved and thirty-nine (39) were rejected because their submissions did not comply with the MQA submission requirements. However, the MQA was able to achieve both its SLA and APP targets.

### 3.6.7 PAYMENT OF MANDATORY GRANTS

The SETA Grants Regulations require that SETAs pay Mandatory Grants (MG) to qualifying companies on a quarterly basis. The submission of the WSP-ATR serves as an application for the mandatory grant. The table below indicates the number of companies that were paid mandatory grants by company size for the 2023–2024 financial year.

| 2023–2024 Financial Year | Q1 MG Payment | Q2 MG Payment | Q3 MG Payment | Q4 MG Payment |
|---|---|---|---|---|
| Mandatory Grant Payment | R0,00 | R538 503,61 | R167 793 668,75 | R60 673 236,04 |

| 2023–2024 Budget | 2023–2024 Payment | Organisations Paid | |
|---|---|---|---|
| **R334 664 000,00** | **R348 782 000,00** | Large | 268 |
| | | Medium | 189 |
| | | Small* | 312 |
| | | Total | 769 |

***Small organisations are exempted from paying levies and thus may or may not attract Mandatory Grants.**
Therefore the MQA was able to comply with the SETA Grant Regulations requirements of paying companies quarterly.

### 3.6.8 CHALLENGES/SOLUTIONS WITH THE WSP-ATR SUBMISSIONS AND SYSTEM

| Challenges | Proposed solutions |
|---|---|
| • The system went live later than anticipated due to data migration (SDF details and companies) as well as the appointment of the new service provider who still had to be au fait with MQA specific requirements.<br>• The SDFs' failure to comply with the WSP-ATR submission criteria were due:<br>○ incomplete signatures from senior officials such as CEOs, CFOs and Union representatives;<br>○ submission of incorrect templates; and<br>○ failure to upload source data which contains much of the WSP-ATR information, employee profile and number of training interventions. | • To do away with external service providers by developing internal capacity to ensure the development, management and support of the automated information management system for WSP-ATR submissions.<br>• Conduct ongoing WSP-ATR feedback sessions and SDF capacity building workshops to ensure SDFs completely understand the process to ensure compliant submissions.<br>• Continue implementing in-person and virtual workshops, providing learning materials such as training materials, guidelines online videos, and flow charts for capacitation.<br>• Engage upper management of MMS organisations to facilitate the buy-in for WSP-ATR submissions.<br>• Engage the DMPR to encourage mines to submit WSPs ATRs as part of their Social and Labour Plans. |

### 3.6.9 DEVELOPMENT AND IMPLEMENTATION OF THE MQA ANNUAL RESEARCH AGENDA

The MQA developed an agenda based on the topics that are relevant to skills development in the MMS. The table below indicates the number of research projects that were completed during 2023–2024 financial year.

| Number | Project Title | Research Objective | Research Partner | Time Limits | Progress/ Status | Next Phase |
|---|---|---|---|---|---|---|
| 1. | SSP Update 2025–2026 Legislative Imperative | In following the DHET SSP framework, the objective is to provide critical insights into key factors influencing demand and supply with respect to skills in the MMS in line with the Medium-Term Strategic Framework. | Research Team | March–August 2023 | Completed | The SSP was Approved by the DHET |
| 2. | WSP-ATR Trends Analysis (2019–2024) – Functional Imperative | To provide insights into key issues influencing demand and supply with particular focus on the latest WSP-ATR submissions. | Research Team | Research duration: August 2023 - February 2024 | Completed | Communicate findings |
| 3. | The MMS Employer Skills Needs Report | To examine the critical challenges faced by the mining and minerals sector (MMS) with particular focus on the sector profile. | Research Team | August 2023 - February 2024 | Completed | Communicate findings |
| 4. | Investigating the Extent of 4IR Innovation and Related Impact on Occupational Profiling | To understand the current level or extent of innovation and application of 4IR in all the subsectors within the MMS. | Redflank Solutions (Pty) Ltd | January 2023 - February 2024 | Completed | Communicate findings |
| 5. | Investigating the Demand and Skills Supply for Skills Required with Changing Technologies | To provide key insights of the nature of demand and skills supply required with changing technologies in the MMS. | Redflank Solutions (Pty) Ltd | January 2023 - February 2024 | Completed | Communicate findings |
| 6. | Research and Develop a Framework for Future Skills Identification for the MMS | To explore the nature of 4IR in the MMS in order to develop a model to anticipate future skills needs in the subsectors of the MMS. | Redflank Solutions (Pty) Ltd | January 2023 - February 2024 | Completed | Communicate findings |

## 3.6 SKILLS DEVELOPMENT AND RESEARCH (continued)

| Number | Project Title | Research Objective | Research Partner | Time Limits | Progress/ Status | Next Phase |
|---|---|---|---|---|---|---|
| **10.7** | Investigating the Factors Impeding the Attainment of Equity Targets with Respect to People with Disabilities | To provide insights into the relationship between hard to fill occupations and training interventions implemented in the MMS over a five-year period. | Topline Research Solutions | October 2023–March 2024 | Completed | Communicate findings |
| **10.8** | Evaluation of The MQA's Performance of the Past Five Years | To provide insights into factors influencing the managerial progression of the HSDA employees in the MMS over the past five-years. | Fachs Consulting & Advisory | October 2023–March 2024 | Completed | Communicate draft report findings |
| **10.9** | Explore the Current State and Future of AET Programmes in the MMS | To explore the nature and effectiveness of the current AET programmes to inform better future implementation of such programmes in the MMS. | UCS | January 2023-September 2023 | Completed | Communicate findings |
| **10.10** | Research on the State of the Mining Qualifications Authority's (MQA's) Funding Policy with Respect to Grants (Learnerships including Recognition of Prior Learning (RPL) for non-artisans, Occupational Health and Safety (OHS), candidacy, work experience and coach programmes) across Subsectors in the mining and minerals sector. | To explore the nature and effectiveness of the MQA's funding policy to inform better grants implementation in the MMS. | UCS | January 2023-September 2023 | Completed | Communicate findings |
| **10.11** | Exploring Employers' Perceptions of the TVET System on Skills Development in the MMS. | To garner insights into the perceptions, experiences, and perspectives of employers in the TVET system in meeting the skill supply requirements of the mining and minerals sector. | Redflank Solutions (Pty) Ltd | December 2023-March 2024 | Completed | Communicate findings |

The target for the number of research projects completed per annum was ten (10) and the MQA completed eleven (11) research projects, thus exceeding the target by one (1).

| Challenge | Solutions |
|---|---|
| Outdated research topics. | Engage different role players (Mineral Council of South Africa, the CSIR, and experts) in the MMS. |
| Late recruitment of service providers to conduct research on behalf of the MQA, and the poor quality of service providers which affected the quality of the outputs. | Engage universities and/or universities of technology as research partners to undertake research on behalf of the MQA. |

## 3.7 LEARNING PROGRAMMES: STRATEGIC PROJECTS

The Learning Programmes: Strategic Projects unit administered eight (8) Strategic Projects during the year under review.

These projects were:

1. Bursaries (for unemployed and employed) learners
2. Work Experience (including vacation work)
3. Internship Programmes
4. Management and Executive Development Programmes Support
5. Higher Education Institutions Lecturer Support
6. Workplace Coaches
7. Candidacy Programme
8. Partnerships with institutions of higher learning

The table below reflects programmes, including targets and quantitative achievements which the MQA committed to rolling out during the period under review:

| Project Name | Annual Targets | Quantitative Achievements | % Achievements |
|---|---|---|---|
| Number of graduates that enter an internship programme per annum | 750 | 828 | 110% |
| Number of unemployed graduates completing an internship programme per annum | 250 | 588 | 235% |
| Number of undergraduates that enter a workplace experience programme per annum | 750 | 759 | 101% |
| Number of undergraduates that complete a workplace experience programme per annum | 450 | 618 | 137% |
| Number of HDSA MMS employees that enter a Management Development Programme per annum | 170 | 240 | 141% |
| Number of HDSA MMS employees that complete a Management Development programme per annum | 80 | 197 | 246% |
| Number of HDSA HET lecturers that enter a lecturer development programme per annum | 5 | 6 | 120% |
| Number of unemployed learners awarded a bursary per annum | 1 000 | 1 011 | 101% |
| Number of unemployed learners awarded a bursary completing their studies per annum | 500 | 601 | 120% |
| Number of unemployed learners granted bursaries and are still continuing with their studies per annum | 1 000 | 2 545 | 255% |
| Number of employed learners awarded a bursary per annum | 65 | 111 | 171% |
| Number of workers granted bursaries and completed their studies per annum | 20 | 25 | 125% |
| Number of workers granted bursaries and are still continuing with their studies per annum | 60 | 104 | 173% |
| Number of HDSA MMS learners that enter a candidacy programme per annum | 85 | 96 | 113% |
| Number of mentors and coaches placed within workplaces to support employers with on-the-job mentoring and coaching activities per annum | 126 | 144 | 114% |
| Number of HEI partnerships established per annum | 5 | 6 | 120% |

## BURSARIES PROJECT

The Bursary Support Project forms part of the MQA learner support strategy, which is in line with the Mining Charter and the outcomes of the National Skills Development Plan. The project mainly supports students who are pursuing careers within the mining and minerals sector.

### Bursar intake and Achievements

During the financial year under review, the set annual target of **1 000** for unemployed bursars' intake was exceeded. A total of **1 011** unemployed bursars from universities, universities of technology and TVET colleges benefited from the MQA Bursary Scheme.

- **601** unemployed bursars completed their qualifications against a target of **500**.
- **111** employed bursars were awarded bursaries and **25** employed bursars completed their studies.

## WORK EXPERIENCE

The MQA supports learners to obtain their university of technology qualifications by enabling them to gain practical work experience which is a required component of this regulated training. University learners were also assisted with vacation work placement. During the reporting year, a total of **759** out of a set annual target of **750** students were placed within mining companies for workplace experiential training.

For the year under review, **618** learners completed their work experience programme.

## INTERNSHIPS

The project provides structured work experience for young unemployed graduates from Higher Education Institutions to complement the scarce and/or critical skills qualifications required by the mining and minerals sector. During the reporting period, **828** graduates out of a target of **750** graduates were placed at different mining companies to gain work experience. With **588** learners completing their internship programmes, **179** of them were absorbed into employment.

## MANAGEMENT DEVELOPMENT PROJECT

The aim of the project is to facilitate the development of mining and minerals sector employees in the area of supervision or management to support the transformation targets of the sector. A total of **240** out of a target of **170** learners were supported to study towards Management and Executive Development Programmes in the year under review. A total of **197** out of a target of **80** learners completed their Management Development Programmes.

## HIGHER EDUCATION INSTITUTIONS LECTURER SUPPORT

This programme focuses on assisting universities to achieve employment equity and transformation by supporting the development of historically disadvantaged lecturers to be placed at institutions to gain experience. A total of **6** lecturers against a target of **5** were supported in the mining related departments of the participating universities during the year under review, with **41** lecturers continuing to be supported in the current year.

## WORKPLACE COACHES

The project is aimed at providing employers with additional coaches to assist with the training of the learners registered in various MQA funded projects. These coaches are individuals that previously worked in the sector who are now retired or unemployed. They were re-introduced to the sector to transfer knowledge and skills to new entrants to the sector. During the reporting period, **144** coaches were engaged with various employers to impart knowledge and skills to the learners.

## CANDIDACY PROGRAMME

The project is aimed at providing structured work experience for unemployed and employed graduates from Higher Education Institutions who would like to attain the Government Certificate of Competency, Mine Surveyor Certificates and the Mine Managers Certificates. During the reporting period, **96** graduates out of a target of **85** were funded at different mining companies.

### PARTNERSHIPS WITH INSTITUTIONS OF HIGHER LEARNING

In the year under review, the Learning Programmes Strategic Projects unit joined the CEO in the initiative to visit institutions of higher learning as part of a proactive approach for partnership development. These visits provided the unit with invaluable opportunities to engage directly with academic leaders, faculty members, and administrative staff, to foster meaningful dialogues and explore avenues for collaboration. The primary aim of this initiative was to foster stronger partnerships with the institution for the implementation of skills development interventions. It also aims to enhance collaboration and expand access to educational opportunities for young people. Through these strategic engagement efforts, the unit successfully achieved significant milestones in this regard and signed six memorandums of understanding.

Key areas of collaboration:
The efforts yielded tangible results with the signing of six memorandums of understanding with the universities. These agreements encompass a range of collaborative initiatives, including but not limited to:

1. **Research Collaboration:** Facilitating joint research projects and initiatives that leverage the expertise of both academia and industry to address real-world challenges and advance knowledge in key areas.
2. **Talent Development:** Providing students with access to internship opportunities, work experience placements, and mentorship programmes aimed at enhancing their employability and professional development.
3. **Bursary Scheme Management:** Strengthening the management of the bursary scheme through close collaboration with university officials, ensuring equitable distribution and effective utilisation of resources.
4. **Lecturer Support:** Support institutions to place lecturers to gain experience.

## 3.8 LEARNING PROGRAMMES: OPERATIONS PROJECTS

The Learning Programmes Operations Unit has implemented eight (8) projects in the year under review. These projects were:

1. Artisan Development
2. Non-artisan (learnerships)
3. Artisan Recognition of Prior Learning
4. Non-artisan Recognition of Prior Learning
5 . Adult Education and Training
6. Occupational Health and Safety (OHS) Representative Development
7. Other MQA Registered Skills Development
8. Foundational Learning Competence
9. Artisan Aides

### 3.8.1 ARTISAN DEVELOPMENT

The Artisan Programmes offered by the MQA seek to address the core and hard-to-fill artisan skills needs in the mining and minerals sector. The Artisan Programme includes Artisan Aides project which is offered either through skills programmes or as qualifications and is aimed at providing opportunities to employees in the sector who have vast experience but no formal qualifications.

In the artisan development field, the MQA also participates in the DHET Programme for Centres of Specialisation (CoS) which aims to strengthen the function of TVET colleges as Centres of Excellence in the country's priority trades.

#### Achievements in the (CoS) Project

A total of 23 unemployed learners who completed artisan programmes through the Centres of Specialisation (CoS) programme were issued with toolboxes. These are unemployed learners who did not receive toolboxes from their host employers upon completion of the programme.

The rationale for providing these toolboxes to the learners were to:

- allow the learners to explore self-employment opportunities as this will ensure that they achieve a sustainable livelihood;
- encourage them to practice and sharpen the skills acquired during the programme;
- contribute towards reducing the high rate of unemployment;
- encourage entrepreneurship; and
- form co-operatives and acquire government funding.

### Development of the Digital Learning Programmes Platform

The unit facilitated the processes and procedures of appointing a service provider to develop, implement, support, and administer an online interactive learning programme with digital capabilities and functionalities for the MQA. The development has been completed and the system went live on 31 March 2024.

The digital platform serves as a meeting place between employers and learners, and serves as an information repository for all MQA learning programmes. The system has an Alumni field which will cater for all the learners that have completed learning programmes supported by the MQA.

**The digital platform consists of four categories:**

- **Online Learner Skills Matrix and Qualifications Portal**
  This is to enable learners in the mining and minerals sector, or learners interested in the mining and minerals sector to register on the portal and indicate their skills, qualifications, and upload their CVs, and also view potential training, bursary, learnership, and internship opportunities.
- **Online Employer Resource Portal**
  This is to improve the dissemination of information relevant to employers for sourcing and finding learners or recruits with skills and qualifications meeting their requirements.
- **Online Information Repository Portal**
  This is for the storage, review, updating, publishing, and maintenance of mining and mineral sector information. It will also act as a training and guidance platform for various stakeholders.
- **Alumni Portal**
  To provide a platform for the establishment of Alumni initiatives for the various MQA learning programmes.

### 3.8.2 NON-ARTISAN (LEARNERSHIPS)

The Non-Artisan Learnership Programmes are offered by the MQA to address the core and critical skills needs in the mining and minerals sector.

### 3.8.3 ARTISAN RECOGNITION OF PRIOR LEARNING (ARPL)

The Artisan Recognition of Prior Learning Programme seeks to recognise employees in the industry who have experience in artisan related areas but do not have trade qualifications or have completed trade skills programmes.

### 3.8.4 NON-ARTISAN RECOGNITION OF PRIOR LEARNING

The Recognition of Prior Learning Programme for learnerships seeks to recognise employees in the industry who have experience within those core and critical skills areas but do not have qualifications.

### 3.8.5 ADULT EDUCATION AND TRAINING

The Adult Education and Training (AET) programme addresses the low level of language and numeracy skills amongst the youth and adults to enable access to further training and development in intermediate and advanced skills within the mining industry. The MQA will be supporting the provision of digital skills at AET level within the sector.

| Project | Indicator | Baseline | APP Target 2023/2024 | Achieve-ment | Variance |
|---|---|---|---|---|---|
| **Artisan Development** | Number of learners that enter an artisan programme per annum | 1 522 | 1 600 | 1 706 | -106 |
| | Number of learners that complete an artisan programme per annum | 670 | 580 | 1 101 | -521 |
| | Number of learners that complete artisan recognition of prior learning per annum | 63 | 105 | 190 | -85 |
| | Number of learners that complete an artisan aides programme per annum | 446 | 200 | 322 | -122 |
| **Non-Artisan Learnerships** | Number of employees entering learnerships per annum | 552 | 680 | 852 | -172 |
| | Number of employees completing learnerships per annum | 246 | 300 | 478 | -152 |
| | Number of unemployed learners entering learnerships per annum | 1 531 | 1 200 | 1 557 | -357 |
| | Number of unemployed learners completing learnerships per annum | 1 620 | 850 | 1 406 | -587 |
| | Number of employed learners completing RPL for learnerships | 51 | 32 | 43 | -11 |
| **Occupational Health and Safety** | Number of employees that successfully complete the Occupational Health and Safety Representatives' skills programme and other MQA registered skills programmes per annum | 3 972 | 3 415 | 4 267 | -852 |
| **Adult Education and Training** | Number of learners who successfully complete AET and NATED courses per annum | 1 499 | 1 418 | 1 455 | -37 |
| **Foundational Learning Competence** | Number of learners that successfully complete FLC per annum | 289 | 233 | 241 | -8 |

### 3.8.6 OCCUPATIONAL HEALTH AND SAFETY (OHS) SKILLS PROGRAMMES

The objective of the OHS project is to train employees in the mining and minerals sector on critical occupational health and safety skills programmes including Health and Safety Representatives. This is done to assist the sector to comply with the requirements of the Mine Health and Safety Act No 29 of 1996.

The objective of this intervention is to train employees in the mining and minerals sector on other critical skills programmes related to the mitigation of accidents and fatalities within the sector.

### 3.8.7 FOUNDATIONAL LEARNING COMPETENCE

The Foundational Learning Competence (FLC) project is designed to address the low level of skills for learners who require fundamental (numeracy and literacy) skills to exit NQF Level 3 and 4 New Modular Based QCTO Occupational Qualifications.

**Achievements against the Annual Performance Plan targets (learners funded by the MQA) for the 2023–2024 financial year:**

All the targets for funded learners for the financial year under review were met and exceeded as per the table below.

Achievements against the Service Level Agreements with DHET Targets (learners funded by the sector) for the 2023–2024 financial year:

| Project | Indicator | Baseline | SLA Target 2023/2024 | Achievement | Variance |
|---|---|---|---|---|---|
| Non-Artisan Learnerships | Employed learners enrolled in Learnerships | 996 | 680 | 1 307 | -627 |
| | Employed learners that completed learnerships | 347 | 300 | 640 | -340 |
| | Unemployed learners enrolled in learnerships | 1 919 | 1200 | 2 131 | -931 |
| | Unemployed learners that completed learnerships | 1 819 | 850 | 1 579 | -729 |
| Artisan Development | Learners enrolled in artisans qualifications | 2 481 | 1 600 | 2 640 | -1 038 |
| | Learners that completed artisans qualifications | 1 438 | 580 | 1 583 | -1 002 |
| Adult Education and Training | Learners enrolled in Adult Education and Training | 3 015 | 1 418 | 3 368 | -1 944 |
| | Learners that completed Adult Education and Training | 1 833 | 1 418 | 2 116 | -698 |
| Skills Programmes | Unemployed entering skills programmes | 11 396 | 6 210 | 13 808 | -7 598 |
| | Unemployed completed skills programmes | 10 386 | 7 245 | 14 205 | -6 960 |
| | Workers entering skills programmes | 34 631 | 26 750 | 42 969 | -16 219 |
| | Workers completed skills programmes | 26 759 | 25 669 | 41 211 | -15 542 |
| Recognition of Prior Learning | Learners enrolled in RPL/ARPL | 77 | 100 | 250 | -150 |
| | Learners completed an RPL/ARPL | 170 | 130 | 284 | -154 |

Challenges were, however, encountered in the implementation of the projects during the financial year including but not limited to:

- The return of allocations for funding learners by several mining companies citing organisational restructuring and retrenchments, amongst others.
- The slow uptake of learners by participating companies.
- The delayed recruitment, selection and placement of learners.

SECTION 4



# STAKEHOLDER RELATIONS

## STAKEHOLDER RELATIONS

The Stakeholder Relations Department (SRD) is committed to fostering sustainable development and community empowerment through various skills development initiatives aimed at addressing the needs of unemployed youth, general unemployed mine community members, small-scale mining ventures, small businesses, and capacity building for skills development committees in the mining and minerals sector as well as training support for career development practitioners.

The department is responsible and accounts for the following programmes that respond to the service level agreement as well as the annual performance plan targets:

- Mine Community Programme
- SMME Support Programme
- TVET/CET Support Programme
- Advocacy, Capacity Building and Stakeholder Engagements Programme

This section outlines the department's progress, achievements, and expenditures for the fiscal year.

### 4.1 Unemployed Youth Project

The objective of the Unemployed Youth Development project is to train the unemployed youth beneficiaries (18–35 years old) from mine host communities and or labour sending areas on accredited portable skills for employability and sustainability. A budget of **R52 638 000,00** was allocated to recruit a total of **2 435** beneficiaries that started training in plant and animal production, construction skills, business skills interventions, basic computing skills, renewable energy, environmental practice, and cell phone repairs. A total of **2 144** beneficiaries completed various training interventions in the year under review. In the year under review, **twenty-seven (27)** projects were allocated. Below is the geographic spread of projects allocated:

| GP | NW | FS | EC | KZN | LP | NC | MP & WC |
|---|---|---|---|---|---|---|---|
| 1 | 1 | 3 | 9 | 8 | 3 | 1 | 1 |

The **2 144** beneficiaries who are reported competent completed the following skills programmes:

- Animal and plant production
- Sewing
- Snake handling
- Assistant Chef
- Building and civil construction
- Competent Person B
- Electrical skills
- End user computing
- Entrepreneurship

Learners were provided with start-up kits to start their own business either as individuals or cooperatives aligned with the skills they acquired during training.

### 4.2 Mine Community Development Project

The Mine Community Development training intervention facilitates and supports the training of mine host community members and labour sending areas on skills to render the communities sustainable. Over **1 330** Mine Community Development project beneficiaries were trained nationally in the 2023–2024 financial year on a variety of training interventions, including plant and animal production, construction related skills, business skills interventions, and basic computing skills.

Below is the number of learners that completed per province:

| GP | NW | FS | EC | KZN | LP | NC | MP |
|---|---|---|---|---|---|---|---|
| 931 | 507 | 154 | 55 | 351 | 1 825 | 387 | 482 |

In the year under review, a total of 4 692 learners completed their training programmes in different interventions; 3 057 of the learners were females, 1 635 were males, and 11 were people with disabilities. The MQA spent R 63 729 749,09 in the year 2023/24 in this project.

The post training opportunities that were available for the learners were:

- Employment
- Start-up kits per individual or registered cooperative
- Linkage to other sources of funding for continued support.

## 4.3 Small-Scale Mining Project

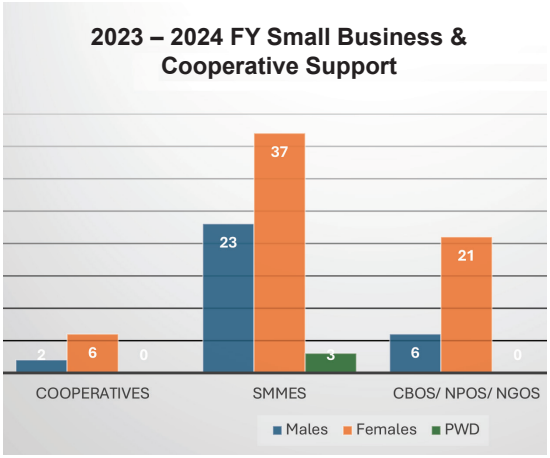
A total of 223 beneficiaries (unemployed people, retrenched, soon to be retrenched and ex-mine workers) from mining communities and/or labour sending areas were trained and completed accredited small-scale mining programmes. The training programme seeks to empower small-scale miners with formal training so that they can acquire a qualification and operate sustainable businesses and/or become employed in a small mining operation by starting. The beneficiaries trained included 158 women who were in the process of acquiring mining permits from the Department of Mineral Resources and Energy. A total budget of **R3 345 000,00** was spent on training the recruited beneficiaries. The table below reflects the geographic spread of beneficiaries trained in the year under review:

| GP | MP | FS |
|---|---|---|
| 158 | 50 | 15 |

## 4.4 Small Business Support Project

The MQA trains and supports cooperatives, SMMEs, NPOs, CBOs and NGOs with skills required to ensure the entities remain sustainable. A total of **8** Cooperatives, **60** SMMEs and **27** NPOs, CBOs and NGOs were supported in the 2023–2024 financial year with a budget of **R2 100 000,00**. These entities are based in Gauteng, Limpopo, Mpumalanga, Free State, and the Eastern Cape. The primary objective of the project is to train and support small businesses, cooperatives and NGOs/CBOs/NPOs with accredited, relevant, and required training and mentorship.

The following are the gender demographics of the beneficiaries:




Where financial support is required, the MQA will arrange with other funding agencies of government whose mandate it is to provide funding to SMMEs to consider funding these entities and contribute towards the economic growth of the country.

## 4.5 TVET and CET Support Programme

The purpose of the TVET and CET support programme is to equip staff with the necessary skills to improve teaching and learning in the colleges as well as to offer alumni of institutions opportunities to kick-start their own career paths. During the year under review, the MQA collaborated with TVET and CET colleges to successfully roll-out the following interventions:

### 4.5.1 CET PARTNERSHIPS AND BUDGET SPENT

| Province | Name of Intervention | Number of Beneficiaries Allocated | Total Budget |
|---|---|---|---|
| Eastern Cape | CET Internships | 5 | R780 000,00 |
| Free State | CET Internships<br>AET<br>Skills Programmes<br>Curriculum Studies | 5<br>50<br>10<br>17 | R1 156 500,00 |
| Gauteng | AET<br>Skills Programmes<br>Curriculum Studies | 150<br>25<br>15 | R951 500,00 |
| KwaZulu-Natal | CET Internships | 5 | R780 000,00 |

| Province | Name of Intervention | Number of Beneficiaries Allocated | Total Budget |
|---|---|---|---|
| Northern Cape | CET Internships | 5 | R780 000,00 |
| North West | CET Internships<br>AET | 5<br>100 | R1 280 000,00 |
| Western Cape | CET Internships | 5 | R780 000,00 |

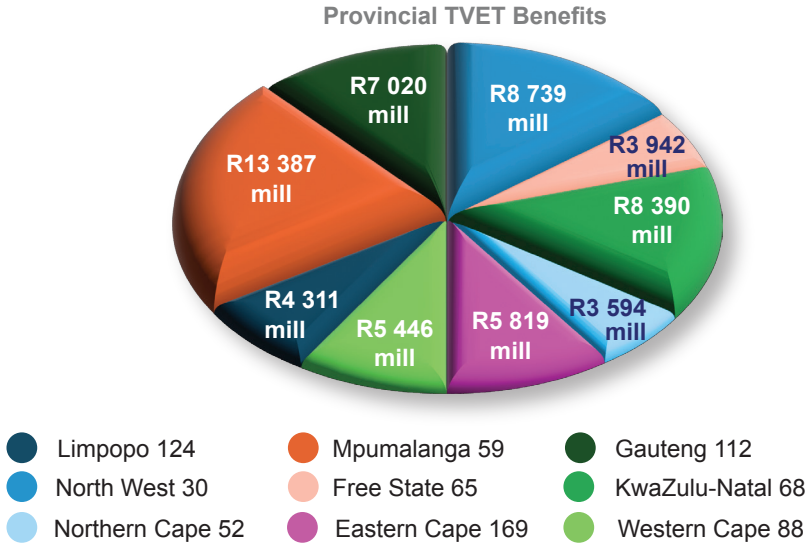
A total of **R6 508 000,00** was allocated for this programme.

### 4.5.2 TVET PARTNERSHIPS AND BUDGET SPENT

The MQA partnered with various TVET colleges across the country to roll-out the following projects that benefitted either the TVET managers, lectures or alumni.

- TVET managers receiving curriculum related training.
- TVET lecturers awarded bursaries.
- TVET lecturers exposed to industry through skills programme.
- TVET internships.
- Presidential Youth Empowerment Initiative through Work Integrated Learning (PYEI-WIL)

The graph below depicts the number of beneficiaries that benefitted from the various projects that the MQA and TVET colleges implemented in the 2023–2024 financial year as well as the total budget allocated implemented for those interventions.




*Graph: Provincial beneficiaries of various TVET support interventions and budget*

## 4.6 Career Guidance Initiatives

### 4.6.1 CAPACITY BUILDING INITIATIVES FOR CAREER DEVELOPMENT PRACTITIONERS

The MQA piloted the Capacity Building Initiatives for Career Development Practitioners in partnership with the Northwest Department of Education, Samancor Dikwena Chrome, Kimberley Diamond and Jewellery Academy, Artisan Training Institutes, Bokoni Platinum Mine and the Limpopo Department Institute of Education. The objective of the initiative was to induct career development practitioners (Life Orientation teachers) on the different career paths in the mining and minerals sector, opportunities, and the mandate of both the mines and the MQA with regards to skills development. The pilot project was rolled out in the North West, Northern Cape, and Limpopo provinces. The emphasis was to train the trainer on the model of delivery to secure sustainability in supporting learners to make wise career choices. A total of fifty-two (52) Practitioners were trained which comprised of thirty-six (36) females and sixteen (16) males.

### 4.6.2 CAREER GUIDANCE

The Stakeholder Relations Department together with the Customer Service and Communication Unit participated in a total of 116 (target 90) career guidance exhibitions across the country in either events that the MQA was invited to, or by targeting schools in different areas. The objective was to share with participants the opportunities that are available at the MQA for different profiles and the following were the areas of focus:

- Guidance on subject choices
- Bursary opportunities
- Work Integrated Learning and Internships
- Artisan and non-artisan career advice

The table below reflects the career guidance events that were attended in each province during the 2023-2024 financial year where the overall target was ninety (90) events in nine (9) provinces.

| NO | PROVINCE | TARGET 2023-2024 | ACTUAL ACHIEVEMENT 2023-2024 |
|---|---|---|---|
| 1. | Eastern Cape | 10 | 6 |
| 2. | Free State | 10 | 15 |
| 3. | Gauteng | 10 | 21 |
| 4. | KwaZulu-Natal | 10 | 10 |
| 5. | Limpopo | 10 | 19 |
| 6. | Mpumalanga | 10 | 7 |
| 7. | Northern Cape | 10 | 19 |
| 8. | North West | 10 | 6 |
| 9. | Western Cape | 10 | 13 |
| | **TOTAL** | **90** | **116** |

## 4.7 International Literacy Day (ILD) Celebration

The Mining Qualifications Authority and stakeholders in the MMS celebrated International Literacy Day (ILD) on 9 September 2023 in Middleburg, Mpumalanga, at the Middleburg Technical High School. There were 1 050 AET learners representing various mining companies from across the country. The MQA uses this day to demonstrate to existing AET learners in the sector the importance of AET and the opportunities that such programmes can offer to committed learners.

Two AET beneficiaries, Ms Rebotile Morema and Mr Mandla Mphekeli, shared their experiences on the AET learning programme. They delivered messages of encouragement and spoke at length about the positive contribution that AET has made to their lives. Additionally, Ms Emmy Moshidi who is an AET facilitator narrated on her AET journey and encouraged the delegates to participate in further studies.

Amongst the dignitaries that attended the event alongside the MQA CEO Dr Thabo Mashongoane, were the Honourable Deputy Minister of the Department of Higher Education and Training (DHET), Mr Buti Manamela, MQA Board members, the Mine Health and Safety Council CEO Mr David Mamphitha, mining company officials, and AET training providers.

In his keynote address, the Honourable Deputy Minister DHET Mr Buti Manamela reflected on the following issues in relation to literacy and the importance of the ILD event in the mining and minerals sector:

### 4.7.1 IMPORTANCE OF LITERACY AND ADULT EDUCATION:

- Literacy is a fundamental human right, reaffirmed by the South African Constitution which includes the right to basic and adult education, and further education through reasonable measures by the state.
- Literacy empowers individuals, providing life-changing opportunities and paving the way for personal and societal development.

### 4.7.2 GLOBAL LITERACY RATES:

- The World Population Review states that the global literacy rate for individuals aged 15 and over is 86.3%, with males at 90% and females at 82.7%.
- The promotion of literacy has led to an increasing number of literate individuals globally.

### 4.7.3 TECHNOLOGICAL LITERACY:

- In today's rapidly evolving technological world, high literacy levels are essential for utilising digital devices and platforms effectively.
- Post-covid-19, a hybrid model of work has been adopted globally, emphasizing the need for technological literacy.
- Adult Education and Training (AET) programs are crucial for equipping individuals with skills for technological literacy.

### 4.7.4 GOVERNMENT COMMITMENT:

- The South African Government aims to increase youth and adult involvement in community education and training to one million by 2030.
- The Department of Higher Education and Training (DHET) is committed to creating opportunities and learning pathways for newly literate adults in partnership with Sector Education and Training Authorities (SETAs).

### 4.7.5 PROMOTING LITERACY AS A HUMAN RIGHT:

- Events like International Literacy Day (ILD) highlight the importance of literacy for dignity and human rights.
- UNESCO celebrated ILD under the theme "Promoting literacy for a world in transition: Building the foundation for sustainable and peaceful societies."

### 4.7.6 LITERACY AND SUSTAINABLE LIVELIHOODS:

- Effective and sustainable livelihoods are possible through better understanding of knowledge and information.
- Literacy and AET programs transform lives, enabling individuals to improve their lives and contribute to the economy.

### 4.7.7 ENCOURAGEMENT AND SUPPORT:

- The Deputy Minister encourages decision-makers to promote literacy and provide necessary opportunities for individuals to improve their literacy levels.
- The South African Government prioritizes education and commits to setting rich targets for literacy and education.

The address underscores the critical role of literacy in individual empowerment, technological advancement, and societal development, alongside the South African Government's commitment to expanding educational opportunities.

## 4.8 Stakeholder Engagement Forums

The MQA annually embarks on national roadshows to engage with stakeholders on various skills development issues. The MQA updated stakeholders on changes in the funding policy, progress on allocations and challenges in relation to performance indicators. Progress was also shared with stakeholders on the stakeholders' perceptions survey, the anticipated corporate identity changes, the regionalisation process, partnership drive with public institutions of higher education, the MQA's drive towards supporting interventions that are impactful and plans for the next planning cycle. In the period under review, these engagement sessions were held in the cities and towns outlined below from 29 January to 1 March 2024. The theme for these sessions was **"Engaging stakeholders for Impactful Skills Development Interventions"**.

| Date | Province | Town |
|---|---|---|
| 29 January 2024 | Limpopo | Polokwane |
| 31 January 2024 | Mpumalanga | Witbank |
| 2 February 2024 | North West | Rustenburg |
| 9 February 2024 | Western Cape | Cape Town |
| 13 February 2024 | Northern Cape | Lime Acres/Kathu |
| 15 February 2024 | KwaZulu-Natal | Durban |
| 26 February 2024 | Eastern Cape | East London |
| 28 February 2024 | Free State | Welkom |
| 1 March 2024 | Gauteng | Johannesburg |

## 4.9 Other Advocacy Initiatives

The MQA takes part in the Provincial Skills Development Forums and supports initiatives aimed at sustainable development and community empowerment, including the Presidential Imbizos.

In conclusion, the Stakeholder Relations Unit remains dedicated to its mission of enhancing socio-economic development through targeted interventions and collaborative partnerships. The unit expresses gratitude to all stakeholders for their support and participation in its endeavours.






*Smelter artisans from Dikwena-Chrome detailing the journey in the graduate programme and highlighting their role in production*



*The Executive Manager Stakeholder Relations (Acting), Mr Tommy Boikhutso, delivering opening remarks at the Capacity Building Initiatives Workshop for Career Development Practitioners*



*Representatives from the MQA North West Office, Samancor Dikwena Chrome, Department of Basic Education in the Northwest and Life Orientation teachers*

SECTION 5



# CORPORATE SERVICES

The Corporate Services department plays a key role within the MQA by providing strategic leadership and oversight on roles that include corporate governance, legal services, contract management, marketing and communication, and human resources as well as facilities and office management services.

It is through these functions that Corporate Services supports the MQA Board and its committees, management, employees and stakeholders in the process of fulfilling its legislative mandate whilst ensuring effective engagement with all relevant stakeholders.

# 5.1 HUMAN RESOURCES

Human Resources (HR) is a strategic function of the organisation and contributes immensely to the creation, enforcement and inculcation of a high-performance culture. The employee life cycle from entry to exit is managed by Human Resources. The Human Resources unit offers services to the MQA by following six (6) Strategic Objectives namely, Workforce Planning, Organisational Development, Employee Remuneration and Retention, Governance, Human Resources Administration and Employee Relations.

## 5.1.1 HUMAN RESOURCES STRATEGIC OBJECTIVES

The report focuses on the HR activities that were carried out during the reporting period in relation to the outlined HR Strategy: Workforce Planning, Organisational Development, Employee Remuneration and Retention, Governance, Human Resources Administration and Employee Relations.

## 5.1.2 HUMAN RESOURCES PERFORMANCE AGAINST PLANNED STRATEGIC OBJECTIVES

Below is an account of the unit's performance for the year under review.

| Deliverables | Planned Activity | Comment |
|---|---|---|
| **Workforce Planning** | Filling of Vacancies | During the 2023–2024 financial year the MQA recruited 18 (eighteen) positions which includes 7 (seven) permanent placements, 7 (seven) internships and 4 (four) temporary roles. |
| **Organisational Development** | Organisational Design | The MQA undertook an Organisational Design project which focused on efficiency within the MQA and included drafting of new job profiles and grading, as well as the creation of new roles. |
| | Change Management | A change management strategy which is aimed to improve the MQA culture was implemented with the following key focus areas:<br>**Leadership:** A leadership development strategy approved under the Talent Management strategy.<br>**Culture:** The HR unit implemented a number of activities that would see incremental gains in the improvement of the MQA culture.<br>**Communication:** Communication of key events and milestones proved to be the successful driver of the Change Management strategy. |
| | Learning and Development | R1 729 156,44 was spent on assisting employees to further their studies and other learning programmes and training. |
| **Governance** | Development of Policies | Harassment in the Workplace Policy was drafted and approved by the Board. |

| Deliverables | Planned Activity | Comment |
|---|---|---|
| **Human Resources Administration** | Management of Human Resources Budget | The salary expenditure of the MQA amounted to R121 869 521,18 which is within the approved budget of R128 599 789,40. Full details of budget spent is available in the Financial Statements. |
| **Employee Relations** | Wage Negotiations | The second year of a two-year wage agreement was implemented to effect annual increases for the period under review. |
| | Employee Wellness | The MQA values the wellbeing of all employees. Employees are provided with assistance and support through the appointed wellness service provider as well as many direct internal initiatives and engagements with employees |

### 5.1.3 PERSONNEL COST PER PROGRAMME (PERMANENT, FIXED TERM, TEMPORARY STAFF AND INTERNS)

| Programme Number | Units | Number of Employees | Costs |
|---|---|---|---|
| Programme 1 | Support Units/M&E/Strategic Planning/Executive | 72 | R59 523 165,45 |
| Programme 2 | Skills Development & Research | 11 | R5 935 154,50 |
| Programme 3 | LP (Operations/Strategic Projects/Bursary)/SRU | 72 | R41 076 162,56 |
| Programme 4 | Quality Assurance | 16 | R15 335 038,67 |
| | **Total** | **171** | **R121 869 521,18** |

### 5.1.4 PERSONNEL COST PER OCCUPATIONAL LEVEL (PERMANENT, FIXED TERM, TEMPORARY STAFF AND INTERNS)

| Occupational Level | Personnel Expenditure (R'000) | % of Personnel Expenditure to Total Personnel Cost (R'000) | No. of Employees | Average Personnel Cost per Employee (R'000) |
|---|---|---|---|---|
| Top Management | R9 903 608,72 | 8% | 4 | R2 475 902,18 |
| Senior Management | R25 759 793,94 | 21% | 15 | R1 717 319,60 |
| Professionally Qualified | R31 186 473,56 | 26% | 25 | R1 247 458,94 |
| Skilled Technical | R49 968 477,92 | 41% | 110 | R454 258,89 |
| Semi-Skilled | R2 428 583,96 | 2% | 8 | R303 573,00 |
| Unskilled | R2 622 583,08 | 2% | 9 | R291 398,12 |
| **Total** | **R121 869 521,18** | **100%** | **171** | **R712 687,26** |

### 5.1.5 PERFORMANCE REWARDS (PERMANENT, FIXED TERM AND TEMPORARY STAFF)

| Occupational Level | Performance Rewards | Personnel Expenditure (R'000) | No. of Employees | % of Performance Rewards to Total Personnel Cost (R'000) |
|---|---|---|---|---|
| Top Management | R1 262 592,61 | R9 903 608,72 | 4 | 12,75% |
| Senior Management | R2 320 928,97 | R25 759 793,94 | 10 | 9,01% |
| Professionally Qualified | R4 395 010,75 | R31 186 473,56 | 26 | 14,09% |
| Skilled Technical | R6 926 521,28 | R49 968 477,92 | 93 | 13,86% |
| Semi-Skilled | R317 233,08 | R2 428 583,96 | 8 | 13,06% |
| Unskilled | R261 168,84 | R2 622 583,08 | 8 | 9,96% |
| **TOTAL** | **R15 483 455,54** | **R121 869 521,18** | **149** | **12,70%** |

### 5.1.6 TRAINING AND DEVELOPMENT

| Programme/ Activity/ Objective | Personnel Expenditure (R'000) | Training Expenditure (R'000) | Training Expenditure as a % of Personnel Cost | No. of Employees Trained | Average Training Cost per Employee |
|---|---|---|---|---|---|
| Training and Development | R121 869 521,18 | R561 696,44 | 0,46% | 94 | R5 975,49 |
| Study Assistance | R121 869 521,18 | R1 167 460,00 | 0,96% | 45 | R25 943,56 |
| **TOTAL** | **R121 869 521,18** | **R1 729 156,44** | **1,42%** | **139** | **R12 439,97** |

### 5.1.7 EMPLOYMENT VACANCIES PERMANENT ROLES

| Occupational Level | Approved Posts | No. of Employees | No. of Vacancies | % of Vacancies |
|---|---|---|---|---|
| Top Management | 5 | 4 | 1 | 20% |
| Senior Management | 17 | 13 | 4 | 24% |
| Professionally qualified | 33 | 25 | 8 | 24% |
| Skilled Technical | 76 | 66 | 10 | 13% |
| Semi-skilled | 8 | 7 | 1 | 13% |
| Unskilled | 8 | 8 | 0 | 0% |
| **TOTAL** | **147** | **123** | **24** | **16%** |

### 5.1.8 EMPLOYMENT CHANGES: PERMANENT

| Occupational Levels | Employment at Beginning of Period | Appointments | Terminations | Employment at End of the Period |
|---|---|---|---|---|
| Top Management | 4 | 0 | 0 | 4 |
| Senior Management | 10 | 4 | 1 | 13 |
| Professionally Qualified | 26 | 2 | 3 | 25 |
| Skilled Technical | 67 | 1 | 2 | 66 |
| Semi-Skilled | 8 | 0 | 1 | 7 |
| Unskilled | 8 | 0 | 0 | 8 |
| **TOTAL** | **123** | **7** | **7** | **123** |

### 5.1.9 REASONS FOR STAFF LEAVING: ALL STAFF

| Reason for Staff Leaving | Number of Employees | Percentage |
|---|---|---|
| Death | 1 | 8% |
| Resignation | 7 | 54% |
| Dismissal | 0 | 0% |
| Retirement | 1 | 8% |
| Ill-health | 0 | 0% |
| Expiry of contract | 4 | 31% |
| **TOTAL** | **13** | **100%** |

### 5.1.10 LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

| Nature of Disciplinary Action | Number Of Disciplinary Actions |
|---|---|
| Verbal Warning | 2 |
| Written Warning | 2 |
| Final Written Warning | 1 |
| Dismissal | 0 |

### 5.1.11 EMPLOYMENT EQUITY STATUS AND EMPLOYMENT EQUITY TARGET 31 MARCH 2024

| Occupational Levels | MALE | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | AFRICAN | | COLOURED | | INDIAN | | WHITE | |
| | Current | Target | Current | Target | Current | Target | Current | Target |
| Top Management | 3 | 4 | 0 | 1 | 0 | 0 | 0 | 0 |
| Senior Management | 7 | 7 | 0 | 2 | 0 | 0 | 0 | 0 |
| Professionally Qualified | 8 | 12 | 0 | 1 | 1 | 1 | 0 | 2 |
| Skilled Technical | 20 | 25 | 1 | 1 | 1 | 1 | 0 | 1 |
| Semi-skilled | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unskilled | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| **TOTAL** | **42** | **52** | **1** | **5** | **2** | **2** | **0** | **3** |

| Occupational Levels | FEMALE | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | AFRICAN | | COLOURED | | INDIAN | | WHITE | |
| | Current | Target | Current | Target | Current | Target | Current | Target |
| Top Management | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Senior Management | 5 | 7 | 1 | 1 | 0 | 1 | 0 | 1 |
| Professionally Qualified | 13 | 13 | 0 | 2 | 1 | 1 | 2 | 3 |
| Skilled Technical | 43 | 45 | 0 | 2 | 0 | 2 | 0 | 2 |
| Semi-skilled | 4 | 5 | 1 | 0 | 0 | 2 | 0 | 0 |
| Unskilled | 6 | 6 | 1 | 0 | 0 | 0 | 0 | 0 |
| **TOTAL** | **72** | **77** | **3** | **6** | **1** | **6** | **2** | **6** |

| Occupational Levels | Employees with Disabilities | | | |
|---|---|---|---|---|
| | Male | | Female | |
| | Current | Target | Current | Target |
| Top Management | 0 | 0 | 0 | 0 |
| Senior Management | 0 | 0 | 0 | 0 |
| Professionally Qualified | 1 | 2 | 0 | 1 |
| Skilled Technical | 1 | 0 | 1 | 1 |
| Semi-skilled | 0 | 0 | 0 | 0 |
| Unskilled | 0 | 0 | 0 | 0 |
| TOTAL | 2 | 2 | 1 | 2 |

## 5.2 LEGAL AND GOVERNANCE

The Legal and Governance Unit's key responsibilities focus on the strategic support to the MQA for legal, compliance and governance matters summarised below:

- Drafting, monitoring and training on all MQA agreements.
- Ensuring that the MQA complies with all relevant legislation.
- Identification, management and mitigation of all legal and governance risks.
- Development and maintenance of all stakeholder/customer relationships.
- Tracking and monitoring of service provider performance against agreed obligations.
- Professional legal service to the organisation.

The Unit attended to numerous queries ranging from drafting of agreements, drafting of legal opinions and assisting in fraud investigations. The Unit shall continue to provide its role in a professional manner, particularly concentrating on legal risk prevention and mitigation through the hosting of training workshops and the development of effective legal and governance framework.

### 5.2.1 CONTRACT MANAGEMENT

Contract management involves the effective contract administration and management of contracts made with customers, vendors, partners, or employees. This involves negotiation, support and effective management of agreements.

As part of contract management, the Legal and Governance Unit reviewed all the templates of agreements that the MQA has. The Unit is engaged in a process of reviewing its agreement management system in line with best public entity

practice. The Unit sends a report to all units on their agreements in order to track the progress and the contract cycle of the agreements. The Unit engages each unit on a monthly basis on their agreements.

The Legal and Governance Unit handles all the contracts on behalf of all other the units.

The number of public procurement agreements as per the end user stakeholder group/unit are:

| UNIT | NUMBER |
|---|---|
| Skills Development and Research | 8 |
| Strategic Planning | 4 |
| Learning Programmes | 1 |
| Information Technology | 13 |
| Finance | 1 |
| Supply Chain Management | 1 |
| Monitoring and Evaluations | 6 |
| Corporate Services | 2 |
| Legal and Governance | 23 |
| Office Management | 9 |
| Customer Relations and Communication | 8 |
| Human Resources | 5 |
| MQA Board | 1 |
| **TOTAL** | **82** |

The Legal and Governance Unit Drafts Memorandum of Understanding (MOU) on behalf of units. These MOUs are generally agreements which do not contain any financial obligations from the MQA or the other party to the agreement, and it is sometimes used as the first step in signing an agreement. The use of MOU is great for forming and formalising relationships with stakeholders.

| LIST OF MQA MOUs | |
|---|---|
| **UNIT** | **TOTAL NUMBER** |
| Stakeholder Relations | 6 |
| Learning Programmes | 5 |
| | **11** |

### 5.2.2 LEGAL SERVICES

The Unit provides comprehensive legal services to all units of the MQA. These services include the advice and general legal opinion work to all units of the MQA on a variety of matters.

The Unit also started a process to appoint a panel of attorneys to assist the MQA for the provision of expert legal opinions and litigation support. This is an important step in ensuring that the MQA receives the best and most up to date external legal support.

| No. of CCMA and Litigation Matters | | | |
|---|---|---|---|
| **Description** | **Total** | **Resolved** | **Ongoing** |
| Number of Litigation Cases | 8 | 4 | 4 |
| Number of CCMA Cases | 1 | 1 | 0 |

### 5.2.3 COMPLIANCE AND GOVERNANCE

The Unit further assists the MQA with compliance to its legislative and regulatory obligations, gives guidance upon request on the rules, practices and processes by which the MQA is directed and controlled and advises the organisation on the best way forward in line of such prescripts.

# 5.3 CUSTOMER SERVICE AND COMMUNICATION

The Customer Service and Communication Unit is one of the key support units of the MQA. The Unit's deliverables are guided by a five-year Board approved Communication Strategy and an annual Operational Plan. The following report provides a comprehensive account of the planned and unplanned activities implemented during the 2023–2024 financial year. The functions of the Customer Service and Communication Unit are aligned to support the MQA's vision, mission, values, strategic objectives, and legislative mandate, which are amongst others, to:

- provide effective, accurate and reliable communication to its stakeholders by implementing structured activities in a planned and structured manner;
- position the MQA as a recognisable brand amongst its existing and potential stakeholders in the mining and minerals sector, government, and the public;
- promote the MQA as a credible brand amongst its stakeholders;
- manage the reputation of the MQA by managing the perception of stakeholders guided by informed research; and
- maintain and implement good governance practices in the implementation of the Unit's roles and duties.

The communication process within the organisation is used to bridge the communication gap between the organisation and its stakeholders, improve performance, and customer service delivery. The Unit developed and implemented a range of communication; customer service, marketing, and public relations interventions, with an objective of communicating effectively with its stakeholders and protecting the organisation's brand and reputation. The crafting and dissemination of specific strategic messages to the identified target audiences is what drives the mandate of the Unit. During the year under review, the Unit focused on the following deliverables:

### 5.3.1 COMMUNICATION STRATEGY IMPLEMENTATION

The implementation of customer service and communications activities are aligned to the Board-approved 2020–2025 Communication Strategy, which was reviewed in November 2021. The strategy is implemented in line with the MQA Strategic Plan, the DHET Annual Performance Plan (APP), and the allocated budget.

### 5.3.2 2023–2024 OPERATIONAL PLAN

The 2023–2024 Operational Plan, which is in line with the five-year Communication Strategy was compiled and circulated to Management. This was to ensure that the performance milestones were monitored and effectively met. The Operational Plan is updated regularly as activities are implemented.

### 5.3.3 BUDGET MONITORING

The 2023–2024 Customer Service and Communication deliverables were implemented against the approved budget of **R3 860 236,00**. During the year there was increased demand on various communication and marketing activities from the organisation, and the approved budget was insufficient to cater for all the increased demand. This culminated in the approved budget review of an additional **R2 200 000,00**, which came to a total of **R6 060 236,00**. The total expenditure for the 2023–2024 financial year was **R6 006 785,25**, with **R53 450,75** remaining for the year.

### 5.3.4 RESEARCH

**Stakeholder Perception Survey**

The MQA conducts a Biennial Stakeholder Perception Survey in line with the Annual Performance Plan (APP). The survey was conducted and completed with the submission of a detailed report in March 2024, including the survey feedback and recommendations for improvement. The following table depicts the summary of the survey results:

| NO | STAKEHOLDER GROUP | TARGET | PERCENTAGE ACHIEVEMENT |
|---|---|---|---|
| 1. | Overall Satisfaction (MQA Employees) | 75% | 76,2% |
| 2. | Overall Satisfaction (Board and Committee Members) | 75% | 87,6% |
| 3. | Overall Satisfaction (External Stakeholders) | 75% | 78,8% |
| | **TOTAL PERCENTAGE ACHIEVEMENT** | 75% | **81%** |

### 5.3.5 MARKETING AND COMMUNICATION INTERVENTIONS

### EVENT MANAGEMENT

Several planned activities were organised and supported by the Unit throughout the year. In some instances, the unit supported the organisation with various activities for the success of their events. Below are some of the events and activities that took place during the 2023–2024 financial year.

**Invest in African Mining Indaba**
The MQA successfully participated at the 2024 Invest in African Mining Indaba from 5–8 February 2024, hosted at the Cape Town International Convention Centre. Once again stakeholders were enthusiastic, ready to share in the programme that was planned for the event. The event recorded an attendance of at least 6 000 delegates attending in-person.

The delegates included Presidents, Ministers, government representatives from South Africa and international countries; speakers; thought leaders; Chief Executive Officers from around the world and the African diaspora; potential mining sector investors; mining sector industry subject matter experts; women empowerment groups; various youth groups and learners that have chosen careers in mining from various higher education institutions.

**World Skills Conference and Competition**
The Customer Service and Communication Unit successfully participated at the 2024 World Skills Conference and Competition event held at the Durban International Conference Centre (DICC) from 1–3 February 2024. The Unit worked with the Operations Learning Programmes Unit and Murray & Roberts Training Academy which showcased the artificial intelligence method of training mining as part of the of the DHET Try a Skill exhibition.

**Stakeholder Engagement Forums**
The Customer Service and Communication Unit supported the Stakeholder Relations Unit with the National Stakeholder Engagement Forums, hosted in all the provinces during the months of February and March 2024. Various promotional efforts were conducted by the Unit prior to the event such as staff and sector communication, as well as website and media adverts. The Unit assisted with the planning process as part of the co-ordinating team. The Customer Service and Communication Unit ensured sufficient branding at all the venues and promoted the events on social media platforms on the days the events were hosted. The event was also published in the MQA newsletter.

**2023 Inaugural Hybrid Mining Skills Lekgotla, Annual Consultative Conference, and Awards**
The MQA successfully convened a 2023 hybrid Annual Consultative Conference (ACC), Inaugural Mining Skills Lekgotla and Mining and Minerals Sector Good Practice and Recognition Awards during the third quarter of the 2023–2024 financial year. The event was held at the Birchwood Conference Centre in Boksburg from **Thursday, 23 to Friday, 24 November 2023**. The total number of stakeholders that were planned to attend the hybrid event was six hundred and fifty (650), however the event attracted one thousand and twelve (1 012) delegates (416 in-person plus 596 virtual).

The 2023–2024 annual report performance overview including the Annual Performance Plan (APP) and the financial reports were presented at the Annual Consultative Conference. The 2024–2025 budget and APP were also tabled to the stakeholders, and they voted and adopted the budget and the APP.

The purpose of the 2023 Inaugural Mining Skills Lekgotla was to facilitate substantial engagement and to bring together all sector stakeholders, training, academics, and skills development role players to engage on some challenges and blockages experienced in the implementation of skills development interventions in the sector and find innovative ways to deal with some of the challenges that present themselves. Following the diverse, insightful inputs and recommendations by different attendees a report was compiled highlighting what needs to be done, the time frames and resources needed for implementation. The recommendations of the Mining Lekgotla therefore find practical expression into the MQA units' operational plans. Thus they inform the implementation of the fit for purpose programmes, which are reported and monitored on an ongoing basis to ensure impact.

The MQA also recognised the mining and minerals sector companies that are impactful in terms of the delivery of skills development. The MQA hosted a successful 2023 Good Practice and Recognition Awards at a Gala Dinner Good Practice Awards. The ceremony was aimed at recognising mining and minerals sector companies for the good work

demonstrated in implementing training programmes within the sector. A total number of one hundred and sixty (166) delegates confirmed and attended the event.

The winners were recognised for employing or assisting most learners in securing post-training employment. In other categories, companies were recognised for aligning their Work Skills Plan to the Annual Training Plans. A special award was conferred to a learner with a disability who after the programme, secured employment and went up the ranks within companies.

**My World**
During the year under review, the Customer Service and Communication Unit successfully collaborated with the Human Resources Unit to host a successful My World event for their internal stakeholders. The event was hosted at the Gallagher Convention Centre on 7 December 2023. The theme of the event was "Constituting a Competent Workforce Through Active Engagements". The event was well received by all staff members.

**International Literacy Day Celebrations**
The Unit supported the Stakeholder Relations Unit with the hosting of the International Literacy Day event held at the Middleburg Technical High School, in Middleburg, Mpumalanga on 9 September 2023. Various promotional efforts were conducted by the unit prior to the event such as staff and sector communication, as well as website and media adverts. The unit assisted with the planning process as part of the co-ordinating team. It also assisted with the paperwork involved in appointing the service providers.

All efforts were ensured to sufficiently brand the event and manage the running order of the day. Speeches were compiled by the unit for the speakers present at the event. The unit also played an advisory role in terms of how hybrid events are hosted, to ensure the success of the event in partnership with the IT unit. On the day, the unit promoted the event on various social media platforms and ensured the efficiency of the proceedings in partnership with the Stakeholder Relations Unit. The event was also published in the MQA newsletter.

**Presidential Imbizo Events**
The Customer Service and Communication Unit supported the Regional Offices at several of the Presidential Imbizo as part of the District Development Municipalities programme initiated by the Presidency of South Africa. At these events, the community members had an opportunity to voice their socio-economic grievances. There was also an opportunity to exhibit and showcase the work of the MQA to the community members where SETAs, various government departments and other stakeholders offered career-related information to the community. The Customer Service and Communication Unit participated at the following Presidential Imbizos:

- Sekhukhune in Limpopo on 14 July 2023
- Paarl in Western Cape on 19 May 2023
- Ladysmith in KwaZulu-Natal on 30 June 2023

**National Youth Day**
The Customer Service and Communication Unit supported the Free State Regional Office at the National Youth Event on 16 June 2023. The event was hosted by the National Youth Development Agency in partnership with the Department of Women, Youth and Persons Living with Disabilities, and the Department of Sports, Arts and Culture. The aim of the event was to present opportunities that are available to young people as well as showcasing and celebrating young change makers.

**Centres of Specialisation Launch**
The Customer Service and Communication Unit supported the Learning Programmes Operations Unit with the planning, implementation and execution of the Centres of Specialisation launch event for the mining and minerals sector that was hosted on 14 June 2023 in partnership with Tshwane South TVET College. In addition to offering guidance and events management related advice, the unit provided the opening and closing remarks for the MQA Chairperson Mr David Msiza and MQA Board Member Ms Tshepo Tlhapane.

### 5.3.6 PRINTED MEDIA

**Advertisements**
The MQA publishes advertisements to promote its services, communicate new developments and to invite stakeholders to various skills development activities taking place. A total of twelve (12) adverts were published during the year under review which included tenders, marketing, and promotion. Recruitment advertisements were published on the MQA social media platforms.

**MQA Newsletter *(Printed and Electronic Flip Book)***
The Unit compiled and distributed four (4) quarterly newsletters during the year under review. Printed copies were distributed to companies, training providers and learners on MQA programmes. The electronic flip book versions were uploaded onto the MQA website, MQA's social media handles and emailed when requested. The MQA News continues to be one of the communication channels that stakeholders regard as a positive communication medium that keeps them informed about the MQA.

**Marketing Materials *(Printed)***
The MQA produces a range of marketing materials such as brochures to inform stakeholders about the role of the MQA, learning programmes the MQA has available as part of their discretionary projects and that they should participate in, and highlights the benefits of skills development as well as other programmes such as career guidance that takes place as part of the services of the organisation.

**Staff and Stakeholder Communiqués**
The MQA compiles and circulates staff and stakeholder communiqués weekly to communicate pertinent information related to the business of the MQA.

**Annual Report (2022–2023)**
The 2022–2023 MQA Annual Report was compiled timeously and delivered in compliance with the Auditor-General of South Africa (AGSA) and parliamentary requirements. The Annual Report was submitted at the end of August 2023 and tabled in Parliament by the Department of Higher Education and Training (DHET) in November 2023. No parliamentary questions were received pertaining to the Annual Report post tabling. The Annual Report was also tabled by the Chief Executive Officer (CEO) at the Annual Consultative Conference held on 23 November 2023 in Johannesburg. The Report was distributed to all government departments in line with the Parliamentary distribution list, as well as to the National Libraries. Additional requests were received for printed copies. The report was also uploaded onto the MQA's website.

### 5.3.7 ELECTRONIC MEDIA

**Website Maintenance**
During the year under review, the Unit continued to do the website content management and posted forty-seven (47) website posts on behalf of the various MQA units.

**Social Media**
The MQA is also active on the social media platforms as they serve as a key communication tool to disseminate important messages and communicate with its stakeholders. The MQA is active on Facebook, Twitter, Instagram and YouTube.

***Twitter Posts, Engagements and Reach***
The page followers for the period under review grew to nine hundred and twenty-five (925). The table below depicts the number of posts, audience engagements and impressions for the period under review:

| ACTIVITY | POSTS | AUDIENCE ENGAGEMENTS | IMPRESSIONS |
|---|---|---|---|
| TOTAL | 602 | 2 735 | 45 072 |

***Facebook Posts, Engagements, Reach and Impressions***
The page followers for the period under review grew to eight thousand and fifty (8 050). The table below depicts the number of posts, audience engagements, user reach and impressions for the period under review:

| ACTIVITY | POSTS | AUDIENCE ENGAGEMENTS | USER REACH |
|---|---|---|---|
| TOTAL | 521 | 75 603 | 445 648 |

***Instagram Posts, Engagements and Reach***
The page followers for the period under review grew to one thousand four hundred and six (1 436). The table below depicts the number of posts, audience engagements, and impressions for the period under review:

| ACTIVITY | POSTS | AUDIENCE ENGAGEMENTS | IMPRESSIONS |
|---|---|---|---|
| TOTAL | 448 | 2 682 | 59 159 |

***YouTube Channel***
The MQA YouTube channel grew to a total of one hundred and seven (107) subscriptions, with four hundred and forty (440) views during the year under review.

The Customer Service and Communication Unit consistently monitors comments on social media to safeguard the reputation of the MQA and engages with concerned units where challenges exist. Key to

the success of corporate social media is the 'paid for' boosting services as well as allocating influencers. This is an engagement that will be necessary for the MQA going forward.

### 5.3.8 CUSTOMER SERVICE

The Customer Service role within the MQA includes the management of the Customer Relationship Management (CRM) system, frontline face-to-face and telephone monitoring at MQA's receptions, as well as conducting research on stakeholder perceptions.

### 5.3.9 CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

The Customer Relationship Management (CRM) system focuses on the creation of cases, recording and reporting of stakeholder interactions and tracking their resolution. The monthly generated reports highlight the resolved cases in each unit. Every stakeholder complaint received is assigned a case number to enable the stakeholder to follow-up using the case reference number if the query is not resolved timeously. The MQA CRM functionality is limited in that it is not organisation-wide and is also reactive in nature so there is no tracking of the status of queries. For it to be effective, a proactive system used by the entire organisation with tracking and escalation functionality will serve the organisation best.

There were 18 compliments and a total number of 1 160 resolved queries received from the units and recorded onto the CRM system and resolved between 1 April 2023 and 31 March 2024.

### 5.3.10 FRONTLINE AND TELEPHONE SERVICES

**Telephone Services – Head Office**

One of the MQA values is professionalism and the frontline staff members are always encouraged to portray this daily as they offer customer service to all MQA stakeholders. The number of telephone calls received as well as those not attended to are monitored through a report, generated by an external service provider, namely Comtech. During the year under review, the MQA head office received a total number of one hundred and twenty-eight thousand one hundred and twenty-three (128 123) calls. Out of the total calls, ninety-one thousand three hundred and fifty-six (91 356) calls were answered, and thirty-six thousand seven hundred and sixty-seven (36 767) calls were unanswered.

**Frontline 'Walk-in' Report**

The number of visitors that access the MQA are monitored through a manual registration system at all MQA receptions. A total number of walk-ins throughout the MQA for the 2023–2024 period under review were recorded as follows:

| NUMBER OF WALK-INS THROUGHOUT THE MQA FOR 2023-2024 | | | | | | | TOTAL |
|---|---|---|---|---|---|---|---|
| Head Office | Eastern Cape | Free State | Limpopo | Mpumalanga | Northern Cape | North West | All MQA Offices |
| 4 605 | 151 | 146 | 1 088 | 85 | 152 | 74 | 6 216 |

**Daily Snapshot Stakeholder Survey**

As part of the ongoing monitoring of service, stakeholders participate in a daily "Snapshot Survey" of their customer service experience when visiting the MQA front-line reception desks across all MQA offices. Remedial action is ensured where issues are raised.

During the period under review 29 stakeholders completed the "my service experience with the MQA" evaluation form, the result reflects that, overall, the stakeholders were happy with the service they received from the MQA employees.

# 5.4 FACILITIES AND OFFICE MANAGEMENT

The Facilities and Office Management Unit plays a pivotal role in ensuring the effective management and maintenance of the organisation's buildings and facilities. The Unit is staffed by a dedicated team including a Facilities Manager, two administrators, a security officer, and eight housekeepers, and reports to the Executive Manager Corporate Services.

The unit's core function is to ensure the building is effectively and efficiently managed. The unit's key competencies include:

- Technical operations and maintenance.
- Occupational Health and Safety (OHS) and emergency preparedness.
- Space management.
- Utility management.
- Fleet management.
- Document management.
- Infrastructure project management (excluding IT infrastructure).
- Budget.
- Office management support to the MQA Regional Offices.
- The focus this year has been on conducting building condition assessments, refurbishments and ensuring compliance with OHS standards.

### 5.4.1 KEY ACHIEVEMENTS

- Successfully completed building condition assessments to identify areas for improvement and implemented necessary refurbishments to enhance the overall quality of our facilities.
- Ensured compliance with OHS standards, prioritising the safety and well-being of all employees.
- Continued efforts to address the challenges posed by long hours of load shedding and frequent water cuts.
- Initiated plans for space planning to accommodate the newly approved structure and the relocation of regional offices, aiming to improve accessibility for stakeholders.

### 5.4.2 CHALLENGES

- Long hours of load shedding resulted in increased spending on diesel, impacting on the unit's budget.
- Frequent water cuts disrupted building operations, highlighting the need for alternative water storage solutions.

### 5.4.3 FUTURE FOCUS

In the coming year, the Facilities Unit will continue with efforts in space planning, exploring further alternatives for cost-effective power supply and water management to mitigate the impact of load shedding and water cuts on business continuity.

The unit remains committed to providing excellence in the management of the MQA's facilities, ensuring a clean, safe, and healthy work environment for all occupants, while contributing to the mission of the MQA utilising key performance metrics, general feedback, and collaboration with departments to achieve the objectives of the MQA and its stakeholders.

Additionally, the unit looks forward to another year of progress and achievement to ensure the safety, functionality, and efficiency of the MQA's facilities.

SECTION 6



# INFORMATION TECHNOLOGY

The Information Technology Unit is responsible for providing ICT infrastructure, computers, application software, mobile communication and first line support to all the tools of trade to achieve the following purpose of acquiring and using Information and Communication Technologies (ICT) in a manner which:

- aligns the Information and communications technology strategy to the organisational strategy;
- leverages economies of scale to provide for cost effective Information and Communication Technology services;
- ensures the interoperability of its information systems with information systems of other institutions to enhance service delivery;
- ensures security of MQA information systems;
- uses information and communication technologies to develop and enhance the delivery of service at MQA; and
- aligns the use of information and communication technology by staff to achieve optimal service delivery.

## 6.1 Learner and Employer Interactive System

The MQA has developed and implemented an online interactive learning programme with digital capabilities and functionalities. This learner-employer interactive system is divided into three portals:

### 6.1.1 ONLINE LEARNER SKILLS MATRIX AND QUALIFICATIONS PORTAL

The MQA deals with a myriad of stakeholders, ranging from learners, providers, employers, partners, and practitioners to quality councils and other bodies. The primary objective of this portal is to enable learners in the mining sector or learners interested in the mining sector to register on the portal and indicate their skills, qualifications, upload their CVs, view available training, bursaries, learnership and internship opportunities in the sector. Both learners and employers can also receive relevant news, link with prospective employers, and access links to resources and information that may help them gain entry in the sector or enhance their careers in mining.

The online Learner and Employer Interactive System also ensures the MQA has sight of learners interested in the sector, those requesting training or skills upliftment and those requiring linkages with prospective employers in the sector. This will assist the MQA in fulfilling its mandate within the sector.

### 6.1.2 ONLINE EMPLOYER RESOURCE PORTAL

The primary objective of the Online Employer Resource Portal would be to improve the dissemination of information relevant to employers, source and find learners or recruits with skills and qualifications meeting their requirements, access the information repository for the sector, improve communication between the MQA and employers access.

### 6.1.3 ONLINE INFORMATION REPOSITORY PORTAL

The purpose of the online information repository portal is to store, review, update, publish, and maintain mining and minerals sector information. This portal also acts as a training and guidance platform for various stakeholders. It hosts information that will assist the MQA registered users to search and find relevant publications, research findings, policies, reports, career guidance information, interactive media (videos, sound bites etc.), and a host of other information relevant to MQA stakeholders. The platform provides self-exploration tools and information relating to occupations, scarce skills, courses and opportunities in the sector. It also hosts other dynamic content like planned events such

as career exhibitions, closing dates for bursaries, learnerships and internships, graduate placement opportunities, and dates of workshops for example. The objective is to address an immediate need of MQA to provide a central repository of information within the mining sector.

The system is designed to deliver the following value to the MQA and the sector:

- Address the structural challenge of skills mismatch between employers and completed learners.
- Provide a platform for the establishment of Alumni initiatives for various MQA learning Programmes.
- Provide the MQA and the sector with a database all qualified learners in various programmes.
- Provide data necessary for Research, Tracer, and Impact studies to be conducted by the MQA.
- Provide a platform where mining sector employers can advertise available training opportunities and entry level positions to qualified and prospective learners who are on MQA programmes.
- Provide a platform where learners qualified in various MQA programmes can register as work seekers and upload relevant documentation that supports their career interests.
- Act as a repository that will provide a valuable platform for all stakeholders within the sector in terms of information provision to implementers of MQA learning programmes.
- Provide reports for the MQA to assist in decision making for current learning programmes implemented by the MQA.
- Provide a platform for interaction between the MQA, learners and employers.
- Enhance the image and reputation of the MQA and position within the 4IR field.

## 6.2 Digitisation of Critical Processes

The goal to digitise the MQA's critical processes has started and several processes within the organisation have already been digitised. The final phase is the development and implementation of an integrated system that will support the organisation's value chain from where it starts to where it ends. Certain processes that have already been digitised include the telephone systems, Microsoft 365, smart boardrooms and online registrations at reception. Most processes will be covered by the implementation of the IMIS and ERPS. It is envisaged that this system will be fully functional in the next 25 months.

## 6.3 Cyber Security Awareness

In the current digital era, it is important for organisations to host continuous cyber security awareness programmes. Cybersecurity awareness describes people's and organisations' comprehension and knowledge of possible cybersecurity risks and the countermeasures that may be implemented. It includes being aware of the many types of cyber threats and understanding how to react to them, including malware infections, phishing scams, data breaches, and social engineering scams.

Cybersecurity awareness seeks to enable people to identify possible security risks, understand the significance of safeguarding their digital assets (such as financial information, intellectual property, and personal data), and take proactive measures to protect their organisations and themselves from cyber-attacks. With the increasing reliance on technology and the use of the internet, cybersecurity has become increasingly significant. The following are some of the highlights of the cybersecurity information shared by the IT business unit to staff:

### 6.3.1 HOW TO PROTECT YOURSELF FROM PHISHING ATTACKS:

Protecting yourself from phishing attacks involves a combination of awareness, caution, and technological tools. Here's a comprehensive guide to help you stay safe:

#### 6.3.1.1 Educate Yourself

Understand what phishing is and how it works. Phishing is when attackers pose as legitimate entities to deceive individuals into revealing sensitive information such as usernames, passwords, or credit card details.

#### 6.3.1.2 Verify the Source

Always verify the sender's email address or the URL of websites you visit. Pay close attention to misspellings or slight variations in domain names.

#### 6.3.1.3 Don't Click on Suspicious Links

Avoid clicking on links in emails, messages, or social media posts from unknown or suspicious sources. Hover over links to see the actual URL before clicking.

#### 6.3.1.4 Use Security Software

Install reputable antivirus and anti-malware software on your devices. These programs can help detect and prevent phishing attempts.

#### 6.3.1.5 Keep Software Updated

Ensure that your operating system, web browsers, and other software are regularly updated with the latest security patches. Many phishing attacks exploit vulnerabilities in outdated software.

#### 6.3.1.6 Enable Two-Factor Authentication (2FA)

Whenever possible, enable 2FA for your online accounts. This adds an extra layer of security by requiring a second form of verification, such as a code sent to your phone.

#### 6.3.1.7 Use Strong, Unique Passwords

Create strong, complex passwords for your accounts and avoid using the same password across multiple platforms. Consider using a reputable password manager to generate and store your passwords securely.

#### 6.3.1.8 Be Wary of Urgent Requests or Offers

Phishing emails often create a sense of urgency or offer something too good to be true. Think twice before responding to such requests or offers, especially if they require you to provide personal information.

#### 6.3.1.9 Double-Check Requests for Personal Information

Legitimate organisations typically won't ask you to provide sensitive information via email or text. If in doubt, contact the organisation directly through official channels to verify the request.

#### 6.3.1.10 Report Suspicious Activity

If you receive a phishing email or encounter a suspicious website, report it to the appropriate authorities. Many organisations, such as banks and social media platforms, have mechanisms in place for reporting phishing attempts.

#### 6.3.1.11 Stay Informed

Keep yourself updated on the latest phishing techniques and trends. Phishing tactics evolve over time, so staying informed can help you recognise new threats.

By following these tips and remaining vigilant, you can significantly reduce the risk of falling victim to phishing attacks. Remember that caution and scepticism are your best defences against online threats.

## 6.4 Expansion of the IT Business Unit

The recruitment process to appoint a Business Analyst has been finalised, the recommended candidate was appointed and commenced on the 1st of April 2024.

The decision to insource the roles and responsibilities of a Business Analyst is to ensure there is no disconnect between ICT and organisations' operations.

## 6.5 Conclusion

The Information Technology unit's business ethics culture is a sound one. Policies and procedures are in place to guide the unit to govern appropriately and to engender morals, values and ethics in the IT personnel so the unit can conduct its business in an exemplary and professional manner. Information and communication technology makes a business more efficient, effective and able to promptly respond to business needs by ensuring systems are always fully functional.

SECTION 7



# RISK, MONITORING, EVALUATION & QUALITY ASSURANCE

Strategy is inextricably intertwined with monitoring and evaluation (M&E). In order to determine the impact of the MQA's return on investment in the mining and minerals sector's training programmes against the number of people trained, the Board established the Risk Monitoring and Evaluation unit. It is an integral part of the MQA's value chain and its contribution towards, among other things, organisational strategy, planning, monitoring, impact assessment and evaluation. Risk Management enables the organisation to track its impact on skills development in the sector.

The Unit's key roles and responsibilities focus on providing strategic support to the MQA to achieve the following goals:

- monitoring compliance with the MQA's policies, procedures and legislation throughout the MQA and its service providers;
- ensuring the validation of actual performance against source documents prior to the information being submitted and reported to the executive authority; and
- conducting site visits (physical or desktop verification) on MQA's levy-paying companies and other projects to ascertain the following in respect of all learners that are eligible for grants:
  - accuracy;
  - existence;
  - completeness; and
  - compliance with relevant legislation and MQA policies.

Utilising a risk-based approach takes up the issues raised in previous reports, these are analysed in order to identify root causes to formulate adequate and effective controls to address specific challenges by taking into consideration the following

- conducting evaluation to ensure the relevance, effectiveness and efficiency of the MQA's policies, and that project methodologies selected are designed to achieve the organisation's strategic objectives; and
- ensuring the MQA adopts a zero-tolerance approach to fraud and corruption. This applies to both internal and external parties.

## 7.1 MONITORED PROJECTS

Monitoring is an ongoing process that focuses on the assessment of projects, programmes and day-to-day activities and deliverables required for achievement and performance. It is for this reason that the Unit conducted **326** learner verifications to ascertain whether learners are eligible for grants and are receiving training as per their training plans, MoAs and SLAs signed with the MQA. A total of **7763** verified learners in twelve (12) different projects was monitored against the planned target of twelve. Against the annual target of 100%, the unit monitored 100% of the programmes during the financial year.

The table below reflects the number of the programmes that could be monitored were verified in the current financial year:

### 7.1.1 MONTHLY VERIFICATIONS CONDUCTED FOR THE FINANCIAL YEAR 2023-2024 AND THE ACHIEVEMENT FOR THE YEAR IS 100%

| NO | LEARNING PROGRAMME | GP | KZN | NW | WC | MP | NC | LP | EC | FS | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Workplace Experience | 158 | 28 | 157 | 5 | 70 | 0 | 12 | 3 | 0 | 433 |
| 2 | Internships | 417 | 43 | 187 | 48 | 99 | 28 | 96 | 2 | 8 | 928 |
| 3 | Mine Community | 772 | 150 | 214 | 0 | 499 | 150 | 979 | 75 | 96 | 2 935 |
| 4 | Artisans | 0 | 9 | 51 | 3 | 8 | 4 | 0 | 0 | 0 | 75 |
| 5 | Non-artisans | 611 | 0 | 88 | 0 | 23 | 58 | 178 | 0 | 27 | 985 |
| 6 | HEI Lecturer Support | 6 | 0 | 5 | 8 | 0 | 0 | 15 | 0 | 0 | 34 |
| 7 | Work Integrated Learning | 0 | 22 | 0 | 52 | 55 | 20 | 61 | 122 | 56 | 388 |
| 8 | Management Executive Development Programme | 20 | 0 | 0 | 0 | 0 | 11 | 1 | 0 | 0 | 32 |
| 9 | Workplace Coaches and Mentors | 33 | 0 | 11 | 2 | 5 | 0 | 10 | 0 | 2 | 63 |
| 10 | TVET College Support | 45 | 0 | 50 | 0 | 5 | 0 | 45 | 0 | 0 | 145 |
| 11 | Unemployed Youth Development Programme | 500 | 0 | 339 | 0 | 100 | 70 | 540 | 0 | 140 | 1 689 |
| 12 | Candidacy | 2 | 12 | 1 | 0 | 20 | 10 | 11 | 0 | 0 | 56 |
| | TOTAL | 2 564 | 264 | 1 103 | 118 | 884 | 351 | 1 948 | 202 | 329 | 7 763 |

## 7.2 TRACER STUDIES

The unit is tasked with conducting tracer studies (value for money analysis). The MQA's tracer studies are aimed at investigating and exploring the level of the MQA's contribution to the advancement of skills development within the mining and minerals sector, and the transformation made by the MQA's grants in supporting the programmes. It involves tracing the whereabouts of former beneficiaries to determine what has happened in their careers and their lives during and after completion of their respective programmes. This is also aimed at analysing the outcomes of MQA-funded programmes and their impact.

During the year under review M & E conducted the following three tracking and tracer study on impact analysis and assessment of the effectiveness and relevance of MQA funded for 2018-2019 and 2022-2023 financial years:

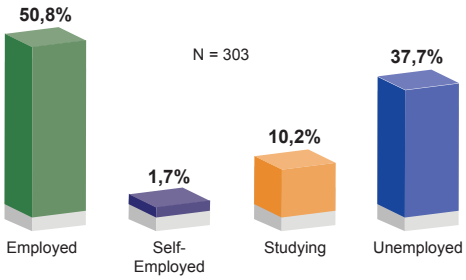
- Non – Artisan Core Learnerships
- Non – Artisan Jewellery and Diamond Beneficiation; and
- Artisan Learnerships Tracer Studies.

Some of the findings from the tracers are as follows:

### 7.2.1 NON – ARTISAN CORE LEARNERSHIPS

| LEARNERSHIPS | NUMBER OF LEARNERS | PERCENTAGE % |
|---|---|---|
| Further Education and Training Certificate: Mineral Processing | 6 | 0.3 |
| Further Education and Training Certificate: Mining Operations: Underground Coal Mining | 1 | 0.1 |
| Further Education and Training Certificate: Mining Operations: Surface Excavations | 5 | 0.3 |
| National Certificate: Chemical Operations | 3 | 0.2 |
| National Certificate: Laboratory Practice: General | 3 | 0.2 |
| National Certificate: Metals Production | 5 | 0.3 |
| National Certificate: Mineral Processing: Lump Ore Beneficiation | 265 | 13.6 |
| National Certificate: Mineral Processing: Mineral Sands | 35 | 1.8 |
| National Certificate: Mineral Processing: Platinum | 30 | 1.5 |
| National Certificate: Mining Operations for Underground Hard Rock: Conventional Mining | 233 | 12.0 |
| National Certificate: Mining Operations for Underground Hard Rock: Mechanised Mining | 21 | 1.1 |
| National Certificate: Mining Operations: Underground Coal: Blasting Operations | 58 | 3.0 |
| National Certificate: Mining Technical Support: Geology | 7 | 0.4 |
| National Certificate: Occupational Health, Safety and Environment | 1 051 | 54.1 |
| National Certificate: Occupational Hygiene and Safety | 3 | 0.2 |
| National Certificate: Rock Breaking Underground Hard Rock: Conventional Mining | 59 | 3.0 |
| National Certificate: Rock Breaking Underground Hard Rock: Mechanised Mining | 34 | 1.7 |
| National Certificate: Rock Breaking: Surface Excavations: Surface Mining and Quarrying | 120 | 6.2 |
| National Certificate: Winding Engine Driving | 4 | 0.2 |
| **Total** | **1 943** | **100.0** |

### 7.2.2 POST LEARNERSHIP ABSORPTION RATE



### 7.2.3 OVERALL IMPACT BY LEARNERSHIP TITLE

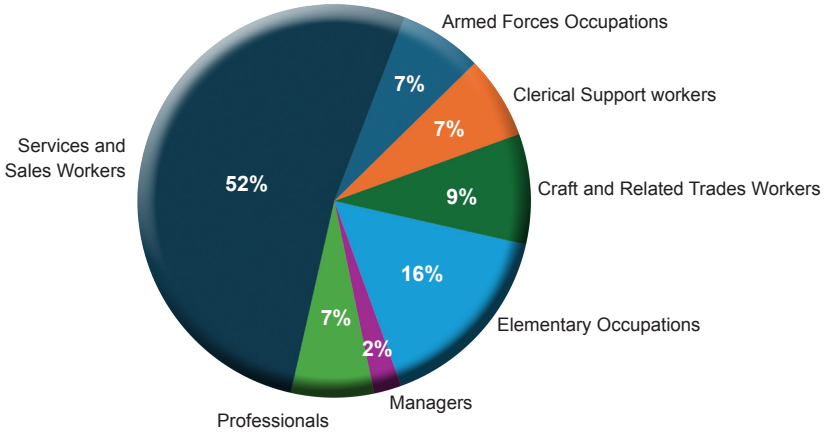
| LEARNERSHIP TITLE | N | PERCENTAGE EMPLOYED | OVERALL IMPACT SCORE |
|---|---|---|---|
| NC: Mineral Processing: Lump Ore Beneficiation | 96 | 82.3% | 4.65 |
| **NC: Occupational Health, Safety and Environment** | **89** | **22.5%** | **4.21** |
| NC: Mining Operations for Underground Hard Rock: Conventional Mining | 44 | 61.4% | 4.43 |
| NC: Rock Breaking: Surface Excavations: Surface Mining and Quarrying | 39 | 33.3% | 4.05 |
| NC: Mining Operations: Underground Coal: Blasting Operations | 14 | 85.7% | 4.86 |
| NC: Mineral Processing: Mineral Sands | 12 | 83.3% | 4.25 |
| NC: Mineral Processing: Platinum | 11 | 36.4% | 4.45 |
| NC: Mining Operations for Underground Hard Rock: Mechanised Mining | 9 | 100.0% | 4.78 |
| NC: Rock Breaking Underground Hard Rock: Conventional Mining | 9 | 33.3% | 3.89 |
| **NC: Rock Breaking Underground Hard Rock: Mechanised Mining** | **5** | **80.0%** | **4.40** |
| FETC: Mining Operations: Surface Excavations | 2 | 100.0% | 4.50 |
| NC: Chemical Operations | 2 | 100.0% | 4.00 |
| NC: Metals Production | 2 | 100.0% | 5.00 |
| FETC: Mineral Processing | 1 | 100.0% | 5.00 |
| NC: Laboratory Practice: General | 1 | 0.0% | 1.00 |
| NC: Mining Technical Support: Geology | 1 | 100.0% | 5.00 |
| NC: Winding Engine Driving | 1 | 0.0% | 3.00 |

### 7.2.4 NON – ARTISAN JEWELLERY AND DIAMOND BENEFICIATION

**Programme Impact: Employment Status by Programme**

| Employment status | DIAMOND PROCESSING | | | | |
|---|---|---|---|---|---|
| | All | Bottom Polishing | Cutting | Top Polishing | Jewellery Manufacturing |
| Employed (full time) | 10% | 12% | 8% | 7% | 6% |
| Employed (part time) | 6% | 6% | 8% | 4% | 5% |
| Self-employed | 1% | 1% | 0% | 0% | 1% |
| Full-time learner/student | 5% | 3% | 25% | 2% | 18% |
| Jobless (not searching for employment) | 6% | 3% | 33% | 4% | 2% |
| Jobless (searching for employment) | 73% | 75% | 25% | 82% | 69% |
| **TOTAL** | **100%** | **100%** | **100%** | **100%** | **100%** |
| | n = 126 | n = 69 | n = 12 | n = 45 | n = 307 |

### 7.2.5 PLACEMENTS

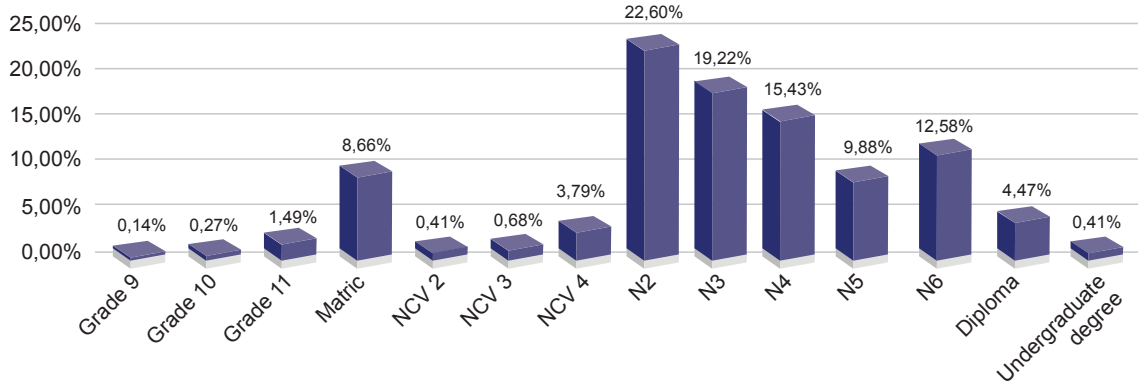


## 7.2.6 INCOMPLETE LEARNERSHIPS

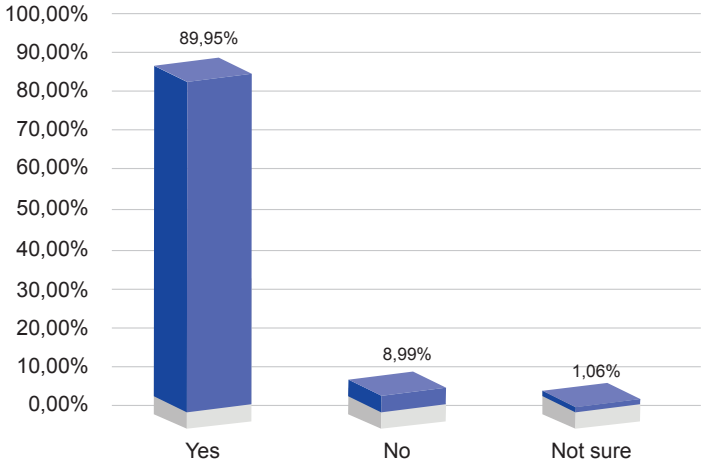
| Employment Status & Association with the MMS | Column Labels: MMS Involvement/Association | | | |
|---|---|---|---|---|
| Row Labels: Employment Status (selected categories) | Yes | No | TOTAL | n |
| Employed (full time) | 83% | 17% | **100%** | 29 |
| Employed (part time) | 70% | 30% | **100%** | 23 |
| Full-time learner/student | 84% | 16% | **100%** | 61 |
| Jobless (searching for employment) | 95% | 5% | **100%** | 303 |
| Self-employed | 100% | 0% | **100%** | 3 |
| **Grand Total** | **91%** | **9%** | **100%** | **419** |

## 7.2.7 ARTISAN LEARNERSHIPS TRACER STUDIES

### 7.2.7.1 Respondents' highest level of education before enrolling in the MQA programme




### 7.2.7.2 Working in the same trade as your learning programme



## 7.3 AUDIT TRACKING

During the year under review, the external audit tracking register for the 2023-2024 audit report, as well as the 2023-2024 interim audit report were developed and monitored. Management was assisted in developing action plans that do not only consider the external auditors' recommendations, but most importantly address root causes so as to prevent recurrence. The status on the tracking registers was presented to management, the joint Audit, Risk and Finance Committee and the Board.

## 7.4 PERFORMANCE MANAGEMENT

The MQA's strategic objectives are implemented and tracked through the APP in five different programmes. The Unit provided assurance that the MQA's performance information for each quarter fairly reflected the actual achievements against planned objectives, indicators and targets as per the SLA and APP.

## 7.5 RISK MANAGEMENT

It is essential that the MQA adheres to the principles of good governance, as articulated in the Public Finance Management Act, the Treasury Regulations and King IV report. The Accounting Officer's responsibilities are to ensure that the MQA under his or her control has effective, efficient, and transparent systems of financial management, risk management and internal controls.

The MQA is committed to good corporate governance. The strategic risk assessment is conducted on an annual basis, to identify new and emerging risks and effective strategies to mitigate the risks to an acceptable level. Operational risks are managed and monitored on a quarterly basis, working hand in hand with the department to ensure the effective implementation of action plans. Part of the policy implementation, the strategic and operational risk registers were compiled subsequent to the risk assessment workshops that were held and approved by the Board during the 2023-2024 financial year. Risk assessment exercises are conducted once a year and the registers are updated regularly with the review of the residual risk as and when the implementation of the action plans necessitates this. Emerging risks are considered when registers are updated. Risk registers are presented to the joint Audit, Risk and Finance Committee and the Board on a quarterly basis.

## 7.6 FRAUD AND CORRUPTION PREVENTION ACTIVITIES

The MQA has adopted a zero-tolerance approach to any form of fraudulent activities. To this extent, a fraud hotline is operational and the external service provider supplied fraud hotline reports on a monthly basis.

The reports were presented to the joint Audit, Risk and Finance Committee and the Board on a quarterly basis. The MQA has also revised its Fraud and Corruption Policy.

## 7.7 POLICIES AND FRAMEWORKS

The following approved policies and strategies are being implemented:

- Monitoring and Evaluation Policy Framework;
- Risk Management Policy and Strategy; and
- Fraud and Corruption Policy.

## 7.8 QUALITY ASSURANCE

The Quality Assurance unit has been delegated as a Quality Partner for Quality Council for Trades and Occupations (QCTO) with the roles and responsibility for quality assurance on development of learning programmes, assessments, monitoring, accreditation, certification including learner management system within mining and minerals sector is aligned in terms of Occupational Qualifications Sub-Framework policy, and alignment of regulated occupations in terms of Mine Health and Safety Act.

Therefore, the primary roles and responsibilities deliverables and targets are:

- Review or develop learning programmes for registration as occupational qualifications and support learning materials development as a Development Quality Partner (DQP) body.
- Development of assessment toolbanks and assessment centre criteria for designated occupational qualifications in terms of national standard as an Assessment Quality Partner (AQP) body.
- Perform SETA mandate on identifying and approval of workplaces including conducting of accreditation audits for skills development providers, workplace approvals and registration of assessors and moderators as a Quality Assurance Partner (QAP) body.

- Conduct quality assurance on learner assessment monitoring and recommendations for exit learning programmes.
- Develop and manage the learner management system in terms of QCTO specifications.
- Conduct quality assurance learner achievements for completions and certifications including uploading into National Learner Records Database (NLRD).

### 7.8.1 DEVELOPMENT QUALITY PARTNER (DQP) FUNCTIONS

The MQA as a Qualifications Development Partner (QDP) in terms of the Quality Council for Trades and Occupations (QCTO) has a delegated function to review or develop learning programmes for registration on the Occupational Qualifications Sub-Framework (OQSF); and develop learning materials in accordance with the standard set by the mining and minerals sector.

Therefore, the MQA has a mandate to review or develop regulated learning programmes or learning materials as per the mining and minerals sector demand in collaboration and the support of relevant Subject Matter Experts.

During the 2023-2024 financial year there was a total of **162** learning programmes: Occupational Qualifications, Part Qualifications, Skills Programmes and learning material packs reviewed or developed. The achievement is broken down as follows:

- **21** New & Reviewed Qualifications/Part Qualifications. A further **12** Qualifications are still under review/being developed
- **16** New Learnerships
- **42** New Skills programmes (**31 are** registered).
- **83** Learning Material (76 packs are for Occupational Qualifications)

### 7.8.2 ASSESSMENT QUALITY PARTNER FUNCTIONS

The MQA as an Assessment Quality Partner (AQP) with roles and responsibilities in terms of Quality Council for Trades and Occupations (QCTO) delegated functions for specified occupational qualifications registered on Occupational Qualifications Sub-Framework (OQSF) to ensure development of assessment tool banks and assessment centres criteria for designated occupational qualifications or part-qualifications in terms of national standard.

During the 2023-2024 financial year the already developed Quality Assessment Specifications and tools were affected by the identified Occupational Qualifications that are to be de-registration. Therefore, **10** Assessment tools are developed **09** assessment tools submitted, **4** under development and 03 Qualifications ready for the sector.

### 7.8.3 QUALITY ASSURANCE PARTNER (QAP) FUNCTIONS

The MQA conducts integrated accreditation audits to Skills Development Providers and workplace for occupational qualifications, part qualifications, learnerships and or skills programmes including on registration of assessors and moderators as a delegated Quality Assurance Partner (QAP) body by QCTO for mining and minerals sector.

For this function to be conducted, it requires collaboration with all stakeholders through an appointed and dedicated audit team which includes the subject matter experts or technical experts within the sector.

The MQA has a total number of **151** training providers on primary and secondary accreditations whilst **240** are approved workplace for learners' placements on various learning programmes as at end of the financial year. The accreditation audits for all qualifications are recommended to the QCTO for the accreditation grant, whilst skills programmes and workplaces are SETA specifications.

The MQA reported at least **159** achieved performances on Accreditations and Workplace Approvals during the 2023-2024 financial year. The achievement breakdowns conducted is broken down as follows; **34** new and compliance accreditation, **5** Assessment Centres, HDSA supported training providers and **115** workplace approvals during the period.

During the 2023-2024 financial year there were **1395** received applications with **877** approved and processed, **677** were new registered as well as re-registration of assessors, **200** moderators, **28** assessors were granted scope extension, **44** assessors moved from one provider to another on various learning programmes and **518** applicants were not yet registered due to pending information.

### 7.8.4 MONITORING QUALITY ASSURANCE ASSESSMENT

During the period under review, guidelines and process documents were developed to conduct quality assurance on learner assessment monitoring and recommendations for exit learning programmes.

Further, a standardised framework document for regulated qualification assessments and the policy is underway including the database for the invigilators, markers, and moderators.

### 7.8.5 LEARNER MANAGEMENT SYSTEM

The new MQA learner management system has been successfully configured in terms of the QCTO specifications. Therefore, new ready occupational qualifications have been activated for skills programmes providers linking the learners. Training for system access by end users is ongoing.

### 7.8.6 LEARNER COMPLETION AND CERTIFICATIONS

The MQA continues with responsibilities for the quality assurance learner achievements (completions) including uploading into the National Learner Records Database (NLRD) and issuing of certificates for historically registered qualification programmes and skills programmes for the mining and minerals sector.

The primary role and responsibilities are as follows:
- Establish and maintain a database for the recording of learner achievements.
- Provide support for the certification of learners and accredited providers.
- Certify learners for skills programmes or qualifications achieved.

At least there were a total of **57 194** learner completions on various learning programmes and **43 643** certificates were printed within the sector as at the end of the 2023-2024 financial year. The table below is the breakdown of various learner completions on various learning programmes:

### 7.8.7 LEARNER COMPLETIONS AND ISSUED CERTIFICATES

| TYPES | LEARNER COMPLETIONS | PRINTED/ISSUED CERTIFICATED |
|---|---|---|
| Skills Programmes Statement of Attainments | 55 276 | 40 513 |
| Non-Artisan Learnership Qualifications | 1918 | 1930 |
| *Artisan Qualifications Completions | 1606 | 1849 |
| Re-Issues | 1205 | 1200 |
| Verified | 2524 | |

**Artisan Trades certifications are issued by the QCTO through the National Artisan Moderation Body, whilst the MQA continued with the trade test Serial Numbers allocations for only 12 trades to 18 Trades Test Centres and its associated administration within mining and minerals sector.*

The MQA adhered to and maintained the National Learner Records Data (NLRD) including uploading of learner achievements in terms of the QCTO specifications to SAQA standards. The **GREEN** status in both league tables were achieved.

SECTION 8




# PFMA COMPLIANCE – SUPPLY CHAIN MANAGEMENT

The Supply Chain Management (SCM) Unit is responsible for ensuring the effectiveness and efficiency of the development, maintenance and implementation of an automated procurement system that enables a provisioning system that is aligned to the Supply Chain Management principles espoused in the constitution as an integral part of the broader Management Information System. The function ensures that goods, work, or services are delivered to the right place, in the right quantity, with the right quality, at the right cost and at the right time.

## 8.1 PROCUREMENT BY OTHER MEANS

| No | Project Description | Name of Supplier | Actual Value of Contract | Reason for the Deviation | Award Date | Contract start date | Contract expiry |
|---|---|---|---|---|---|---|---|
| 1 | Booking for the annual talent management and succession planning conference for 3 employees | Skills SA | R29 997,00 | Sole service provider | 2023/04/24 | 2023/05/10 | 2023/05/11 |
| 2 | Renewal of Supply Chain Management system (iQual.Net) license and maintenance agreement | Predicate Logistics | R93 834,60 | Sole service provider | 2023/06/02 | 2023/06/02 | 2024/05/31 |
| 3 | Appointment of SoluGrowth to carry out additional system development and enhancements on SIMS | SoluGrowth | R16 560,00 | Sole service provider | 2023/07/18 | 2022/04/01 | 2024/03/31 |
| 4 | 7th National Public Supply chain process audit convention | Audit Roundtable | R41 395,00 | Sole service provider | 2023/07/26 | 2023/07/24 | 2023/07/25 |
| 5 | Motivation to deviate from SCM process in utilizing the single source option to book the annual Government powered by technology (GOVTECH) from 12-14 September 2023 | State Information Technology Agency (SITA) | R50 400,00 | Sole service provider | 2023/08/23 | 2023/09/12 | 2023/09/14 |
| 6 | Motivation to deviate from the SCM process to book attendance for conference from the sole supplier Associate of Certified Fraud Examiners | Association of certified fraud examiners (ACFE) | R11 500,00 | Sole service provider | 2023/08/22 | 2023/09/13 | 2023/09/15 |
| 7 | Motivation to deviate from SCM process to participate in the annual ABSA Run Your City series Johannesburg, an employee wellness initiative | ABSA Run Your City | R240 Per Entry | Sole service provider | 2023/09/11 | 2023/09/24 | 2023/09/24 |
| 8 | Request for approval to deviate from the procurement process to book the attendance for the 2023 Annual Secretaries Day Conference & Training | Masana Brainstorming Training | R87 000,00 | Sole service provider | 2023/10/11 | 2023/10/16 | 2023/10/18 |
| 9 | 11th Annual Clean Audit Turnaround Indaba | Audit Roundtable | R80 491,95 | Sole service provider | 2023/11/17 | 2023/07/12 | 2023/08/12 |
| 10 | Booking of Attendance for the MINESAFE conference | South African Institute of Mining and Metallurgy (SAIMM) | R21 000,00 | Sole service provider | 2023/11/28 | 2023/11/29 | 2023/11/29 |
| 11 | Motivation to deviate from the procurement process to book attendance for the 29th African Corporate Governance Conference | Advantage Training | R110 227,50 | Sole service provider | 2024/03/08 | 2024/03/12 | 2023/04/15 |
| 12 | Motivation to appoint SoluGrowth Pty Ltd as a sole prpovider for the support and maintenance of the MQA information Management System (SMS) | SoluGrowth | R3 907 770,46 | Sole service provider | 2024/03/25 | 2024/04/01 | 2025/03/31 |
| 13 | Motivation to utilise a sole service provider and less than three quotations for flights that service specific routes for the 2024/2025 and 2025/2026 financial years | South African Airlink | N/A-RFQ on assignment bases | Sole service provider | 2024/04/28 | 2024/04/01 | 2026/03/31 |

## 8.2 CONTRACT VARIATIONS AND EXPANSIONS

No variations or expansions above the thresholds prescribed in terms of the instruction note on Enhancing Compliance, Transparency and Accountability in Supply Chain Management are reported in the annual report.

## 8.3 BROAD-BASED BLACK ECONOMIC EMPOWERMENT COMPLIANCE

The MQA was evaluated in terms of Section 9(1) of the Broad-Based Black Economic Empowerment Amendment Act No 53 of 2003 as amended by the Broad-Based Black Economic Empowerment Amendment Act No 46 of 2013. The B-BBEE Status awarded is non-compliant.

The following table depicts the compliance status of the organisation:

| CRITERIA | RESPONSE YES/NO | WHAT MEASURES HAVE BEEN TAKEN TO COMPLY |
|---|---|---|
| Determining qualification criteria for the issuing of licenses, concessions, or other authorisations in respect to economic activity in terms of any law. | No | N/A |
| Developing and implementing a preferential procurement policy. | Yes | The Preferential Procurement Policy was incorporated into Supply Chain Management (SCM) policy. |
| Determining qualification criteria for the sale of state-owned enterprises. | No | N/A |
| Developing the criteria for entering into partnerships with private sector. | Yes | The MQA developed a partnership framework which include partnership with the private sector. |
| Determining criteria for the awarding of incentives, grants and investment schemes in support of B-BBEE | Yes | The MQA considers equity imperatives when evaluating supplier bids. |

## 8.4 INFORMATION ON IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

### 8.4.1 RECONCILIATION OF IRREGULAR EXPENDITURE

| Description | 2023–2024 | 2022–2023 |
|---|---|---|
| | R'000 | R'000 |
| Opening balance | 20 595 | 61 |
| Add: Irregular expenditure confirmed | 19 | 20 534 |
| Less: Irregular expenditure condoned | | |
| Closing balance | 20 614 | 20 595 |

### 8.4.2 RECONCILING NOTES

| Description | 2023–2024 | 2022–2023 |
|---|---|---|
| | R'000 | R'000 |
| Irregular expenditure for the current year | 19 | 20 534 |
| Total | 19 | 20 534 |

### 8.4.3 DETAILS OF CURRENT AND PREVIOUS YEAR IRREGULAR EXPENDITURE CONDONED

| Description | 2023–2024 | 2022–2023 |
|---|---|---|
| | R'000 | R'000 |
| Irregular expenditure condoned | – | – |
| Total | – | – |

### 8.4.4 RECONCILIATION OF FRUITLESS AND WASTEFUL EXPENDITURE

| Description | 2023–2024 | 2022–2023 |
|---|---|---|
| | R'000 | R'000 |
| Opening balance | – | – |
| Less: Fruitless and wasteful expenditure written off | | |
| Closing balance | – | – |

### 8.4.5 DETAILS OF CURRENT AND PREVIOUS YEAR IRREGULAR EXPENDITURE NOT RECOVERED AND WRITTEN OFF

| Description | 2023–2024 | 2022–2023 |
|---|---|---|
| | R'000 | R'000 |
| Fruitless and wasteful expenditure written off | – | – |
| Total | – | – |

SECTION 9



# REPORT OF THE AUDIT AND RISK COMMITTEE

# REPORT OF THE AUDIT AND RISK COMMITTEE

The Audit and Risk Committee (Committee) is pleased to present its report for the financial year ended 31 March 2024.

## Background

The Committee is a sub Board committee constituted in terms of Section 51(1) (a) (ii) and 76(4) (d) of the Public Finance Management Act (PFMA), read together with the National Treasury Regulation 27(1). The role and responsibility of the Committee are provided for in its Terms of Reference and any other duties delegated to it from time to time by Accounting Authority (the Board).

## Terms of Reference

The Committee has adopted formal Terms of Reference (Charter), which were approved by the Board. Furthermore, the Committee reports that it regulated its affairs and discharged its responsibilities in compliance with its adopted Charter and the PFMA, read in conjunction with the National Treasury Regulations.

The Committee has discharged its functions through attendance of Committee meetings and discussions with Executive Management, Internal Audit, Auditor General of South Africa and relevant external advisers where appropriate. The Committee is required to meet at least four times per annum, with the authority to convene special meetings as circumstances might require.

## Membership and Attendance

The Committee's Charter prescribe that it be constituted by three independent members as well as representatives from each constituency, which includes organised labour and organised employers. For the financial year under review, the Committee met four (4) times, as per its terms of reference which require a minimum of four meetings per annum. The Committee also convened three (3) special meeting to consider and recommend reports of the Auditor-General for Board approval, and Internal Audit reports. Below are details of meetings held during the year under review:

| MEMBER | CONSTITUENCY | MEETINGS ATTENDED | | | | | | | FEES RECEIVED R'000 |
|---|---|---|---|---|---|---|---|---|---|
| | | 19 May 23 | 29-Jun-23 | 24-Jul-23 | 25-Jul-23 | 24-Oct-23 | 26 Jan 24 | 29-Feb-24 | |
| Adv J C Weapond | Independent | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | R 88 |
| P Phukubje* | Independent | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | R 107 |
| M. Malope | Independent | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | R 60 |
| A. Atlee | Organised labour | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | R 420 |
| H. Jansen van Vuuren | Organised labour | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | R274 |
| S. Dlamini Mthethwa | Organised Employer | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | R163 |
| E. Howes | Organised Employer | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | - |

* Chairperson of the Audit & Risk Committee

The Members of the Committee has the required qualifications, skills and experience in business, finance, accounting, internal audit, risk management, Information technology, legal and compliance management.

## The Role and Responsibilities of the Committee

The Committee assists the Board in discharging its oversight responsibilities, which includes the evaluation of the adequacy and efficiency of accounting policies, internal controls, financial reporting processes, and technology and information governance.

The Chairperson (on behalf of the Committee) reports to the Board on a quarterly basis, regarding the Committee's deliberations, decisions and recommendations in line with the approved Charter.

The key focus areas of the Committee for the 2023/24 Financial Year includes the following:

- Provide assurance over the integrity of the MQA's financial statements and accounting policies;
- Provide assurance on the effectiveness of the internal control, governance and risk management systems;
- Review the internal audit, risk management, compliance and the IT control environment;
- Review of key risk and opportunity management, including mitigation plans;
- Monitor the performance against predetermined objectives/ performance information.

## Internal Audit

During the year under review, the Internal Audit function was outsourced to a service provider. The Internal Audit Charter and the Internal Audit Plan were approved by the Committee in accordance with the Internal Auditing Standard and its Charter. The Committee hereby confirms that the internal audit function has unrestricted access to all documents it requires to fulfil its function.

For the year under review the Internal audit function focused on key areas of risk, weaknesses in internal controls and through the reports, it was evident that the control environment significantly improved.

## The Effectiveness of Internal Control Environment

The Committee noted the significant improvement in the internal control environment both on the financial management and performance information. The MQA has attained the desired audit outcome commonly known as a clean audit for three consecutive times i.e., no material misstatements were noted in the annual financial statements, no material non-compliance were noted, and no material misstatements were noted on reliability and usefulness of reported performance information. The Committee intends to enhance its oversight to ensure that the audit outcome is further sustained in the upcoming financial years.

## Implementation of corrective actions

The AGSA's review confirms that several of the audit commitments made in the prior year were implemented through the implementation of appropriate corrective actions.

## Risk Management

The Board has assigned oversight of the MQA's risk management function to the Committee. The Committee fulfils an oversight role regarding the risks of financial reporting, internal financial controls, fraud risk and information technology as they relate to the annual financial statement and performance information.

## Evaluation of the Financial Statements

The Committee has amongst others:

- reviewed and discussed the audited annual financial statements and performance report to be included in the annual report with the AGSA, with the Chief Executive Officer and with the Board as the Institute's accounting authority.
- reviewed the AGSA's audit report and management report on the findings of the audit and management's response and has reviewed all changes in accounting policies and practices.
- has noted and reviewed the AGSA's assessment of the usefulness and reliability of performance information examined.

- The Committee concurs with and supports the AGSA's opinion on the Annual Financial Statements and other legal and regulatory matters and is of the view that the audited Annual Financial Statements fairly presents the financial affairs of the MQA.



**Mr Phuthi Phukubje**
Chairperson of the Audit & Risk Committee
Date: 31 July 2024

## The Auditor-General South Africa

The Committee concurs and accepts the conclusions and the unqualified audit opinion on the Annual Financial Statements for the year ended 31 March 2024.

SECTION 10



# REPORT OF THE AUDITOR-GENERAL

# REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON MINING QUALIFICATIONS AUTHORITY

**Report on the audit of the financial statements**

## Opinion

1. I have audited the financial statements of the Mining Qualifications Authority set out on pages 113 to 154, which comprise the statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as 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 Mining Qualifications Authority as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Skills Development Act 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 responsibilities of the auditor- general for the audit of the financial statements section of my report.

4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards*) (IESBA code) as well as other 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.

**Responsibilities of the accounting authority for the financial statements**

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the PFMA and the SDA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

7. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations or has no realistic alternative but to do so.

## Responsibilities of the auditor-general for the audit of the financial statements

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

9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page xx, forms part of our auditor's report.

**Report on the audit of the annual performance report**

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

11. I selected the following programmes presented in the annual performance report for the year ended 31 March 2024 for auditing. I selected programmes that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

| Programme | Page numbers | Purpose |
|---|---|---|
| **Programme 1: Administration** | 35-36 | The purpose of programme 1 is to ensure the delivery of quality and impactful learning programmes in the mining and minerals sector and facilitate training for stakeholders, communities, and entrepreneurs. |
| **Programme 3: Learning programmes** | 38-50 | The purpose of programme 3 is to facilitate opening of workplace-based learning opportunities and access to occupationally directed programmes, facilitate training for stakeholders, communities, and entrepreneurs and to support industry collaboration with public college system |

12. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.

13. I performed procedures to test whether:
    - the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
    - all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included
    - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
    - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
    - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
    - the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
    - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets

14. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

15. I did not identify any material findings on the reported performance information for the selected programmes.

## Other matter

16. I draw attention to the matter below.

### Achievement of planned targets

17. The annual performance report includes information on reported achievements against planned targets and provides explanations for over-achievements. This information should be considered in the context of the material findings on the reported performance information.

## Report on compliance with legislation

18. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.

19. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

20. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

21. I did not identify any material non-compliance with the selected legislative requirements.

## Other information in the annual report

22. The accounting authority is responsible for the other information included in the annual report. The other information referred to 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 on in this auditor's report.

23. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

24. My responsibility is to read this other information and, in doing so, consider whether it 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.

25. I did not receive the finalised other information prior to the date of this audit report. When I do receive and read this information, and if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

## Internal control deficiencies

26. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

27. I did not identify any significant deficiencies in internal control.

Auditor-General

Pretoria
31 July 2024

AUDITOR-GENERAL SOUTH AFRICA

*Auditing to build public confidence*

## Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

**Auditor-general's responsibility for the audit**

### Professional judgement and professional scepticism

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 selected requirements in key legislation.
Financial statements

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity's internal control

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made

- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the public entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern

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

**Communication with those charged with governance**

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 provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

**Compliance with legislation – selected legislative requirements**

The selected legislative requirements are as follows:

| Legislation | Sections or regulations |
|---|---|
| Public Finance Management Act | PFMA 51(1)(b)(i)<br>PFMA 51(1)(b)(ii)<br>PFMA 51(1)(e)(iii)<br>PFMA 53(4)<br>PFMA 54(2)(c)<br>PFMA 54(2)(d)<br>PFMA 55(1)(a)<br>PFMA 55(1)(b)<br>PFMA 55(1)(c)(i)<br>PFMA 57(b) |
| National Treasury Regulations | TR 16A.7.1<br>TR 16A.7.6<br>TR 16A.7.7<br>TR 16A6.1<br>TR 16A8.4<br>TR 16A9.1(d)<br>TR 16A3.2(a)<br>TR 16A6.4<br>TR 16A6.5<br>TR 16A6.3(c )<br>TR 16A8.3<br>TR 16A8.4<br>TR 30.1.1<br>TR 30.1.3(a)<br>TR 30.1.1<br>TR 30.1.3(b)<br>TR 30.1.3(d)<br>TR 30.2.1<br>TR 31.1.2(c)<br>TR 31.2.1<br>TR 31.3.3<br>TR 33.1.3 |
| National Treasury instruction 04 of 2015/2016 | SBD 6.2 issued in 2015/16 |
| National Treasury instruction 4A of 2016/17 | Par. 3.4, 6 |
| National Treasury instruction 05 of 2020/21 | Par. 1, 2, 4.8, 4.9, 5.3, |
| National Treasury instruction 07 of 2017/18 | Par. 4.3 |
| National Treasury instruction 11 of 2020/21 | Par. 3.1, 3.4 (b), 3.9 |
| Practice note 05 of 2009/10 | Par.3.3 |
| Practice note 07 of 2009/10 | Par 4.1.2 |

| Legislation | Sections or regulations |
|---|---|
| Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA) | definition “”acceptable tender””, section 2(1)(a), (b), 2(1)(f) |
| Preferential procurement regulations 2011 | Reg. 9(1), 9(5) |
| Preferential procurement regulations 2017 | Section 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(8), 7(8), 8(2), 8(5), 9(1), 10(1), 11(1) |
| Preferential procurement regulations 2022 | Reg. 4(4) |
| Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA) | Section 34(1) |
| PFMA instruction 03 of 2021/22 | Par.4.1, 4.2(b), 4.3, 4.4, 4.4(c), 4.4(d), 7.2 |
| Sector Education and Training Authorities Grant Regulations | GNR.990 2(1), 3(3) & (4), 4(3) and (8), 6(9)(iii) |
| Supply Chain Management (SCM) instruction 03 of 2016 | Note 3, 6 |
| Supply Chain Management (SCM) instruction 02 of 2021/22 | Par.3.2.1, 3.2.4, 3.3.1, 4.1. |

SECTION 11



# ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024

The reports and statements set out below comprise the Financial Statements presented to MQA Board.

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# Accounting Authority Statement

The members are required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and are responsible for the content and integrity of the Final Financial Statements and related financial information included in this report.

The Accounting Authority is responsible for the preparation and presentation of Financial Statements that are relevant and reliable, the integrity of the information contained therein, the maintenance of effective control measures, compliance withrelevant laws and regulations and the related financial information contained elsewhere in the Annual report.

Further responsibilities of the Accounting Authority include amongst others:

- Management and safeguarding of the assets, as well as the management of revenues, expenditures and liabilities.

- The submission of all reports, returns, notices and other information to Parliament, Department of Higher Education and Training and National Treasury, as required by the Public Finance Management Act.

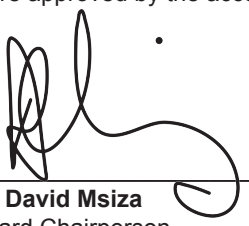
It is the responsibility of the members to ensure that the Financial Statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows.

To meet these responsibilities, the Accounting Authority has set standards, which require that management implement effective and efficient systems of financial risk management and internal controls, as well as transparent financial reporting and accounting systems.

The external auditors are engaged to express an independent opinion on the Financial Statements and were given unrestricted access to all financial records and related data.

The Financial Statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The Financial Statements set out on pages 113 to 154, which have been prepared on the going concern basis were approved by the accounting authority in its meeting of 31 May 2024 and were signed on its behalf by:



**Mr David Msiza**
Board Chairperson



**Dr Thabo Mashongoane**
Chief Executive Officer

## STATEMENT OF FINANCIAL PERFORMANCE

| | Note(s) | 2024 R'000 | 2023 R'000 Restated |
|---|---|---|---|
| Revenue | | **1 676 457** | **1 593 902** |
| Revenue from non-exchange transactions | | **1 589 938** | **1 525 340** |
| Skills development levy income | 3 | 1 572 998 | 1 440 763 |
| Skills development levy interest and penalties | 3 | 13 810 | 62 187 |
| Grants recoveries | 6 | 3 130 | 22 390 |
| Revenue from exchange transactions | | **86 519** | **68 563** |
| Investment income | 4 | 86 347 | 68 295 |
| Other income | 5 | 172 | 268 |
| Expenditure | | **(1 790 190)** | **(1 614 156)** |
| Administration expenditure | 8 | (157 399) | (151 841) |
| Employer grants and projects expenditure | 7 | (1 622 985) | (1 453 660) |
| Transfers to other public entities (QCTO) | 9 | (98 06) | (8 655) |
| Loss on disposal of assets and liabilities | | (199) | (105) |
| Surplus/(Deficit) | | **(113 932)** | **(20 359)** |

## STATEMENT OF FINANCIAL POSITION

| | Note(s) | 2024 R'000 | 2023 R'000 Restated |
|---|---|---|---|
| **Assets** | | **1 111 440** | **1 187 330** |
| **Non-current assets** | | **67 494** | **66 798** |
| Property, plant and equipment | 10 | 63 655 | 66 032 |
| Intangible assets | 11 | 3 839 | 766 |
| **Current assets** | | **1 043 946** | **1 120 533** |
| Receivables from non-exchange transactions | 14 | 1 050 | 27 202 |
| Trade and other receivables from exchange transactions | 12 | 7 630 | 3 906 |
| Inventories | 13 | 913 | 183 |
| Cash and cash equivalents | 15 | 1 034 353 | 1 089 242 |
| **Liabilities** | | **370 800** | **332 758** |
| **Current liabilities** | | **370 800** | **332 758** |
| Grants and transfers payable from non-exchange transactions | 17 | 337 808 | 301 658 |
| Trade and other payables from exchange transactions | 18 | 6 773 | 5 512 |
| Provisions | 19 | 26 219 | 25 587 |
| **Net Assets** | | **740 641** | **854 572** |
| **Reserves** | | **740 641** | **854 572** |
| Revaluation reserves | | 23 516 | 23 516 |
| Administration reserves | | 43 978 | 43 281 |
| Mandatory grant reserves | | 410 | 417 |
| Discretionary reserves | | 672 736 | 787 358 |

## STATEMENT OF CHANGES IN NET ASSETS

| | Note(s) | Revaluation reserves | Administration reserves | Mandatory grant reserves | Discretionary reserves | Total reserves | Accumulated surplus | Total net assets |
|---|---|---|---|---|---|---|---|---|
| | | R '000 | R '000 | R '000 | R '000 | R '000 | R '000 | R '000 |
| **Balance at 01 April 2022 - as previously stated** | | 4 925 | 44 969 | 1 163 | 805 283 | 856 340 | - | 856 340 |
| Prior period errors - discretionary grants expenditure | | - | - | - | - | - | - | - |
| **Balance at 01 April 2022 - Restated** | | **4 925** | **44 969** | **1 163** | **805 283** | **856 340** | **-** | **856 340** |
| Surplus /(Deficit) for 2023 as previously stated | | - | - | - | - | - | -18 765 | -18 765 |
| Allocation of un-appropriated deficit for 2023 as previously stated | | - | 30 943 | 46 877 | -96 585 | -18 765 | 18 765 | - |
| Prior period errors - discretionary grants erroneously ommitted | | - | - | - | -1 593 | -1 593 | - | -1 593 |
| Revaluation surplus realised | | 18 591 | - | - | - | 18 591 | - | 18 591 |
| Transfer to discretionary reserves | | - | -32 631 | -47 623 | 80 254 | - | - | - |
| **Restated* Balance at 01 April 2023** | | **23 516** | **43 281** | **417** | **787 359** | **854 573** | **-** | **854 573** |
| Surplus/ (Deficit) for the year | | - | - | - | - | - | -113 932 | -113 932 |
| Allocation of un-appropriated surplus | 2 | - | 40 248 | 42 894 | -197 074 | -113 932 | 113 932 | - |
| Transfer to Discretionary reserves | | - | -39 551 | -42 901 | 82 452 | - | - | - |
| **Balance at 31 March 2024** | | **23 516** | **43 978** | **410** | **672 737** | **740 641** | **-0** | **740 641** |

## CASH FLOW STATEMENT

| | Note(s) | 2024 R'000 | 2023 R'000 |
|---|---|---|---|
| **Receipts** | | **1 672 069** | **1 574 237** |
| Levies, interest and penalties | | 1 586 696 | 1 502 730 |
| Interest income | | 83 942 | 67 859 |
| Other cash receipts from stakeholders | | 1 431 | 3 648 |
| **Payments** | | **(1719 599)** | **(1561 691)** |
| Grant and projects | | (1 528 915) | (1 390 385) |
| Cash paid to employees and/or on behalf of employees | | (123 063) | (112 692) |
| Payments to suppliers and others | | (67 621) | (58 614) |
| **Net cash flows from operating activities** | 20 | **(47 529)** | **12 546** |
| **Cah flows from investing activities** | | (7 358) | (3 979) |
| Purchases of property, plant and equipment | 10 | (3 862) | (3 817) |
| Proceed from sale of Property, plant and Equipment | | - | 63 |
| Purchase of other intangible assets | 11 | (3 496) | ( 225) |
| **Net cash flows from investing activities** | | **(7 358)** | **(3 979)** |
| **Net increase/(decrease) in cash and cash equivalents** | | **(54 888)** | **8 567** |
| Cash and cash equivalents at the beginning of the year | | 1 089 241 | 1 080 674 |
| **Cash and cash equivalents at the end of the year** | | **1 034 353** | **1 089 241** |

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

**Budget and actual amounts on accrual and comparative basis**

| | Note (s) | Approved and Final Budget (A) | Actual ( C ) | Variance (C - A) |
|---|---|---|---|---|
| | | R '000 | R '000 | R '000 |
| **Statement of Financial Performance**<br>**Revenue from exchange transactions** | | **90 223** | **86 519** | **-3 704** |
| Other income | 30.1 | - | 172 | 172 |
| Interest received - investment | 30.1 | 90 223 | 86 347 | -3 876 |
| **Revenue from non-exchange transactions** | | **1 578 441** | **1 589 938** | **11 497** |
| Grants recoveries | 30.1 | - | 3 130 | 3 130 |
| Skills Development Levy: Income | 30,7 | 1 578 441 | 1 572 998 | -5 443 |
| Levy: Interest and penalties | 30.1 | - | 13 810 | 13 810 |
| Approved Surpluses for utilisation in 2023/24 | 30,8 | 789 187 | - | -789 187 |
| **Total revenue** | | **2 457 851** | **1 676 457** | **-781 393** |
| **Total expenditure** | | **2 457 851** | **1 790 190** | **-667 660** |
| Personnel costs | 30.2 | 106 490 | 100 297 | -6 193 |
| Transfer to QCTO | | 9 806 | 9 806 | 0 |
| Depreciation and amortisation | 30.3 | 7 843 | 6 463 | -1 380 |
| Repairs and maintenance | 30.4 | 2 244 | 2 286 | 42 |
| Employer grant and project expenditure | 30.6 | 1 690 451 | 1 622 985 | -67 466 |
| General Expenses | 30.5 | 49 713 | 48 354 | -1 359 |
| Net Surpluses for utilisation on DG Commitments | 30,8 | 591 304 | - | -591 304 |
| Operating surplus / (deficit) | | -0 | -113 733 | -113 733 |
| Loss on disposal of assets and liabilities | | - | 199 | 199 |
| **Surplus / (Deficit) for the year** | **30,8** | **-0** | **-113 932** | **-113 932** |
| Statement of Financial Position | | | | |
| Capital Expenditure | 30.3 | 20 523 | 7 358 | -13 165 |

The Minister of Higher Education and Training approved a budget of R 2.458 billion for the period 1 April 2023 to 31 March 2024.

# ACCOUNTING POLICIES

## 1. Basis of preparation

The Financial Statements have been prepared on the historical cost basis, except where they were adjusted for present/fair values as required by the respective accounting standards.

The Financial Statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The principal accounting policies adopted in the preparation of the Final Financial Statements are set out below and are in all material respects consistent with those of the previous year, except as otherwise indicated.

### 1.1 Currency

The Financial Statements presented are in South African Rands and all figures have been rounded off to the nearest thousands (R'000) were indicated.

### 1.2 Revenue from non-exchange transactions

**Skills Development Levy (SDL) income**

In terms of section 3(1) and 3(4) of the Skills Development Levies Act (the Levies Act), 1999 (Act No. 9 of 1999) registered member companies of the MQA pay 1% of the total payroll cost as Skills Development Levy (SDL). The levies paid to the South African Revenue Services (SARS) that collects the levies on behalf of the Department of Higher Education and Training (DHET).

Eighty percent (80%) of SDL contributions by companies in the mining and minerals sector are transferred to the MQA and 20% to the National Skills Fund (NSF) by the Department of Higher Education and Training.

SDL income received by the MQA is set aside in terms of the Skills Development Act, 1998 (Act No. 97 of 1998) as amended and the Skills Development Levy Grant Regulations (Grant Regulations), issued in terms of this Act, for the purposes of:

| | 2024 |
|---|---|
| Administration cost (including 0.5% transfer to QCTO) | 10.50% |
| Mandatory grants | 20.00% |
| Discretionary grants and projects | 49.50% |
| | **80.00%** |

In addition to these amounts, employers that fail to file their returns and pay skills development levies within the prescribed time limits as set by SARS, are charged interest and penalties at rates prescribed by SARS from time to time. The said regulation regulating the 20% mandatory grant was set aside, however the court did not indicate what mandatory grant percentage should be paid. The MQA continued measuring mandatory grants at 20% since it's the best available information.

The interest and penalties charged are remitted to the DHET, which in turn transfers them to the MQA. The interest and penalties are disclosed separately as Skills Development Levy penalties and interest.

With effect from 01 August 2005 companies with an annual payroll cost by DHET of less than R500 000, are exempted in accordance with section 4(b) of the Skills Development Levies Act, 1999, as amended.

**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 Inter-SETA adjustments is calculated according to the most recent Standard Operating Procedure as issued by the DHET from November 2009.

When transfers from other SETAs to the MQA occur, the levies transferred are recognised as revenue and allocated between the respective categories as reflected above to maintain their original identity.

For transfers from the MQA to other SETAs, the levies in the respective categories are reduced by the amounts transferred or transferable to other SETAs.

## ACCOUNTING POLICIES

**Recognition of revenue from non-exchange transactions**

Skills Development Levy income is recognised when it is probable that future economic benefits will flow to the MQA and these benefits can be measured reliably. This occurs when the DHET either makes an allocation or payment to the MQA, whichever occurs first, as required by Section 8 of the Skills Development Levies Act, 1999 (Act No.9 of 1999).

Levy contributions from employers with an annual payroll of less than R500,000, are not recognised as revenue but as a provision, as they represent an obligation as they are due to be refunded to such employers because the employers are exempted from paying skills development levies.

Previously, this provision was accumulated indefinitely, but with effect from the 25 August 2013, the DHET advised SETAs that this provision may be utilised for discretionary grants purposes after the expiry of 5 years in terms of section 109(4) of the Tax Administration Act, as the employers may not claim the moneys back after 5 years.

**Measurement of revenue from non-exchange transactions**

SDL income is measured at the fair value of the consideration received or receivable and that is the amount of the increase in net assets recognised by the MQA.

Chapter 1 (6)(3) of the skills development levies act states that "If the amount of any levy, interest or penalty paid by an employer to the Commissioner was not Leviable or payable, or was in excess of the amount leviable or payable in terms of this Act, that amount must be refunded to that employer by the Commissioner, which refund is a drawback against the National Revenue Fund". Refunds are recovered directly from monthly returns and are reflected as a net reversal per scheme year on the revenue details provided by DHET. The SETA recognises revenue monthly on net basis per scheme which includes monthly net reversals per scheme year.

**Government grants and donor funding income**

Conditional government grants and other conditional donor funds are recognised as a liability when they become receivable and are recognised as income on a systematic basis over the period necessary to match the grants with the related costs, which they are intended to compensate.

Unconditional grants received are recognised as revenue when the amounts are received or become receivable.

Funds for special projects transferred from government grants and other donors are recognised as a liability until the related eligible special project expenses are incurred, when the liability is extinguished and revenue is recognised.

### 1.3 Revenue from exchange transactions

**Investment income**

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

**Other income**

Other income from rendering of services is recognised as revenue when the outcome of a transaction can be estimated reliably, and this occurs when:

- The amount of revenue can be measured reliably,
- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity,
- The stage of completion of the transaction at the reporting date can be measured reliably, and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably. Revenue from exchange transactions is measured at the fair value of the consideration received or receivable.

### 1.4 Administration, Grants and project expenditure

In terms of the Grant Regulations, registered employers may recover 20% of their levy payments (excluding interest and penalties) in the form of mandatory grants, provided they timeously submit

## ACCOUNTING POLICIES

such plans and reports as prescribed in terms of Grants Regulations.

In addition, registered employers that participate in skills development initiatives prescribed in the National Skills Development Plan and the MQA's Sector Skills Plan can apply for and be granted discretionary grants to supplement their training cost.

**Mandatory grants**

Mandatory grants expenditure and the related payables are recognised when an employer has submitted an application for the grant in the prescribed format, within the legislated cut-off period and the application has been approved, as the payment then becomes probable.

The grant is equivalent to 20% of the total levies paid by the employer during the corresponding financial period for the skills planning and annual training report grants.

The related liability is measured at the present value of the expected future cash out-flow as determined in accordance with the Act and the grant regulations and is based on the amount of levies actually received.

**Retrospective amendments by SARS**

The MQA calculates and pays mandatory grants to employers based on the levy information from the DHET as obtained from SARS.

Where SARS retrospectively amends the information on levies collected, this may result in grants that have been paid to certain employers that are in excess of the amount the MQA is permitted to have granted to employers as mandatory grants.

A receivable relating to the overpayment to the employers in earlier periods is raised at the amount of such grant overpayments, net of bad debts and provisions for irrecoverable amounts.

**Discretionary grants and project expenditure**

The MQA may, in terms of the grant regulation 7, out of funds set out in grant regulation 7(3), determine and allocate discretionary grants to employers, education and training providers and the mining and mineral sector.

The allocation of discretionary grants and projects is dependent on employers submitting the prescribed application, in the prescribed format and within the prescribed cut-off period as well as the availability of funds.

The discretionary grants and project expenditure, and the related payables, are recognised when the application has been approved, the conditions for the grant payments, as set out in the MQA funding policy, have been met and it is probable that the SETA will approve the payment.

The liability is measured at the present value of the expected future cash outflow as determined in accordance with the Act and the grant regulations, and is based on the monetary value of grants allocations that are due and payable at year-end.

**Project expenditure comprises:**

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

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

Discretionary grants and project costs are recognised as expenditure in the period in which they are incurred. A receivable is recognised, net of a provision for irrecoverable amounts for incentive and other payments made to the extent of expenditure not yet incurred.

**Discretionary grants and project administration expenditure**

In terms of the MQA Funding policy "The MQA may utilise up to a maximum of 7.5 % of discretionary funds for project related administration costs as budgeted for and/or motivated and recommended by the CFO and approved by the CEO (only for relevant and applicable programmes)." The SETA

## ACCOUNTING POLICIES

grants regulations also permit the utilisation of the maximum of 7.5% of the discretionary funds for Project administration purposes.

**Administration expenditure**

The MQA recognises administration expenditure when there is a decrease in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or incurrences of liabilities that result in decreases in net assets. MQA presents each administration line item by nature separately in the notes to the Final Financial Statements. The amounts are presented on an accrual basis in the accounting period when they are incurred.

### 1.5 Prepayments

The MQA may, in certain instances, when required by the terms of the contract of a service provider or the beneficiary, make advance payments. The MQA initially records this advance payments as a prepayments (assets), and then charges it to the expense account (Income statement) over the usage period in line with the applicable GRAP requirements pertaining to expenses.

### 1.6 Irregular, fruitless and wasteful expenditure

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

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 the respective expenditure class in the reporting period in which it is incurred and disclosed in the notes to the Final Financial Statements when confirmed.

The amount recorded is equal to the value of the irregular expenditure incurred, unless it is impractical to determine, in which case reasons are therefore provided in the notes.

Irregular, fruitless and wasteful expenditure is de-recognised in line with the applicable framework when it is either:

- condoned by the relevant authority if no official was found to be liable in law;
- recovered from an official liable in law;
- written off if it's irrecoverable from an official liable in law; or
- written off if it is not condoned and not recoverable.

### 1.7 Property, plant and equipment Recognition

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one reporting period.

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

**Initial measurement**

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. Where an asset is acquired at no cost, for a nominal cost, or it is measured at a value representing its fair value as at the date of acquisition.

**Subsequent measurement**

Subsequent to initial recognition, assets are either carried at cost less accumulated depreciation and any accumulated impairment losses and, in respect of the building, at a re-valued amount, being its fair value at the date of the revaluation less subsequent accumulated depreciation and subsequent accumulated impairment losses.

**Depreciation**

Depreciation is the systematic write-off of the depreciable amount recognised in respect of an item of property, plant and equipment over its useful life.

## ACCOUNTING POLICIES

The depreciation charge for each period is recognised in the surplus or deficit unless it is included in the carrying amount of another asset.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The residual values and the useful lives of all assets are reviewed at each reporting date and, if expectations differ from previous estimates, any changes are accounted for as changes in accounting estimates.

**Impairment**

Where the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

An impairment loss is recognised in the surplus or deficit for the period, unless the asset is carried at fair value or re-valued amount. The impairment loss of a re-valued asset decreases or increases the revaluation surplus or deficit.

All items of property, plant and equipment are assessed for any indications of impairment at each reporting date. If the impairment indications exist, the recoverable service amounts are estimated.

An impairment loss recognised in prior periods is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given are included in the surplus or deficit when the compensation becomes receivable.

**Cost basis**

Depreciation is calculated on the straight-line method to write off the cost of each asset to an estimated residual value over its estimated useful life over the following periods:

| Item | Average useful life |
|---|---|
| Office furniture | 10 - 15 Years |
| Motor vehicles | 4 - 5 Years |
| Office equipment | 3 - 10 Years |
| Computer equipment | 2 - 5 Years |
| Fixtures and Fittings | 10 - 15 Years |
| Office Building | 30 - 50 Years |
| Cell phones | 2 - 3 Years |

**Revaluation basis**

Where the fair value of assets can be measured reliably they may be carried at a re-valued amount, being the fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The fair value of items of land and buildings is determined from market-based evidence of an appraisal undertaken by a member of the valuation profession who holds a recognised and relevant professional qualification. Land and buildings will be revalued at least every 5 years. The fair value of other items of plant and equipment is ascertained by reference to quoted prices in an active and liquid market.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

If an item of property, plant and equipment is re-valued, the entire class of property, plant and equipment to which that item belongs, is re-valued. If an asset is re-valued upwards, the increase is credited directly to revaluation surplus unless the upward revaluation reverses a previous downward revaluation, in which case it is recognised in the surplus or deficit for the period. If assets are re-valued downwards, the decrease is recognised in the surplus or deficit for the period unless the downward revaluation reverses a previous upward revaluation credit, in which case it is applied against a revaluation credit in respect of that asset.

## ACCOUNTING POLICIES

**De-recognition**

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits or service potential is expected from its use or disposal. Gains or losses arising from de-recognition of items of property, plant and equipment are determined as the difference between the sales proceeds and the carrying amounts of such items and are included in the surplus or deficit for the period when the item is derecognised.

**Key accounting judgements**

In the application of the MQA's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on past experience and other factors that are considered to be relevant. Actual results may differ from estimates.

The estimates and the underlying assumptions are reviewed on an on-going basis. The financial effects of the reviews to the accounting estimates are recognised in the period in which the estimates are reviewed if the revision affects only that period, or in the period of the review and future periods if the review affects both current and future periods.

**Key sources of estimation uncertainty**

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

The MQA is currently established as a SETA until 31 March 2030. In the light of the extension of MQA's establishment until 31 March 2030, management is required to consider how it affects the period over which assets are expected to be available for use by the MQA.

As a result of the fact that the MQA was originally established in terms of the Mine Health and Safety Act, Act no 29 of 1996 (as amended) and was later incorporated into the SETAs, management determined, consistently with prior years, that the useful lives of assets should not be limited by the MQA's establishment as a SETA.

Management's determination of useful lives also affects the determination of residual values of assets. The MQA reviews the estimated useful lives and residual values of property, plant and equipment used for the purpose of depreciation calculations in light of the definition of residual value. Estimated useful lives and residual values will continue to be reviewed annually in future.

### 1.8 Intangible assets

**Recognition**

Intangible assets are identifiable non-monetary assets without physical substance.

An intangible asset is recognised if it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the MQA and the cost or fair value of the asset can be measured reliably.

The useful life or service potential of an intangible asset is assessed as to whether it is finite or indefinite. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential.

An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential.

**Initial measurement**

An intangible asset is 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 date of acquisition.

## ACCOUNTING POLICIES

### Subsequent measurement

Subsequent to initial recognition, an intangible asset is carried either at cost less accumulated amortisation and any accumulated impairment losses or at a re-valued amount, being its fair value at the date of the revaluation less subsequent accumulated amortisation and subsequent accumulated impairment losses.

### Amortisation

The amortisable / depreciable amount of an intangible asset with a finite useful life is allocated on a systematic basis over its useful life. Amortisation begins when the asset is available for use and is in a condition necessary for it to be capable of operating in the manner intended by management. Amortisation ceases at the earlier of the date that the asset is classified as held for sale, and the date that the asset is derecognised.

### Impairment

Different intangible assets may be tested for impairment at different times. However, if an intangible asset was initially recognised during the current reporting period, that intangible asset is tested for impairment before the end of the current reporting period.

An impairment loss is recognised in the surplus or deficit, unless the asset is carried at a re-valued amount and an impairment loss of a re-valued asset is treated as a revaluation decrease. An impairment loss recognised in prior periods is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised.

The increased carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss is recognised immediately in the surplus or deficit unless the asset is carried at re-valued amount, and then a reversal of an impairment loss of a re-valued asset is treated as a revaluation increase.

### Cost basis

The amortisation is charged to the statement of financial performance in a manner that reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed or on a straight-line method as follows:

| Item | Average useful life |
|---|---|
| Computer software | 2-3 years |

### Revaluation basis

The revaluation of intangible assets to fair value is determined by reference to an active market.

If an intangible asset cannot be re-valued because there is no active market for this asset, the asset is carried at its cost less any accumulated amortisation and impairment losses.

If the fair value of a re-valued intangible asset can no longer be determined by reference to an active market, the carrying amount of the asset is its re-valued amount at the date of the last revaluation by reference to the active market less any subsequent accumulated amortisation and any subsequent accumulated impairment losses.

Revaluations are made with such regularity that, at the reporting date, the carrying amount of the intangible asset does not differ materially from its fair value.

If an intangible asset is re-valued upwards, the increase is credited directly to a revaluation surplus unless the increase reverses a revaluation decrease of the same asset previously recognised in the surplus or deficit, in which case it is recognised in the surplus or deficit.

If an intangible asset is re-valued downwards, the decrease is recognised in the surplus or deficit unless the increase relates to any credit balance in the revaluation surplus in respect of that asset, in which case the decrease is debited directly to a revaluation surplus in respect of that asset.

## ACCOUNTING POLICIES

**De-recognition**

An intangible asset is derecognised on disposal or when no future economic benefits or service potential are expected from its use or disposal.

Gains or losses arising from de-recognition of intangible assets are determined as the difference between the net disposal proceeds and the carrying amount of the asset. It is recognised in the surplus or deficit.

### 1.9 Inventories

**Recognition**

Inventories are assets in the form of materials or supplies to be consumed or distributed in the rendering of services. Inventories 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.

**Initial measurement**

Inventories that qualify for recognition as assets are initially measured at cost, and when acquired at no cost, or for nominal consideration, their cost is their fair value as at the date of acquisition.

**Subsequent measurement**

Inventories held for distribution in the rendering of services at no charge or for a nominal charge, are measured at the lower of cost and current replacement cost.

**Recognition as an expense**

Consumables are recognised as an asset on the date of acquisition and measured at the cost of acquisition. It is subsequently recognised in surplus or deficit as it is consumed. Subsequent to initial recognition, inventory is measured at cost or current replacement cost, whichever is least.

The amount of any write-down of inventories to current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs.

### 1.10 Leases

**Finance leases**

Finance leases are leases that transfer substantially all the risks and rewards incidental to ownership of an asset to the MQA. The title may or may not eventually be transferred.

At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is impracticable to determine, the lessee's incremental borrowing rate is used. Any initial direct costs of the lessee are added to the amount recognised as an asset.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. Finance charges arising out of finance lease agreements are allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Contingent rents are charged as expenses in the periods in which they are incurred.

A finance lease also gives rise to a depreciation expense for depreciable assets in each accounting period. The depreciation policy for depreciable-leased assets is consistent with that for depreciable assets that are owned. Where there is no reasonable certainty that the MQA will obtain ownership by the end of the lease term, assets held under finance leases are depreciated over the shorter of the lease term and their useful lives.

**Finance leases - lessee**

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease

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payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

**Operating leases**

Operating leases are leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset, title may not eventually be transferred.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed to for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

Lease payments under operating lease are recognised as an expense in the statement of financial performance on a straight- line basis over the lease term, unless another systematic basis is more representative of the time pattern of the MQA's benefit.

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 reporting period in which termination takes place.

### 1.11 Employee benefits

Short-term employee benefits are benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which employees render the related service. The MQA awards the following short-term employee benefits:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave)
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period; and
- Non-monetary benefits (communication tools).

The employee benefits are recognised as an expense and liability during the reporting period in which the employee has rendered the services.

If the amount already paid exceeds the undiscounted amount of the benefits, the MQA recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund and as an expense.

**Termination benefits**

Termination benefits are employee benefits payable as a result of either the MQA's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy in exchange for those benefits, and mainly comprise proceeds from a defined contribution plan. The assets of the defined contribution plan are held by a third party trustee-administered fund and are funded by payments from the MQA and its employees.

Payments to the defined contribution benefit plan are charged to the statement of financial performance in the year to which they relate.

Obligations arising out of the MQA and employee contributions to the fund are measured on an undiscounted basis unless they fall due wholly after twelve months after the end of the period in which the employees rendered the related services.

### 1.12 Provisions

Provision for bonuses is for persons in the employ of the MQA, in line with the rewards and benefits

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policy. The performance bonus payable is up to a maximum of 20% of the annual cost to company depending on performance ratings achieved during the financial year and is depended upon financial viability at the time of payment.

Provision for leave is made for persons in the employ of the MQA, in line with the Leave policy. The leave provision is raised for all outstanding leave balances of the MQA employees which they are unconditionally entitled to at year end and is measured at the daily rate per outstanding leave days for all employees with leave balances.

**Recognition**

A provision is a liability of uncertain timing or amount and is recognised when and only when:

- there is a present obligation (whether legal or constructive) as a result of a past event,
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and
- a reliable estimate of the amount of the obligation can be made.

**Measurement**

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date.

**Usage and review**

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provision is reversed.

### 1.13 Commitments

Commitments are future liabilities that arises due to contractual obligations that exist at the end of the financial year that will oblige the MQA to make a payment or payments in the ensuing year;

Contractual obligation' means there is an agreement (written) with specific terms between a SETA and a third party whereby the third party undertakes to perform something in relation to a discretionary project for which a SETA will be obliged to make payment against the discretionary grant;

Amounts disclosed in the notes to the Final Financial Statements in respect of commitments are measured on the basis of the contractual amount.

Amounts disclosed in the notes to the Final Financial Statements in respect of commitments are derecognised when either the grant programmes are terminated, contract expires or when the contractual obligation is fully paid.

### 1.14 Contingencies

**A contingent liability is:**

- a possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the entity; or
- a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Amounts disclosed in respect of contingent liabilities are measured on the basis of the best estimate of the outcome of the possible obligation that may arise, using experience of similar transactions or reports from independent experts.

**A contingent assets 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 within the control of the entity

Amounts disclosed in respect of contingent assets are measured on the basis of the best estimate of the outcome of the possible asset that may arise, using experience of similar transactions or reports from independent experts.

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### 1.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

**Financial Assets**

Financial assets are cash or contractual rights to receive cash or another financial asset from another entity or exchange of financial assets or financial liabilities with another entity under conditions that are potentially favourable.

Financial assets are recognised in the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument.

**Cash and cash equivalents**

Cash and cash equivalents are measured at fair value.

**Investments**

The following categories of investments are measured at subsequent reporting dates at amortised cost by using the effective interest rate method if they have a fixed maturity or at cost if there is no fixed maturity:

- Held-to-maturity investments; and
- An investment that does not have a quoted market price in an active market and whose fair value cannot be measured reliably.

Investments are recognised and derecognised on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned. Investments are initially measured at fair value, net of transaction costs except for those financial assets classified as a fair value through profit or loss, which are initially measured at fair value.

The classification depends on the nature and purpose of financial assets and is determined at the time of initial recognition.

**Loans and Receivables**

Trade receivables, loans and other receivables that have fixed or determinable payments and are not quoted in an active market are classified as loans and receivables.

Loans and receivables are measured at amortised cost using the effective interest rate method less any impairment.

Interest income is recognised by applying the effective interest, except for short-term receivables where the recognition of interest would be immaterial.

**Effective interest rate method**

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period.

The effective interest is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

**Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each reporting period.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.
The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

When a trade receivable is uncollectable, it is written off against the allowance account. Subsequent

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recoveries of amounts previously written off are credited against the allowance for doubtful debts. Changes in the carrying amounts of doubtful debts are recognised in the surplus or deficit for the reporting period.

**Financial Liabilities**

Financial liabilities are classified as either financial liabilities at fair value through profit and loss (FVTPL) or other financial liabilities. Financial liabilities are classified as FVTPL where the financial liability is either held for trading or is designated as FVTPL. Account payables do not bear interest and are stated at their nominal value.

**Other financial liabilities**

Other financial liabilities are initially measured at the fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost, using the effective interest method.

### 1.16 Reserves

Reserves are sub-classified in the statement of changes in net assets between the following:

- 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 Grant Regulations and referred to in accounting policy note 1.3.

Interest and penalties received from SARS, as well as interest received on investments, are utilised for discretionary grants and projects.

The items of revenue and expenditure are recognised on the accrual basis of accounting, consequently, the reserves disclosed in the statement of changes in net assets and movements disclosed in note 2 do not represent cash reserves or fund monies as implied in the Grants Regulations.

- Administration reserve represents the net book value of intangible assets, property, plant and equipment and related revaluation surpluses.
- Employer grant reserve represents possible mandatory grants claims from newly registered employers that are eligible to submit their mandatory grants claims at year end in terms of the grants regulations
- Discretionary reserve represents the excess of discretionary grants revenue over discretionary and projects expenditure and includes transfers from administration and mandatory grant reserve where appropriate.

### 1.17 Related Party Transactions

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

The following are regarded as related parties of the MQA:

(a) A person or a close member of that person's family is related to the MQA if that person:
  (i) has control or joint control over the reporting MQA;
  (ii) has significant influence over the MQA; or is a member of the management of the MQA

An entity is related to the MQA if any of the following conditions apply:

  (i) the entity is a member of the same economic entity (which means that each controlling entity, controlled entity and fellow controlled entity is related to the others);
  (vi) the entity is controlled or jointly controlled by a person identified in (a)(i) above;
  (vii) a person identified in (a)(i) has significant influence over that entity.

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

The MQA is expected from disclosure requirements in relation to related party transactions if transactions occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable

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to expect the MQA to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where a MQA is exempt for disclosure requirements as per the above narrative information about the nature of the transactions and the related outstanding balances will be disclosed to enable users of the Financial Statements to understand the effect of related party transactions on its Annual Financial Statements.

### 1.18 Comparatives

Where necessary, comparative figures have been restated, adjusted or reclassified to achieve fair presentation and to conform to changes in presentation that arise due to changes in accounting policies, errors, reporting standards and legislation.

## 2. Allocation of Net Surplus for the year to Reserves

| | ALLOCATION - 2024 | | | |
|---|---|---|---|---|
| | Total per Statement of financial performance | Administration funds | Mandatory grant funds | Discretionary grants funds |
| | R000 | R000 | R000 | R000 |
| **Total revenue** | **1 676 457** | **207 652** | **391 963** | **1 076 842** |
| **Skills development levy: income** | **1586 808** | **207 480** | **391 963** | **987 364** |
| Admin levy income (10.5%) | 206 320 | 206 320 | - | - |
| Public sector levies (DMPR) | 1 160 | 1 160 | - | - |
| Grant levy income (20%) | 391 963 | - | 391 963 | - |
| Grant levy income (69.5%) | 973 554 | - | - | 973 554 |
| Levy: penalties and interest | 13 810 | - | - | 13 810 |
| **Donor, interest and other income** | **89 649** | **172** | **-** | **89 477** |
| Grants recoveries | 3 130 | - | - | 3 130 |
| Investment income | 86 347 | - | - | 86 347 |
| Other income | 172 | 172 | - | - |
| **Total expenditure** | **1790 190** | **167 205** | **349 070** | **1273 915** |
| Administration expenditure | 157 399 | 157 399 | - | - |
| Transfers to other public entities (QCTO) | 9 806 | 9 806 | - | - |
| Mandatory grants expenditure | 349 070 | - | 349 070 | - |
| Discretionary grants and project expenditure | 1 273 915 | - | - | 1273 915 |
| Loss on disposal of assets and liabilities | 199 | 199 | | |
| **Surplus / (deficit) allocated** | **-113 932** | **40 248** | **42 894** | **-197 074** |

| | ALLOCATION - 2023 | | | |
|---|---|---|---|---|
| | Total per Statement of financial performance | Administration funds | Mandatory grant funds | Discretionary grants funds |
| | R000 | R000 | R000 | R000 |
| **Total revenue** | **1 593 902** | **191 544** | **344 504** | **1 057 854** |
| **Skills development levy: income** | **1502 949** | **191 276** | **344 504** | **967 169** |
| Admin levy income (10.5%) | 189 067 | 189 067 | - | - |
| Grant levy income (20%) | 344 504 | - | 344 504 | - |
| Grant levy income (69.5%) | 904 982 | - | - | 904 982 |
| Levy: penalties and interest | 62 187 | - | - | 62 187 |
| Public sector levies (DMPR) | 2 209 | 2 209 | - | - |
| **Donor, interest and other income** | **90 953** | **268** | **-** | **90 685** |
| Grants recoveries | 22 390 | - | - | 22 390 |
| Investment income | 68 295 | - | - | 68 295 |
| Other income | 268 | 268 | - | - |
| **Total expenditure** | **1614 156** | **160 496** | **297 627** | **1156 033** |
| Administration expenditure | 151 841 | 151 841 | - | - |
| Transfers to other public entities (QCTO) | 8 655 | 8 655 | - | - |
| Mandatory grants expenditure | 297 627 | - | 297 627 | - |
| Discretionary grants and project expenditure | 1 156 033 | - | - | 1156 033 |
| Loss on disposal of assets and liabilities | 105 | 105 | | |
| **Surplus / (deficit) allocated** | **-20 359** | **30 943** | **46 877** | **-98 179** |

## 3. Revenue from non-exchange transactions

| | 2024 R '000 | 2023 R '000 Restated |
|---|---|---|
| **Skills development levy income** | **1572 998** | **1440 763** |
| **Levy income: Administration** | 207 480 | 191 276 |
| Levies received | 207 456 | 191 242 |
| Levies received from SARS | 206 271 | 188 999 |
| Public sector levies (DMPR) | 1 160 | 2 209 |
| Inter-SETA transfers in | 32 | 34 |
| Inter-SETA transfers out | ( 7) | - |
| Movement in Inter-SETA transfers | 24 | 34 |
| **Levy income: Employer Grants** | 391 963 | 344 504 |
| Levies received | 391 917 | 344 470 |
| Levies received from SARS | 391 870 | 344 447 |
| Inter-SETA transfers in | 60 | 23 |
| Inter-SETA transfers out | ( 14) | - |
| Movement in Inter-SETA transfers | 47 | 34 |
| **Levy income: Discretionary Grants** | 973 554 | 904 982 |
| Levies received | 973 370 | 904 848 |
| Levies received from SARS | 973 255 | 904 686 |
| Inter-SETA transfers in | 150 | 162 |
| Inter-SETA transfers out | ( 35) | - |
| Movement in Inter-SETA transfers | 184 | 135 |
| **Interest and penalties : skills development levy income** | 13 810 | 62 187 |
| Levy interest | 5 968 | 49 685 |
| Levy penalties | 7 842 | 12 502 |

Chapter 1 (6)(3) of the skills development levies act states that "If the amount of any levy, interest or penalty paid by an employer to the Commissioner was not Leviable or payable, or was in excess of the amount leviable or payable in terms of this Act, that amount must be refunded to that employer by the Commissioner.The refunds i.e retrospective reversals of R 6 560 576,86 (2023: R98 574 125.02) were paid by SARS to the employer companies.

## 4. Investment Income

| | | |
|---|---|---|
| Interest received | 86 347 | 68 295 |

## 5. Other income

| | | |
|---|---|---|
| | 172 | 268 |
| Insurance recoveries | - | 147 |
| Learning materials and other recoveries | 35 | 106 |
| Staff recoveries | 2 | 1 |
| Receipts from other entities | 136 | 14 |

## 6. Sundry recoveries

| | | |
|---|---|---|
| | 3 130 | 22 390 |
| Bursary recoveries | 541 | 421 |
| SDL recoveries | 289 | 230 |
| Projects recoveries | 458 | 21 584 |
| Interest income on Projects recoveries* | 1 842 | 155 |

*Interest on the Arbitrator's award @10% per annum

## 7. Employer grants and project expenditure

| | 2024 R '000 | 2023 R '000 Restated |
|---|---|---|
| **Employer grants and projects expenditure** | **1 622 985** | **1 453 660** |
| **Mandatory grants expenditure and bad debts** | **349 070** | **297 627** |
| Mandatory grants expenditure | 348 782 | 297 639 |
| Mandatory grants bad debts | 288 | (12) |
| **Discretionary grants and Project expenditure and bad debts** | **1 273 915** | **1 156 033** |
| A001 – HEI Lecturer Support | 22 297 | 12 751 |
| A002 – Bursaries | 232 273 | 243 025 |
| A003 – Work Experience | 76 342 | 79 568 |
| A004 – Standard Setting | 591 | 419 |
| A005 – Learning Materials (LM) Development | 1 953 | 2 411 |
| A006 – Internships (GDP) | 261 726 | 245 070 |
| A007 – Non - Artisan Learnerships | 98 312 | 92 005 |
| A008 – Skills Development Facilitator Support | 537 | 422 |
| A009 – AET | 14 508 | 16 827 |
| A010 – OHS Representatives Development | 10 668 | 9 930 |
| A013 – MQA Artisan Development | 205 530 | 165 429 |
| A014 – RPL / Artisan Aides - Employed | 4 830 | 6 690 |
| A015 – TVET College Support | 148 551 | 115 440 |
| A017 – FLC Grant Incentive | 1 205 | 1 445 |
| A019 – Mine Community Development | 63 730 | 73 352 |
| A020 – Workplace Coach Development | 27 960 | 28 800 |
| A021 – Youth Development | 31 909 | 37 803 |
| A022 – Management Development | 9 739 | 7 830 |
| A023 – Artisan RPL | 8 350 | 5 198 |
| A041 – HDSA Management Development Candidacy | 20 513 | 9 350 |
| A042 – HDSA Accredited Training Provider Support | 500 | 400 |
| A043 – Impact Assessment | 1 571 | - |
| A044 – Partnership Research | 5 830 | 1 868 |
| A045 – Small Business Support | 950 | - |
| Discretionary grants and Project expenditure Bad debts | 23 542 | - |
| **Included in Discretionary grants and Project expenditure is:** | **22 825** | **19 380** |
| Administration costs* | 22 825 | 19 380 |

*Included in the Administration costs is 86,91% cost of employment (2023: 93,09%) budgeted and costed under Discretionary grants and Project expenditure.

## 8. Administration expenditure

| | Note(s) | 2024 R'000 | 2023 R'000 Restated |
|---|---|---|---|
| **Total Administration expenditure** | | **157 399** | **151 841** |
| Depreciation, amortisation and impairments | | 6 463 | 5 563 |
| Maintenance, repairs and running costs | | 2 286 | 2 417 |
| Property and buildings | | 2 138 | 2 249 |
| Machinery and equipment | | 149 | 168 |
| Advertising, marketing and promotions, communication | | 7 916 | 8 812 |
| Consulting and professional fees | | 3 239 | 5 094 |
| Legal fees | | 353 | 2 410 |
| Cost of employment | 8.1 | 100 297 | 94 959 |
| Travel and accommodation | | 6 456 | 5 643 |
| Staff training and development | | 2 107 | 1 603 |
| Remuneration of Board and committee members | | 3 765 | 2 287 |
| Internal audit fees | | 498 | 694 |
| External audit fees | | 3 929 | 4 245 |
| Printing and Stationery | | 1 035 | 1 349 |
| Conferences, meetings and seminars | | 4 925 | 3 525 |
| Insurance | | 710 | 326 |
| Rates & taxes, water, electricity & security | | 3 938 | 3 798 |
| Donations & sponsorships | | 110 | 457 |
| Rental - operating leases | 8.2 | 813 | 505 |
| IT expenses | | 7 545 | 6 998 |
| Subscription and membership fees | | 121 | 106 |
| Other expenses | | 894 | 1 050 |
| **8.1 Cost of employment** | | **94 641** | **90 071** |
| Basic salaries | | 41 671 | 36 838 |
| Performance awards | | 13 164 | 15 379 |
| Other non-pensionable allowance | | 33 492 | 33 572 |
| Temporary staff | | 3 931 | 2 879 |
| Leave provision movement | | 1 491 | 578 |
| SDL | | 892 | 825 |
| Social contributions | | **5 656** | **4 888** |
| Pension contributions | | 5 307 | 4 631 |
| UIF | | 258 | 256 |
| Other salary related costs | | 91 | - |
| | | **100 297** | **94 959** |
| Average number of employees | | 162 | 154 |
| **8.2 Operating lease obligation** | | | |
| Within one year | | - | 15 |
| in 2 to 5 year | | - | - |
| **Total** | | **-** | **15** |

MQA entered into a rental agreement for the North West regional offices from 01 July 2018 to 31 July 2023 and thereafter run on month to month basis.

## 9. Transfers to other government entities

| | 2024 R '000 | 2023 R '000 Restated |
|---|---|---|
| Transfer to QCTO | **9 806** | **8 655** |

SETA Grant Regulation 2(4) provides that a SETA will transfer as part of its administration costs an amount that does not exceed 0.5% of the total levy paid by employers to the QCTO (Entity under common control with the MQA) for quality assurance functions and the actual quantum will be determined by the Minister of Higher Education and Training. The Minister determined the amount disclosed above.

## 10. Property, plant and equipment

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| | Cost / Valuation | Accumulated depreciation/ impairment | Carrying value | Cost / Valuation | Accumulated depreciation/ impairment | Carrying value |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| | **93 560** | **-29 905** | **63 655** | **91 204** | **-25 172** | **66 032** |
| Office furniture | 5 460 | -3 653 | 1 807 | 5 269 | -3 779 | 1 490 |
| Motor vehicles | 709 | -539 | 170 | 709 | -478 | 231 |
| Office equipment | 8 075 | -6 251 | 1 824 | 7 048 | -5 771 | 1 277 |
| Computer equipment | 7 563 | -5 313 | 2 250 | 6 388 | -4 847 | 1 541 |
| Fixtures and Fittings | 12 209 | -10 756 | 1 454 | 12 209 | -10 038 | 2 171 |
| Office Building | 58 820 | -2 857 | 55 963 | 58 820 | 0 | 58 820 |
| Cell phones | 723 | -536 | 188 | 761 | -260 | 502 |

| | RECONCILIATION - 2024 | | | | | |
|---|---|---|---|---|---|---|
| | Opening carrying amount | Additions | Disposals | Depreciation | Revaluation surplus | carrying amount |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| | **66 032** | **3 862** | **( 199)** | **(6 040)** | **-** | **63 656** |
| Office furniture | 1 489 | 887 | ( 130) | ( 440) | - | 1 806 |
| Motor vehicles | 231 | - | - | ( 60) | - | 170 |
| Office equipment | 1 278 | 1 054 | ( 2) | ( 506) | - | 1 824 |
| Computer equipment | 1 543 | 1 844 | ( 61) | (1 074) | - | 2 251 |
| Fixtures and Fittings | 2 171 | - | - | ( 718) | - | 1 453 |
| Office Building | 58 820 | - | - | (2 857) | - | 55 962 |
| Cell phones | 502 | 78 | ( 6) | ( 386) | - | 188 |

| | RECONCILIATION - 2023 | | | | | |
|---|---|---|---|---|---|---|
| | Opening carrying amount | Additions | Disposals | Depreciation | Revaluation surplus | carrying amount |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| | **48 977** | **3 817** | **-166** | **-5 187** | **18 591** | **66 032** |
| Office furniture | 1 310 | 611 | ( 44) | ( 388) | - | 1 489 |
| Motor vehicles | 291 | - | - | ( 60) | - | 231 |
| Office equipment | 850 | 956 | ( 9) | ( 519) | - | 1 278 |
| Computer equipment | 1 024 | 1 531 | ( 104) | ( 908) | - | 1 543 |
| Fixtures and Fittings | 3 196 | 57 | - | (1 082) | - | 2 171 |
| Office Building | 42 183 | - | - | (1 954) | 18 591 | 58 820 |
| Cell phones | 123 | 662 | ( 9) | ( 275) | - | 502 |

**Further details on the office building**

The 3 934 square metre building is situated on ERF 917, 7 Anerley Road, Parktown, Johannesburg. There are no restrictions on the title to the property, plant and equipment and no items are pledged as security for liabilities.

The office building was re-valued on 31 March 2023 by an independent valuer who holds a qualification in property valuations and is a member of South African Council for Property Valuer's Profession. The valuation was based on the Income Capitalisation Method as well as the Comparable Sales Method in the prior year. The first method was carried out with reference to the open market rentals, market escalations and market related costs while the latter was carried out with reference to comparable market related sales and both methods were used to determine the market related valuation. The building is due for another revaluation in March 2028.

## 11. Intangible assets

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| | Cost / Valuation | Accumulated depreciation/ impairment | Carrying value | Cost / Valuation | Accumulated depreciation/ impairment | Carrying value |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| | **6 778** | **(2 939)** | **3 839** | **3 595** | **(2 829)** | **766** |
| Computer software | **6 778** | **(2 939)** | **3 839** | **3 595** | **(2 829)** | **766** |

| | RECONCILIATION - 2024 | | | | | |
|---|---|---|---|---|---|---|
| | Opening carrying amount | Additions | Disposals | Depreciation | Revaluation surplus | carrying amount |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| | **766** | **3 496** | **-** | **-** | **( 422)** | **3 839** |
| Computer software | 766 | 3 496 | - | - | ( 422) | 3 839 |

| | RECONCILIATION - 2023 | | | | | |
|---|---|---|---|---|---|---|
| | Opening carrying amount | Additions | Disposals | Depreciation | Revaluation surplus | carrying amount |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| | **918** | **225** | **-** | **-** | **( 377)** | **766** |
| Computer software | 918 | 225 | - | - | ( 377) | 766 |

| | 2024 | 2023 |
|---|---|---|
| | R'000 | R'000 |
| **Maintenance, repairs and running costs paid to service providers** | **2 286** | **2 417** |
| Property and buildings | 2 138 | 2 249 |
| Machinery and equipment | 149 | 168 |

## 12. Receivables from exchange transactions

| | 2024 R '000 | 2023 R '000 Restated |
|---|---|---|
| | **7 630** | **3 906** |
| Staff Advances | 24 | 37 |
| Prepayments | 1 198 | 932 |
| Deposits | 4 | 4 |
| Other receivables | 3 015 | 1 950 |
| Interest receivable | 3 388 | 983 |

## 13. Inventories

| | | |
|---|---|---|
| Consumable stores | 913 | 183 |
| Recognised as an expense during the year | 795 | 843 |

## 14. Receivables from non-exchange transactions

| | **1 050** | **27 202** |
|---|---|---|
| Mandatory grants receivables | 148 | 5 048 |
| Administration and public sector levies receivable | 0 | - |
| Inter-SETA - Administration | 97 | 65 |
| Inter-SETA - Employer grants | 143 | 82 |
| Inter-SETA - Discretionary | 456 | 306 |
| Discretionary funds receivables | 206 | 21 700 |

### 14.1 Mandatory grants receivables

| | **148** | **5 048** |
|---|---|---|
| Overpayments to employers | **396** | **5 120** |
| Provision for doubtful debts | -272 | -95 |
| Net effect of SARS retrospective adjustments | **125** | **5 025** |
| Mandatory grants receivable from other SETAs | 23 | 22 |
| Change in Movement in the statement of financial performance | 177 | -12 |

### 14.2 Discretionary grants receivables

| | **206** | **21 700** |
|---|---|---|
| Discretionary funds receivables | 23 749 | 21 700 |
| Provision for doubtful debts - Discretionary Grants | -23 542 | 0 |
| Change in Movement in the statement of financial performance | 23 542 | 0 |

The MQA calculates and pays mandatory grants to employers based on the levy information from the DHET as obtained from SARS in line with Skills Development Levies Act. Where SARS retrospectively amends the information on levies collected, this may result in grants that have been paid to certain employers that are in excess of the amount the MQA is permitted to have granted to employers as mandatory grants thus resulting in mandatory grant receivable being raised. Furthermore, the Court ruled in favour of the MQA and issued an order for the service provider to pay sum of profits, 10% of the interest and the costs of arbitration. Several attempts were made through the attorneys and sheriffs to recover the debt with no success. The attorneys advised the MQA to liquidate the service provider. The MQA as required by the standard of GRAP assess non contractual receivables for impairment at the end of each reporting period and the above disclosed provision for bad debts was based on impairment indicators identified by management in line with GRAP.

R 396 000 (2023: R 5 120 000) was recognised as a receivable relating to actual payments of mandatory grants, which were previously paid and subsequently reversed by employers in the reporting period.

Mandatory grants bad debts of R288 000 consist of Provision for bad debts of R177 000,00 (2023: R12 000,00) and Bad debts of R110 000,00 (2023: R0).

| | 2024 R '000 | 2023 R '000 Restated |
|---|---|---|

## 15. Cash and cash equivalents

| | 1 034 353 | 1 089 242 |
|---|---|---|
| Cash at bank | 378 638 | 261 154 |
| Cash on paycard | 20 | 4 |
| Cash on paycard and at bank | 378 658 | 261 157 |
| Short-term investments/instruments | 655 694 | 828 085 |

The Skills Development Act Regulations states that the MQA may, if not otherwise specified by the Public Finance Management Act, invest the moneys in accordance with the investment policy approved by the MQA Accounting Authority.

Treasury Regulation 31.3 requires that, unless exempted by the National Treasury, the MQA as a public entity that is listed in Schedule 3A of the Act must invest surplus funds with the Corporation for Public Deposits (CPD).

Surplus funds were deposited with the South Africa Reserve Bank in the CPD account of the MQA in line with the Treasury Regulation

**Borrowings/Loans**

In terms of PFMA section 66(3)(c), public entities may borrow money or, issue a guarantee, indemnity or security only through the Minister of Higher Education, Science and Technology or the Minister of the Department of Mineral and Petroleum Resources, as the case may be, acting with the concurrence of the Minister of Finance.

In terms of Treasury Regulation 32.1.1, the MQA as schedule 3A public entity may borrow money for bridging purposes with the approval of the Minister of Finance, subject to certain conditions.

No such borrowings were entered into during the period.

## 16. Employee benefit obligations Defined contribution plan

The MQA operates a defined contribution umbrella pension fund. Each employee contributes 8% and the MQA 16% in respect of each employee. The employee's future benefits depend on the operating efficiency and investment earnings of the fund.

## 17. Grants and transfers payable from non-exchange transactions

| | 337 808 | 301 658 |
|---|---|---|
| Skills development grants payable - mandatory | 1 379 | 5 290 |
| Skills development grants payable - discretionary | 336 373 | 296 368 |
| Inter-SETA payables - Administration | 7 | - |
| Inter-SETA payables - Employer grants | 14 | - |
| Inter-SETA payables - Discretionary | 35 | - |

## 18. Trade and other payables from exchange transactions

| | 6 773 | 5 512 |
|---|---|---|
| Trade payables | 3 904 | 2 708 |
| Trade creditors accruals | 1 811 | 2 269 |
| Cell phone contracts obligations | 227 | 535 |
| Payroll creditors and accruals | 831 | - |

## 19. Provisions

| Reconciliation of provisions | 2024 | | | |
|---|---|---|---|---|
| | Opening Balance | Utilised during | Addition | Total |
| | R'000 | R'000 | R'000 | R'000 |
| | **25 587** | **(15 294)** | **15 925** | **26 218** |
| SARS Creditors - Administration | **386** | **( 157)** | **167** | **396** |
| SARS Creditors - Mandatory | **737** | **( 299)** | **317** | **756** |
| SARS Creditors - Discretionary | **1 820** | **( 739)** | **786** | **1 866** |
| Administration provisions-Leave | **6 087** | **(2 022)** | **1 491** | **5 556** |
| Administration provisions -Bonus | **16 557** | **(12 077)** | **13 164** | **17 645** |

| Reconciliation of provisions | 2023 | | | |
|---|---|---|---|---|
| | Opening Balance | Utilised during | Addition | Total |
| | R'000 | R'000 | R'000 | R'000 |
| | 21 549 | (11 919) | 15 957 | 25 587 |
| SARS Creditors - Administration | 386 | - | - | 386 |
| SARS Creditors - Mandatory | 737 | - | - | 737 |
| SARS Creditors - Discretionary | 1 820 | - | - | 1 820 |
| Administration provisions-Leave | 6 926 | (1 417) | 578 | 6 087 |
| Administration provisions- Bonus | 11 680 | (10 502) | 15 379 | 16 557 |

## 20. Cash generated from operations

| | 2024 R '000 | 2023 R '000 |
|---|---|---|
| Surplus (Deficit) | (113 932) | (20 359) |
| **Adjustments for:** | | |
| Depreciation and amortisation | 6 463 | 5 563 |
| Loss/(Gain) on sale of assets and liabilities | 199 | 105 |
| Movements in provisions | 631 | 4 038 |
| Other non-cash items | 2 | ( 2) |
| **Changes in working capital** | | |
| Inventories | ( 730) | 308 |
| Receivables from exchange transactions | (3 724) | 1 981 |
| Other receivables from non-exchange transactions | 26 151 | (25 529) |
| Payables from exchange transactions | 1 261 | 878 |
| Transfers payable (non-exchange) | 36 150 | 45 563 |
| | **(47 530)** | **12 546** |

## 21. Contingent Liabilities

### 21.1 Mandatory grant reserve

A balance of R410 000 (2023: R 417 000) has been set aside in terms of the accounting policy. The amount of the outflow depends on the new employers' awareness about the provisions of the grants regulations that entitle them to claim the grants within six months of their first registration as employers for the purposes of the Skills Development Levies Act.

The employers have until 31 August 2024 to claim the mandatory grants after which they expire and will be credited to the discretionary funds in terms of the grants regulations.

### 21.2 Business Unity South Africa (BUSA) vs. Department of Higher Education and Training

21..2.1 In October 2019, BUSA won a court case against DHET where the department's decision to decrease the mandatory grant levies and grants percentage was decreased from 50% to 20% in terms of section 4(4) of the SETA Grant Regulations was set aside. The court did not decide on the mandatory levy or grant percentage, nor did it specify whether the ruling should be applied retrospectively or prospectively. The effect of the ruling is that the Minister would have to decide on the percentage for mandatory grants in consultation with the sector. The Minister has not yet made the decision with regard to the mandatory grant percentage.

21.2.1 DHET continued to show the mandatory levies portion as 20% from 2019/20 financial year to date in the levy download information. The MQA continued to pay and accrue mandatory grants at 20% in line with the levy download percentage. In the absence of a revised percentage and mandatory grant expenditure in Notes 2 and 7 as well as the mandatory grant liability in notes 7 and 14 were calculated using mandatory grant percentage of 20%.

21.2.2 The MQA, therefore, discloses a contingent liability for mandatory grants payable to qualifying levy payers and this disclosure was due to the intention of the litigants, BUSA, to increase the mandatory grant percentage of 20%.The timing and amount of this contingent liability is uncertain and no reasonable estimate can be made at this point. Currently the department is in discussions with BUSA and the outcome of the discussions are unknown.

### 21.3 Litigations

Contractual disputes with training providers, service providers and former employees resulted in three claims lodged with the courts against the MQA for an amount of R 51 639 965 (2023: R 51 639 965). All three of the cases were from the preceeding years and uncertainty regarding the outflow is still the same as the prior years because the cases are still ongoing.

### 21.4 Retention of surpluses

Section 53 (1) of the PFMA, requires public entities not to budget for a deficit and not to accumulate surpluses unless prior written approval is received from National Treasury. The surpluses as at 31 March 2024 were as follows:

| | 2024 | 2023 |
|---|---|---|
| **Account balance description** | **R'000** | **R'000** |
| Cash and Cash Equivalents | 1 034 353 | 1 089 242 |
| Debtors | 8 680 | 31 108 |
| Creditors | -370 800 | -332 758 |
| Total Surpluses | **672 233** | **787 592** |

## 22. Contingent assets

The MQA has instituted one legal claims against third parties and based on the legal opinion, there is a probability of an inflow amounting to R 94 105 (2023: R 94 105).

## 23. Commitment Note as at 31 March 2024

| PROGRAMMES | 2023/24 | | | |
|---|---|---|---|---|
| | Opening Balances | Prior period adjustments | Restated Opening Balance 2023 | Closing Balance 31 March 2024 |
| | R'000 | R'000 | R'000 | R'000 |
| **TOTAL** | **1 183 364** | **(20 072)** | **1 163 292** | **1 376 952** |
| MQA-A001 – HEI Lecturer Support | 5 391 | - | 5 391 | 1 783 |
| MQA-A002 – Bursaries | 49 191 | - | 49 191 | 39 675 |
| MQA-A003 – Work Experience | 36 231 | - | 36 231 | 61 428 |
| MQA-A006 – Internships (GDP) | 257 648 | - | 257 648 | 239 949 |
| MQA-A007 – Non Artisan Learnerships | 71 825 | ( 150) | 71 675 | 83 750 |
| MQA-A013 – MQA Artisan Development | 425 108 | (18 092) | 407 016 | 586 655 |
| MQA-A015 – TVET College Support | 147 890 | - | 147 890 | 184 762 |
| MQA-A019 – Mine Community Development | 110 013 | (1 590) | 108 423 | 48 692 |
| MQA-A020 – Workplace Coach Development | 8 760 | ( 240) | 8 520 | 15 360 |
| MQA-A022 – Management Development | 3 811 | - | 3 811 | 4 759 |
| MQA-A011 – NSF 2 - Artisan Development | 3 402 | - | 3 402 | 0 |
| MQA-A041 – Candidacy | 21 760 | - | 21 760 | 51 113 |
| MQA-A044 – Research Partnerships | 3 185 | - | 3 185 | 763 |
| MQA-A021 – Youth Development Project | 39 149 | - | 39 149 | 57 115 |
| MQA-A045 – Small Business Support | - | - | - | 1 150 |

## 24. Irregular, fruitless and wasteful expenditure

| | 2024 | 2023 |
|---|---|---|
| | R'000 | R'000 |
| | 19 | 20 534 |
| | - | - |
| **Total** | **19** | **20 534** |

### 24.1 Irregular expenditure

Fruitless and wasteful expenditure

### 24.2 Irregular expenditure for the current financial year include:

Amounts incurred and confirmed in the current financial year. *
Irregular expenditure for the previous financial year include:
Amounts incurred and confirmed in the previous financial year.

## 25. Financial instruments

In the course of its operations, the MQA is exposed to interest rate, credit, liquidity and market risk. The MQA has developed a comprehensive risk strategy in order to monitor and control these risks.

The MQA's exposure to cash flow risk, interest rate risk and the effective interest rates on the financial instruments at reporting date are as follows:

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Floating rate | | Non-interest bearing | | Total |
| | Amount | Effective interest rate | Amount | Weighted average period until maturity | |
| | R '000 | % | R '000 | Years | R '000 |
| **Assets** | | | | | |
| Cash | 1 034 353 | 8% | - | | 1 034 353 |
| Accounts receivable from exchange transactions | - | | 7 630 | 4 years | 7 630 |
| Less: Prepayments | - | | -1 198 | | -1 198 |
| Accounts receivable from non exchange transactions | - | | 1 050 | 2 years | 1 050 |
| Less: Statutory receivables | - | | 0 | | 0 |
| Less: Inter-Seta receivables | - | | -696 | | -696 |
| Less: Mandatory grants receivables | - | | -148 | | -148 |
| Total financial assets | 1 034 353 | | 6 638 | | 1 040 991 |
| **Liabilities** | | | | | |
| Accounts payable from exchange transactions | - | | -6 773 | 2 years | -6 773 |
| Accounts payable from non- exchange transactions | - | | -337 808 | 2 years | -337 808 |
| Add: Inter-Seta Payables | - | | 56 | | 56 |
| Add: Mandatory grants payables | - | | 1 379 | | 1 379 |
| Total financial liabilities | - | | -343 146 | | -343 146 |
| | 1 034 353 | | -336 508 | | 697 844 |

| | 2023 | | | | |
|---|---|---|---|---|---|
| | Floating rate | | Non-interest bearing | | Total |
| | Amount | Effective interest rate | Amount | Weighted average period until maturity | |
| | R '000 | % | R '000 | Years | R '000 |
| **Assets** | | | | | |
| Cash | 1 089 242 | 6% | | - | 1 089 242 |
| Accounts receivable from exchange transactions | - | | 3 906 4 years | | 3 906 |
| Less: Prepayments | - | | -932 | | -932 |
| Accounts receivable from non exchange transactions | - | | 27 202 2 years | | 27 202 |
| Less: Statutory receivables | - | | -21 700 | | -21 700 |
| Less: Inter-Seta receivables | - | | -454 | | -454 |
| Less: Mandatory grants receivables | - | | -5 048 | | -5 048 |
| Total financial assets | 1 089 242 | | 2 974 | | 1 092 216 |
| **Liabilities** | | | | | |
| Accounts payable from exchange transactions | - | | -5 512 2 years | | -5 512 |
| Accounts payable from non- exchange transactions | - | | -301 658 2 years | | -301 658 |
| Add: Inter-Seta Payables | - | | 0 | | 0 |
| Add: Mandatory grants payables | - | | 5 290 | | 5 290 |
| Total financial liabilities | - | | -301 880 | | -301 880 |
| | 1 089 242 | | -298 906 | | 790 336 |

**Credit risk**

Financial assets, which potentially subject the MQA 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.The MQA limits its counter-party exposure by only dealing with well-established financial institutions approved by the National Treasury. The Accounting Authority continuously monitors the MQA's exposure. Credit risk with respect to levy paying emplaoyers is limited due to the nature of the income received. The MQA's concentration of credit risk is limited to the industry (mining industry) in which it operates.

**Ageing of trade and other receivables from non-exchange transactions**

| | 2024 | 2023 |
|---|---|---|
| | Fair valued/ Amortised cost | Fair valued/ Amortised cost |
| | R '000 | R '000 |
| Receivables from exchange transactions | 7630 | 3906 |
| Less: Prepayments | -1 198 | -932 |
| Receivables from Non-exchange transactions | 1 050 | 27 202 |
| Less: Statutory receivables | 0 | -21 700 |
| Less: Inter-Seta receivables | -696 | -454 |
| Less: Mandatory grants receivables | -148 | -5 048 |
| Due 0- 3 Years | **6 638** | **2 974** |

**Cash and cash equivalents**

| | 2024 | 2023 |
|---|---|---|
| | Fair valued/ Amortised cost | Fair valued/ Amortised cost |
| | R '000 | R '000 |
| Not past due | 1 034 353 | 1 089 242 |

**Liquidity risk**

The MQA manages liquidity risk through proper management of working capital, capital expenditure, long-term cash projections and monitoring of actual vs. forecasted cash flows and its cash management policy.

| | 2024 | 2023 |
|---|---|---|
| | Between 0 and 3 years | Between 0 and 3 years |
| | R '000 | R '000 |
| Trade and other payables from exchange transactions | -6 773 | -5 512 |
| Trade and other payables from non exchange transactions | -337 808 | -301 658 |
| Add: Inter-Seta Payables | 56 | - |
| Add: Mandatory grants payables Due 0-3 Years | 1 379 | 5 290 |
| | **-343 146** | **-301 880** |

**Market risk**

The MQA is exposed to fluctuations in the employment market, for example sudden increases in unemployment and changes in the wage rates adversely affects the MQA revenues.

## 26. Related party transactions

The MQA is a Schedule 3A public entity under the control of Department of Higher Education and Training as well as the Department of Mineral and Petroleum Resources, it is therefore, related to controlled entities under both departments and national departments in the same sphere of government with the two mentioned departments. The related parties include amongst others, Public Universities and Technical Vocational Education Training colleges. The transactions the MQA had with related parties include amongst others, projects in terms of the MQA funding policy and the SETA grants regulations, and all were within the legislated mandate of the MQA. Furthermore, the MQA receives monthly transfer from DHET for levies collected. This is in line with normal operations of the MQA and the details are included in note 3.

### 26.1 Inter-SETA transactions

Inter-SETA transactions and balances arise due to the movement of employers from one SETA to another and levies due from the SETA to which the employers erroneously contributed its levies and or submitted its WSP/ATR. No other transactions occurred during the period with other SETAs.

| Sector Education and Training Authorities | 2024 Amount receivable (payable) | 2023 Amount receivable (payable) |
|---|---|---|
| | R '000 | R '000 |
| | **640** | **219** |
| MERSETA | 51 | - |
| SERVICES SETA | 186 | - |
| HW SETA | 104 | 92 |
| W&R SETA | 127 | 127 |
| LG SETA | 3 | |
| FASSET | 63 | - |
| CETA | 106 | - |

### 26.2 Other public entities

| | 2024 | | | |
|---|---|---|---|---|
| | Write-Off | Debtor | Payable | Commitments |
| | R '000 | R '000 | R '000 | R '000 |
| | **-** | **23** | **5 408** | **8 355** |
| ETDP SETA | - | 23 | - | - |
| Mintek | - | - | 5 038 | 6 414 |
| Petroleum Agency SA | - | - | 283 | 1 515 |
| Council for Geoscience | - | - | 86 | 426 |

| | 2023 | | | |
|---|---|---|---|---|
| | Write-Off | Debtor | Payables | Commitments |
| | R '000 | R '000 | R '000 | R '000 |
| | **-** | **22** | **1 369** | **7 052** |
| ETDP SETA | - | 22 | - | - |
| Mintek | - | - | 1 142 | 5 844 |
| Petroleum Agency SA | - | - | - | 75 |
| Council for Geoscience | - | - | 227 | 1 133 |

### 26.3 Universities and TVET colleges

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | R '000 | R '000 | R '000 | R '000 |
| | Amount Payable | Amount committed | Amount Payable | Amount committed |
| Cape Peninsula University of Technology | 839 | 48 | 10 449 | 2 174 |
| Capricorn TVET College | 222 | 1 441 | 60 | 324 |
| Central University of Technology Free State | 93 | 3 172 | 170 | 3 350 |
| Durban University of Technology | 246 | 1 260 | 2 660 | 919 |
| Ekurhuleni East TVET College | 3 797 | 4 968 | 771 | 8 439 |
| Flavius Mareka TVET College | 33 | 1 322 | - | 119 |
| Goldfileds TVET College | - | 1 131 | 544 | 1 727 |
| Mangosuthu University of Technology | 11 | 623 | 1 | 523 |
| Mopani South East TVET College | 1 298 | 3 693 | 2 229 | 5 259 |
| Nelson Mandela Metropolitan University | 740 | 709 | 2 911 | 731 |
| Nkangala TVET College | 5 | - | 487 | - |
| North West University | 669 | 169 | 3 086 | 450 |
| Northern Cape Urban TVET College | 809 | 1 709 | 147 | 903 |

| | | | | |
|---|---|---|---|---|
| Orbit TVET College | 222 | 1 372 | 26 | 302 |
| Sekhukhune TVET College | 33 | 1 686 | 452 | 1 415 |
| South West Gauteng TVET College | 491 | 2 700 | 696 | 3 315 |
| University of Johannesburg | 26 846 | 5 426 | 6 445 | 11 008 |
| Tshwane University of Technology | 19 654 | 6 222 | 17 219 | 5 719 |
| University of Venda | 3 371 | 760 | 1 535 | 2 081 |
| University of Pretoria | 1 245 | 431 | 4 358 | 1 334 |
| University of Fort Hare | 69 | 262 | 546 | 140 |
| University of Stellenbosch | 77 | 179 | 58 | 14 |
| University of KwaZulu-Natal | 0 | 547 | 2 233 | 637 |
| University of the Free State | 53 | 942 | 3 286 | 343 |
| University of the Witwatersrand | 1 234 | 2 047 | 862 | 1 159 |
| University of Limpopo | 3 985 | 682 | 5 262 | 982 |
| Vhembe TVET College | 716 | 1 738 | 18 | 1 318 |
| Walter Sisulu University | 57 | 352 | - | 43 |
| University of the Western Cape | 49 | 2 026 | 43 | 150 |
| University of Cape Town | 1 699 | 165 | 2 488 | 1 511 |
| Maluti TVET College | 222 | 1 156 | - | - |
| Motheo TVET College | 1 553 | 944 | 738 | 4 038 |
| Buffalo City TVET College | 168 | 106 | 105 | 1 177 |
| Rhodes University | 659 | 49 | 105 | 127 |
| Northern Cape Rural TVET College | 695 | 1 493 | 826 | 4 390 |
| Vaal University of Technology | 6 119 | 5 221 | 6 710 | 4 934 |
| Western TVET college | - | 1 381 | - | 151 |
| University of South Africa | 3 748 | 2 492 | 3 830 | 3 684 |
| Gert Sibande TVET College | 33 | 999 | 380 | 926 |
| Vuselela TVET College | 4 | 43 | 15 | 209 |
| Central Johannesburg College | - | 43 | 4 | 65 |
| Ekurhuleni West TVET College | 1 050 | 1 161 | 446 | 2 115 |
| Lephalale TVET College | 820 | 362 | 37 | 1 150 |
| Majuba TVET College | 222 | 7 398 | 1 772 | 8 334 |
| Nkangala TVET College | 716 | 2 132 | 776 | 3 251 |
| Sedibeng TVET College | - | 108 | 12 | 130 |
| Taletso TVET College | 5 | 43 | 1 | 22 |
| King Sabata Dalindyebo TVET | 548 | 1 502 | 46 | 1 199 |
| West Coast TVET College | 275 | 1 439 | 677 | 1 353 |
| Lovedale TVET College | 485 | 1 439 | 413 | 957 |
| Ingwe TVET College | 309 | 1 544 | 273 | 1 134 |
| Northlink TVET College | 620 | 1 408 | 970 | 2 578 |
| College of Cape Town | 39 | 273 | 281 | 611 |
| Western College TVET | 503 | - | 314 | - |
| Letaba TVET College | 197 | 2 701 | - | 43 |
| Sefako Makgatho Health Sciences University | - | 106 | 269 | 65 |
| Waterberg TVET College | 84 | 26 | 275 | 541 |
| University of Mpumalanga | 37 | 271 | - | 199 |
| Tshwane North TVET College | - | 86 | 6 | 65 |
| Tshwane South TVET College | 443 | 1 520 | 2 | 995 |
| Sol Plaatje University | - | 86 | 376 | 100 |
| Enhlanzeni TVET College | 7 | 43 | 1 | 22 |
| King Hintsa TVET College | 869 | 1 439 | 297 | 1 188 |
| Mpumalanga CET College | 110 | 340 | 450 | 450 |
| North West CET College | 333 | 828 | - | - |
| Ikhala TVET College | 254 | 1 439 | 221 | 3 185 |
| Eastern Cape CET College | 86 | 1 049 | 168 | 168 |
| Umfolozi TVET College | 254 | 1 460 | 231 | 924 |
| False Bay TVET College | 242 | 1 083 | 168 | 1 147 |
| Mthashana TVET College | - | - | 2 | 43 |
| Esayidi TVET College | - | 1 257 | - | 22 |
| University of Zululand | - | 61 | 72 | 48 |
| KwaZulu-Natal CET College | 86 | 599 | - | - |

| | | | | |
|---|---|---|---|---|
| Free State CET | 168 | 1 113 | 250 | 250 |
| Sir Val Duncan Technical College | - | 189 | - | 630 |
| Western Cape CET College | 56 | 725 | - | - |
| Northern Cape CET College | 98 | 683 | - | - |
| Goldfields TVET College | 225 | 1 197 | - | - |
| Gauteng CET College | 330 | 420 | - | - |
| | **91 228** | **99 233** | **90 556** | **109 003** |

## 26.4 Board fees

| Board member | 2024 | 2023 |
|---|---|---|
| | Fees paid | Fees paid |
| | R'000 | R'000 |
| | **2 699** | **1 494** |
| R. Motlou | 253 | 157 |
| S. Dlamini-Mthethwa | 163 | 111 |
| F. Stehring | 326 | 166 |
| J. Van vuuren | 274 | 173 |
| A. Atlee | 420 | 219 |
| V. James | 273 | 111 |
| K. Netshiombo | 304 | 109 |
| O. Kgware | 268 | 172 |
| M. Malaza | - | 120 |
| O. Senye | 242 | - |
| T. Tlhapane | 176 | 156 |

## 26.5 Departments

| | 2024 | | |
|---|---|---|---|
| | Amount receivable | Amount payable | Amount Committed |
| Entity | R '000 | R '000 | R '000 |
| Department of Mineral and Petroleum Resources | **0** | **1 400** | **156** |
| | **0** | **1 400** | **156** |

| | 2023 | | |
|---|---|---|---|
| | Amount receivable | Amount payable | Amount Committed |
| Entity | R '000 | R '000 | R '000 |
| Department of Mineral and Petroleum Resources | - | 672 | 1 556 |
| | - | 672 | 1 556 |

## 26.6 Bursaries awarded to beneficiaries recruited by entities previously represented at the board

In the past the Board resolved that, in respect of bursaries, the MQA may enter into Memorandum of Agreements (MOAs) with entities listed below. The bursary beneficiaries allocated as a result of the MOAs are selected by the entities using selection and funding criteria that is aligned to the criteria used to select and fund other MQA bursary beneficiaries. Subsequently the Board reconsidered the decision, and no allocation was made for 2021/2022 financial year until further notice. The disclosure is for the students that were already in the programme.

| Stakeholder details | Constituency | 2024 | | 2023 | |
|---|---|---|---|---|---|
| | | Total amount payable | Total Commitment | Total amount payable | Total Commitment |
| | | R'000 | R'000 | R'000 | R'000 |
| DMPR | State | 52 | 114 | - | 313 |
| JB Marks | Organised Labour | 24 | 113 | | 149 |
| Anglo Gold Ashanti | Organised Employers | 26 | 26 | - | 24 |
| Impala Platinum | Organised Employers | - | - | - | 4 |
| Harmony Gold Mine | Organised Employers | - | 13 | - | 147 |
| Richards Bay Minerals | Organised Employers | 13 | 13 | - | 13 |
| Total | Organised Employers | **115** | **200** | - | **650** |

## 26.7 Board sub-committees fees

| Committee member | Committee | 2024 | 2023 |
|---|---|---|---|
| | | Fees paid | Fees paid |
| | | R'000 | R'000 |
| | | **495** | **525** |
| P Phukubje (Chairperson 2023/2024) | ARC | 107 | 178 |
| Adv JC Weapond | ARC | **88** | **117** |
| M Sikhosana | ARC | **60** | **85** |
| Y Mqoboli (Chairperson 2023/2024) | REMCO | **122** | **86** |
| I Swafo | REMCO | **72** | **26** |
| L Motsosi | REMCO | **46** | **33** |

## 26.8 Executive managers

| Initials, Surname and Title(s) | Basic Salaries | Performance Bonuses | Leave Paid Out | Non-Pensionable Allowances | Acting Allowances | Pension Contribution | Totals 2024 | Totals 2023 |
|---|---|---|---|---|---|---|---|---|
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| N.B. Nemagovhani (CRM&EO) | 911 | 289 | 71 | 823 | - | 132 | **2 226** | **2 152** |
| Dr T. Mashongoane (COO)(CEO) | 1 568 | 381 | 90 | 712 | - | 228 | **2 979** | **2 733** |
| M. Mavhungu (EMCS) | 745 | 284 | 71 | 1 038 | - | 116 | **2 254** | **2 008** |
| L. Matlala (CFO) | 987 | 308 | 72 | 776 | - | 143 | **2 286** | **2 078** |
| B. Mathebula (ACOO) | 657 | 295 | 57 | 756 | 79 | 95 | **1 939** | **2 120** |
| X. Njikelana (ACOO) | 869 | 229 | - | 444 | 393 | 136 | **2 071** | **-** |
| M. Clark (AEMSR) | 518 | 232 | 57 | 908 | 219 | 80 | **2 014** | **-** |
| T. Tsotetsi (AEMSR) | 835 | 267 | 57 | 584 | 73 | 121 | **1 937** | **2 081** |
| T. Boikhutso (AEMSR) | 1 166 | 219 | 57 | 162 | 146 | 184 | **1 934** | |
| **Grand Totals** | **8 256** | **2 504** | **532** | **6 203** | **910** | **1 235** | **19 640** | **13 172** |

**Notes:**
N.B. Nemagovhani appointed CRM&EO effect 01-08-2017
Dr T. Mashongoane appointed as CEO effective 01-03-2023
M. Mavhungu appointed as EMCS effective 01-05-2021
L. Matlala appointed as CFO effective 01-03-2022
B. Mathebula (Regional Manager Free State) Appointed Acting COO from 01-03-2022 to 31-05-2023
T. Tsotetsi (Regional Manager Mpumalanga) Appointed Acting EMSR from 01-03-2022 to 31-05-2023
X. Njikelana (Senior Manager: Learning Programmes) Appointed Acting COO from 01-06-2023 to 30-06-2024
M. Clark (Senior Manager: Customer Service & Communications) appointed Acting EMSR from 01-06-2023 to 30-11-2023
T. Boikhutso (Regional Manager North West) appointed Acting EMSR from 01-12-2023 to 31-06-2024

## 27. Events after the reporting date

**Adjusting events**

There were no adjusting events after the reporting period for the period under review.

**Non-adjusting events**

There were no non-adjusting events after the reporting period for the period under review.

## 28. New standards and interpretations

At the date of authorisation of these Annual Financial Statements, the following Generally Recognised Accounting Practice standards and interpretations were in issue but not yet effective. The following standards and interpretations are applicable to the MQA, and may or may not have an impact on future Final Financial Statements.

**GRAP 1: Presentation Of Financial Statements**

The standard was issued in November 2022 and its effective date is not yet determined. The standard prescribes the basis for presentation of general purpose financial statements, to ensure comparability both with the entity's financial statements of previous periods and with the financial statements of other entities. This Standard sets out overall considerations for the presentation of financial statements, guidelines for their structure and minimum requirements for their content.

It is expected that the standard will affect future presentation, accounting and disclosures of the MQA.

**GRAP 103: Heritage Assets**

The standard was issued in June 2022 and its effective date is not yet determined. The standard prescribes the accounting and disclosure requirements for heritage assets. Heritage assets are assets that have cultural significance, and are held indefinitely for the benefits of present and future generation.

It is expected that the standard will not affect future accounting and disclosures of the MQA.

**GRAP 104: Financial Instruments**

The standard was issued in April 2019 and its effective date is 01 April 2025. The standard prescribes principles for recognising, measuring, presenting and disclosing financial instruments. Financial instruments are contractual arrangements that give rise to a financial asset in one entity and a financial liability or residual interest of another. It is expected that the standard will affect future recognition, measurement, presentation and disclosure of financial instruments of the MQA.

**GRAP 105: Transfer of Functions Between Entities Under Common Control**

The standard was issued in February 2024 and its effective date is not yet determined. The standard prescribes principles and requirements for the acquirer and transferor in a transfer of functions between entities under common control and its effects. A transfer of functions is the reorganisation and/or the re-allocation of functions between entities by transferring functions between entities or into another entity.

It is expected that the standard will affect future recognition, measurement, presentation and disclosure of the MQA.

**GRAP 106: Transfer of Functions Between Entities Not Under Common Control**

The standard was issued in February 2024 and its effective date is not yet determined. The standard prescribes principles and requirements for the acquirer in a transfer of functions between entities not under common control and its effects. A transfer of functions is the reorganisation and/or the re-allocation of functions between entities by transferring functions between entities or into another entity.

It is expected that the standard will affect future recognition, measurement, presentation and disclosure of the MQA.

**GRAP 107: Mergers**

The standard was issued in February 2024 and its effective date is not yet determined. The standard prescribes principles and requirements for the combined entity and combining entities in a merger and its effects. A merger is the establishment of a new combined entity in which none of the former entities obtain control over any other and no acquirer can be identified

It is expected that the standard will affect future recognition, measurement, presentation and disclosure of the MQA.

## 29. Going concern

The Financial Statements have been prepared based on 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.

The Board is satisfied that the MQA has adequate financial resources to continue in operation for the foreseeable future and accordingly the Financial Statements have been prepared on a going concern basis.

SETAs are established through the provisions of the Skills Development Act and the MQA has been re-licensed as a SETA until 31 March 2030.

## 30. Statement of comparison of budget and actual amounts – Variances explanations

The budget for income, current and capital expenditure is prepared on the accrual basis of accounting. The budget is based on anticipated operational activities, tangible and intangible assets required to achieve targets set out in the Annual Performance Plan (APP) as well as estimated costs to carry out such activities or acquire the required assets.

The approved budget includes only the activities of the MQA and is for the period 1 April 2023 to 31 March 2024.

### MATERIAL DIFFERENCES BETWEEN THE BUDGET AND ACTUAL AMOUNTS

#### 30.1 Other Income, Grants recoveries and Levy Interest and penalties

Levy interest and penalties are due to non-compliance with the Skills Development Levies Act and the MQA did not anticipate that Employers will not comply, hence there was no budget and this resulted in a 100% variance. Furthermore, the MQA did not anticipate that there will be Grants recoveries and Other Income.

Interest received - investment was 4% below the budget due to a lower bank balance compared to prior years, despite the increase in the interest rates as a result of SARB hiking the Repo rate. The majority of the MQA funds are now invested with the CPD which offers lower rates compared to commecial banks.

#### 30.2 Personnel costs

Under spending on personnel costs was mainly due to vacant positions not yet filled.

#### 30.3 Capital Expenditure and Depreciation and Amortisation

Actual expenditure was below the budget mainly because of the delays in delivery of the assets due to unavailability of stock towards the years end and due to delay in the appointment of the service provider for ERP system.

#### 30.4 Repairs and maintenance

Expenditure was mainly due to higher diesel refills as a result of rolling black outs.

#### 30.5 General Expenses

Actual expenditure was lower than the budget by 3%. There were overspendings on some line items which were catered for by savings from others. Overall the actuals almost approximates budget.

#### 30.6 Employer grant and project expenditure

108% of the employer grant expenditure budget was spent, the overspending was incurred in both Mandatory and discretionary grants.

The grants budget was exceeded due to the demand in the Mining and Minerals Sector and the overspending was mainly covered by the retained surpluses approved for utilisation.

#### 30.7 Skills Development Levy: Income

The SDL income almost approximate the budget.

#### 30.8 Approved surpluses

Public entities are not required to accumulate surpluses unless approved by the National Treasury. The MQA received the approval for utilisation of

## 31. Prior period errors

In the current year some line items of the Financial Statements disclosed in the prior years were restated due to errors which were identified. The errors were as a result of transactions erroneously omitted and or erroneously accounted for. The restatements were done retrospectively in line with the standard. Below are classes of transactions, account balances and disclosure notes which were restated as a result of errors:

| | 2023<br>R '000 |
|---|---|
| **31.1 Employer grant and project expenditure (statement of financial performance)** | |
| As previously disclosed | 1 452 066 |
| Mandatory grants and Discretionary grants erroneously accounted for and/or omitted | 1 594 |
| Restated amount | **1 453 660** |
| **31.2 Grant and transfer payables from non-exchange (statement of financial position)** | |
| As previously disclosed | 300 064 |
| Prior year payables omission 2021/22 | - |
| Prior year accruals erroneously omitted 2022/23 | 1 594 |
| Restated amount | **301 658** |
| **31.3 Discretionary reserves (Statement of financial position)** | |
| As previously disclosed | 788 952 |
| Expenditure previously omitted 2021/22 | - |
| Expenditure previously omitted 2022/23 | -1 594 |
| Restated amount | **787 358** |
| **31.4 Reserves (Statement of financial position)** | |
| As previously disclosed | 856 167 |
| Expenditure previously omitted 2021/22 | - |
| Expenditure previously omitted 2022/23 | -1 594 |
| Restated amount | **854 573** |
| **31.5 Commitments - Opening Balances (Disclosure notes)** | |
| As previously disclosed | 1 183 364 |
| Commitments erroneously included in 2022/2023 | -20 072 |
| Restated amount | **1 163 292** |
| **31.6 Related parties - Other public entities (Disclosure notes)** | |
| As previously disclosed | 4 802 |
| Other public entities erroneously omitted in 2022/2023 | 2 250 |
| Restated amount | **7 052** |
| **31.7 Retention of Surplus ( Disclosure)** | |
| As previously disclosed | 789 187 |
| Expenditure omitted 2022/2023 | -1 594 |
| Restated amount | **787 593** |

## Notes

## Notes

MINING QUALIFICATIONS AUTHORITY

Mining Future Skills

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