ANNUAL REPORT 2016

higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

ORBIT TVET COLLEGE

TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS

AA & CC	Annual Awards & Certification Ceremony
AB	Academic Board
AGSA	Auditor General of South Africa
ASB	Accounting Standards Board
ARC	Audit and Risk Committee
ASO	Academic Support Officer
BDI	Business Development and Innovation
BMS	Business Management System
BS	Business Studies
CATHSSETA	Culture, Arts, Tourism, Hospitality and Sports Sector Education and TRAINING Authority
CET Act No.16 of 2016	CET Act
CETA	Construction Education and Training Authority
CoSSA	College Sport South Africa
DHET	Department of Higher Education and Training
ECD	Early Childhood Development
ES	Engineering Studies
ETDP SETA and	Education, Training and Development Practices Sector Training Authority
ETU	Education and Training Unit
EW SETA	Energy and Water Sector Education and Training Authority
FASSET	Finance and Accounting Services Sector Education and Training Authority
FINCOM	Finance Committee
FTE	Full Time Equivalent
GRAP	Generally Recognised Accounting Practice
HEI	Higher Education Institution
HoD	Head of Department
HR COMM	Human Resource and Remuneration Sub-Committee
ICASS	Integrated Continuous Assessment
ICDL	International Computer Driver's Licence
IPSAS	International Public Sector Accounting Services
ISAT	Integrated Summative Assessment Tasks
ISO9001:2008	International Quality Standard of the International Organisation for Standardisation
MANCO	Management Committee
MerSETA	Manufacturing, Engineering and Related Services Sector Education and Training Authority
MICT	Media, Information and Communication Technologies Sector Education and Training Authority
MIS	Management Information System
MoU	Memorandum of Understanding
MQA	Mining Qualifications Authority
NAMB	National Artisan Moderation Body
NATED	National Department of Education Report 190/191 Programmes
NC	National Certificate
NC(V)	National Certificate (Vocational)
NEETs	Not in Employment, Education, nor in Training
NQF	National Qualifications Framework
NSC	National Senior Certificate
NSDS	National Skills Development Strategy
NSFAS	National Student Financial Aid Scheme
NTC	National Technical Certificate
NYDA	National Youth Development Agency
PAL	Peer Academic Leaders
PRC	Planning and Resource Committee
QMS	Quality Management System
RPL	Recognition of Prior Learning
SABS	South African Bureau of Standards
SACPO	South African College Principals' Organisation
SARS	South African Revenue Services
SETA	Sector Education and Training Authority
SMME	Small, Medium and Macro Enterprise
SNE	Students with Special Needs for Education
SoP	Schedule of Particulars
SRC	Student Representative Council
SSO	Student Support Officer
THETA	Tourism, Hospitality and Sport Education and Training Authority
TVET	Technical and Vocational Education and Training
SSS	Student Support Services
Umalusi	Quality Assurance Body for the General and Further Education and Training Sectors in South Africa
VAT	Value Added Tax
W & R SETA	Wholesale and Retail Sector Education and Training Authority
WBE	Workplace-based Education
WIL	Work Integrated Learning
WPM	Wellness Peer Mentor

References in this Annual Report are to the FET Colleges Act No.16 of 2006 as amended by Act No.3 of 2012 and the Continuing Education and Training (CET) Colleges Act (No 16 of 2006)

PART A
GENERAL OVERVIEW

1 MESSAGE FROM THE COUNCIL CHAIRPERSON

The main role of the College Council at ORBIT TVET College is to ensure that sound corporate governance is maintained by articulating clear, measurable strategic priorities underpinned by clear institutional performance targets. Good corporate governance necessarily calls for alignment and compliance to all the legislation that governs TVET Colleges.

This is the year were the College had an undistracted focus towards achieving the set target by the Department of Higher Education and Training (DHET). It was obviously not a walk in the park. Along the way there were roadblocks. The College Council, employees and students always work many a times as hard as our counterparts. Always motivated because of the support they gave each other. Having the courage and self-confidence to keep on going through the road is sometimes unclear.

The College Council always see the positives, by always assisting our valued employees to see the positives – possibilities, options and opportunities. In today's complex world it is very tempting to fixate on the perceived negatives. For your personal sanity, avoid this. Make sure you always embrace the positives.

"Once you replace negative thoughts with positive ones, you'll start having positive results." – Willie Nelson

The Council give thanks to the College Management, our valued employees who ensures that quality is not negotiable and consistently excelling in their roles. Furthermore, we express our sincere appreciation to College Management, our valued employees, students, partners, parents, municipality, community at large and clients for their dedication and support rendered to the College to help us achieve the strategic targets as set out in the College Strategic Plan.

Anthony Robbins said these words: "It's not what we do once in a while that shapes our lives. It's what we do consistently."

____

Mabe CS

College Council Chairperson

2 OVERVIEW BY THE ACCOUNTING OFFICER

They say that the only time you should ever look back, is to see how far you have come. The TVET College Sector has had many challenges to be addressed since its inception in 2003. However, a life without difficulties would produce weak and untested people, incapable of appreciating success. Many of the great achievements of the world were accomplished by tired and discouraged people who kept on working.

There is an Irish proverb that says: "As you ramble through life, whatever be your goal; keep your eye upon the doughnut, not upon the hole!" This is precisely what the ORBIT College family has succeeded in doing over the years and specifically in 2016; we are clear about our vision of becoming a global institution of excellence, surpassing community needs, supported by our belief that you should never be a prisoner of your past as the past challenges are just lessons and not a life sentence! The commitment of the ORBIT College employees over years has transformed our promise to the community into a reality and the excellence experienced through this commitment assists us in never being content with mediocrity.

Despite the difficult and ever-evolving operating environment of 2016, we remained committed to our philosophy – that participation in relevant, accessible and affordable lifelong learning is transformational – and we demonstrate that daily. The College delivered outcomes that brought programmes and educational opportunities to transform the lives of thousands of young people enrolled in our programmes. There are still challenges ahead in our quest to achieve all our strategic goals, but I remain certain that given the quality and diversity of scope of our programmes, the opportunities of the new TVET College Sector, the commitment of our employees, the strong relationships we have with our students, the community and business and industry partners, we will be able to achieve the goal of being an institution of first choice.

The creation of our strategic plan in a vibrant market for education and training was a forward-looking exercise – but the foundations for that future are anchored in the successes of our past. Our strategic plan is driven by our guiding principles – what is our mission, and what philosophy and values drive us? After more than 14 years of operations we remain committed to the provision of quality, affordable education and training in the community, for the community. At a high level, we aim to enable individuals and families to transform their lives through participation in our quality education and training programmes where they feel welcome, respected and supported. We believe our graduates will be more confident members of their workplaces and communities because of the new skills, knowledge and qualifications they acquire.

Our staff members, students, the community and partners play a crucial part in promoting, supporting and sharing the mission and vision of ORBIT College. I hope that as you read this annual report you can embrace the passion we share in seeking to provide the opportunity for motivated learners to start on any step as they climb the ladder of learning.

They say that great leaders do not set out to be leaders, they set out to make a difference and I can say with confidence that for the ORBIT College Management Board it is never about the role, but about the goal; therefore the difference they make is visible. I would like to convey my heartfelt appreciation to all Management Board members for their selfless leadership, passion and ability to empower others in pursuit of our goals.

It is with pride that we can celebrate an increased certification rate and specifically the increased number of graduates that obtained their qualification within the stipulated timeframe. However, we have to find new opportunities to fund Occupational programmes to address the challenge of a negative growth in FTEs due to limited funding for Ministerial approved programmes.

An effective link between education and training and economic growth can be achieved through partnerships with business and industry, government departments, other institutions and community organisations. Partnerships are a strong indicator of the capacity of a College to be responsive to their local training needs. As such, this indicator serves as an important measure of the extent to which Colleges are reaching beyond the boundaries of traditional educational approaches so that their training is more relevant. In this regard we proudly launched the Centre for Entrepreneurship, supported by the Department of Small Business Development, and the Samsung Engineering and Electronics Academy. With these initiatives we will be able to foster a spirit of entrepreneurship as part of our normal curriculum delivery and introduce new opportunities for learning in refrigeration, air-conditioning and electronics.

2 OVERVIEW BY THE ACCOUNTING OFFICER

Supporting quality teaching and learning is a continuous process and despite limited funding we were able to build new teaching facilities at Brits and Mankwe Campuses, procure new computers, furniture, vehicles, tools and equipment and renovate student residences at Mankwe Campus.

Internal controls are not just things; they are people at every level of an organisation and rely on people for their effectiveness. We would like to applaud our employees for their role in assuring that the process of assuring achievement of our objectives in operational effectiveness and efficiency, reliable financial reporting and compliance with laws, regulations and policies was successfully implemented through proper internal control measures; thus ensuring yet another unqualified audit report for 2016!

Governance is not just about making the "right" decision; rather, it is about the process for decision-making. The ORBIT College Council has put in place relevant processes and structures to ensure proper oversight, guaranteeing that the College achieves on its mandate. Dr Steve Maraboli said: "If you hang out with chickens, you are going to cluck and if you hang out with eagles, you are going to fly". I would like to thank all our dynamic Council members and members of the Council sub-committees for their professionalism in exercising their oversight role, always willing to serve and motivate us to reach higher, preventing us from clucking and inspiring us to fly!

We plant seeds of knowledge on a daily basis. We know that what we do is not measured easily, because we do not always understand the impact of what we teach on the lives of our young people. I would like to acknowledge the contributions of our staff in supporting our students as well as the contributions by the SRC and students to play their role in making our team work! We would also like to sincerely thank our business partners who, through their involvement, enhanced the teaching and learning environment and provided new opportunities for our students.

Any driver who ever shared a long journey with a child has heard the dreaded words: "Are we there yet?" Looking at the journey of 2016 we can confirm that we are not yet there as the TVET College road is still full of obstacles with many cross roads, detours and short cuts. But we always have to remember that difficult roads often lead to beautiful destinations because if the short cut had been the best road, then it would have been the main road! Rick Warren said: "Remember how far you have come, not just how far you have to go. You are not where you want to be, but neither are you where you used to be!" We have achieved a lot and should be proud of our achievements. Going forward to 2017 we should stop worrying about the possible potholes in our road, but rather celebrate our achievements and enjoy our journey, knowing that looking ahead will give us new opportunities to serve our young people.

Let us be committed to aspire to inspire our students for greater success in the year to come. Kenneth Blanchard said:
"There is a difference between interest and commitment. When you are interested in doing something, you do it only when it is convenient. When you are committed to something, you accept no excuses, only results"

M. Marais

Marais M (Ms)
Principal/Accounting Officer

3 STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY

To the best of my knowledge and belief, I confirm the following:

1. All information and amounts disclosed throughout the annual report are consistent.

2. The annual report has been prepared in accordance with the guidelines issued by the Department of higher Education and Training.

3. The Annual Financial Statements have been prepared in accordance with the relevant standards, frameworks and guidelines issued by National Treasury.

4. The Accounting Officer, i.e. the Principal, is responsible for the preparation of the Annual Financial Statements and for the judgements made in this document.

5. The Accounting Officer, i.e. the Principal, is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the Human Resources information and the Annual Financial Statements.

6. The Auditor-General express an independent opinion on the Annual Financial Statements.

In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of ORBIT TVET College for the financial year ended December 2016.

M. Marais

Marais M (Ms)
Principal/Accounting Officer

4 STRATEGIC OVERVIEW

4.1 Vision, Mission and Value Statements

VISION

A global institution of excellence, surpassing community needs

MISSION

To provide high quality Education and Training that is affordable, relevant, learner centred and that contributes to the total development of individuals through

- Optimal utilisation of resources
- Creative and innovative modes of delivery
- Appropriately skilled staff and
- Community upliftment

KEY VALUES

ORBIT College believes in

TRANSFORMATION

Policies, procedures, activities and programmes are responsive to community needs and redress imbalances of the past, thereby ensuring increased inclusivity and accessibility

ACCOUNTABILITY

Decision-making processes are transparent with proper financial management systems and procedures with the focus on efficiency and effectiveness, including being fair, ethical and trustworthy in all that we do

RESPECT

We respect the values of human dignity, equality, human rights and freedom, non-racism and non-sexism

TEAMWORK

Co-operating with one another, the community, business stakeholders and partners in education in an open and supportive way to achieve shared goals

4 STRATEGIC OVERVIEW

4.2 Strategic Objectives

TVET COLLEGE STRATEGIC OBJECTIVES				
Strategic Objective 1	**Objective Statement**	**Baseline**	**Justification**	**Links**
To provide quality technical and vocational education and training services and increase academic achievement and success of students.	To improve quality of technical and vocational education and training provision through the development of teaching and learning support plans, inclusive of appropriate student support.	0	To ensure that lecturers and students receive the support necessary for lecturers to function optimally and students to perform optimally in technical and vocational programmes. To ensure improvement in student success in programmes offered at the college as well as student progression (measured in terms of pass rates).	Linked to NDP, MTSF and White Paper on PSET
Strategic Objective 2	**Objective Statement**	**Baseline**	**Justification**	**Links**
To have adequate infrastructure and systems in place to increase access and provide effective services to students.	To ensure institutional capacity and efficiency in terms of the provision of access and support services to students.	Verified headcount student enrolment 2014 Audited number of college infrastructure and facilities Reported percentage utilisation of college infrastructure and facilities	To increase the number of skilled youth by expanding access to education and training opportunities while ensuring provision of effective services to students.	Linked to NDP, MTSF and White Paper on PSET
Strategic Objective 3	**Objective Statement**	**Baseline**	**Justification**	**Links**
To develop partnerships and maintain good stakeholder relations to increase the number of students who are adequately prepared to enter the labour market or further and higher learning opportunities.	To increase the number of students who are able to access formal or self-employment and/or further and higher education and training opportunities. To provide work placement opportunities for lecturing staff in order to improve quality of teaching and learning.	Partnerships (inclusive of memoranda of agreement or understanding and/or contracts) established in 2014 Number of students and lecturing staff placed for WBE and WIL.	To ensure students are adequately prepared and supported to access formal or self-employment and/or further and higher learning opportunities.	Linked to NDP, MTSF and White Paper on PSET

4 STRATEGIC OVERVIEW

4.2 Strategic Objectives

TVET COLLEGE STRATEGIC OBJECTIVES				
Strategic Objective 4	**Objective Statement**	**Baseline**	**Justification**	**Links**
To ensure continuous business excellence in terms of good corporate governance and effectual management of all college resources as well as information and data reporting.	To govern and steer the college to function optimally and take appropriate action where deficiencies are detected.	Percentage compliance to governance standards	To ensure the college is efficiently governed and managed within the applicable acts, policy and regulatory frameworks and standards relevant thereto so that it functions optimally.	Linked to NDP, MTSF and White Paper on PSET
Strategic Objective 5	**Objective Statement**	**Baseline**	**Justification**	**Links**
To monitor and evaluate all college processes in terms of the TVET College Monitoring and Evaluation Framework and report quarterly on college performance in this regard.	To monitor and report on college systemic efficiency so that appropriate action is taken where deficiencies are detected.	As reported in quarterly M&E reports in 2014	To ensure monitoring and evaluation of college processes and plans are conducted and regularly reported on.	Linked to NDP, MTSF and White Paper on PSET

5 LEGISLATIVE AND OTHER MANDATES

5.1 Legislative Framework

In terms of Sections 25(3) and 25(4) of the Continuing Education and Training (CET) Colleges Act, No 16 of 2006 (as amended), public technical and vocational education and training (TVET) colleges are required to produce annual financial reports and to comply with any reasonable additional reporting requirement established by the Minister. Moreover, Section 44 of the Act requires colleges to annually report to the Minister in respect of its performance and its use of available resources.

In addition, these pieces of legislation govern and steer the college in terms of achievement of its strategic and performance objectives.

Further sets of legislation that impact on the TVET colleges sector and its strategic and national imperatives are listed below:

- National Qualifications Framework (NQF) Act (No 67 of 2008);
- Higher Education (HE) Act (No 101 of 1997);
- Skills Development Act (No 97 of 1998);
- Skills Development Levies Act (no 9 of 1999); and
- General and Further Education and Training Quality Assurance Act (No 58 of 2001).

In addition, the White Paper for Post-School Education and Training mandates delivery and strategic priorities in the TVET colleges sector. Other policy mandates include:

- National Trade Testing Regulations;
- SETA Grant Regulations;
- National Skills Development Strategy;
- Public TVET College Attendance and Punctuality Policy; and
- Policy on the Conduct of National Examinations and Assessment.

5.2 Annual Cycle of Reporting

The final annual reports of the TVET colleges must be submitted to the Department on the **last day of June the following year**. These reports, referred to in Sections 25 and 44 of the CET Colleges Act, must include:

- a report on the overall management and governance of the college;
- a report on its overall performance and use of available resources;
- duly audited annual financial statements; and
- any additional information required by the Minister in terms of the Act.

5.3 Audits and verification timeframes

The table below reflects the periods during which audits will be conducted annually for enrolment dataset of the previous academic year as per "Audit and Verification of TVET College Enrolment Policy".

External audit by AG	April to May annually
Internal audit by college-appointed auditors	January to May annually
Departmental Verification	February to March annually
Annual report submission with unaudited headcount (electronic copy)	31 March of year of audit
Annual financial statements (unaudited) submission	31 March of year of audit
Annual financial statements (audited) submission	31 March of year of audit
Annual report submission with audited headcount	30 June of year of audit

6 HIGH-LEVEL ORGANISATIONAL STRUCTURE

- **College Principal**
  M MARAIS (MS)
  - **Deputy Principal: Academic Programmes and Student Support Services**
    TJ MOSITO
    - Business Development and Innovation Manager
      PM MATLOU
    - Student Support Services Manager
      (VACANT)
    - Vocational Programmes Manager
      MS MAJA (MS)
    - Artisan Development Manager
      (VACANT)
  - **Deputy Principal Finances (ACTING)**
    L DE BEER (MS)
    - Finance Manager
      M VISSER (MS)
    - Supply Chain Manager
      MO SHOKO (MS)
    - Management Accounts Manager (Vacant)
  - **Deputy Principal: Corporate Services**
    MS MATJIANE
    - Data and Information Manager
      JCH VILJOEN (DR)
    - HR Manager
      RI MTHOMBENI (MS)
    - IT Manager
      PS MAKHOYE
    - Corporate Communications Manager
      M VILJOEN (MS)
  - **Internal Auditor and Assurance Manager**
    MANUEL R
    Date of resignation:
    31 August 2016
  - **Campus Managers**
    ZM NKOMO (MANKWE)
    MM SCHOLTZ (MS) (RUSTENBURG)
    TM TLHOPILE (MS) (BRITS)

6 HIGH-LEVEL ORGANISATIONAL STRUCTURE

NUMBER OF LECTURING & SUPPORT STAFF					
Category	BRITS	MANKWE	RUSTENBURG	CENTRAL OFFICE	ORBIT STAFF 2016
Management Staff				4	4
Lecturing Staff	64	82	92	4	242
Support Staff	33	56	33	53	175
TOTAL	**97**	**138**	**125**	**61**	**421**
Lecturing/Support Staff Ratio	**1:0.52**	**1:0.68**	**1:0.36**		**1:0.72**

PART B
PERFORMANCE INFORMATION

PART B: PERFORMANCE INFORMATION

1. COLLEGE PERFORMANCE: ENROLMENTS AND ACADEMIC PERFORMANCE

1.1 STUDENT ENROLMENTS

1.1.1 GROWTH ANALYSIS (COMPARATIVE HEADCOUNT 2015 – 2016)

Growth Analysis (Comparative Headcount 2015-2016)				
CAMPUS / YEAR	2014	2015	2016	% Growth / Campus
BRITS	3625	3321	3246	-2%
MANKWE	3609	2869	3223	11%
RUSTENBURG	5930	4996	4369	-14%
ORBIT College Totals	13164	11186	10838	
% College Growth / Year	-1%	-18%	-3%	

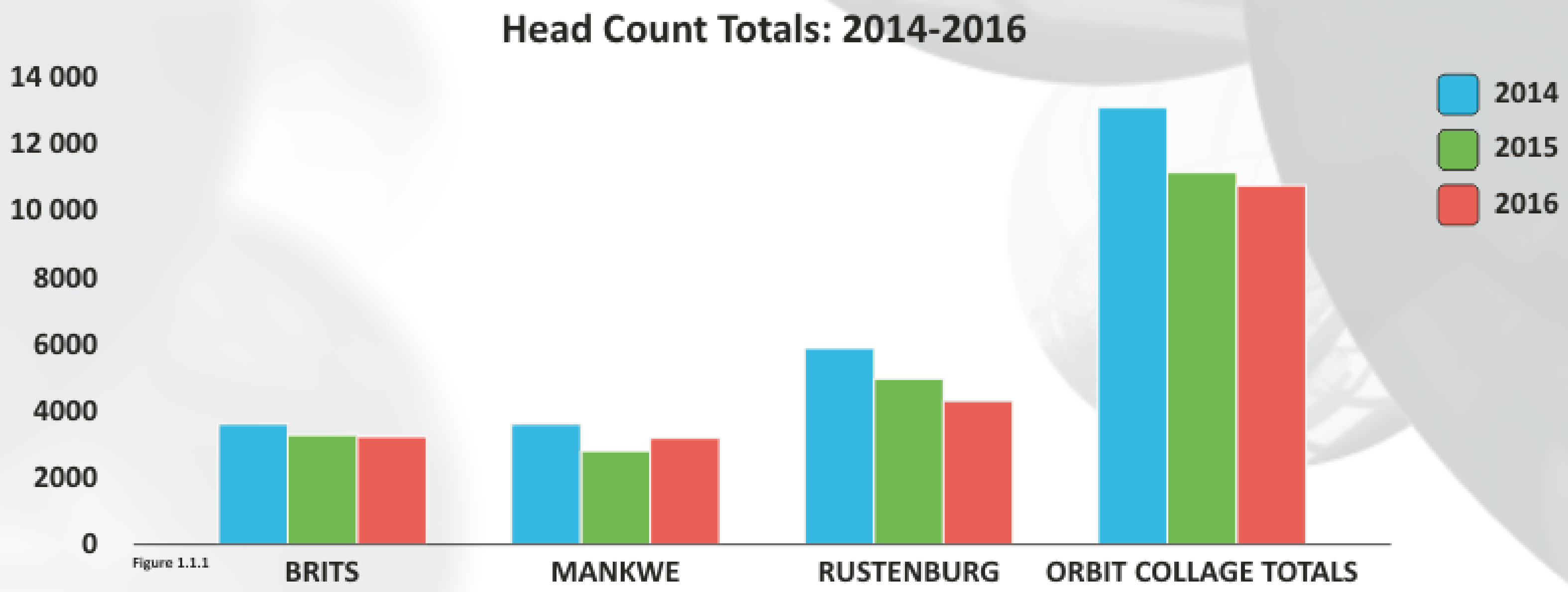


Figure 1.1.1

PART B: PERFORMANCE INFORMATION

1.1.2 FULL TIME EQUIVALENTS (FTEs) FOR VOCATIONAL/MINISTERIAL FUNDED PROGRAMMES 2014 – 2016

A) FTEs NC(V) PROGRAMMES - 2014-2016			
Campus	2014-2016		
	FTEs 2014	FTEs 2015	FTEs 2016
Brits	1191.47	966.39	874.20
Mankwe	1449.88	1167.45	1136.36
Rustenburg	1548.70	1350.35	1297.55
College NC(V) Totals	4190.05	3484.19	3308.11
NC(V) % Growth / Year	-4%	-17%	-5%

C) Total FTEs PER CAMPUS - 2014-2016				
Brits	FTEs 2014	FTEs 2015	FTEs 2016	% Growth / Campus
Mankwe	2538.37	2256.81	2047.59	-9%
Rustenburg	2793.23	2213.86	2237.24	1%
Campus	3227.76	3084.35	2845.63	-8%

B) FTEs NATED / REPORT 191 PROGRAMMES - 2014-2016				
Campus	2014 - 2016			
	Programme	FTEs 2014	FTEs 2015	FTEs 2016
Brits	Engineering Studies	663.26	571.29	554.77
	Business Studies	683.64	719.13	618.63
	Sub-Total	1346.90	1290.41	1173.39
Mankwe	Engineering Studies	720.44	530.54	559.25
	Business Studies	622.91	515.88	541.63
	Sub-Total	1343.35	1046.41	1100.88
Rustenburg	Engineering Studies	1008.05	1059.25	974.58
	Business Studies	671.01	674.75	573.50
	Sub-Total	1679.06	1734.00	1548.08
College NATED Totals		4369.31	4070.82	3822.34
NATED % Growth / Year		12%	-7%	-6%

PART B: PERFORMANCE INFORMATION

1.1.2 FULL TIME EQUIVALENTS (FTEs) FOR VOCATIONAL/MINISTERIAL FUNDED PROGRAMMES 2014 – 2016

TOTAL FTEs FOR PROGRAMMES 2014 – 2016			
Programme	FTEs 2014	FTEs 2015	FTEs 2016
NC(V) FTEs	4190.05	3484.19	3308.11
NATED FTEs	4369.31	4070.82	3822.34
Total FTEs for College	8559.36	7555.01	7130.45
% Growth / Year	4%	-12%	-6%

Note: Occupational Learning Programmes are calculated only in terms of enrolment numbers and are not based on FTEs
FTEs exclude exemptions, cancellations and exam-only enrolments

TOTAL FTEs FOR COLLEGE: 2014-2016

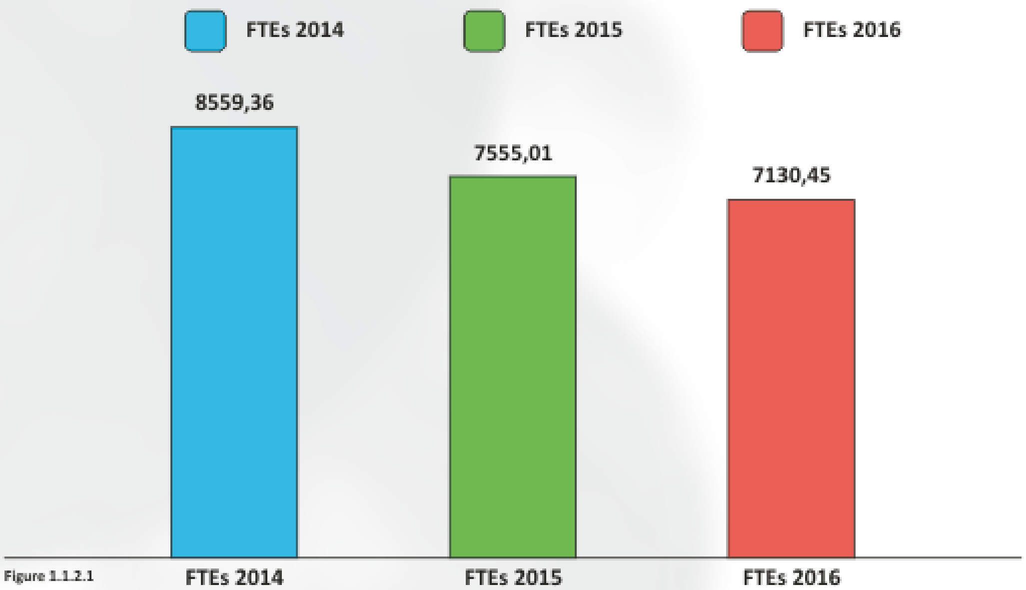


Figure 1.1.2.1

TOTAL COLLEGE FTEs DISTRIBUTION: 2016

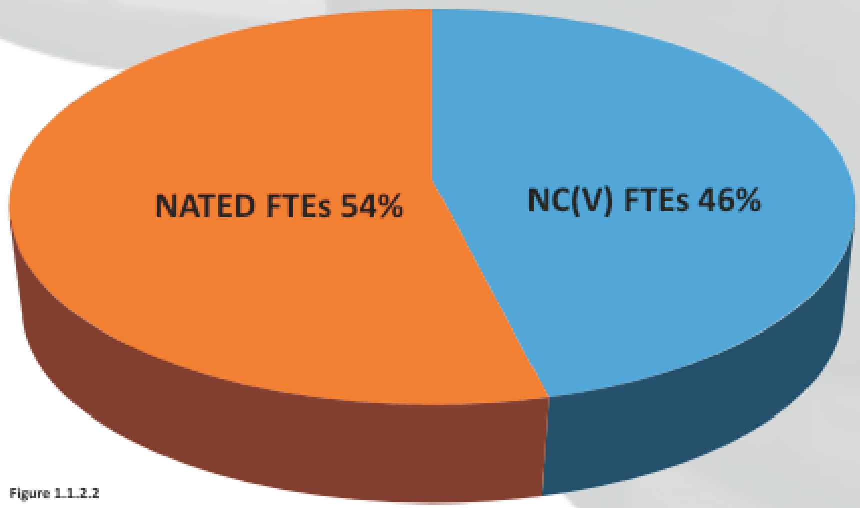
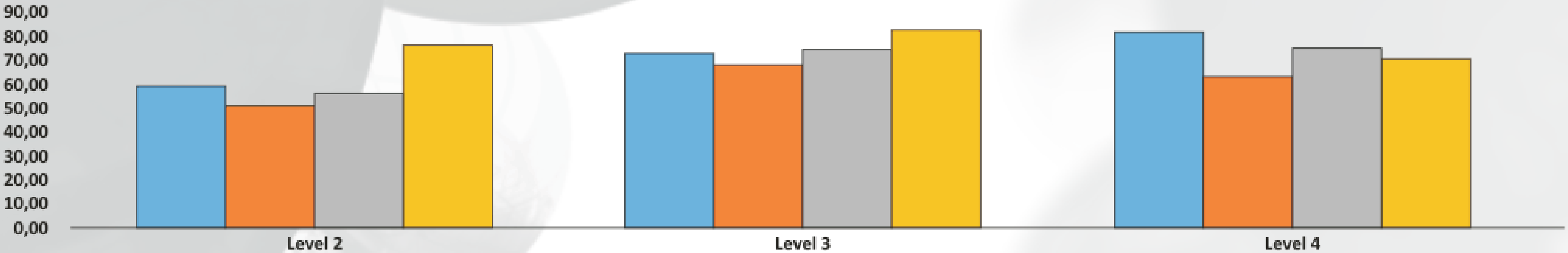


Figure 1.1.2.2

1.2.1 NC(V) CERTIFICATION RATE 2013 – 2016 (Based on number written vs number passed)

	2013					2014					2015					2016				
	CERTIFICATION RATE					CERTIFICATION RATE					CERTIFICATION RATE					CERTIFICATION RATE				
	Enrolled	Written	Passed	% Pass	Retention	Enrolled	Written	Passed	% Pass	Retention	Enrolled	Written	Passed	% Pass	Retention	Enrolled	Written	Passed	% Pass	Retention
Level 2	2231	1467	880	59.99	65.76	1864	1219	630	51.68	65.40	1265	778	445	57.20	61.50	1566	563	437	77.62	35.95
Level 3	626	550	406	73.82	87.86	817	723	500	69.16	88.49	583	524	396	75.57	89.88	441	384	322	83.85	87.07
Level 4	411	382	317	82.98	92.94	417	399	254	63.66	95.68	497	482	367	76.14	96.98	426	404	289	71.53	94.84

NCV: CERTIFICATION RATE: 2013 - 2016



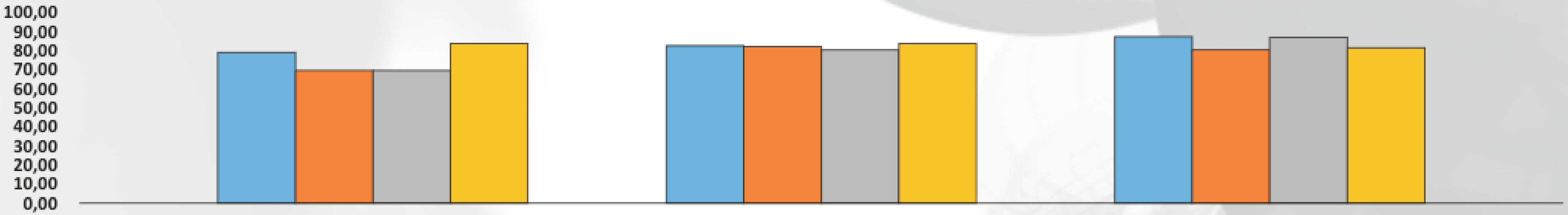
	Level 2	Level 3	Level 4
2013	59,99	73,82	82,98
2014	51,68	69,16	63,66
2015	57,20	75,57	76,14
2016	77,62	83,85	71,53

Figure 1.2.1.1

1.2.2 NC(V) PASS RATE (BASED ON SUBJECT ENROLMENTS) 2013 – 2016

	2013					2014					2015					2016					
	SUBJECT ENROLMENTS					SUBJECT ENROLMENTS					SUBJECT ENROLMENTS					SUBJECT ENROLMENTS					
	Enrolled	Written	Passed	% Pass	Retention	Enrolled	Written	Passed	% Pass	Retention	Enrolled	Written	Passed	% Pass	Retention	Enrolled	Written	Passed	% Pass	Retention	Throughput
Level 2	17393	12466	9940	79.74	71.67	15072	10513	7357	69.98	69.75	10906	7188	5059	70.38	65.91	12443	6465	5408	83.65	83.65	43.46
Level 3	7846	6489	5416	83.46	82.70	8784	7407	6120	82.62	84.32	7562	6227	5060	81.26	82.35	5688	4566	3843	84.17	84.17	67.56
Level 4	4856	4217	3714	88.07	86.84	5174	4644	3747	80.68	89.76	5857	5251	4606	87.72	89.65	5043	4419	3642	82.42	82.42	72.22

NCV: PASS RATE: 2013 - 2016 (BASED ON SUBJECT ENROLMENTS)

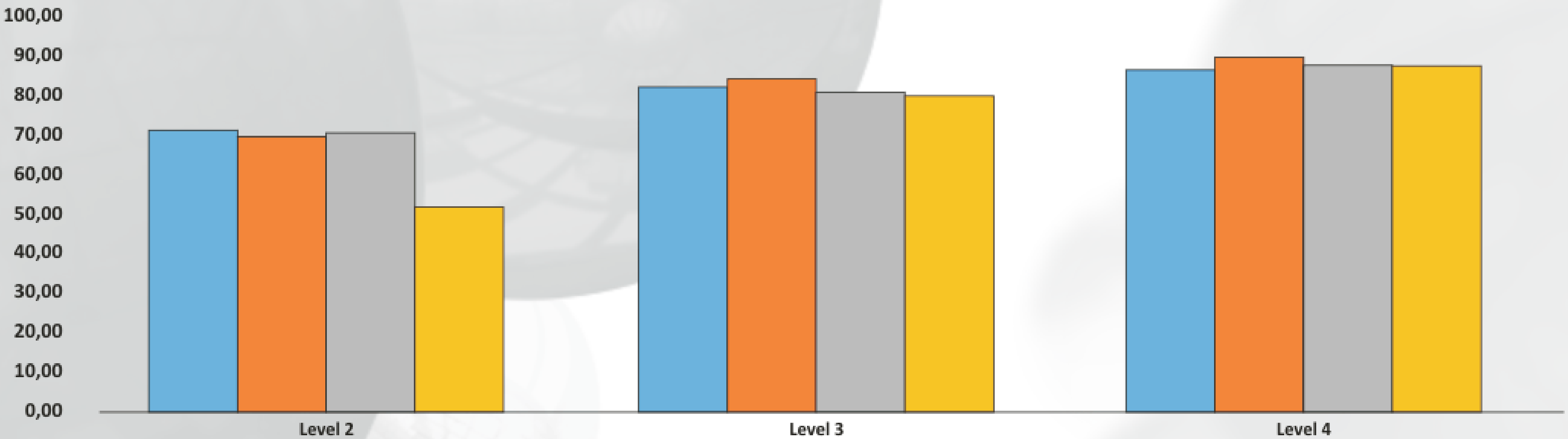


	Level 2	Level 3	Level 4
2013	79,74	83,46	88,07
2014	69,98	82,62	80,68
2015	70,38	81,26	87,72
2016	83,65	84,17	82,42

Figure 1.2.2.1

1.2.3 NC(V) RETENTION RATE (BASED ON SUBJECT ENROLMENTS) 2013 - 2016

NCV: RETENTION RATE: 2013 - 2016 (BASED ON SUBJECT ENROLMENTS)



	Level 2	Level 3	Level 4
2013	71,67	82,70	86,84
2014	69,75	84,32	89,76
2015	70,38	81,26	87,72
2016	51,96	80,27	87,63

Figure 1.2.3.1

PART B: PERFORMANCE INFORMATION

1.2 STUDENT ACADEMIC PERFORMANCE

1.2.4 REPORT 191 (NATED) CERTIFICATION RATE (SEMESTER PROGRAMMES) 2016 (Based on number written vs number passed)

	SEMESTER 1: 2016					SEMESTER 2: 2016				
	CERTIFICATION RATE					CERTIFICATION RATE				
	Enrolled	Written	Passed	% Pass	Retention	Enrolled	Written	Passed	% Pass	Retention
N4	748	576	394	68.40	77.01	537	358	249	69.55	66.67
N5	87	56	8	14.29	64.37	450	298	166	55.70	66.22
N6	203	168	117	69.64	82.76	79	71	24	33.80	89.87

REPORT 191 SEMESTER PROGRAMMES CERTIFICATION RATE: 2016

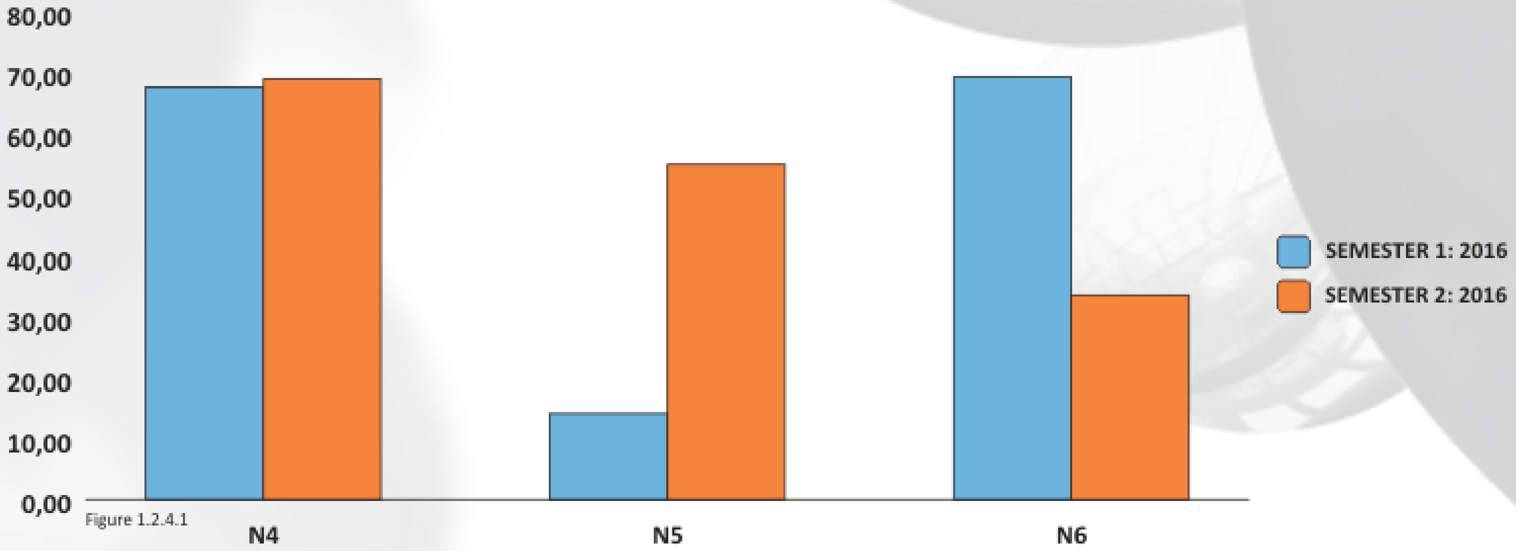


Figure 1.2.4.1

PART B: PERFORMANCE INFORMATION

1.2.5 REPORT 191 (NATED) PASS RATE (SEMESTER PROGRAMMES) 2016

	SEMESTER 1: 2016					SEMESTER 2: 2016				
	SUBJECT ENROLMENTS					SUBJECT ENROLMENTS				
	Enrolled	Written	Passed	% Pass	Retention	Enrolled	Written	Passed	% Pass	Retention
N4	3423	2842	2401	84.48	83.03	2627	1985	1653	83.27	75.56
N5	1833	1443	792	54.89	78.72	2973	2219	1511	68.09	74.64
N6	2147	1883	1413	75.04	87.70	1355	1225	814	66.45	90.41

PASS RATE: 2016 (BASED ON SUBJECT ENROLMENTS)

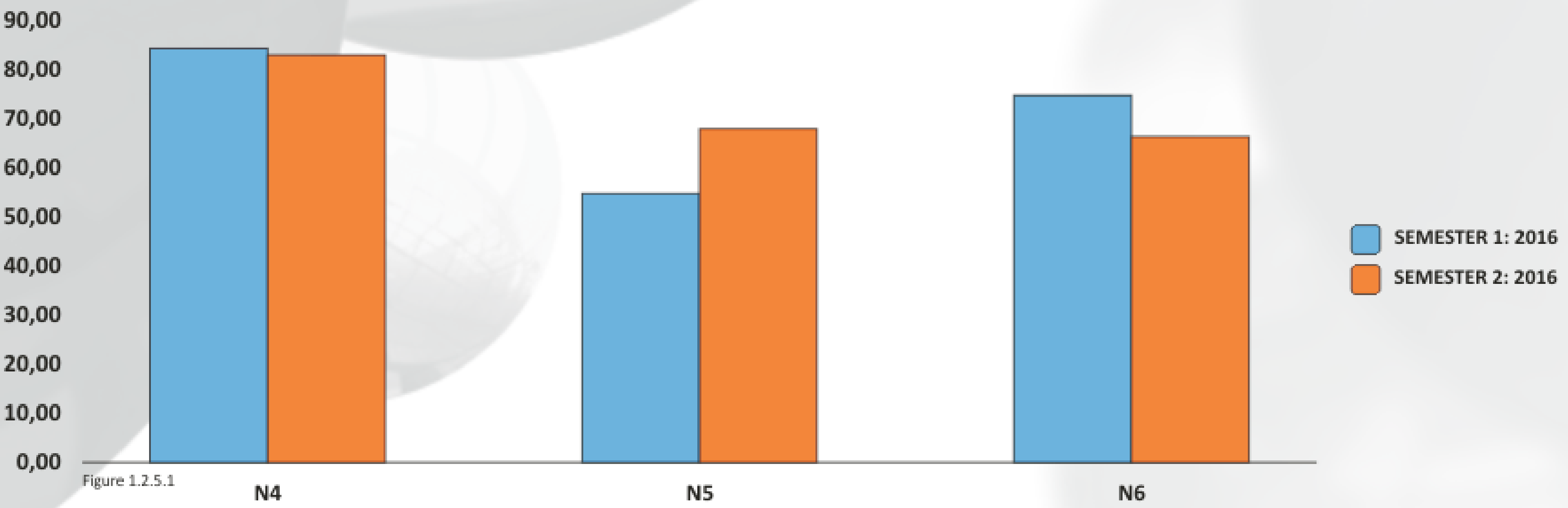


Figure 1.2.5.1

1.2.6 REPORT 191(NATED) SEMESTER PROGRAMMES RETENTION RATE: 2016

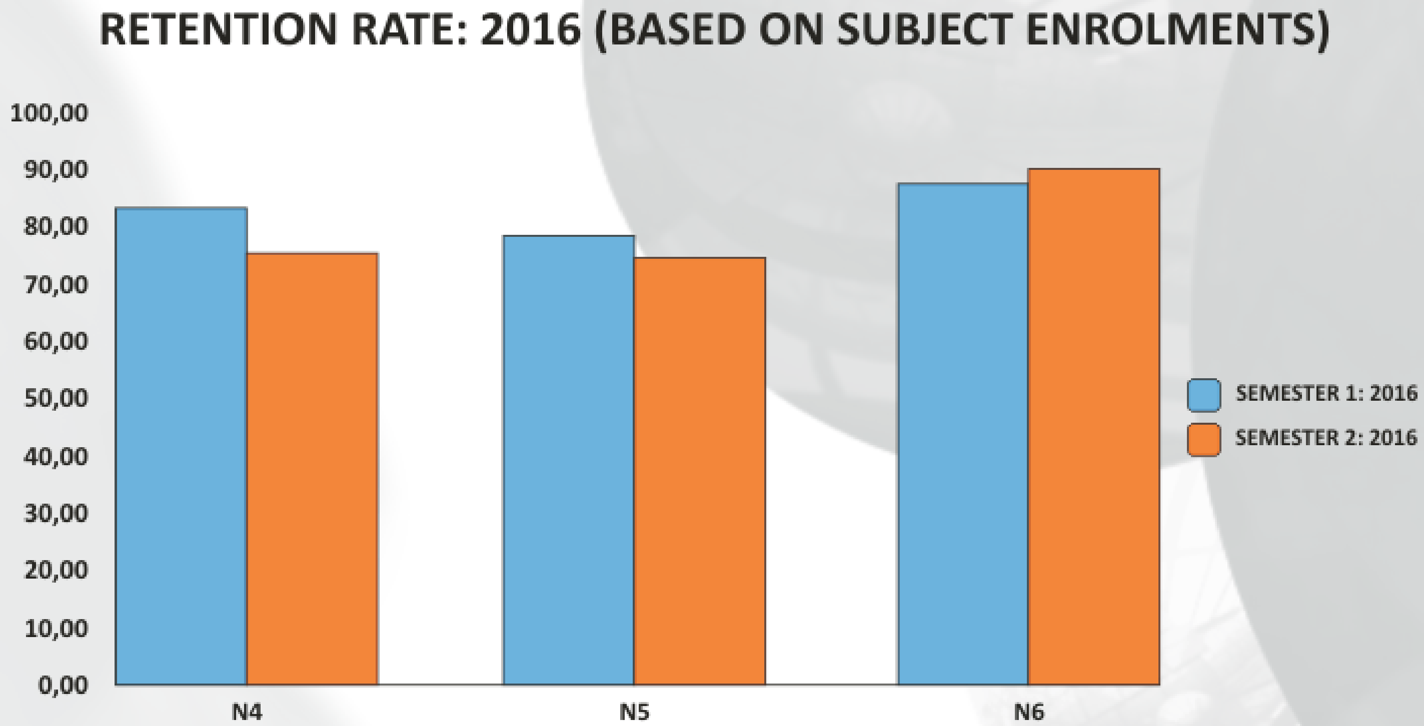


Figure 1.2.6.1

PART B: PERFORMANCE INFORMATION

1.2.7 REPORT 191 (NATED) CERTIFICATION RATE (TRIMESTER PROGRAMMES) 2016 (Based on number written vs number passed)

	TRIMESTER 1: 2016					TRIMESTER 2: 2016					TRIMESTER 3: 2016				
	CERTIFICATION RATE					CERTIFICATION RATE					CERTIFICATION RATE				
	Enrolled	Written	Passed	% Pass	Retention	Enrolled	Written	Passed	% Pass	Retention	Enrolled	Written	Passed	% Pass	Retention
N1	311	259	174	67.18	83.28	456	358	231	64.53	78.51	135	70	64	91.43	51.85
N2	307	247	88	35.63	80.46	417	351	152	43.30	84.17	315	131	79	60.31	41.59
N3	170	126	26	20.63	74.12	224	176	52	29.55	78.57	235	74	43	58.11	31.49
N4	143	110	62	56.36	76.92	127	96	46	47.92	75.59	221	140	75	53.57	63.35
N5	125	92	21	22.83	73.60	97	85	28	32.94	87.63	95	66	21	31.82	69.47
N6	53	20	2	10.00	37.74	52	42	12	28.57	80.77	62	46	15	32.61	74.19

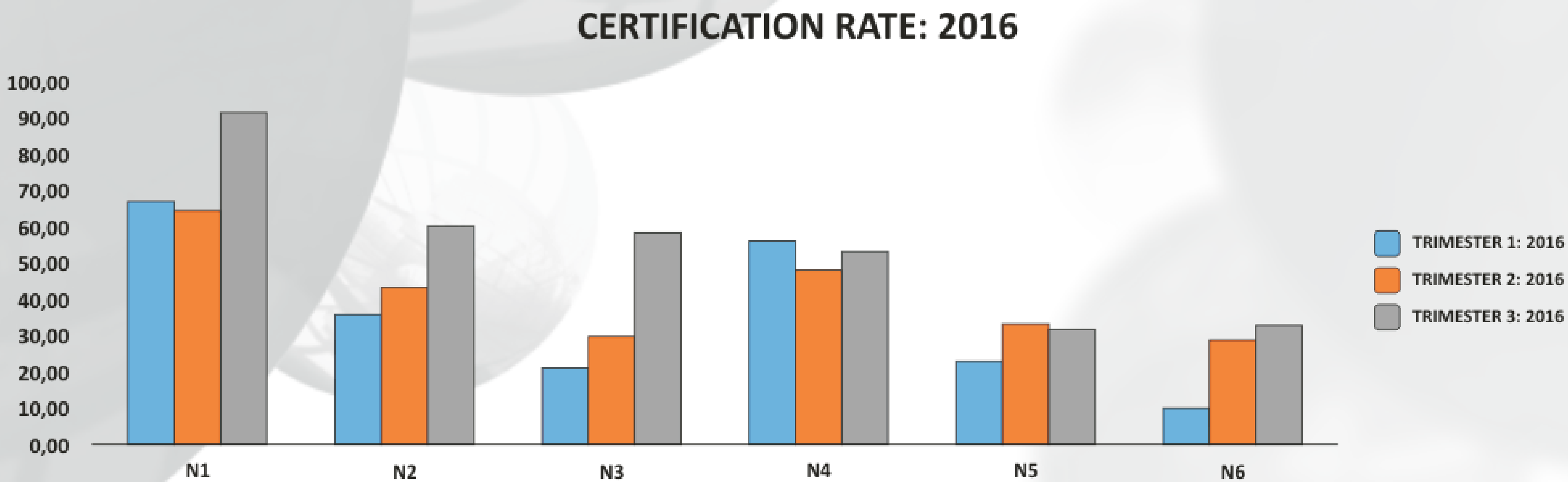


Figure 1.2.7.1

PART B: PERFORMANCE INFORMATION

1.2.8 REPORT 191 (NATED) PASS RATE (TRIMESTER PROGRAMMES) 2016

	TRIMESTER 1: 2016					TRIMESTER 2: 2016					TRIMESTER 3: 2016				
	SUBJECT ENROLMENTS					SUBJECT ENROLMENTS					SUBJECT ENROLMENTS				
	Enrolled	Written	Passed	% Pass	Retention	Enrolled	Written	Passed	% Pass	Retention	Enrolled	Written	Passed	% Pass	Retention
N1	1383	1164	910	78.18	84.16	1978	1716	1320	76.92	86.75	833	517	448	86.65	62.06
N2	2306	1973	1174	59.50	85.56	2643	2087	1251	59.94	78.96	2318	1330	858	64.51	57.38
N3	1883	1529	676	44.21	81.20	2219	1905	973	51.08	85.85	2396	1117	583	52.19	46.62
N4	1344	1101	706	64.12	81.92	1318	1099	749	68.15	83.38	1815	1164	827	71.05	64.13
N5	1007	780	379	48.59	77.46	1049	884	487	55.09	84.27	1187	890	548	61.57	74.98
N6	565	387	131	33.85	68.50	593	507	353	69.63	85.50	659	505	336	66.53	76.63

PASS RATE: 2016 (BASED ON SUBJECT ENROLMENTS)

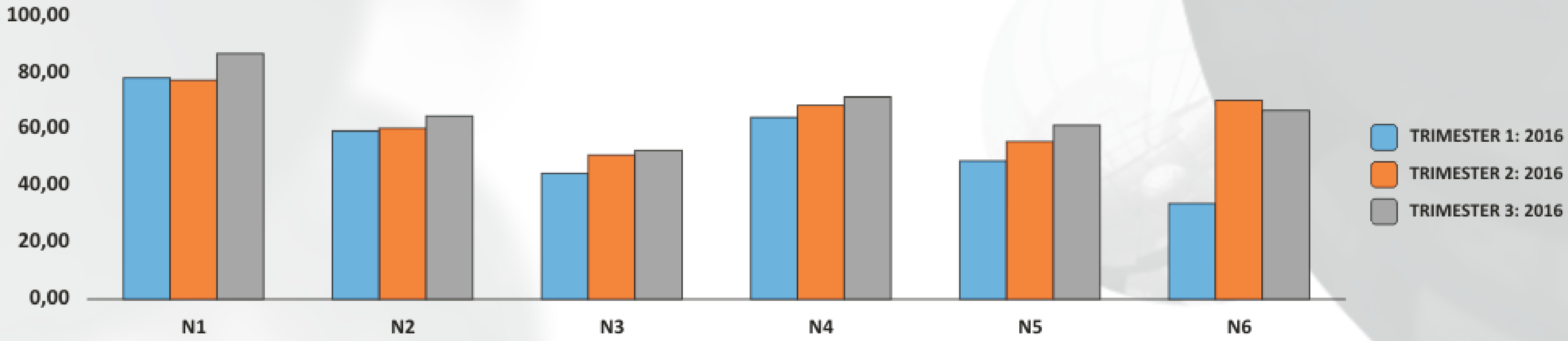


Figure 1.2.8.1

PART B: PERFORMANCE INFORMATION

1.2.9 REPORT 191 (NATED) RETENTION RATE (TRIMESTER PROGRAMMES) 2016

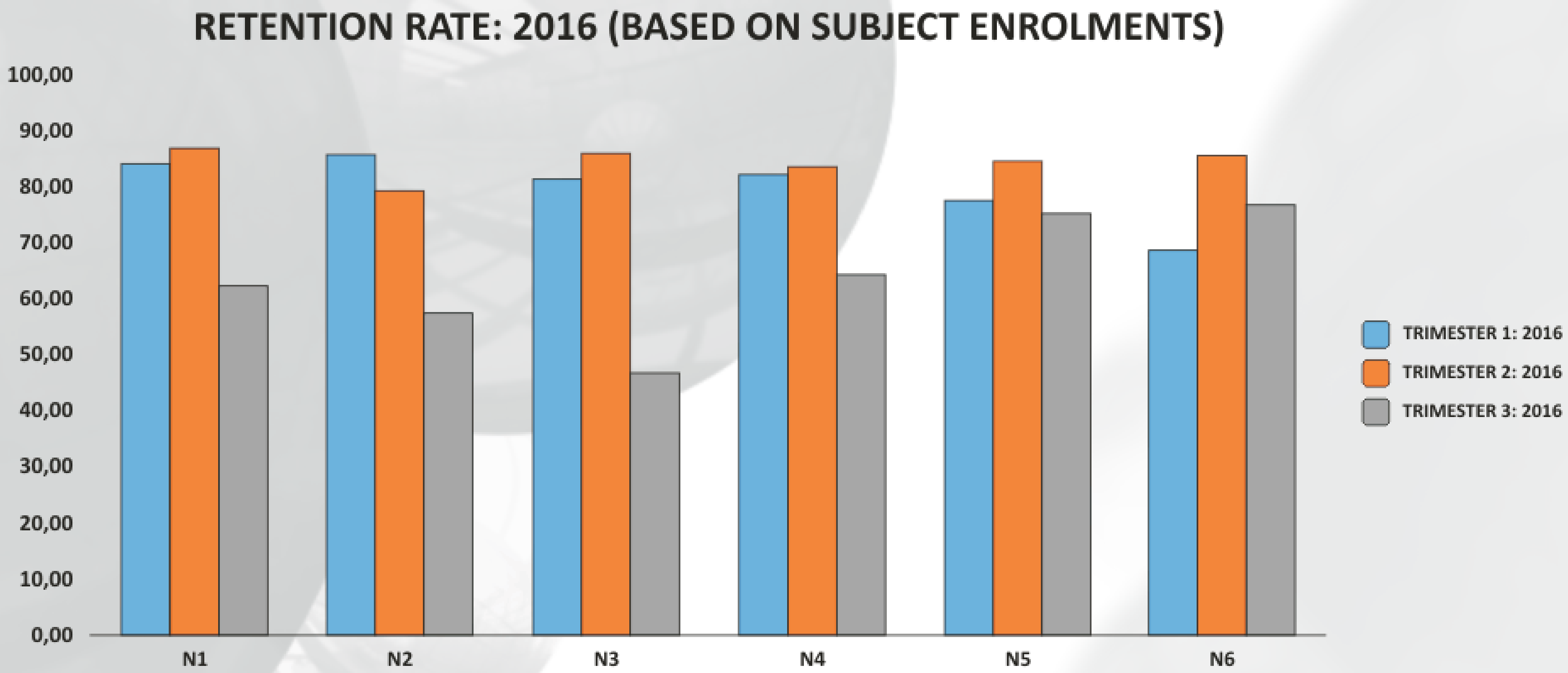


Figure 1.2.9.1

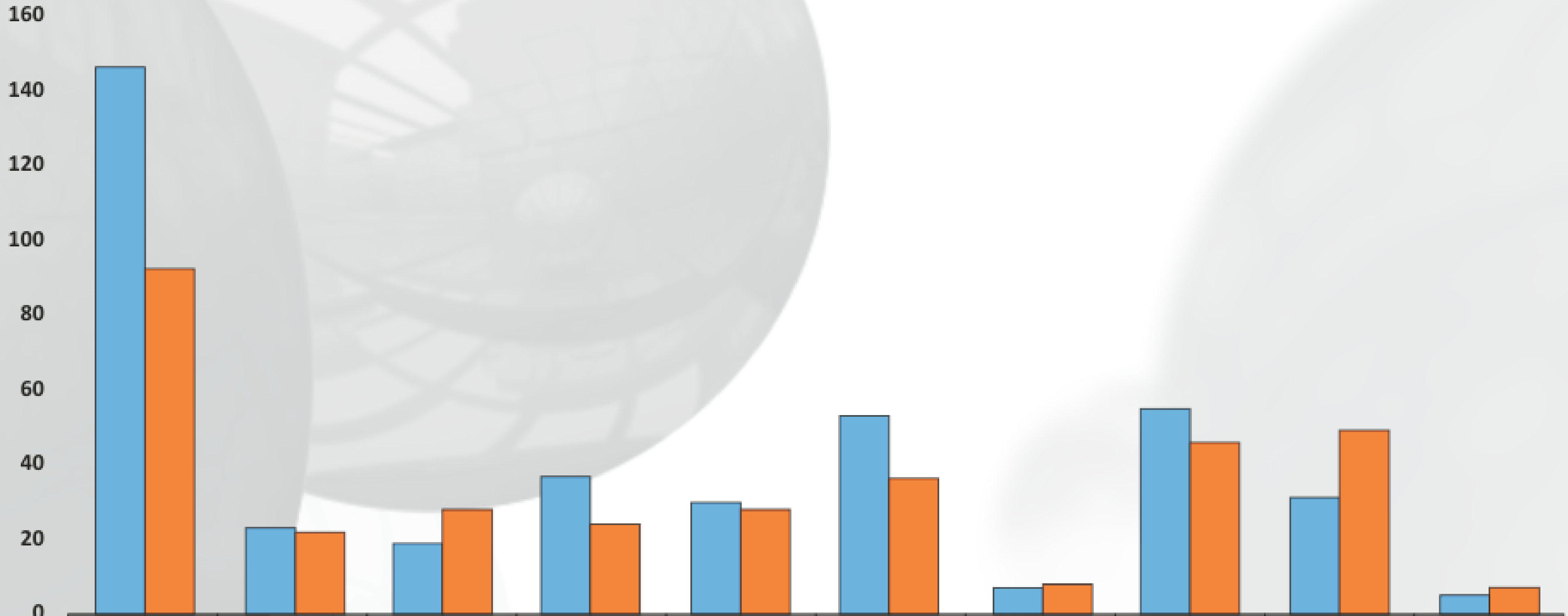
1.2.10 COMPLIANT GRADUATES 2016

1.2.10.1 NC (V) COMPLIANT GRADUATES 2015-2016

NC(V) LEVEL 4 GRADUATES (PASSING ALL 21 SUBJECTS) 2015 - 2016			2015 - 2016 STUDENT COMPLIANCE TO HE INSTITUTIONAL ADMISSION REQUIREMENTS					
Programme	2015 Graduates	2016 Graduates	2015 Higher Certificate	2016 Higher Certificate	2015 Diploma	2016 Diploma	2015 Bachelor's Degree	2016 Bachelor's Degree
			Requires an NC(V) Level 4 certificate to have been issued, passing all 21 subjects)		Requires an NC(V) Level 4 certificate having been issued with 50% in three fundamental subjects and 60% in 3 compulsory vocational subjects)		Requires an NC(V) Level 4 certificate having been issued with 60% in three fundamental subjects and 70% in four vocational subjects)	
Office Administration	146	92	108	82	35	9	3	1
Finance, Economics and Accounting	23	22	21	19	2	3		
Management	19	28	10	23	8	5	1	
Tourism	37	24	21	21	13	3	3	
Hospitality	30	28	25	25	5	3		
Transport & Logistics	53	36	43	35	8	1	2	
ICT & Computer Science	7	8	7	7		1		
Electrical Infrastructure Construction	55	46	49	43	5	3	1	
Engineering & Related Design	31	49	30	41	1	8		
Civil Engineering Construction	5	7	4	7			1	
TOTAL COMPLIANT GRADUATES	**406**	**340**	**318**	**303**	**77**	**36**	**11**	**1**
			TOTAL					**340**

PART B: PERFORMANCE INFORMATION

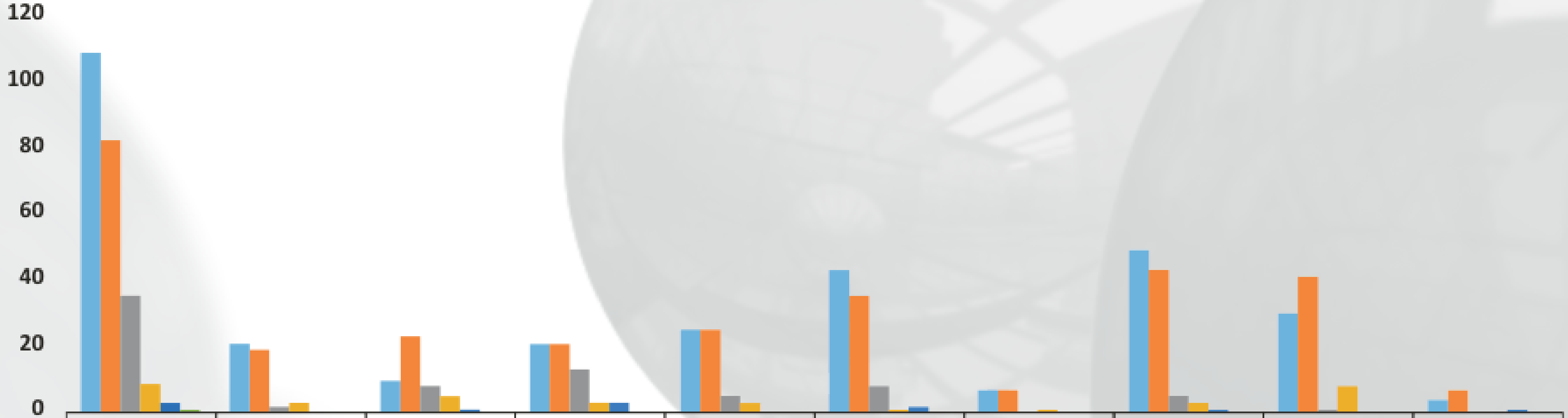
1.2.10.1 NC (V) COMPLIANT GRADUATES 2015-2016



	Office Administration	Finance, Economics and Accounting	Management	Tourism	Hospitality	Transport & Logistics	ICT & Computer Science	Electrical Infrastructure Construction	Engineering & Related Design	Civil Engineering Construction
2015 Graduates	146	23	19	37	30	53	7	55	31	5
2016 Graduates	92	22	28	24	28	36	8	46	49	7

Figure 1.2.10.1

1.2.10.2 ARTICULATION OF NC(V) GRADUATES INTO HIGHER EDUCATION 2015-2016



	Office Administration	Finance, Economics and Accounting	Management	Tourism	Hospitality	Transport & Logistics	ICT & Computer Science	Electrical Infrastructure Construction	Engineering & Related Design	Civil Engineering Construction
2015: Higher Certificate	108	21	10	21	25	43	7	49	30	4
2016: Higher Certificate	82	19	23	21	25	35	7	43	41	7
2015: Diploma	35	2	8	13	5	8		5	1	
2016: Diploma	9	3	5	3	3	1	1	3	8	
2015: Bachelor	3		1	3		2		1		1
2016: Bachelor	1									

Figure 1.2.10.2

PART B: PERFORMANCE INFORMATION

1.2.11 REPORT 191 (NATED) NATIONAL N-DIPLOMA COMPLIANT GRADUATES 2015-2016

REPORT 191 (NATED) NATIONAL N DIPLOMA GRADUATES 2015 - 2016		
Programme	2015 Graduates	2016 Graduates
Business Management	2	1
Human Resource Management	6	6
Management Assistant	7	2
Financial Management	1	
Engineering Studies	13	6
TOTAL COMPLIANT GRADUATES	29	15

REPORT 191 NATIONAL N-DIPLOMA GRADUATES 2015 - 2016

Figure 1.2.11.1

1.2.12 REPORT 191 (NATED) N6 COMPLIANT GRADUATES 2015 - 2016

REPORT 191 (NATED) N6 GRADUATES 2015 - 2016		
Programme	2015 Graduates	2016 Graduates
Business Management	31	44
Human Resource Management	125	139
Management Assistant	41	101
Financial Management	73	84
Tourism	7	3
Hospitality & Catering Services	7	9
Educare	81	48
Popular Music: Performance	1	1
Engineering Studies	66	102
TOTAL COMPLIANT GRADUATES	432	531

REPORT 191 (NATED) N6 COMPLIANT GRADUATES 2015 - 2016

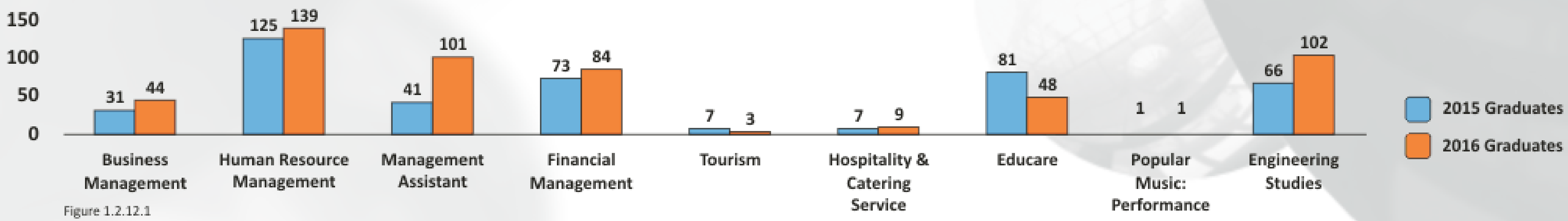


Figure 1.2.12.1

PART B: PERFORMANCE INFORMATION

2. PERFORMANCE REPORTING

2.1 ANNUAL PERFORMANCE ACHIEVEMENTS

STRATEGIC OBJECTIVE	PERFORMANCE INDICATORS	2016 PLANNED TARGET	2016 ACTUAL ACHIEVEMENT	DEVIATION FROM PLANNED TARGET	REASON FOR DEVIATION
Provide quality technical and vocational education and training services and increase academic achievement and success of students	Appropriate teaching and learning support plan developed and implemented	1	1	0	No deviation
	Appropriate student support plan developed and implemented	1	1	0	No deviation
	Improved certification rates in: NC(V) L4 N3 & N6	67%	71.53%	+4.53%	Targets that were set were more realistic compared to previous years.
		35%	32.18%	- 2.82%	
		40%	48.99%	+ 8.99%	
	Throughput rate	62%	39.57%	-22.43%	The implementation of new examination admission requirements by DHET affected the throughput rate of the following levels in particular: N1-N3 Engineering Studies N4-N5 General Studies NC(V) Level 2 resulting in the non-achievement of the set target of 62% The new requirement states that the ICASS mark must meet the subminimum in order to pass. If the ICASS is failed then the student does not meet the requirement to write examination.

PART B: PERFORMANCE INFORMATION

2. PERFORMANCE REPORTING

2.1 ANNUAL PERFORMANCE ACHIEVEMENTS

STRATEGIC OBJECTIVE	PERFORMANCE INDICATORS	2016 PLANNED TARGET	2016 ACTUAL ACHIEVEMENT	DEVIATION FROM PLANNED TARGET	REASON FOR DEVIATION
Provide quality technical and vocational education and training services and increase academic achievement and success of students	Funded NC(V) L4 students obtaining qualification within stipulated time	62%	74.56%	+12.56%	Contact hours for students were increased from 45 to 60 hours. In addition to this, most of these students were placed for Workplace-based Exposure during their time of study, resulting in students obtaining a better understanding of the practical component of the programmes that they studied.
	Students completing artisan-related programmes	15	41	+26	41 students were enrolled for an artisan development programme. However, the programme is a multi-year programme and students will only do their trade test at the beginning of 2018
	Established centre/s of specialisation (COS)	1	1	0	The ORBIT College Centre for Entrepreneurship was launched in March 2016

PART B: PERFORMANCE INFORMATION

2. PERFORMANCE REPORTING

2.1 ANNUAL PERFORMANCE ACHIEVEMENTS

STRATEGIC OBJECTIVE	PERFORMANCE INDICATORS	2016 PLANNED TARGET	2016 ACTUAL ACHIEVEMENT	DEVIATION FROM PLANNED TARGET	REASON FOR DEVIATION
Have adequate infrastructure and systems in place to increase access and provide effective services to students	Headcount enrolment	13 535	10 838	-2697	The enrolment of students is guided by FTEs and not by headcounts. When strategic planning is done, headcounts are based on the assumption that 1 headcount equals 7 subject enrolments in NCV programmes and 1 headcount equals 4 subject enrolments in Report 191 programmes. However, this is not a true reflection of enrolment practices and trends because targets may be exceeded in terms of FTEs but may not be met in terms of headcounts. FTEs are more accurate
	Students accommodated in college accommodation	692	488	-204	Revamping and renovation of a number of hostel cottages is in progress. Once this refurbishment has been completed, hostels will be able to accommodate the maximum number of students as indicated
	Qualifying students obtaining financial assistance	5 612	4 206	-1 494	567 qualifying students did not receive SoPs from NSFAS and many students do not qualify based on family income or academic achievement

PART B: PERFORMANCE INFORMATION

2. PERFORMANCE REPORTING

2.1 ANNUAL PERFORMANCE ACHIEVEMENTS

STRATEGIC OBJECTIVE	PERFORMANCE INDICATORS	2016 PLANNED TARGET	2016 ACTUAL ACHIEVEMENT	DEVIATION FROM PLANNED TARGET	REASON FOR DEVIATION
Develop partnerships and maintain good stakeholder relations to increase the number of students who are adequately prepared to enter the labour market or further and higher learning opportunities	Beneficial and functional college partnerships	25	12	-13	The economic downturn plays a major role in the securing of partnerships and it is becoming increasingly difficult to secure beneficial partnerships
	TVET lecturers placed in workplaces for specified periods	21	18	-3	Lecturing staff are continuously involved in internal exams, marking, assessment and moderation activities. This limits their availability to participate in skills development programmes
	TVET students placed in workplaces/industry for specified periods for work exposure, experiential learning and/or certification purposes	627	598	-29	A challenge was still experienced in terms of finding workplaces that are willing to take students in for workplace exposure. However, the work placement rate of students improves every year.
To ensure continuous business excellence in terms of good corporate governance and effectual management of all college resources as well as information and data reporting	Compliance to governance standards	100%	99%	-1%	Late submission of information required for the preparation of the AFS resulted in non-compliance
	Compliance to policies and regulations applicable to the TVET College sector	100%	91%	-9%	During internal and external audits non-conformances are issued and findings are recorded against approved policies. However, continuous and regular monitoring assist in closing these as root causes are identified and addressed. This is a continuous process.

PART B: PERFORMANCE INFORMATION

2. PERFORMANCE REPORTING

2.2 COLLEGE ACHIEVEMENT IN TERMS OF EXPECTED OUTCOMES

Sub-Outcome 2 & 4 Targets:

Sub-outcome 2: Increase access and success in programmes leading to intermediate and high level learning.

Sub-outcome 4: Increase access to occupationally-directed programmes in needed areas and thereby expand the availability of intermediate level skills with a special focus on artisan skills.

NO	OUTCOME INDICATOR	2016/17 NATIONAL TARGET	2016 PLANNED TARGET	2016 ACTUAL ACHIEVEMENT	DEVIATION FROM TARGET	REASON FOR DEVIATION
1.	**Headcount enrolments (n)**	**829 000**	13 535	10 838	-2697	The enrolment of students is guided by FTEs and not by headcounts. When strategic planning is done, headcounts are based on the assumption that 1 headcount equals 7 subject enrolments in NCV programmes and 1 headcount equals 4 subject enrolments in Report 191 programmes. However, this is not a true reflection of enrolment practices and trends because targets may be exceeded in terms of FTEs but may not be met in terms of headcounts. FTEs are more accurate.
2.	**Certification rates in TVET qualifications (%)**	**NC(V)** **L4: 40%** **N3: 65%** **N6: 45%**	67% 35% 40%	71.53% 32.18% 48.99%	+4.53% - 2.82% + 8.99%	Targets that were set were more realistic compared to previous years.

PART B: PERFORMANCE INFORMATION

2. PERFORMANCE REPORTING

2.2 COLLEGE ACHIEVEMENT IN TERMS OF EXPECTED OUTCOMES

NO	OUTCOME INDICATOR	2016/17 NATIONAL TARGET	2016 PLANNED TARGET	2016 ACTUAL ACHIEVEMENT	DEVIATION FROM TARGET	REASON FOR DEVIATION
3.	**Compliance with national policy of college examination centre/s conducting national examinations and assessments (%)**	100%	100%	100%	0	No deviation
4.	**Throughput rate (%)**	10%	62%	39.57%	-22.43%	The implementation of new examination admission requirements by DHET affected the throughput rate of the following levels in particular: N1-N3 Engineering Studies N4-N5 General Studies NC(V) Level 2 resulting in the non-achievement of the set target of 62% The new requirement states that the ICASS mark must meet the subminimum in order to pass. If the ICASS is failed then the student does not meet the requirement to write examination.
5.	**Students accommodated in public TVET college accommodation (n)**		692	488	-204	Revamping and renovation of a number of hostel cottages is in progress. Once this refurbishment has been completed, hostels will be able to accommodate the maximum number of students as indicated

2. PERFORMANCE REPORTING

2.2 COLLEGE ACHIEVEMENT IN TERMS OF EXPECTED OUTCOMES

NO	OUTCOME INDICATOR	2016/17 NATIONAL TARGET	2016 PLANNED TARGET	2016 ACTUAL ACHIEVEMENT	DEVIATION FROM TARGET	REASON FOR DEVIATION
6.	**Qualifying TVET students obtaining financial assistance (n)**	**200 000**	5 612	4206	-1494	567 qualifying students did not receive SoPs from NSFAS and many students do not qualify based on family income or academic achievement
7.	**Funded NC(V) L4 students obtaining qualification within stipulated time (%)**	**15%**	62%	74.56%	+12.56%	Contact hours for students were increased from 45 to 60 hours. In addition to this, most of these students were placed for Workplace-based Exposure during their time of study, resulting in students obtaining a better understanding of the practical component of the programmes that they studied.
8.	**Compliance to governance standards (%)**	**100%**	100%	99%	-1%	Late submission of information required for the preparation of the AFS resulted in non-compliance
9.	**TVET lecturers placed in workplaces for specified periods (n)**		21	18	-3	Lecturing staff are continuously involved in internal exams, marking, assessment and moderation activities. This limits their availability to participate in skills development programmes
10.	**TVET students placed in workplaces/industry for specified periods for work exposure, experiential learning and/or certification purposes (n)**		627	598	-29	A challenge was still experienced in terms of finding workplaces that are willing to take students in for workplace exposure. However, the work placement rate of students improves every year.
11.	**Established centre/s of specialisation (n)**		1	1	0	The ORBIT College Centre for Entrepreneurship was launched in March 2016
12.	**Students completing artisan-related programmes (n)**		15	41	+26	41 students were enrolled for an artisan development programme. However, this programme is a multi-year programme and the students will only do their trade test at the beginning of 2018

2. PERFORMANCE REPORTING

2.3 OVERVIEW OF SIGNIFICANT ACHIEVEMENTS DURING THE 2016 ACADEMIC YEAR

DEPUTY MINISTER OF SMALL BUSINESS DEVELOPMENT LAUNCHES CENTRE FOR ENTREPRENEURSHIP AT ORBIT COLLEGE, RUSTENBURG CAMPUS

Deputy Minister of Small Business Development (SBD), Honourable Elizabeth Thabethe delivered a keynote address at the official launch of the Centre for Entrepreneurship at ORBIT College Rustenburg Campus (B) on 23 March 2016.

The Centre was established through a partnership between the Department of Small Business Development and ORBIT College, and provides generic enterprise development services and incubation to College graduates, current students and community members from neighbouring areas.

The Deputy Minister emphasised that the main objective is to change the mind set of young people and to steer them in a direction of starting their own businesses. She also added that the Centre would contribute in assisting College graduates who cannot be absorbed by the labour market in starting their own businesses.

The Principal of ORBIT College, Ms Maryna Marais echoed the words of the Deputy Minister and said the Centre will assist graduates with nurturing and developing their business ideas and actually seeing them come to life.

Among other high profile guests in attendance were the MEC of the North West Provincial Department of Finance, Economic and Enterprise Development Ms Wendy Nelson, Royal Bafokeng Nation Queen Mother, Mmemogolo Semane Molotlegi and the Olympian medal winner, Mr Khotso Mokena, who is also an entrepreneur. He motivated young people to secure their future by investing in their own business.

The Department of Small Business and Development continues to play a critical role in the development of the small enterprises and prioritises the establishment of the Centre for Entrepreneurship programmes within the TVET Colleges and Universities across the country.

From left to right: Mr Solly Taele (Centre for Entrepreneurship Manager), Mr Mzwanele Memani (Directorate: Enterprise Development, Department of Small Business Development), Ms Maryna Marais (Principal of ORBIT TVET College), Ms Elizabeth Thabethe (Deputy Minister of Small Business Development), Mmemogolo Semane Molotlegi (The Queen Mother of the Royal Bafokeng Nation), Mr Solly Matjiane (Deputy Principal: Corporate Services), Ms Wendy Nelson (MEC for Department Finance, Economic and Enterprise Development) and Mr Khotso Mokoena (SA Olympian medal winner).

One of the guests of honour was Olympian medal winner, Mr Khotso Mokoena who is also an entrepreneur. He motived young people to secure their future by investing in their own businesses. He is pictured here with Ms M Marais (Principal ORBIT TVET College)

FORMER DEPUTY MINISTER OF THE DEPARTMENT OF HIGHER EDUCATION AND TRAINING ROLLS OUT THE 'DECADE OF THE ARTISAN' CAMPAIGN AT ORBIT COLLEGE, MANKWE CAMPUS

Former Deputy Minister of Higher Education and Training, Honourable Mr Mduduzi Manana rolled out the National 'Decade of the Artisan' campaign at ORBIT TVET College from 9-10 May 2016. Mr Manana addressed approximately 1600 learners from surrounding schools in the Bojanala District Municipality on 10 May 2016 at Mankwe Campus.

The visit by the former Deputy Minister, was aimed at promoting artisanship as a career of choice to South Africa's youth within the post school education and training system, as well as to highlight skills development opportunities that are available in for artisans.

While addressing the learners form about 70 schools, Mr Manana pointed out that "out of the 100 careers in high demand publicised by the Minister of Higher Education and Training, Dr Blade Nzimande in 2014, 47 careers are artisan-related. Therefore Technical Vocational Education and Training (TVET) Colleges and employers become central in the development of artisans'. The former Deputy Minister also encouraged learners to consider TVET Colleges when seeking post-school opportunities in the future.

Learners were exposed to the different artisan trades and also got an opportunity to participate in the 'Try-a-Skill' exhibition, where they interacted with ORBIT College students currently studying different artisan-related programmes offered at the College.

The engagement with the learners came after the former Deputy Minister had met with employers in the Mining, Hospitality and Automotive sectors from surrounding areas on 9 May 2016, in a bid to encourage them to work closely with TVET Colleges by affording artisan learners opportunities to acquire workplace training. Mr Manana visited the Royal Bafokeng Platinum Mine, Kwa Maritane Bush Lodge and Ford at their workshops, and emphasised that there was a need for suitably qualified artisans to sustain industries and support economic growth of the country. He added that skills provision cannot be the sole responsibility of the government, and that employers need to come on board.

While the National Development Plan (NDP) indicates that the country should produce 30 000 qualified artisans per year by 2030, this target has been brought forward by the 2014-2020 Medium Term Strategic Framework to March 2026. This is evidence that the need for artisans in South Africa has been identified as a priority for skills development.

Qualified Artisan and ORBIT College alumni, Ms Mpho Malete, inspired the learners with her journey to becoming a qualified female artisan

Former Deputy Minister of Higher education and Training, Mr Mduduzi Manana, flanked by ORBIT College Electrical Engineering students

Learners getting pampered at the Beauty & Nail Technology and Hairdressing "try-a-skill" exhibition stands

Learners from various high schools participating at the Electrical Engineering "try-a-skill' exhibition

VOCATIONAL PROGRAMMES MANAGER VISITS HARROW COLLEGE IN THE UNITED KINGDOM

ORBIT College has been part of the British Council Skills for Employability Project since 2014. Since the inception of the project, mutually beneficial partnerships have been formed and ORBIT College has already benefitted tremendously from best practices shared with its international educational partners.

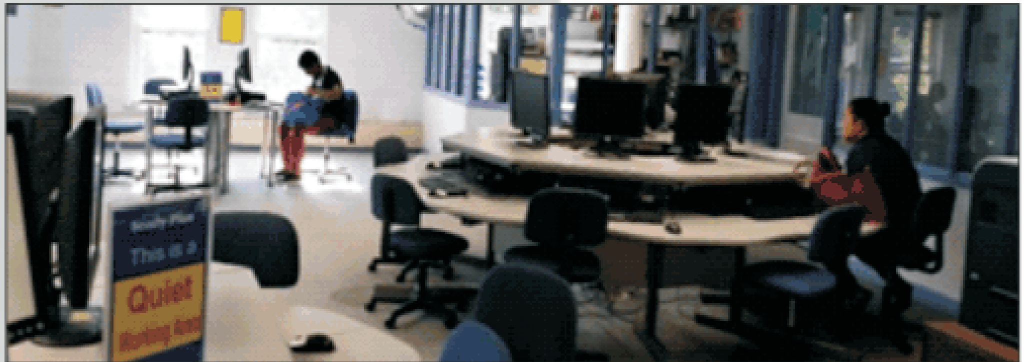
In March 2016, Ms Maggy Maja, Vocational Programmes Manager and Project Co-ordinator of ORBIT College visited Harrow College in the United Kingdom.

The current Skills for Employability Project involves four South African Colleges (ORBIT College joined forces with Vuselela, Central Johannesburg College and Sedibeng College).

The main focus of this project is to share best practices in learning delivery and quality assurance practices related to learning delivery processes, build upon the teacher development programme already implemented during the Foundation Project to create a wider reaching programme which supports training across the College to both teaching and non-teaching staff

Attend training on Continuous Professional Development which will enable lecturers to effectively embed the development of entrepreneurial skills within their curriculum.

Learning Centres and Student Portals



A programme called "You Said We Did" has been developed. This programme encourages a very close relationship between Management and students because it shows that Management takes cognizance of what students said. Responses from Management are programme-based and are placed on the notice boards in each and every class.

Student Support Services

During the visit the quality of academic support was highlighted which included Personal Development, Communication Skills, Computer Skills and support for various fundamental subjects. Harrow College has embarked on a drive to promote the culture of reading amongst their students and educators, not only as a matter of passing exams but also as a recreational activity to improve their knowledge skills, language and value.

A reading competition is hosted to encourage students to read any six books and summarise and present them before a panel of lecturers. Students are then awarded prizes ranging from laptops, i-pads, cell phones, a certificate of achievement etc., to encourage all to take part. The result of this drive is that students get used to reading leisure books as well as their subject books.

Electronic support was only available for Mathematics, Science and other Vocational subjects. Learning centres are demarcated to allow room for books as well as computers. Lecturers and learning centre staff members serve as mentors for students.

ORBIT College received a donation of 3 000 books from the Rotary club and is currently embarking on a rigorous drive to encourage students to read.

Employability and apprenticeship

The Further Education (FE) Sector in the UK operates differently from the TVET College Sector in South Africa. The funding model from government depends on the age limit of learners. FE Colleges are allowed to supplement their funding through business enterprises that operates within College campuses. Programmes offered at any of the colleges depend entirely on the need of industry. The majority of their students are on artisan programmes that are attached to employers, thus making absorption to employment certain.

Policy discussions between the Association of Colleges (AoC) the equivalent of the South African College Principals' Organisation (SACPO) and the UK Commission for Employment and Skills contribute significantly to the design and delivery of a flexible curriculum by Colleges. Industry has first-hand contribution access to curriculum formulation and therefore confidence in programmes offered by the FE Sector is significantly enhanced.

Edison Training

Training on the Edison programme was conducted by Ms Afshan Baksh, the Associate Director from Harrow College. The main focus of this training is to enable educators to effectively embed the development of entrepreneurial skills within their curriculum. This training was also conducted to Heads of Division during a four-day visit by the Harrow College delegation to ORBIT College in April 2016.

Conclusion

I wish to thank the Department of Higher Education and Training, the Senior Management and Council of ORBIT TVET College for giving me the opportunity to visit the UK with the purpose of learning good practices. I came back fully equipped with new ideas that will most definitely contribute to the improvement of quality of teaching and learning at ORBIT College.

Vocational Programmes Manager, Ms Maggy Maja during her visit at Harrow College in the United Kingdom

ORBIT COLLEGE IS THE 1ST COLLEGE TO IMPLEMENT ONLINE REGISTRATION

The Data and Information Unit, under the competent leadership of Dr Joe Viljoen is renowned within the TVET College Sector for its boldness in undertaking innovative and new projects when it comes to registration and administrative systems! 2016 was no exception!

ORBIT College officially became the first public TVET College in the country to implement online registration services in the true sense of the word. The Business Management System (BMS) that is used by ORBIT College has the functionality of providing students with an opportunity to apply and register from home or anywhere where they have internet access. This includes application and registration services by using cellphones or tablets.

Long queues during registration periods are something of the past! Students can now log in to the Student i-Enabler on the BMS to apply and register. They do this by using their student number and a dedicated pin number.

For now, this functionality is used by senior and returning students only as these students already have student numbers and pin codes. Developmental work by CINOP is in progress for a mobile app that will allow students to also view student information.

ORBIT College is confident that this new initiative is yet another way of showing our main clients – our students – that their time and needs are important to their education institution of choice!

FINANCIAL ECONOMICS AND ACCOUNTING STUDENTS TO BENEFIT FROM THE ABSA READY-TO-WORK PROGRAMME

Amalgamated Banks of South Africa (ABSA) provided ORBIT College Financial Economics and Accounting (FEA) students with an opportunity to be part of the 'Ready to work' programme aimed at preparing them for the world of work in their respective field of study.

As part of ORBIT College's vocational programmes curriculum, the Business Bank of ABSA in the North West province placed approximately 50 FEA students at various ABSA branches, which enabled them to gain Work-Based Exposure (WBE).

The students attended a full day induction in July 2016, at Orion Hotel in Rustenburg to get them ready for seven days of exposure at selected ABSA Branches, Private and Business Bank suites. They completed task books daily, which contributed to their overall mark upon completion of the WBE.

ABSA's Group Citizenship agenda places immense focus on preparing youth for employment so that they are ready to make a contribution to the economy as soon as they leave College. According to ABSA's head of public sector banking in the North West province, Ms Shetina Maremane, the 'Ready-to-Work' programme achieves this by providing access to world class learning for young people, through online content, face-to-face training and work exposure.

The Principal of ORBIT TVET College, Ms Maryna Marais congratulated ABSA for being one of the first financial services institutions to grant TVET colleges this wonderful opportunity, and in doing so, making a difference in the lives of young people. Ms Marais also urged the students to make full use of the opportunity which would assist them in acquiring skills that will make them more employable.

Pictured from l to r: Ms D Mtyali & Ms S Maremane from ABSA, Ms M Maja (Vocational Programmes- ORBIT College), Mr T Mosito (Deputy Principal: Academic Programmes and Student Support Services- ORBIT College) and Ms M Marais- ORBIT College Principal) at the launch of the ABSA Work Based Experience (WBE) launch

Rustenburg Campus FEA students (pictured with representatives from ABSA) underwent their WBE at selected ABSA branches around Rustenburg

FEA students (pictured with Ms S Maremane from ABSA and Ms M Maja-ORBIT College) from Brits Campus were placed at different ABSA Branch in the Brits area

ORBIT COLLEGE & UNISA HOST AN 'ARTICULATION OF STUDENTS FROM TVET COLLEGES TO UNIVERSITIES' SEMINAR

ORBIT College and the University of South Africa (UNISA, Midlands Region) joined forces to host the 'Articulation of students from TVET Colleges to Universities' Seminar in September 2016 at Mankwe Campus. Delegates from different TVET Colleges and UNISA across the country attended the seminar with the aim of sharing ideas and to find solutions to the challenges experienced by students when seeking to articulate from TVET College programmes to Diploma and Degree studies at universities.

The White Paper on Post-School Education and Training published by Minister of Higher Education and Training, Dr Blade Nzimande in 2014, identified a seamless progression of College graduates to Universities as one of the keys to unlock sustainable employment for millions of underprivileged youth.

Among some of the topics discussed was progress made so far, new innovations and challenges in rolling out the partnerships between Universities and TVET Colleges. One of the keynote speakers, DHET Acting Deputy Director, TVET Colleges: Curriculum Development and Support, Mr MD Modiba, emphasised the need for collaborations between TVET Colleges and Universities. Mr Modiba also applauded UNISA and other institutions of higher learning that are working closely with TVET Colleges in trying to ensure that high quality learning opportunities are made available.

In 2014, UNISA signed a Memorandum of Understanding with a number of TVET Colleges, which will see UNISA qualifications being offered at TVET Colleges under the authority of the University.

Pictured here (from left to right: Prof. L Snyman (UNISA's School of Engineering), Mr D Modiba (DHET Acting Deputy Director: TVET Colleges: Curriculum Development and Support), Ms P Zonke (Gold Fields TVET College Deputy Principal: Student Support Services), Ms T Rapoo (Programme Director, ORBIT TVET College), Mr T Mosito (Deputy Principal: Academic Programmes and Student Support Services), Mr S Thembo (Academic Co-ordinator: UNISA's TVET & Tuition Unit), Prof SP Mokoena (UNISA's Department of Educational Leadership and Management, Mr J Ncqobo (Vuselela TVET College Deputy Principal: Academic Services) and Ms A Bopape: UNISA Deputy Director: Academic Technology and Support)

Delegates from the different UNISA and TVET Colleges in the country attended the Seminar at Mankwe Campus on 1 September 2016

A delegate poses a question to one of the keynote speakers during a panel discussion

SAMSUNG LAUNCHES AND HANDS OVER ENGINEERING AND ELECTRONICS ACADEMY AT ORBIT COLLEGE, MANKWE CAMPUS

As part of Corporate Social Responsibility (CSR) to boost Technical and Engineering Skills, Samsung Electronics South Africa officially launched and handed over an Engineering and Electronics Academy at ORBIT TVET College, Mankwe Campus on Friday, 25 November 2016

Selected students took part in a one-year programme comprising of basic, intermediate and advanced engineering skills aimed at promoting Technical and Vocational Education and Training.

The Academy, sponsored by Samsung Electronics in partnership with merSETA and the College, boosts a state-of-the-art Electronics, Refrigeration and Air-Condition Engineering Lab which is used for all the practical work, as well as a technology-rich space where students undertake their theoretical lessons and discussions.

Managing Director and Vice President of Samsung Electronics South Africa, Mr Sung Woo Han said that the initiative strives to transform communities through Education and Skills Development and in return, create opportunities for young people of South Africa.

Students who graduate from the Academy compete for an internship opportunity at one of Samsung's various service centres across the country, where they are required to put the skills attained at the Academy into practical use. Lecturing staff and/or facilitators in the disciplines of Electronics, Refrigeration, Air-Conditioning and Ventilation also receive training throughout the duration of the programme.

The Samsung Electronics Engineering Academy programme is part of the company's global 'Hope for Children' initiative', which places a strategic focus on bringing attention to the worldwide need for childhood education and healthcare, in an effort to improve the lives of young people as well as the communities in which they reside.

Principal of ORBIT TVET College, Ms M Marais thanked Samsung Electronics South Africa for partnering with the College. Ms Marais highlighted that the Academy will contribute greatly towards Skills Development.

The Academy at Mankwe Campus is one of the six Academies to be launched in South Africa, and has been in full operation since 26 July 2016.

Pictured from left to right during the official handover ceremony at the Academy: Mankwe Campus Manager, Mr Z Nkomo, MICT SETA representantive, Ms C Seakamela, CEO of merSETA, Dr R Patel, ORBIT TVET College Principal, Ms M Marais, Managing Director and Vice President of Samsung Electronics Southern Africa, Mr Sung Woo Han, Representative from the Bakgatla-ba-Kgafela Tribal Administration, Mr D Pilane, ORBIT College SRC President, Mr T Molekwa and Samsung Head of Corporate Citizenship & Government Relations: Africa Online, Mr P Kekana

GREENING TVET COLLEGE INITIATIVE LAUNCHED AT MANKWE CAMPUS

"Universities and Colleges that tackle the "green" challenge will better serve their students while helping Africa take leadership on climate change". These were the sentiments of Higher Education and Training Minister, Dr Blade Nzimande at the launch of the African Green Campus Initiative in 2012.

A few TVET Colleges have since been selected to roll out the Greening TVET Initiative, which seeks to introduce students to future technologies and prepare them to enter the labour market seizing the opportunities that green industrial development could offer. The Green Campus initiative, spearheaded by the Department of Environmental Affairs, was launched at ORBIT College, Mankwe Campus in August 2016, with the sole purpose of encouraging the Campus staff and students to become environmentally friendly and reduce the carbon footprint on the Campus. The Campus has since established a 'Greening team' consisting of Lecturing and Support Staff, SRC members and students.

The following five strategic dimensions of greening have been identified to transform training providers:

- **Green Campus:** Resources such as energy, water and waste resources are managed efficiently. The aim is to reduce the carbon footprint of students, teachers and staff within the TVET institutions. It could find its expression e.g. in a mission statement and an environmental or an energy management system
- **Green Curriculum:** To meet upcoming skills for clean and green jobs. Green issues are integrated into existing courses. Greening Colleges may also be used as learning laboratories by means of adequate equipment which enhances explorative learning
- **Green Community:** Greening Colleges extend their activities and practices to the community level, e.g. by offering formal and informal training, supporting projects and providing training courses for companies
- **Green Research:** Externally, basic research interventions, e.g. in the areas of renewable energy, energy and resource efficiency aim to bridge campus-wide initiatives to respond to the needs of industry and community
- **Green Culture:** In addition to the development of technical skills, ethical standards, attitudes and behaviour that respects ecological resources and the requirements of the future generations are strengthened.

After the event, staff and students signed a pledge as proof of their commitment to assist the Campus to become environmentally friendly.
The Campus also committed to:

- Reduce the use of printing paper, by increasing communication through emails and telephones instead
- Request Managers to monitor paper usage within their respective departments
- Attend to water leakages as a matter of urgency
- Ensure that lights and air conditioners are switched off every evening
- Ensure that the College develops a policy on greening (recycling & renewable energy)

Staff and students signed a pledge indicating their commitment to assist Mankwe Campus to become environmentally friendly

Staff and students during a presentation by the Mankwe Campus Project team, Ms M Senoelo and Mr O Kagola

Mankwe Campus Manager, Mr Z Nkomo and College Principal, Ms M Marais attended the launch in support of the Greening Campus Initiative

FIRST EVER RECOGNITION OF PRIOR LEARNING GRADUATION CEREMONY FOR COLLEGE

ORBIT College hosted the first ever Recognition of Prior Learning (RPL) Graduation Ceremony, which saw 91 Community Development Workers in the North West Province graduate in October 2016 at Brits Campus. The graduates were awarded Level 4 Certificates in Community Development, after completing a six month training programme. The College is thankful to the ETDP SETA for the vision and the funding of the Pilot Project; not forgetting the Office of the Premier for its tremendous support.

ORBIT College has signed an agreement with ETDP SETA train a further 50 Community Development Workers in 2017 as part of the RPL programme.

ETDP SETA CEO, (Ms. N Nxesi) delivered a keynote address at the RPL Community Development workers Graduation Ceremony at Brits Campus in October 2016

The excited graduates pictured here with the CEO of ETDP SETA, Ms N Nxesi and the College Principal, Ms. M Marais

ARTISAN DEVELOPMENT PROGRAMMES SUPPORT BEARS FRUITS FOR COLLEGE STUDENTS

The highlight of the Artisan Development Programme support for ORBIT College in 2016 saw the training of 41 students through the MERSETA funded Programme. The training of these students in Electrical Work and Welding was aimed at addressing some of the scarce and critical skills needed to grow the South African economy.

The project has seen a number of Mining Companies supporting students with work place experience. ORBIT College appreciates the support received from the various mines and mining related companies in the area in this regard.

Pictured from left to right: Mr G Pierce (Human Resource Development Coordinator at Glencore), Mr I Lotter (Human Resource Development Manager at Glencore) Mr B Yende (HoD: Artisan Development at ORBIT College, Brits Campus), Ms B Van Der Spuy (HoD: Artisan Development at ORBIT College, Rustenburg Campus), Ms M Mataboge (HoD Artisan Development, ORBIT College, Mankwe Campus) and Mr P Matlou (Business development and Innovation Manager at ORBIT College, during the induction and safety meeting at Glencore Wonderkop Smelters

ORBIT College students during their induction at Glencore Wonderkop Smelters. The group will become qualified artisans after a grueling 24 months training at the Mine

Electro Diesel Group

The College would like to thank Electro Diesel Group in Rustenburg, North West Province for taking eight College students under its wing as part of Artisan Development Programme. Their mentor, Mr CJ Moolman, a qualified Electrician and an Artisan, has taken complete interest in the training of the students.

Mr Moolman had this to say: "These students can only benefit from their hard work! They have a good attitude and know exactly why they are pursuing a career in Artisanship. I look forward to seeing them graduate as qualified Artisans"

The College is proud of these students, their progress and attitude towards work.

Ms B Rantlaku from Brits Campus is on her way to becoming a qualified artisan. She says she is enjoying her time at Electro Diesel, and has learnt a lot so far

The group of students from ORBIT College have been placed at Electro Diesel as part of the Artisan Development Programme. Pictured here from left to right: Mr T Mogape, Ms S Mofokeng, Ms K Nkaeleng, Mr B Kanduwa, Mr A Matimbe, Mr CJ Moolman (Mentor and Chief Engineer at Electro Diesel), Mr K Maphakela, Mr K Mokonyane and Ms B Rantlhaku

PART C
GOVERNANCE

PART C: GOVERNANCE

1. CONSTITUTION OF THE COLLEGE COUNCIL AND GOVERNANCE STRUCTURES

1.1 COLLEGE COUNCIL 2016 AND DESIGNATED FUNCTIONS

1.1.1 Executive Committee (EXCO)

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP
Mabe CS	Ministerial Appointee Section 10 (4) (b) member Chairperson of College Council
Madoda MP (Ms)	Ministerial Appointee Section 10 (4) (b) member Also serves as Council Secretary of Council
Marais M (Ms)	Internal Member Section 10 (4) (b) member Principal of the College
Nkagisang MG (Dr)	Donor Appointee Section 10 (4) (b) member Deputy Chairperson of Council Chairperson of Human Resource and Remuneration Sub-Committee of Council
Ramorwesi MKG	Section 10 (6) Additional Member Chairperson of Audit and Risk Sub-Committee of Council (resigned on 17 March 2016
Xipu SE	Section 10 (6) Additional Member Chairperson Planning and Resource Sub-Committee of Council Acting Chairperson of Finance Sub-Committee of Council until the vacancy on the Council is filled
Matjiane MS	Internal member – Deputy Principal Corporate Services of College
Mosito TJ	Internal member – Deputy Principal Academic Programmes and Student Support Services of College
De Beer L (Ms)	Internal member – Deputy Principal Finance of College
Mangoma APC (Ms)	External Appointee – Acting Chairperson of Audit and Risk Sub-Committee of the College Council until the vacancy on Council is filled

1. CONSTITUTION OF THE COLLEGE COUNCIL AND GOVERNANCE STRUCTURES

1.1.2 COUNCIL MEMBERS

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP
Baloyi RD	Internal member – Lecturing staff representative
Erasmus JJ	External member – Legal representative on Council
Maja MS (Ms)	Internal member – College representative of Academic Board
Marakalala R	Internal member – Support staff representative
Mokotedi SJ	Ministerial Appointee Section 10 (4) (b) member
Moloantoa K	External member – Business and Industry representative on Council
Saffy A (Ms)	Ministerial Appointee Section 10 (4) (b) member
Mashaba T	SRC Secretary
Molekwa T	SRC President

1. CONSTITUTION OF THE COLLEGE COUNCIL AND GOVERNANCE STRUCTURES

1.1.3 College Council Audit and Risk Sub-Committee Members

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP
Mangoma APC (Ms)	External Appointee – Acting Chairperson of Audit and Risk Sub-Committee of the College Council until the vacancy on Council is filled
Klynsmith I	External Appointee
Carrim I	External Appointee
Lekhafola ML	External Appointee
Ramorwesi MKG	Member of Council Chairperson of Audit and Risk Sub-Committee of Council (resigned on 17 March 2016
Marais M (Ms)	Internal member of Council Principal of the College
Manuel RK	Internal member – Internal Audit and Assurance Manager (resigned August 2016)

1.1.4 College Council Finance Sub-Committee Members

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP
Mangoma APC (Ms)	External Appointee – Council appointed her as Technical Advisor until the vacancy on Council is filled
Moloantoa K	Council member
Xipu SE	Council member Acting Chairperson of Finance Sub-Committee of Council until the vacancy on the Council is filled
Marais M (Ms)	Internal member of Council Principal of the College
De Beer L (Ms)	Internal member – Deputy Principal Finance of College
Visser M (Ms)	Internal Invitee – Finance Manager

1.1.5 College Council Human Resource and Remuneration Sub-Committee Members

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP
Nkagisang MG (Dr)	Donor Appointee on Council Chairperson of Human Resource and Remuneration Sub-Committee of Council
Erasmus JJ	Council member
Mokotedi SJ	Council member
Matjiane MS	Internal member – Deputy Principal Corporate Services of College
Mthombeni I	Internal Invitee – Human Resource Manager

1.1.6 College Council Planning and Resource Sub-Committee Members

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP
Xipu SE	Council member Additional Member Appointee – Chairperson of Planning and Resource Sub-Committee of the College Council
Matjiane MS	Internal member – Deputy Principal Corporate Services of College
Moloantoa K	Council member
Mosito TJ	Internal member – Deputy Principal Academic Programmes and Student Support Services of College
Saffy A (Ms)	Council member
Marais M (Ms)	Internal member of Council Principal of the College
Shoko MO (Ms)	Internal Invitee – Supply Chain Manager

1.1.7 College Council Members serving on the Academic Board

SURNAME & INITIALS
Madoda MP (Ms)
Moloantoa K

1. CONSTITUTION OF THE COLLEGE COUNCIL AND GOVERNANCE STRUCTURES

1.2 APPOINTMENTS MADE IN 2016 IN TERMS OF SECTIONS 10(4) AND 10(6) OF THE CET ACT 16 of 2006

1.1.2 College Council Audit and Risk Sub-Committee Members

1.2.1 Vacancies in 2016

Two vacancies on the ORBIT TVET College Council exist with expertise in the fields of:

- Auditing and Finance, Risk Management, Information Technology – Mr MKG Ramorwesi resigned in March 2016
- Financial Management Expert – Mr SF Shongwe resigned in March 2015

Three vacancies exist on the ORBIT TVET College Council Audit and Risk Sub-Committee with expertise in the fields of:

- Auditing and Finance – Mr MKG Ramorwesi resigned in March 2016
- Risk Management
- Information Technology

One vacancy exists on the ORBIT TVET College Finance Sub-Committee with expertise in the field of:

- Financial Management Expert – Mr SF Shongwe resigned in March 2015

1.2.2 Appointments in 2016

Mr I Carrim was appointed as External Appointee on the Audit and Risk Sub-Committee of the Council on 10 August 2016.

1.3 MEETINGS HELD

Date of Meeting	EXCO Meetings 2016	Purpose of Meeting
11 March 2016	College Council EXCO Meeting 1 of 2016	Preparations for Council Meeting by interrogating all Sub-Committee reports
10 June 2016	College Council EXCO Meeting 2 of 2016	Preparations for Council Meeting by interrogating all Sub-Committee reports
9 September 2016	College Council EXCO Meeting 3 of 2016	Preparations for Council Meeting by interrogating all Sub-Committee reports
4 November 2016	College Council EXCO Meeting 4 of 2016	Preparations for Council Meeting by interrogating all Sub-Committee reports

Date of Meeting	Name of Meeting	Purpose of Meeting
8 April 2016	College Council Meeting 1 of 2016	To consider recommendations from EXCO and Council Sub-Committees
24 June 2016	College Council Meeting 2 of 2016	To consider recommendations from EXCO and Council Sub-Committees
27 September 2017	College Council Meeting 3 of 2016	To consider recommendations from EXCO and Council Sub-Committees
4 November 2017	College Council Meeting 3 of 2016	To consider recommendations from EXCO and Council Sub-Committees

1.4 PERFORMANCE OF COUNCIL IN TERMS OF ITS STATUTORY FUNCTIONS, EXPLAINED IN SECTION 10(1)-(3) OF THE CET ACT

Extracted from ORBIT TVET College Charter

1.4.1 Duties of the College Council

The Council of ORBIT TVET College performs all the functions, including the development of a College Statute, which are necessary to govern the college, subject to the FET Colleges Act No.16 of 2006 as amended by Act 3 of 2012 and any other applicable national or provincial legislation.

The Council, with the concurrence of the Academic Board -
- develops a strategic plan for the College
- determines the language policy of the College, subject to the approval of the Minister; and
- ensures that the College complies with accreditation requirements necessary to provide learning programmes in terms of standards and qualifications as registered on the National Qualifications Framework

The Council, after consultation with the Student Representative Council, provides for a suitable structure to advise on policy for Student Support Services within the College.

1.4.2 Constitution of the College Council

The Council consists of -
- the Principal and Accounting Officer
- five external persons appointed by the Minister
- four additional external members with financial, human resources and legal skills
- one member of the Academic Board elected by the Academic Board
- one external member representing donors
- one lecturer of the College, elected by the lecturers of the College
- one member of the support staff of the College, elected by the support staff and
- two students of the College, elected by the Student Representative Council of the College

Sixty per cent of the members of Council are external persons who are not -
- students or support staff of the public college
- employed by the Minister
- employed by the college

1.4 PERFORMANCE OF COUNCIL IN TERMS OF ITS STATUTORY FUNCTIONS, EXPLAINED IN SECTION 10(1)-(3) OF THE CET ACT

1.4.3 Governance Structure

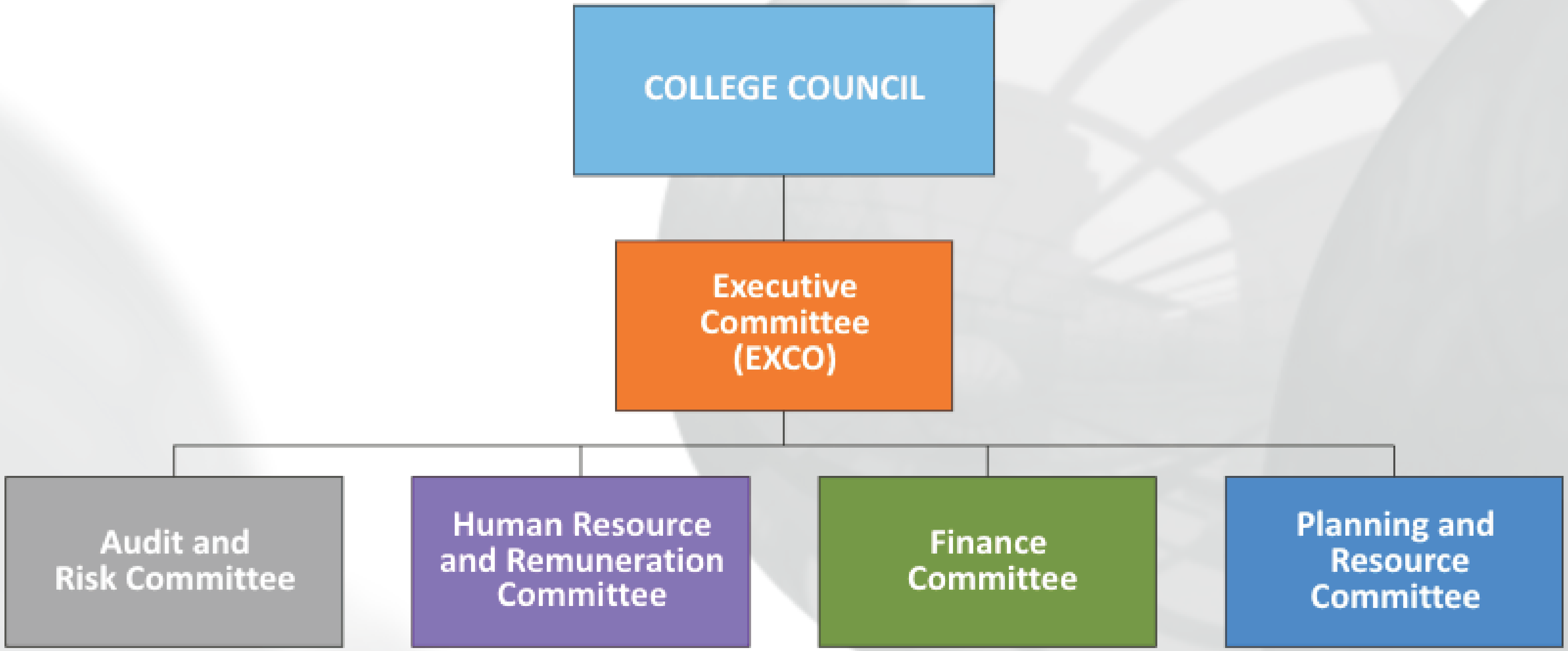


Figure 1.4.3

- External stakeholder representatives constitute 60% of members and institutional representatives constitute 40% of members
- 11 members (Chairperson, Vice-chairperson, Secretary, Principal, Chairpersons of Council Committees, Deputy Principals)
- 6 Committee members (1 x external member of Council to chair, 3 external members with appropriate expertise in the field of Information Technology, Finance, Risk Management, Law and Auditing, appointed by Council and 2 internal staff members namely the Principal and Internal Audit and Assurance Manager)
- 5 Committee members (3 External members of Council (one of whom is the Chairperson) and 1 internal staff member namely the Deputy Principal Corporate Services and one invited member namely the HR Manager)
- 6 Committee members (3 External Members of Council (one of whom is the Chairperson) and 3 internal staff members namely the Principal, Deputy Principal Finances and one invited member namely the Finance Manager)
- 7 Committee members (3 External Members of Council (one of whom is the Chairperson) and 3 internal staff members namely the Principal, 2 Deputy Principals and one invited member namely the Supply Chain Manager)

1.4 PERFORMANCE OF COUNCIL IN TERMS OF ITS STATUTORY FUNCTIONS, EXPLAINED IN SECTION 10(1)-(3) OF THE CET ACT

1.4.4 Terms of Reference for Council Committees

1.4.4.1 Executive Committee (EXCO)

The Executive Committee meet

- one week before a scheduled Council meeting
- when the need arises when a urgent matter needs attention and a decision needs to be made
- when a mandate has been received from the Council to finalise a specific matter

Purpose of the meeting before regularly scheduled Council meetings:

To receive and discuss reports and recommendations from Council Committees and management

1.4.4.2 Audit and Risk Committee

An independent Audit and Risk Committee fulfils a vital role in corporate governance. It is a critical component in ensuring the integrity of integrated reporting and financial controls, the proper identification and management of financial risks and the integrity of the reporting practices.

The Audit and Risk Committee should meet as frequently as necessary to perform its role, but should meet at least four times a year. There must be at least one meeting per year where the external and internal auditors attend without the management being present.

Purpose of the committee:

To ensure compliance with the best financial accounting practices and standards, and to manage and reduce risks in the organization

1.4.4.3 Human Resource Committee

The HR Committee should meet regularly, not less than four times per year, and at such other times as may be requested by the Chairperson of the Committee. No executive officer should attend a portion of any meeting where such an executive's performance or compensation is discussed, unless specifically invited by the HR Committee.

Purpose of the committee:

To approve human resource management policies and monitor their implementation

1.4.4.4 Finance Committee

The Finance Committee should meet at least four times per year or more often as circumstances require, keep minutes of its proceedings and report regularly to the Council. The committee may invite to its meetings any council member, officer of the College or such person as it deems appropriate to assist it in performing its responsibilities.

Purpose of the committee:

To consider matters of financial strategy and policy and to optimize the use of financial resources.

1.4.4.5 Planning and Resource Committee

The Planning and Resource Committee should meet regularly, not less than four times per year, and at such other times as may be requested by the chairperson of the committee. The committee may invite to its meetings any council member, officer of the College or such person as it deems appropriate to assist it in performing its responsibilities.

Purpose of the committee:

To assist the Council in its duties relating to the management and maintenance of infrastructure and capital expenditure for infrastructure expansion and diversification of programmes, compliance with supply chain policies, safeguarding of the immovable assets of the College and general strategic planning of the College..

2. COLLEGE PERFORMANCE IN TERMS OF STRATEGIC OBJECTIVES

ORBIT College mainly serves the Madibeng, Moses Kotane and Rustenburg Communities.

To ensure that we reach out to the communities we engage with the local municipalities and enter into MoUs with them, we engage local business and industry, business forums and we engage tribal authorities such as the Royal Bafokeng and Bakgatla Ba Kgafela tribal authorities.

We have an MoU with the Royal Bafokeng and assist them with offering Report 191 programmes – this MoU has recently been reviewed.

We have succeeded in getting SETA grants to place our graduates at local authorities as well as business and industry.

Through engagement with strategic partners we succeeded in establishing a SAMSUNG Academy at our Mankwe Campus, a first for the North West Province. SAMSUNG equipped the state of the art Academy where training for refrigeration, air-conditioning and electronics will be done. With the assistance of SEDA we have established a Rapid Incubator for automotive maintenance and repair at Mankwe Campus. These two projects will significantly impact on the community Mankwe Campus serves

In collaboration with SAMSUNG we have established a greening project at Brits Campus where defected cell phones will be recycled. This project is also supported by our Centre for Entrepreneurship to assist the students in setting up their own recycling businesses.

3. RISK MANAGEMENT REPORT

EXECUTIVE SUMMARY

During the period 03 - 16 February 2016 the risk identification and evaluation and the identification of existing controls and future action plan was conducted with all ORBIT College Management. The process involved the confirmation of objectives, identification of events, setting of the risk scoring matrix, identification and evaluation of new risks, identification and evaluation of existing controls and the identification of future action and timeframes to mitigate the identified risks. The process was informed by the new DHET Risk Management policy.

A total of fifty (50) risks was identified for 2016, from which Senior Management agreed to prioritize five (5) which will be submitted to DHET for quarterly reporting.

From the fifty (50) risks, the internal audit and assurance unit is expected to develop an annual plan and a three-year plan that will focus on evaluating the controls relating to the maximum or highly rated risks, and take into consideration the five (5) risks prioritized by Senior Management.

The delegated risk officer, together with the assistance of internal audit and assurance unit, is expected to monitor the implementation of existing controls and future actions plans, and report every quarter in order to update the risk register.

2016 02 16

Manuel R

Internal Audit and Assurance Manager

Date

4. REPORTS BY COMMITTEES OF COUNCIL

4.1 REPORT OF THE AUDIT AND RISK COMMITTEE TO THE COUNCIL OF ORBIT COLLEGE FOR THE YEAR ENDED 31 DECEMBER 2016

4.1.1 TERMS OF REFERENCE

The Audit and Risk Committee (ARC) has been established as an independent Committee, in terms of section 25 of the Continuing Education and Training Act 2006. The Committee has adopted formal Terms of Reference, which are regularly updated and approved by Council. The Committee presents its report for the financial year ended 31 December 2016.

4.1.2 AUDIT AND RISK COMMITTEE MEMBERS AND ATTENDANCE

The Committee's Terms of Reference requires a minimum of four members, and consists of the members listed below. During the year under review, eight meetings were held which includes meetings with the Accounting Officer, Internal Audit and Senior Management. Various stakeholders such as the Auditor-General were invited to some of the meetings.

Member	Role	Meetings held	Meetings attended
Mr. G. Ramorwesi	Chairperson	1	1
Mr. I. Carrim	Member	2	2
Mr. I. Klynsmith	Member	8	6
Ms. P. Mangoma	Member	8	6
Ms. L Matsinne	Member	2	0
Ms. M Marais	Member	8	7
Ms. L De Beer	Invitee	3	3
Mr R Manuel	Member	6	6

4. REPORTS BY COMMITTEES OF COUNCIL

4.1 REPORT OF THE AUDIT AND RISK COMMITTEE TO THE COUNCIL OF ORBIT COLLEGE FOR THE YEAR ENDED 31 DECEMBER 2016

4.1.3 AUDIT AND RISK COMMITTEE RESPONSIBILITY

The ARC reports that it has, as far as possible, complied with its responsibilities arising from its charter, including all relevant legislative requirements.

4.1.4 EFFICIENCY AND EFFECTIVENESS OF INTERNAL CONTROL

The ARC has considered the work performed by Internal Audit on a quarterly basis and has reviewed the Internal Audit Annual Report on Internal Controls for the year ended 31 December 2016. In line with relevant legislation and good cooperate governance requirements, Internal Audit provides the ARC and Management with the assurance that the internal controls are appropriate and effective with emphasis on continuous improvement to strengthen the internal controls. The majority of audit findings reported to the Committee related to the control activities and monitoring components. In relation to the aspect of monitoring, the audits indicated a lack of management and supervisory reviews to ensure:

- compliance with legislation, regulations, policies and procedures;
- the design and implementation of adequate controls; and
- that implemented controls operate effectively.

Management intervention is required to effect improvement in these areas. Focus and prioritisation should be given to identified control areas that put at risk the College achieving its key objectives.

4.1.5 RISK MANAGEMENT

Risk management has been formalised within the College, in relation to the establishment of various structures, processes and systems to give effect to risk management. Further initiatives are required to further embed risk management in the College's processes. This includes further clarifying roles and responsibilities, improving training, developing performance measurements, monitoring compliance with the integrated risk management policy and framework, and consistent application of approach.

4. REPORTS BY COMMITTEES OF COUNCIL

4.1 REPORT OF THE AUDIT AND RISK COMMITTEE TO THE COUNCIL OF ORBIT COLLEGE FOR THE YEAR ENDED 31 DECEMBER 2016

4.1.6 ACCOUNTING POLICIES

Accounting Policies that forms part of the Annual Financial Statements (AFS) were reviewed during each ARC meeting were the AFS were discussed. The ARC is content with appropriateness and compliance of the accounting policies with all relevant legislation.

4.1.7 REVIEW OF ANNUAL FINANCIAL STATEMENTS

The ARC noted the Annual Financial Statements for the year ended 31 December 2016 as presented by Management in March 2017.

The ARC noted the progress to date and advised Management to address outstanding balances and disclosures for final review by the ARC. The Committee further advised Management to ensure that the AFS are submitted to the Auditor-General before or on 28 March 2016.

4.1.8 COMBINED ASSURANCE

Regular engagements occurred between assurance providers to give effect to the Combined Assurance Framework. These engagements continue to be developed and enhanced to make combined assurance in the College more effective. The Committee regularly reviews developments in this area.

4.1.9 INTERNAL AUDIT

The ARC is satisfied that the internal Audit activity is operating effectively and that it has addressed the risks pertinent to the College in its Audit engagements.

The ARC approved internal Audit's strategic documents for 2016. The 2016 operational plan was implemented by internal Audit and monitored by the ARC on a quarterly basis.

I. KLYNSMITH
ACTING CHAIRPERSON
AUDIT AND RISK COMMITTEE

4. REPORTS BY COMMITTEES OF COUNCIL

4.2 REPORT OF THE FINANCE SUB-COMMITTEE TO THE COUNCIL OF ORBIT COLLEGE FOR THE YEAR ENDED 31 DECEMBER 2016

4.2.1 TERMS OF REFERENCE

The Finance Committee (FINCOM) has been established as an independent Committee, in terms of section 25 of the Continuing Education and Training Act 2006. The Committee has adopted formal Terms of Reference, which are regularly updated and approved by Council. The Committee presents its report for the financial year ended 31 December 2016.

4.2.2 FINANCE COMMITTEE MEMBERS AND ATTENDANCE

The Committee's Terms of Reference requires a minimum of 3 External members of Council (one of whom is the Chairperson), and consists of the members listed below. During the year under review, four meetings were held.

Member	Role	Meetings held	Meetings attended
Mr SE Xipu	Chairperson	5	4
Mr K Moloantoa	Member	5	5
Ms. P. Mangoma	Member	5	5
Ms M Marais	Member	5	5
Ms L De Beer	Member	5	3
Ms M Visser	Invitee	5	4

4.2.3 FINANCE COMMITTEE RESPONSIBILITY

The FINCOM reports that it has, as far as possible, complied with its responsibilities arising from its charter, including all relevant legislative requirements.

4.2.4 EFFICIENCY AND EFFECTIVENESS OF INTERNAL CONTROL

The FINCOM has effectively and efficiently executed the following responsibilities:

4.2.4.1 Approved finance policies and monitor compliance.

4.2.4.2 Overseen the preparation of the annual budget and financial statements.

4. REPORTS BY COMMITTEES OF COUNCIL

4.2 REPORT OF THE FINANCE SUB-COMMITTEE TO THE COUNCIL OF ORBIT COLLEGE FOR THE YEAR ENDED 31 DECEMBER 2016

4.2.4.3 Considered and approved financial strategies and objectives as recommended by the Deputy Principal Finances in support of adopted development and growth plans for the College.

4.2.4.4 Monitored financial performance against budgets.

4.2.4.5 Overseen the administration, collection, and disbursement of the financial resources of theCollege.

4.2.4.6 Advised the Council with respect to making significant financial decisions.

4.2.4.7 Considered and assessed all investment opportunities available to the College, in respect of all funds which it administers, and to determine the manner and extent to which funds are to be invested with a view to ensuring both security and optimisation of income.

4.2.4.8 Reviewed the actual and projected financial situation of the College as required, including among other matters, the respective level of debt, the sources of financing and the College's financial ratios.

4.2.4.9 Reviewed the financial aspects of any acquisitions submitted to the Council; and as delegated to the Finance Sub-Committee by the Council, to review and approve any acquisitions covered by such delegation.

4.2.4.10 Monitored the performance of the Finance Component of the College.

4.2.5 CONCLUSION

The FINCOM fully supports the College in its vision, as embodied in the strategic documents, and in its journey of improved service delivery to the Learners of the College.

4.2.6 APPRECIATION

The FINCOM expresses its sincere appreciation to the Council, Accounting Officer, Management, Officials, Auditor-General South Africa and the Finance Unit for their support to the FINCOM during the year under review.

XIPU SE
CHAIRPERSON
FINANCE COMMITTEE

4. REPORTS BY COMMITTEES OF COUNCIL

4.3 REPORT OF THE HUMAN RESOURCE AND REMUNERATION SUB-COMMITTEE TO THE COUNCIL OF ORBIT COLLEGE FOR THE YEAR ENDED 31 DECEMBER 2016

4.3.1 TERMS OF REFERENCE

The Human Resource and Remuneration Committee (HRCOM) has been established as an independent Committee, in terms of section 25 of the Continuing Education and Training Act 2006. The Committee has adopted formal Terms of Reference, which are regularly updated and approved by Council. The Committee presents its report for the financial year ended 31 December 2016.

4.3.2 HUMAN RESOURCE AND REMUNERATION COMMITTEE MEMBERS AND ATTENDANCE

The Committee's Terms of Reference requires a minimum of 3 external members of Council (one of whom is the Chairperson), and consists of the members listed below. During the year under review, four meetings were held.

Member	Role	Meetings held	Meetings attended
Dr MG Nkagisang	Chairperson	3	3
Mr JJ Erasmus	Member	3	2
Mr SJ Mokotedi	Member	3	3
Mr S Matjiane	Member	3	3
Ms I Mthombeni	Invitee	3	2

4.3.3 HUMAN RESOURCE AND REMUNRATION COMMITTEE RESPONSIBILITY

The HRCOM reports that it has, as far as possible, complied with its responsibilities arising from its charter, including all relevant legislative requirements.

4.3.4 EFFICIENCY AND EFFECTIVENESS OF INTERNAL CONTROL

The HRCOM has effectively and efficiently executed the following responsibilities:

4.3.4.1 Periodically reviewed and approved new human resource policies of the College.

4.3.4.2 Monitored the College performance against its HR or workforce plan.

4.3 REPORT OF THE HUMAN RESOURCE AND REMUNERATION SUB-COMMITTEE TO THE COUNCIL OF ORBIT COLLEGE FOR THE YEAR ENDED 31 DECEMBER 2016

4.3.4.3 Reviewed the total compensation practices of the College.
4.3.4.4 Monitored the performance management and development systems and their impact on individual and organisational performance.
4.3.4.5 Reviewed and approve the organisational structure and post establishment of the College.
4.3.4.6 Monitored the College performance against defined strategic HR targets.
4.3.4.7 Monitored systems and procedures for all Council-approved human resources and employment equity policies
4.3.4.8 Monitored the management development programmes of the College.

4.3.4.9 Reviewed and reported to the full Council, with recommendations, the following:

- ethical standards of the College to ensure that Management has identified the values that determine acceptable behaviour in the College and has put in place a process that ensures these values are reflected in actions that are taken within the College.
- periodic review of the College's Code of Ethics and Conduct.
- compliance under the College's Code of Ethics and Conduct.

4.3.5 CONCLUSION

The HRCOM fully supports the College in its vision, as embodied in the strategic documents, and in its journey of improved service delivery to the students of the College.

4.3.6 APPRECIATION

The HRCOM expresses its sincere appreciation to the Council, Accounting Officer, Management, Officials, Auditor-General South Africa and the Human Resource Unit for their support to the HRCOM during the year under review.

____

NKAGISANG MG (Dr)
CHAIRPERSON
HUMAN RESOURCE AND REMUNERATION COMMITTEE

4. REPORTS BY COMMITTEES OF COUNCIL

4.4 REPORT OF THE PLANNING AND RESOURCE SUB-COMMITTEE TO THE COUNCIL OF ORBIT COLLEGE FOR THE YEAR ENDED 31 DECEMBER 2016

4.4.1 TERMS OF REFERENCE

The Planning and Resource Committee (PRC) has been established as an independent Committee, in terms of section 25 of the Continuing Education and Training Act 2006. The Committee has adopted formal Terms of Reference, which are regularly updated and approved by Council. The Committee presents its report for the financial year ended 31 December 2015.

4.4.2 PLANNING AND RESOURCE COMMITTEE MEMBERS AND ATTENDANCE

The Committee's Terms of Reference requires a minimum of 3 external members of Council (one of whom is the Chairperson), and consists of the members listed below. During the year under review, four meetings were held.

Member	Role	Meetings held	Meetings attended
Mr SE Xipu	Chairperson	4	3
Mr K Moloantoa	Member	4	4
Ms A. Saffy	Member	4	3
Ms M Marais	Member	4	3
Mr T Mosito	Member	4	3
Mr S Matjiane	Member	4	2

4.4.3 PLANNING AND RESOURCE COMMITTEE RESPONSIBILITY

The PRC reports that it has, as far as possible, complied with its responsibilities arising from its charter, including all relevant legislative requirements.

4.4.4 EFFICIENCY AND EFFECTIVENESS OF INTERNAL CONTROL

The PRC has effectively and efficiently executed the following responsibilities:

4.4.4.1 Recommended to Council to approve the College infrastructure planning, management and maintenance and supply chain policies and monitor compliance and implementation.

4.4 REPORT OF THE PLANNING AND RESOURCE SUB-COMMITTEE TO THE COUNCIL OF ORBIT COLLEGE FOR THE YEAR ENDED 31 DECEMBER 2016

4.4.4.2 Monitored the management of the facilities register and its associated maintenance and construction activities.

4.4.4.3 Reviewed the actual and projected capital needs of the College as required, including among other matters, the sources of financing and related implications noting the mandate of expansion for TVET Colleges.

4.4.4.4 Recommended the College five-year capital expenditure programme.

4.4.4.5 Overseen the execution of capital projects, including that:

- each project meets the strategic and technical specifications and deliverables.
- all project-related risks have been identified and mitigated.
- critical decisions, project parameters and governance processes are followed and addressed prior to committing funds.
- each project enhances the portfolio value of the College.

4.4.4.6 Reviewed the performance of the College Supply Chain component of the College in terms of operational targets

4.4.4.7 Overseen the compliance to Health, Safety and Environmental legislation

4.4.4.8 Monitored the achievement of targets in respect of the Environmental Plan as contained in the annually approved College Operational Plan

4.4.5 CONCLUSION

The PRC fully supports the College in its vision, as embodied in the strategic documents, and in its journey of improved service delivery to the Learners of the College.

4.4.6 APPRECIATION

The PRC expresses its sincere appreciation to the Council, Accounting Officer, Management, Officials, Auditor-General South Africa and the Supply Chain Unit for their support to the PRC during the year under review.

XIPU SE
CHAIRPERSON
PLANNING AND RESROUCE COMMITTEE

PART D
FINANCIAL INFORMATION

1. REPORT OF THE AUDITOR-GENERAL

TO THE MINISTER OF HIGHER EDUCATION AND TRAINING AND THE COUNCIL OF ORBIT TVET COLLEGE

AUDITOR-GENERAL SOUTH AFRICA

Auditing to build public confidence

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

1. I have audited the financial statements of the ORBIT TVET College set out on pages 79 to 169, which comprise the statement of financial position as at 31 December 2016, and the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes 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 ORBIT TVET College as at 31 December 2016, and its financial performance and cash flows for the year then ended in accordance with South African Standards of General Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Continuing Education and Training Act, 2006 (Act No. 16 of 2006) (CET Act), as amended.

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.

4. I am independent of the college in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) together with the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Restatement of corresponding figures

7. As disclosed in note 31, to the financial statements, the corresponding figures for 31 December 2015 have been restated as a result of an error in the financial statements of the TVET College at, and for the year ended, 31 December 2016.

Impairment

8. As disclosed in note 24, to the financial statements, trade and other receivables were materially impaired by R72 004 177 as a result of non-payment of debtors.

Responsibilities of Council for the financial statements

9. The council is responsible for the preparation and fair presentation of the financial statements in accordance with South African Standards of General Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the of the Continuing Education and Training Act, 2006 (Act No. 16 of 2006) (CET Act), as amended, and for such internal control as the council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

10. In preparing the financial statements, the council is responsible for assessing the ORBIT TVET College 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 council either intends to liquidate the college or to cease operations, or has no realistic alternative but to do so.

1. REPORT OF THE AUDITOR-GENERAL

TO THE MINISTER OF HIGHER EDUCATION AND TRAINING AND THE COUNCIL OF ORBIT TVET COLLEGE

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

11. 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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

13. The college is not required to prepare a report on its performance against predetermined objectives as it does not fall within the ambit of the PFMA and such reporting is also not required in terms of the entity's specific legislation.

REPORT ON AUDIT OF COMPLIANCE WITH LEGISLATION

Introduction and scope

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

15. The material findings in respect of the compliance criteria for the applicable subject matters in the CET Act are as follows:

Procurement and contract management

16. A member of staff or employee did not in writing:
    (a) Before he or she was appointed or assumed office, declare any business that may raise a conflict or a possible conflict of interest with the college concerned; and/or
    (b) Notify the college concerned of any conflict or possible conflict of interest before such college procured any goods or services from such member of staff or an organisation within which such member or employee held an interest, in contravention of section 20(7) (a)-(b) of the Continuing Education and Training Act.
    A member of staff or employee conducted business directly or indirectly with the college at which he or she is employed that entailed or may have entailed a conflict of interest with the college in contravention of section 20(8)(a)-(c) of the Continuing Education and Training Act.

OTHER INFORMATION

17. The ORBIT TVET College council is responsible for the other information. The other information comprises the information included in the annual report which includes the principal`s report, council chairperson`s report, performance report and the council subcommittee reports. The other information does not include the financial statements and the auditor's report thereon.

18. My opinion on the financial statements and findings on compliance with the CET Act do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

19. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have not yet received anything to report in this regard.

1. REPORT OF THE AUDITOR-GENERAL

TO THE MINISTER OF HIGHER EDUCATION AND TRAINING AND THE COUNCIL OF ORBIT TVET COLLEGE

INTERNAL CONTROL DEFICIENCIES

20. I considered internal control relevant to my audit of the financial statements and compliance with the CET Act; however, my objective was not to express any form of assurance thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.

- Inadequate oversight responsibility was provided to ensure that the financial statements were free of material misstatements and compliance with the CET Act. Sound financial controls were not established, and policies and procedures were not fully implemented and effective.

- Council did not establish an IT governance framework that supports and enables the business values and improves performance

- Lack of implementation for proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial reporting.

- Audit committee did not provide adequate oversight over financial reporting and compliance with legislation.

Auditor-General

Rustenburg

07 July 2017

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

REPORT OF THE AUDITOR-GENERAL

TO THE MINISTER OF HIGHER EDUCATION AND TRAINING AND THE COUNCIL OF ORBIT TVET COLLEGE

ANNEXURE – AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and on the college's compliance with respect to the selected subject matters per the CET Act.

Financial statements

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

Communication with those charged with governance

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

2 ANNUAL FINANCIAL STATEMENTS

2.1 RESPONSIBILITIES AND APPROVAL OF COUNCIL

The Council is required by the Continuing Education and Training Act No. 16 of 2006 to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is the responsibility of Council to ensure that the financial statements fairly present the state of affairs of the College as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with GRAP. The Auditor-General was engaged to express an independent opinion on the financial statements and were given unrestricted access to all financial records, related data and relevant parties. The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the ASB and in the manner required by the Minister of Higher Education and Training.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

Council acknowledges that it is ultimately responsible for the system of internal financial control established by the College and places considerable importance on maintaining a strong control environment, which includes the safeguarding of assets and compliance with relevant legislation. To enable the Council to meet these responsibilities, the Council sets standards for internal control aimed at reducing risk in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting and other procedures, and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the College and employees and management are required to maintain the highest ethical standards in ensuring the College's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the College is on identifying, assessing, managing and monitoring all known forms of risk across the College. While operating risk cannot be fully eliminated, the College endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Council accepts its responsibility to ensure that the College is managed in a responsible manner, considering the interest of all stakeholders, including the DHET, unions, employees, students, local communities and creditors. Responsible management entails, inter alia, compliance with applicable statutory and regulatory requirements, including risk management.

The Council is of the opinion, based on the information and explanations given by Management, that the system of internal control provides reasonable assurance, except for the matters reported in the audit report, that the financial records may be relied on for the preparation of the financial statements and that the financial statements are free from material misstatement, whether due to fraud or error. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The Council has reviewed the College's cash flow forecast for the year to 31 December 2017 and, in the light of this review and the current financial position, it is satisfied that the College has, or has access to, adequate resources to continue in operational existence for the foreseeable future.

The College is dependent on the DHET for continued funding of operations in line with the annual DHET programme funding allocation. The financial statements are prepared on the basis that the College is a going concern and that the DHET has neither the intention nor the need to liquidate or curtail materially the scale of the College's operations.

The Auditor-General is responsible for independently auditing and reporting on the College's financial statements and his report is presented with these financial statements. The annual financial statements set out, which have been prepared on the going concern basis, were approved by the Council on 21 April 2017 and were signed on its behalf by:

CS Mabe
[Chairperson] - Independent
(Ministerial Appointee)

2 ANNUAL FINANCIAL STATEMENTS

2.2 REPORT FROM COUNCIL

The Council of ORBIT Technical and Vocational Education and Training (TVET) College must perform all functions, which are necessary to govern the public TVET College. The Principal of ORBIT TVET College is responsible for the management and administration of the institution. This is duly stated in Section 13 of the Continuing Education and Training Act No. 16 of 2006 (CET Act). The Council submit their report for the year ended 31 December 2016.

1. COLLEGE

ORBIT TVET College was established under the Continuing Education and Training Act 16 of 2006. The College comprises the following campuses: Brits, Mankwe & Rustenburg.

2. REVIEW OF ACTIVITIES

MAIN BUSINESS AND OPERATIONS

The College is a Public Technical and Vocational Educational and Training Collage, constituted in terms of the Continuing Educational and Training Act no. 16 of 2006 and operates within the Repulic of South Africa and operates principally in South Africa.

- Net deficit of the entity was R 27 858 647 (2015: surplus R 37 036 170).
- Accumulated surplus / (deficit) at 31 December 2016 amounted to R 278 661 794 (2015: R311 812 091)
- Cash balances at 31 December 2016 amounted to R 98 068 749 (2015: R71 303 238)
- Revenue for the year amounted to R 259 434 544 (2015: R259 225 158)

3. GOING CONCERN

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

4. SUBSEQUENT EVENTS

The Council is not aware of any subsequent events or matters arising since the end of the financial year.

5. COUNCIL'S INTEREST IN CONTRACTS

The Governance and Management Secretary of the College maintains a register of financial and personal interest of the Council Members. The register is available for inspection at:

ORBIT TVET College Central Office, Office Number 32

6. VISION

A global institution of excellence, surpassing community needs.

7. MISSION

To provide high quality Education and Training that is affordable, relevant, learner-centred and contributes to the total development of individuals through:

- Optimal utilisation of resources,
- Creative and innovative modes of delivery,
- Appropriately skilled staff and
- Community upliftment

8. VALUES

Transformation

Policies, procedures, activities and programmes are responsive to community needs and redress imbalances of the past, thereby ensuring increased inclusivity and accessibility.

Accountability

Decision-making processes are transparent with proper financial management systems and procedures with the focus on efficiency and effectiveness, including being fair, ethical and trustworthy in all that we do.

Respect

We respect the values of human dignity, equality, human rights and freedom, non-rasicm and nonsexism.

Teamwork

Co-operating with one another and with the community, business stakeholders and partners in education in an open and supportive way to achieve shared goals.

9. TAXATION AND VALUE-ADDED TAX

The College is exempt from income tax in terms of Section 10 (1) (cN) of the Income Tax Act. The College is not a VAT registered institution.

2 ANNUAL FINANCIAL STATEMENTS

Strategic Goal	Strategic Objective	Performance Indicator	Planned target for 2016	Actual Achievement for 2016	Deviation from planned targets to actual achievement	Comment on deviation
Strategic Goal 1: Increase the number of skilled youth by expanding access to education and training for the youth.	1.1. To improve recruitment, placement and selection processes.	**Target**	**2016**			
		Headcount enrolment in TVET College programmes:				
		Headcounts enrolled in NC(V) Level 2	1 750	2 041	Target exceeded by 291	**The enrolment of students is guided by FTEs and not headcounts.** The Headcount totals were based on the assumption that one headcount equals 7 subject enrolments as per DHET Planning Guidelines. The Level 2 target was exceeded due to demand as well as the number of students returning due to subject failure. This tendency impacted on the enrolment targets for Level 3 and 4.
		Headcounts enrolled in NC(V) Level 3	1 120	736	Target shortfall of 384	
		Headcounts enrolled in NC(V) Level 4	735	664	Target shortfall of 71	
		Headcounts enrolled in Report 191 Trimester programmes.	6 395	4 079	Target shortfall of 2316	The enrolment of students is guided by FTEs and not headcounts.

Strategic Goal	Strategic Objective	Performance Indicator	Planned target for 2016	Actual Achievement for 2016	Deviation from planned targets to actual achievement	Comment on deviation
Strategic Goal 1: Increase the number of skilled youth by expanding access to education and training for the youth.	1.1. To improve recruitment, placement and selection processes.	**Target**	**2016**			
		Headcount enrolment in TVET College programmes:				
		Headcounts enrolled in Report 191 Semester programmes	3 320	3 097	Target shortfall of 223	**An unique Head Count enrolment equates to 1 student even if he or she has enrolled for 3 Trimesters.** **It needs to be noted that for Trimesters one student can be enrolled for 3 Trimesters and that equates to 1 FTE.** The Headcount totals were based on the assumption that one headcount equals 4 subject enrolments as per DHET Planning Guidelines. There is a strong trend for a bigger demand for Report 191 as opposed to NC(V) programmes
		Students enrolled in Occupational and other programmes	215	221	Target exceeded by 6	All planned Occupational programmes were rolled out.
	1.2. To achieve the targets for expansion as set out in the college operational plans and Delivery Agreement	Number of FTEs enrolled in Level 2	1 750	1 779.158	Target exceeded by 29.158	A Shortfall on Level 3 and 4 targets led to an over-enrolment of level 2 in order to meet the total NC(V) FTE target for the College.

2 ANNUAL FINANCIAL STATEMENTS

Strategic Goal	Strategic Objective	Performance Indicator	Planned target for 2016	Actual Achievement for 2016	Deviation from planned targets to actual achievement	Comment on deviation
		Target	**2016**			
Strategic Goal 1: Increase the number of skilled youth by expanding access to education and training for the youth.	1.2. To achieve the targets for expansion as set out in the college operational plans and Delivery Agreement	Number of FTEs enrolled in Level 3	1 120	807.29	Target shortfall of 312.71	Enrolment trends and tendencies for Level 3 and 4 were used as a basis to do projections for 2016. Projections are influenced, amongst other things, by pass rates and retention rates which is difficult to project 100% correctly
		Number of FTEs enrolled in Level 4	735	718.49	Target shortfall of 16.51	
		Number of FTEs enrolled in N1	478.333	335.984	Target shortfall of 142.349	Enrolment planning variations due to the results being released long after closing date for examinations.
		Number of FTEs enrolled in N2	711.666	570.542	Target shortfall of 141.124	
		Number of FTEs enrolled in N3	440	465.713	Target exceeded by 25.713	
		Number of FTEs enrolled in N4	945	1080.827	Target exceeded by 135.827	
		Number of FTEs enrolled in N5	770.833	814.844	Target exceeded by 44.011	
		Number of FTEs enrolled in N6	445.833	557.605	Target exceeded by 111.772	
	1.3. To minimise the unfunded enrolments	Number of unfunded FTEs in NC(V)	853	689	Target shortfall of 164	Enrolment targets were not met, thus reducing the unfunded enrolments. Based on limited reserves it is not possible to meet the demand and going forward we will most possibly not plan for unfunded FTEs.
		Number of unfunded FTEs in Report 191	4 912	2 373	Target shortfall 2 539	

2.3 STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	Note(s)	2016 R	2015 Restated* R
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	98 068 749	71 303 238
Other financial assets	4	58 500 000	88 500 000
Inventories	5	11 268 906	13 471 871
Projects	6	845 113	259 094
Trade and other receivables from exchange transactions	7	63 845 107	85 318 421
		232 527 875	**258 852 624**
NON-CURRENT ASSETS			
Property, plant and equipment	8	133 131 690	126 060 419
Intangible assets	9	33 448	144 677
Projects	6	602 509	-
		133 767 647	126 205 096
Total Assets		**366 295 522**	**385 057 720**
LIABILITIES			
CURRENT LIABILITIES			
Projects	6	13 458 823	16 639 436
Finance lease obligation	10	226 402	427 742
Payables from exchange transactions	13	45 317 902	49 738 436
Provisions	12	5 217 038	5 033 322
		64 220 165	**71 838 936**
NON-CURRENT LIABILITIES			
Finance lease obligation	10	198 734	425 404
Projects	6	23 214 829	981 289
		23 413 563	**1 406 693**
Total Liabilities		**87 633 728**	**73 245 629**
Net Assets		**278 661 794**	**311 812 091**
Accumulated surplus		278 661 794	311 812 091

2.4 STATEMENT OF FINANCIAL PERFORMANCE

	Note(s)	2016 R	2015 Restated* R
Revenue			
Revenue from exchange transactions			
Tuition and related fees	14	60 202 842	58 746 766
Recoveries		-	1 194 718
Rentals	15	682 374	669 889
Project income		12 195 542	7 132 287
Business unit income		20 930	300 427
Interest received - investments	16	7 960 395	8 888 972
Total revenue from exchange transactions		**81 062 083**	**76 933 059**
Revenue from non-exchange transactions			
TRANSFER REVENUE			
Government grants & subsidies	17	173 387 856	165 700 000
Services in kind	18	-	2 468 339
Public contributions and donations	19	782 242	130 381
Project income		4 188 649	13 951 376
Insurance claim received		13 714	42 003
Total revenue from non-exchange transactions		178 372 461	182 292 099
Total revenue	20	**259 434 544**	**259 225 158**
Expenditure			
Employee related costs	21	(129 319 480)	(114 825 918)
Remuneration of councillors		(216 836)	(191 831)
Depreciation and amortisation	22	(16 265 672)	(13 781 084)
Impairment loss / reversal of impairments		(313 677)	-
Finance costs	23	(60 292)	(53 989)
Lease rentals on operating lease		(244 878)	-
Debt impairment	24	(72 004 177)	(23 367 261)
Repairs and maintenance		(7 240 063)	(16 519 852)

2.4 STATEMENT OF FINANCIAL PERFORMANCE

	Note(s)	2016 R	2015 Restated* R
Contracted services	25	(13 286)	-
General expenses	26	(65 530 093)	(60 029 494)
Total expenditure		**(291 208 454)**	**(228 769 429)**
Operating (deficit) surplus		**(31 773 910)**	**30 455 729**
(Loss) / gain on disposal of assets and liabilities		(21 607)	21 133
(Loss) / gain on completed projects		616 621	8 737 057
Inventories gains / (write-downs)		3 320 249	(2 177 749)
		3 915 263	**6 580 441**
(Deficit) surplus for the year		**(27 858 647)**	**37 036 170**

2.5 STATEMENT OF CHANGES IN NET ASSETS

	Accumulated surplus R	Total net assets R
Opening balance as previously reported	280 563 262	280 563 262
Correction of errors	5 406 618	5 406 618
Balance at 01 January 2015 as restated*	**285 969 880**	**285 969 880**
Implementation of GRAP	-	-
Movement in project account	(11 193 965)	(11 193 965)
Surplus for the year as previously reported	34 636 539	34 636 539
Correction of errors	2 399 631	2 399 631
Opening balance as previously reported	304 643 785	304 643 785
Correction of errors	7 168 300	7 168 300
Balance at 01 January 2016 as restated*	**311 812 085**	**311 812 085**
Surplus for the year	(27 858 647)	(27 858 647)
Movement in project account	(5 291 644)	(5 291 644)
Correction of errors	-	-
Total changes	(33 150 291)	(33 150 291)
Balance at 31 December 2016	**278 661 794**	**278 661 794**
Note(s)		

2.6 CASH FLOW STATEMENT

	2016 R	2015 Restated* R
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Tuition fees	27 661 991	30 617 772
Transfers, public contributions, sponsorships and donations	782 242	130 381
Government grants and subsidies	149 352 459	102 396 986
Interest income	7 960 395	8 888 972
Other receipts	23 132 877	28 969 911
	208 889 964	171 004 022
Payments		
Employee costs	(129 370 813)	(113 100 818)
Suppliers	(71 907 427)	(80 595 407)
Other payments	13 189 377	(3 199 830)
	(188 088 863)	(196 896 055)
Net cash flows from operating activities	**20 801 101**	**(25 892 033)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(23 561 002)	(23 838 918)
Proceeds from sale of property, plant and equipment	13 714	21 133
Purchase of other intangible assets	-	(85 596)
Proceeds from sale of financial assets	30 000 000	20 000 000
Net cash flows from investing activities	**6 452 712**	**(3 903 381)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Finance lease payments	(488 302)	87 773
Net increase / (decrease) in cash and cash equivalents	**26 765 511**	**(29 707 641)**
Cash and cash equivalents at the beginning of the year	71 303 238	101 010 879
Cash and cash equivalents at the end of the year	**98 068 749**	**71 303 238**

2 ANNUAL FINANCIAL STATEMENTS

2.7 ACCOUNTING POLICIES

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Continuing Education and Training Act No. 16 of 2006.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

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

These accounting policies are consistent with the previous period.

1.1 PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand, which is the functional currency of the entity.

1.2 GOING CONCERN ASSUMPTION

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

1.3 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The use of judgement, estimates and assumptions is inherent to the process of preparing annual financial statements. These judgements, estimates and assumptions affect the amounts presented in the annual financial statements. Uncertainties about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the relevant asset or liability in future periods.

JUDGEMENTS

In the process of applying these accounting policies, management has made the following judgements that may have a significant effect on the amounts recognised in the financial statements:

Programme funding

Programme funding is allocated to the College by the DHET in terms of the CET Act and the National Norms and Standards for Funding of TVET Colleges and is determined by the estimated Full-Time Equivalent Students (FTEs) of the College. The allocation is done based on the projected FTEs for the year and if the College fails to register the projected FTEs, a portion of the programme funding can be clawed back in the following year.

The programme funding is allocated by DHET during their financial year which is from April to March, but for the College the funds pertain to the

2.7 ACCOUNTING POLICIES

College Academic and financial year which is from January to December. Once the College has registered the projected number of FTEs, the suspensive condition of the programme funding grant has been met and the grant is recognised in full.

The programme funding is paid out to the College partly in cash tranches and partly through the PERSAL system of the DHET, directly to the employees of the College. The method and timing of payment of the grant does, however, not influence the recognition of revenue.

Employee related costs and DHET management fee

In terms of the CET Act, the College is the employer of the non-funded, non-management personnel. All personnel appointed in funded posts and management personnel, defined in the CET Act as the Principal and Deputy Principals, have migrated to DHET and are DHET employees.

Management personnel are remunerated from DHET funds and not from college funds, and this constitutes services in kind which are recognised at the cash value of the services to the State. The income is recognised as "Services in kind" as part of revenue from non-exchange transactions, and the expense is recognised as "DHET management fee".

ESTIMATES

Estimates are informed by historical experience, information currently available to Management, assumptions, and other factors that are believed to be reasonable under the circumstances. These estimates are reviewed on a regular basis. Changes in estimates that are not due to errors are processed in the period of the review and applied prospectively.

In the process of applying the entity's accounting policies the following estimates, were made:

Trade receivables / Held to maturity investments and / or loans and receivables

The entity assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the surplus makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for held to maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio.

These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Allowance for slow moving, damaged and obsolete stock

An allowance for stock to write stock down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the operation surplus note.

Impairment testing

In testing for, and determining the value-in-use of non-financial assets, Management is required to rely on the use of estimates about the asset's ability to continue to generate cash flows (in the case of cash-generating assets). For non-cash-generating assets, estimates are made regarding the depreciated replacement cost, restoration cost, or service units of the asset, depending on the nature of the impairment and the availability of information.

Provisions

Provisions are measured at the present value of the estimated future outflows required to settle the obligation. In the process of determining the best estimate of the amounts that will be required in future to settle the provision, management considers the weighted average probability of the potential outcomes of the provisions raised. This measurement entails determining what the different potential outcomes are for a provision as well as the financial impact of each of those potential outcomes. Management then assigns a weighting factor to each of these outcomes based on the probability that he outcome will materialise in future. The factor is then applied to each of the potential outcomes and the factored outcomes are then added together to arrive at the weighted average value of the provisions.

Provisions were raised and Management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 12 - Provisions.

Useful lives of assets, depreciation and amortisation

The entity's Management determines the estimated useful lives and related depreciation charges for these assets. These estimates are based on industry norms and then adjusted to be entity specific. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives and vice versa.

Depreciation and amortisation recognised on property, plant and equipment and intangible assets are determined with reference to the useful lives and residual values of the underlying items. The useful lives and residual values of assets are based on Management's estimation of the asset's condition, expected condition at the end of the period of use, its current use, expected future use and the entity's expectations about the availability of finance to replace the asset at the end of its useful life. In evaluating the condition and use of the asset informs the useful life and residual value Management considers the impact of technology and minimum service requirements of the assets.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when the debt age more than six months as per DHET prescribed policy for TVET Colleges as adopted per Council.

1.4 PROPERTY, PLANT AND EQUIPMENT

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

Recognition and measurement

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

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

2.7 ACCOUNTING POLICIES

Property, plant and equipment is initially measured at cost.

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

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

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

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

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Major spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and stand by equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land	Straight line	Indefinite Life
Buildings	Straight line	50
Furniture and fixtures	Straight line	3-12
Motor vehicles	Straight line	3-5
IT equipment	Straight line	2-5
Other property, plant and equipment	Straight line	5-10
Training Equipment	Straight line	5-10
Small items	Straight line	1

2.7 ACCOUNTING POLICIES

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Reviewing the useful life of an asset on an annual basis does not require the entity to amend the previous estimate unless expectations differ from the previous estimate.

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

Derecognition

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

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

1.5 INTANGIBLE ASSETS

An asset is identifiable if it either:

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

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

Recognition and measurement

An intangible asset is recognised when:

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

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

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

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

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

Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

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

Item	Useful life
Patents, trademarks and other rights	4-5 years

Derecognition

Intangible assets are derecognised:

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

The gain or loss is the difference between the net disposal proceeds, if any, and the carrying amount. It is recognised in surplus or deficit when the asset is derecognised.

1.6 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.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions),transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably.

However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

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

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
  - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
  - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
  - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
  - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Classification

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

Class	Category
Investments	Financial asset measured at amortised cost

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The entity measures a financial asset and financial liability initially at its fair value if subsequently measured at fair value.

The entity first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the entity analyses a concessionary loan into its component parts and accounts for each component separately. The entity accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Reclassification

The entity does not reclassify a financial instrument while it is issued or held unless it is:

- combined instrument that is required to be measured at fair value; or
- an investment in a residual interest that meets the requirements for reclassification.

Where the entity cannot reliably measure the fair value of an embedded derivative that has been separated from a host contract that is a financial instrument at a subsequent reporting date, it measures the combined instrument at fair value. This requires a reclassification of the instrument from amortised cost or cost to fair value.

If fair value can no longer be measured reliably for an investment in a residual interest measured at fair value, the entity reclassifies the investment from fair value to cost. The carrying amount at the date that fair value is no longer available becomes the cost.

If a reliable measure becomes available for an investment in a residual interest for which a measure was previously not available, and the instrument would have been required to be measured at fair value, the entity reclassifies the instrument from cost to fair value.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The entity assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly OR through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed.

The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:
If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Derecognition

Financial assets:
The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:
- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity :
  - derecognise the asset; and
  - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

If the entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognise the new financial asset, financial liability or servicing liability at fair value.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the onsideration received is recognised in surplus or deficit. If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit.

If a transfer does not result in derecognition because the entity has retained substantially all the risks and rewards of ownership of the transferred asset, the entity continue to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the entity recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

Financial liabilities:

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non- exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.
In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

1.7 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

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 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 of on the remaining balance of the liability.

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

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

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

2.7 ACCOUNTING POLICIES

1.8 INVENTORIES

Inventories are assets:

- in the form of materials or supplies to be consumed in the production process;
- in the form of materials or supplies to be consumed or distributed in the rendering of services;
- held for sale or distribution in the ordinary course of operations; or
- in the process of production for sale or distribution.

Recognition

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
- the cost of the inventories can be measured reliably

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

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution through a non-exchange transaction; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

Recognition as an expense

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.9 IMPAIRMENT OF CASH-GENERATING ASSETS

Cash-generating assets are those assets held by the entity with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

2.7 ACCOUNTING POLICIES

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the entity estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also test a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount.

This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the entity estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the entity applies the appropriate discount rate to those future cash flows.

Basis for estimates of future cash flows

In measuring value in use the entity:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset.

  Greater weight is given to external evidence;

- base cash flow projections on the most recent approved financial budgets / forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets / forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

Composition of estimates of future cash flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:
- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the entity expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the entity recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the entity determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the entity use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:
- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit.

2.7 ACCOUNTING POLICIES

The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:
- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

Reversal of impairment loss

The entity assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:
- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated prorata to the other assets of the unit.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.10 IMPAIRMENT OF NON-CASH-GENERATING ASSETS

Cash-generating assets are those assets held by the entity with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the entity estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also test a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

2.7 ACCOUNTING POLICIES

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the entity would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an over designed or overcapacity asset. Over designed assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Restoration cost approach

Restoration cost is the cost of restoring the service potential of an asset to its pre-impaired level. The present value of the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment. The latter cost is determined as the depreciated reproduction or replacement cost of the asset, whichever is lower.

Service units approach

The present value of the remaining service potential of the asset is determined by reducing the current cost of the remaining service potential of the asset before impairment, to conform to the reduced number of service units expected from the asset in its impaired state. The current cost of replacing the remaining service potential of the asset before impairment is determined as the depreciated reproduction or replacement cost of the asset before impairment, whichever is lower.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the entity recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The entity assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset 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 carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.11 EMPLOYEE BENEFITS

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service. Ordinary shares are classified as net assets. Mandatorily redeemable preference shares are classified as liabilities.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Short-term employee benefits

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

When an employee has rendered service to the entity during a reporting period, the entity recognise the un discounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the un discounted amount of the benefits, the entity recognise 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, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

2.7 ACCOUNTING POLICIES

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognise the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognise the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognise 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, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

DHET management fee

In terms of the CET Act, the College is the employer of the non-funded, non-management personnel. All personnel appointed in funded posts and management personnel, defined in the CET Act as the Principal and Deputy Principals, have migrated to DHET and are DHET employees.

Management personnel are remunerated from DHET and not from College funds, and this constitutes services in kind which are recognised at the cash value of the services to the State. The income is recognised as "Services in kind" as part of revenue from non-exchange transactions, and the expense is recognised as "DHET management fee".

1.12 PROVISIONS AND CONTINGENCIES

Provisions are recognised when:

- the entity has a present obligation 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 can be made of the obligation.

2.7 ACCOUNTING POLICIES

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating deficits.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.
A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of a activity/operating unit concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for services being terminated;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the entity

No obligation arises as a consequence of the sale or transfer of an operation until the entity is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

2.7 ACCOUNTING POLICIES

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The entity recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement.

Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the entity for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the entity considers that an outflow of economic resources is probable, an entity recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

Levies

A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than:

- those outflows of resources that are within the scope of other Standards, and
- fines or other penalties that are imposed for breaches of the legislation.

Government refers to government, government agencies and similar bodies whether local, national or international.

The obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation.

The entity does not have a constructive obligation to pay a levy that will be triggered by operating in a future period as a result of the entity being economically compelled to continue to operate in that future period. The preparation of financial statements under the going concern assumption does not imply that the entity has a present obligation to pay a levy that will be triggered by operating in a future period.

The liability to pay a levy is recognised progressively if the obligating event occurs over a period of time (i.e. if the activity that triggers the payment of the levy, as identified by the legislation, occurs over a period of time).

2.7 ACCOUNTING POLICIES

If an obligation to pay a levy is triggered when a minimum threshold is reached, the corresponding liability is recognised when that minimum threshold is reached.

The entity recognises an asset if it has prepaid a levy but does not yet have a present obligation to pay that levy.

1.13 REVENUE FROM EXCHANGE TRANSACTIONS

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

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

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

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- 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; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- 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.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

2.7 ACCOUNTING POLICIES

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date.

Interest, royalties, dividends and tuition fees

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Dividends or similar distributions are recognised, in surplus or deficit, when the entity's right to receive payment has been established.

Tuition fees are recognised over the period of instruction.

1.14 REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Transfers

Apart from Services in kind, which are only recognised as indicated below, the entity recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The entity recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

Services in-kind

Management personnel are remunerated from DHET and not from college funds, and this constitutes services in kind which are recognised at the cash value of the services to the State. The income is recognised as "Services in kind" as part of revenue from non-exchange transactions, and the expense is recognised as "DHET management fee".

1.15 COMPARATIVES

When the presentation or classification of items in the annual financial statements is amended due to better presentation and/or better understandability and/or comparability and / or due to the implementation of a new or amended standard, prior period comparative amounts are reclassified. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.16 BORROWING COSTS

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.17 RELATED PARTIES

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. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Significant influence may be exercised in several ways, usually by representation on the governing body but also, for example, by participation in the policy-making process, material transactions between entities within an economic entity, interchange of managerial personnel or dependence on technical information.

Significant influence may be gained by an ownership interest, statute or agreement or otherwise. With regard to an ownership interest, significant influence is presumed in accordance with the definition contained in the Standard of GRAP on Investments in Associates.

2.7 ACCOUNTING POLICIES

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.18 EVENTS AFTER REPORTING DATE

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.19 PROJECTS

By nature thereof, projects are funding obtained from external parties to perform certain services and incur related expenditure to meet deliverables as set out in the Memorandum of Understanding between the College and such external parties.

Revenue received and expenses incurred in respect of specific projects are allocated to project-related income and expenditure accounts. The profit or loss on such projects are closed-off to the project balance in the statement of financial position at the end of each period as an asset or liability, depending on the nature thereof, to be accumulated in future periods until such date that all deliverables relating to such project is met.

Upon completion of the project with relation to all deliverables met in accordance with the Memorandum of Understanding, the cumulative profit or loss on such project is circulated through the statement of financial performance as a profit or loss on projects for the year under review.

Project balances as at year-end are further categorised as current or non-current assets or liabilities based on the expected completion date of the project as set out in the Memorandum of Understanding. If however the expected completion date of the project has already passed, but not all deliverables have been met as of yet, it will be classified as a current asset or liability.

	2016 R	2015 R

2. NEW STANDARDS AND INTERPRETATIONS

STANDARDS AND INTERPRETATIONS EFFECTIVE AND TO BE ADOPTED IN FUTURE FINANCIAL YEAR

In the current year, the college has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations.

GRAP16 Investment Property:

Clarification of conditions necessary to classify property as investment property. Increased disclosure relating to Repairs and Maintenance and Long-overdue projects.

The effective date for the amendment is for years beginning on or after 01 April 2016.

The college expects to adopt the amendment for the first time in the 2017 annual financial statements.

GRAP17 Property, Plant and Equipment:

Increased disclosure relating to Repairs and Maintenance and Long-overdue projects. Encouraged disclosure removed.

The effective date for the amendment is for years beginning on or after 01 April 2016.

The college expects to adopt the amendment for the first time in the 2017 annual financial statements.

GRAP20 Related Party Disclosures:

Currently use it as guidance for accounting policies, therefore no impact expected on initial adoption.

The effective and implementation date of this amendment is not yet set.

GRAP32 Service Concession Arrangements:

The effective and implementation date of this amendment's is not yet set.

GRAP108 Statutory Receivables:

No changes to recognition and measurement are expected, but additional disclosures and separate classification in the notes will be done on adoption:

The effective and implementation date of this amendment is not yet set.

GRAP109 Accounting by Principals and Agents:

No changes to recognition and measurement are expected, but additional disclosures in the notes will be done on adoption.

The effective and implementation date of this amendment is not yet set.

IGRAP 17 Interpretation of the Standard of GRAP on Service Concession Arrangements Where a Grantor Controls a Significant Residual Interest in an Asset:

The effective and implementation date of this amendment is not yet set.

Directive12 The Selection of an Appropriate Reporting Framework by Public Entities:

The effective date for this Directive is for years beginning on or after 01 April 2018.

The college expects to adopt this Directive for the first time in the 2019 annual financial statements.

	2016 R	2015 R
3. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents consist of:		
Cash on hand	20 300	20 300
Bank balances	63 440 200	38 610 588
Call deposits	34 608 249	32 672 350
	98 068 749	**71 303 238**

The entity had the following bank accounts

			Bank statement balances			Cash book balances		
Account number / description			**31 December 2016**	**31 December 2015**	**31 December 2014**	**31 December 2016**	**31 December 2015**	**31 December 2014**
ABSA Bank: Brits	Acc Nr -	640830867	1 224 453	644 400	6 355 960	1 224 453	644 400	6 355 960
ABSA Bank: Rustenburg	Acc Nr -	4056719229	57 690 696	35 392 850	42 355 324	57 690 696	35 392 850	42 355 324
ABSA Bank: Rustenburg	Acc Nr -	4065336975	2 743 510	975 011	12 028 657	2 743 510	975 011	12 028 657
ABSA Bank: Rustenburg	Acc Nr -	1220831201	1 651 645	753 007	8 665 645	1 651 645	753 007	8 665 645
ABSA Bank: Rustenburg	Ac Nr -	4070607280	128 521	845 008	4 931 973	128 521	845 008	4 931 973
ABSA Bank: Johannesburg	Acc Nr -	4079665578	1 642	312	(830)	1 642	312	(830)
ABSA Bank: Rustenburg	Acc Nr -	9184899180	34 608 249	32 672 350	26 653 020	34 608 249	32 672 350	26 653 020
ABSA Bank: Rustenburg	Acc Nr -	4088842020	(125)	-	-	(125)	-	-
Total			**98 048 591**	**71 282 938**	**100 989 749**	**98 048 591**	**71 282 938**	**100 989 749**

		2016 R	2015 R
4. OTHER FINANCIAL ASSETS			
Designated at fair value			
Investec Fixed Deposit -	(1100/440317/450)	-	8 500 000
Interest rate:	(2015: 7.22%)		
Term of deposit:	(182 days)		
Effective date:	22 September 2015		
Maturity date:	22 March 2016		
Investec Fixed Deposit -	(1100/440317/451)	20 000 000	20 000 000
Interest rate: 8.46%	(2015: 6.76%)		
Term of deposit: 60 days	(2015: 181 days)		
Effective date: 30 July 2016	(2015: 30 September 2015)		
Maturity date: 30 January 2017	(2015: 29 January 2016)		
Nedbank Fixed Deposit-	(03/7881085347/000024)	8 500 000	-
Interest rate:	8.5%		
Term of deposit:	365 days		
Effective date:	26 October 2016		
Maturity date:	27 March 2017		
Nedbank Fixed Deposit-	(03/7881085347/000015)	-	30 000 000
Interest rate:	(2015: 7.27%)		
Term of deposit:	(2015: 183 days)		
Effective date:	28 September 2015		
Maturity date:	29 March 2016		

4. OTHER FINANCIAL ASSETS

		2016 R	2015 R
Designated at fair value			
Nedbank Fixed Deposit-	(03/7881085347/000025)	10 000 000	-
Interest rate:	8.60%		
Term of deposit:	180 day		
Effective date:	26 October 2016		
Maturity date:	26 April 2017		
Nedbank Fixed Deposit-	(03/7881085347/000010)	-	20 000 000
Interest rate:	(2015: 7.39%)		
Term of deposit:	(2015: 182 days)		
Effective date:	19 November 2015		
Maturity date:	19 May 2016		
Nedbank Fixed Deposit-	(03/7881085347/000014)	20 000 000	10 000 000
Interest rate:	7.65% (2015: 7.16%)		
Term of deposit:	185 days		
Effective date:	17 November 2016		
Maturity date:	17 May 2017		
		58 500 000	88 500 000
Impairments		-	-
		58 500 000	**88 500 000**
Current assets			
Long term fixed deposits		58 500 000	88 500 000

	2016 R	2015 R
5. INVENTORIES		
Consumable inventory	11 268 906	13 471 871
Carrying value of inventories carried at current replacement cots	2 852 078	6 249 800
Inventories recognised as an expense during the year	14 354 678	14 217 250
Consumable stores consist of text books, stationery and paper		
6. PROJECTS		
Non-current assets	602 509	-
Current assets - Projects	845 113	259 094
Non-current liabilities - Projects	(23 214 829)	(981 289)
Current liabilities - Projects	(13 458 823)	(16 639 436)
	(35 226 030)	**(17 361 631)**
PROJECTS FROM EXCHANGE TRANSACTIONS		
Projects from exchange transactions		
Transactions relating to exchange transaction (Liability)	(4 930 783)	(10 524 394)
Transactions relating to exchange transaction (Asset)	-	259 094
Projects from non-exchange transactions		
Transactions relating to non-exchange transaction (Liability)	(31 742 869)	(7 096 332)
Transactions relating to non-exchange transaction (Asset)	1 447 622	-
	(35 226 030)	**(17 361 632)**

	2016 R	2015 R
Project balances consist of:		
Rapid Incubator	(3 112 937)	-
CATHSSETA Interns	(93 000)	-
LGSETA Interns	(16 300)	-
AECI Apprenticeship	(471 181)	-
TETA Drivers	(114 691)	-
SACPO	845 113	-
AAT Bank SETA	(886 781)	(124 344)
BankSeta 1045	(157 500)	197 500
ECD - E153	(862 396)	(952 987)
ECD - E97	(1 850 948)	(1 969 899)
ECD - 130	(138 989)	(139 137)
ECD - 294	(2 685 551)	(2 685 616)
Entrepreneurship	(837 631)	61 594
FORD SA	(4 453 748)	(4 300 501)
NarySec ECD14	(315 446)	(105 536)
Provincial Department of Economic Development - 1043	(1 982 520)	(1 982 870)
RPL Commdev	(918 304)	(550 847)
TETA Interns	(6 300)	(477 000)
merSETA Apprenticeship	602 509	(504 289)
CET Procurement Project	(17 769 429)	(3 827 700)
	(35 226 030)	**(17 361 632)**

	2016 R	2015 R
7. TRADE AND OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS		
Gross balances		
Student debtors	124 978 375	92 437 524
Employee debtors	326 592	302 631
Prepayments	1 502 152	2 234 431
Other receivables - Projects	6 579 804	11 271 260
Other receivables - Other Debtors	1 018 133	788 852
Accrued income	691 637	1 566 528
DHET debtor	91 341 580	67 443 015
NSFAS debtor	272 633	368 708
NSFAS student debtor	4 375 716	4 142 809
	231 086 622	**180 555 758**
Less: Allowance for impairment		
Student debtors	(123 963 622)	(90 246 491)
Employee debtors	(169 925)	(169 925)
Other receivables - Projects	(4 496 935)	(1 233 551)
Other receivables - Other debtors	(541 996)	(443 380)
DHET Debtor	(34 409 164)	-
NSFAS student debtor	(3 659 873)	(3 143 990)
	(167 241 515)	**(95 237 337)**

	2016 R	2015 R
Net balance		
Student debtors	1 014 753	2 191 033
Employee debtors	156 667	132 706
Prepayments	1 502 152	2 234 431
Other receivables - Projects	2 082 869	10 037 709
Other receivables - Other Debtors	476 137	345 472
Accrued income	691 637	1 566 528
DHET debtor	56 932 416	67 443 015
NSFAS debtor	272 633	368 708
NSFAS student debtor	715 843	998 819
	63 845 107	**85 318 421**
Students: Ageing		
Current (0 -30 days) -	-	-
31 - 60 days - -	-	-
61 - 90 days - -	-	-
91 - 120 days	1 014 753	2 191 033
	1 014 753	**2 191 033**
Employee debtors: Ageing		
Current (0 -30 days)	14 688	(4 050)
31 - 60 days	8 043	(9 480)
61 - 90 days	7 321	(4 100)
91 - 120 days	126 615	150 336
	156 667	**132 706**
Prepayments: Ageing		
> 365 days	1 502 152	2 234 431

	2016 R	2015 R
7. TRADE AND OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS		
Other receivables - Projects: Ageing		
Current (0 -30 days)	-	3 053 390
31 - 60 days	475 300	2 346 000
61 - 90 days	248 640	1 824 961
91 - 120 days	1 358 929	1 263 558
121 - 365 days	-	1 549 800
	2 082 869	**10 037 709**
Other receivables - Other debtors: Ageing		
Current (0 -30 days)	-	34 000
31 - 60 days	99 320	53 970
61 - 90 days	10 130	(26 181)
91 - 120 days	366 687	283 683
	476 137	**345 472**
Accrued income: Ageing		
Current (0 -30 days)	691 637	1 566 528
DHET Debtor: Ageing		
Current (0 -30 days)	56 932 416	67 443 015
NSFAS debtor: Ageing		
Current (0 -30 days)	272 633	368 708
NSFAS student debtor		
Ageing	715 843	998 819
Reconciliation of allowance for impairment		
Balance at beginning of the year	(95 237 337)	(67 730 376)
Contributions to allowance	(72 004 178)	(27 506 961)
	(167 241 515)	**(95 237 337)**

	2016 R	2015 R

8. PROPERTY, PLANT AND EQUIPMENT

	2016			2015		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	19 136 803	(612 028)	18 524 775	19 136 803	(612 028)	18 524 775
Buildings	91 658 842	(8 128 186)	83 530 656	72 508 155	(6 542 736)	65 965 419
Buildings under construction	5 088 697	-	5 088 697	12 651 835	-	12 651 835
Other property, plant and equipment	18 493 017	(13 336 467)	5 156 550	17 751 569	(9 765 722)	7 985 847
IT equipment	18 969 192	(12 890 471)	6 078 721	15 362 105	(8 221 187)	7 140 918
Training Equipment	13 475 102	(9 195 060)	4 280 042	12 174 963	(6 895 299)	5 279 664
Furniture and fixtures	6 938 528	(5 692 693)	1 245 835	6 357 246	(4 333 680)	2 023 566
Motor vehicles	6 213 974	(2 933 370)	3 280 604	4 094 850	(2 116 939)	1 977 911
Work in progress computer equipment	4 679 517	-	4 679 517	3 016 474	-	3 016 474
Finance Lease Assets	680 994	(283 254)	397 740	1 590 759	(784 538)	806 221
Furniture and fixtures (Small items)	13 467 418	(13 068 597)	398 821	12 588 089	(12 409 958)	178 131
IT equipment (Small items)	8 528 182	(8 391 678)	136 504	8 221 517	(8 104 411)	117 106
Other Equipment (Small items)	4 019 889	(3 887 272)	132 617	3 795 681	(3 690 787)	104 894
Training Equipment (Small items)	3 811 359	(3 610 748)	200 611	3 516 229	(3 228 571)	287 658
Total	**215 161 514**	**(82 029 824)**	**133 131 690**	**192 766 275**	**(66 705 856)**	**126 060 419**

	2016	2015
	R	R

8. PROPERTY, PLANT AND EQUIPMENT

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Disposals	Transfers to IT equipment	Transfers to buildings	Depreciation	Impairment loss	Total
Land	18 524 775	-	-	-	-	-	-	18 524 775
Buildings	65 965 419	19 150 687	-	-	-	(1 585 450)	-	83 530 656
Buildings under construction	12 651 835	11 587 551	-	-	(19 150 689)	-	-	5 088 697
Other property, plant and equipment	7 985 847	763 870	(3 809)	-	-	(3 509 983)	(79 375)	5 156 550
Training Equipment	5 279 664	1 300 139	-	-	-	(2 271 853)	(27 908)	4 280 042
IT equipment	7 140 918	3 647 319	(18 762)	-	-	(4 561 810)	(128 944)	6 078 721
Furniture and fixtures	2 023 566	581 283	-	-	-	(1 358 574)	(440)	1 245 835
Motor vehicles	1 977 911	2 119 122	-	-	-	(740 831)	(75 598)	3 280 604
Work in progress computure equipment	3 016 474	3 180 223	-	(1 517 180)	-	-	-	4 679 517
Training Equipment (Small items)	287 658	302 687	(13)	-	-	(389 695)	(26)	200 611
Furniture and fixtures (Small items)	178 131	933 797	(233)	-	-	(712 734)	(140)	398 821
Other Equipment (Small items)	104 894	230 482	(12)	-	-	(202 728)	(19)	132 617
IT Equipment: (Small items)	117 106	418 474	(33)	-	-	(397 799)	(1 244)	136 504
Finance Lease Assets	806 221	1 119	-	-	-	409 600)	-	397 740
	126 060 419	**44 216 753**	**(22 862)**	**(1 517 180)**	**(19 150 689)**	**(16 141 057)**	**(313 694)**	**133 131 690**

	2016 R	2015 R

8. PROPERTY, PLANT AND EQUIPMENT

Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Transfers to buildings	Depreciation	Total
Land	18 524 775	-	-	-	18 524 775
Buildings	64 197 174	3 127 975	-	(1 359 730)	65 965 419
Asset under contruction / development	921 152	12 155 440	(424 757)	-	12 651 835
Other property, plant and equipment	9 821 402	1 454 480	-	(3 290 035)	7 985 847
Training Equipment	6 290 401	936 179	-	(1 946 916)	5 279 664
IT equipment	8 235 881	2 222 022	-	(3 316 985)	7 140 918
Furniture and fixtures	3 116 773	179 024	-	(1 272 231)	2 023 566
Motor vehicles	2 552 101	-	-	(574 190)	1 977 911
IT Work in Progress	439 442	2 577 032	-	-	3 016 474
Training Equipment (Small items)	178 246	359 494	-	(250 082)	287 658
Furniture and fixtures (Small items)	665 300	361 174	-	(848 343)	178 131
Other Equipment (Small items)	83 668	148 134	-	(126 908)	104 894
Computers Students (Small items)	367 114	156 048	-	(406 057)	117 106
Finance lease assets	637 439	667 835	-	(499 053)	806 221
	116 030 868	**24 344 837**	**(424 757)**	**(13 890 530)**	**126 060 419**

Pledged as security

No property, plant and equipment were pledged as security for any financial liability.

A register containing the information required by Continuing Education and Training Act No. 16 of 2006 is available for inspection at the registered office of the entity. The movable asset register contains assets carried at R1, even though they are fully depreciated, these R1 assets still have a use within the entity.

	2016 R	2015 R

8. PROPERTY, PLANT AND EQUIPMENT

Capital commitments 2016

	Tender Value	Work in Progress	Commitment
Moeng Civils	6 117 091	(5 088 697)	1 028 394

Capital commitments 2015

	Tender Value	Work in Progress	Commitment
P Wise	10 967 959	(7 345 956)	3 622 003
Moeng Civils	6 117 091	(1 108 697)	5 008 394
Batlotlegi	4 147 535	(3 711 632)	435 903
	21 232 585	**(12 166 285)**	**9 066 300**

Deemed cost

Deemed cost was determined using depreciated replacement cost.

Directive 7 – Application of deemed cost on adoption of standards of GRAP

This directive allows for deemed cost to be applied to determine the cost of assets that were acquired prior to the measurement date and only if information about the historical cost of those assets is not available.

The initial measurement of the land and buildings is by far the largest component of these asset classes.
Due to the historical cost not being available, Management decided to use the earliest, most accurate valuation that was performed to determine deemed cost as at 1 January 2013.

	2016	2015
	R	R

The Management of ORBIT agreed that the latest valuation (2013) was the most appropriate valuation to use in determining deemed cost for initial recognition of these land and buildings. The Management of ORBIT did not see need to valuate property again in 2014 to allow for restatement to date of transition as the valuation will not have the changed significantly and the cost to be incurred for a valuation will not be justified.

The 2013 valuation value will be restated to 1. January 2013 using the IPD SA Annual Property Index which indicated the capital growth for property in 2013 was 6.8%. From this day on these classes of assets will be depreciated using the SARS guidelines for depreciation of Buildings. Land will not be depreciated as it will have an indefinite life.

9. INTANGIBLE ASSETS

	2016			2015		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Copy rights	295 356	(261 908)	33 448	295 356	(150 679)	144 677

Reconciliation of intangible assets - 2016

	Opening balance	Amortisation	Total
Copy rights	144 677	(111 229)	33 448

Reconciliation of intangible assets - 2015

	Opening balance	Additions	Amortisation	Total
Copy rights	122 308	85 596	(63 227)	144 677

Pledged as security

No intangible assets were pledged as security for any financial liability.

10. FINANCE LEASE OBLIGATION

	2016 R	2015 R
Minimum lease payments due	257 663	488 035
- within one year	208 774	466 436
- in second to fifth year inclusive	466 437	954 471
less: future finance charges	(41 301)	(101 325)
Present value of minimum lease payments	**425 136**	**853 146**
Present value of minimum lease payments due		
- within one year	226 402	427 742
- in second to fifth year inclusive	198 734	425 404
	425 136	**853 146**
Non-current liabilities	198 734	425 404
Current liabilities	226 402	427 742
	425 136	**853 146**

It is entity policy to lease certain equipment under finance leases.

The average lease term was 3-5 years and the average effective borrowing rate was 9% (2015: 6%).

Interest rates are fixed at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

	2016 R	2015 R

11. OTHER FINANCIAL LIABILITIES

12. PROVISIONS

Reconciliation of provisions - 2016

	Opening Balance	Additions	Total
Provision	881 867	183 716	1 065 583
Provident fund provision	4 151 455	-	4 151 455
	5 033 322	**183 716**	**5 217 038**

Reconciliation of provisions - 2015

	Opening Balance	Additions	Total
Provision	60 268	821 599	881 867
Provident fund provision	3 648 277	503 178	4 151 455
	3 708 545	**1 324 777**	**5 033 322**

Government Employee Pension Fund R1 066 387

% used: 13.5%

Expected timing: 2016

ORBIT TVET College contributes 13.5% towards GEPF for state employees. ORBIT TVET College makes provision for employer contributions on previous payroll payments made directly from Council payroll that was calculated as part of pensionable earnings for the state employee. These payroll payments were supposed to have been paid by PERSAL. For these top-up, back pay and pay progression payments, no GEPF contribution could be paid to the Pension Fund due to ORBIT TVET College not being recognized as an employer by GEPF.

	2016 R	2015 R

Old Mutual Provident Fund R4 151 455

% used: 3.5%

Expected timing: 2016

ORBIT TVET College contributed 10% to Old Mutual Provident Fund for employees previously appointed by Council. All these employees migrated to DHET during a Function Shift Transfer during 2015 and this Fund was therefore dissolved. Subsequently employees submitted the matter to Dispute Resolution relating to the shortfall in Employer contributions and requested an additional refund to Employees to the value of 4% of pensionable earnings. ORBIT TVET College contributed in accordance to GEPF 13% on behalf of state employees and in comparison determined a shortfall of 3% contributed to Old Mutual Provident Fund. ORBIT TVET College then estimates a probable settlement at 3.5% of pensionable earnings calculated based on actual contributions paid.

13. PAYABLES FROM EXCHANGE TRANSACTIONS

	2016 R	2015 R
Accrued bonus	79 241	73 558
Accrued expenses	5 420 034	2 665 466
Accrued leave pay	52 193	-
NSFAS liability	48 959	-
NSFAS student liability	19 511 930	26 396 050
Pay progression accrual	631 089	523 462
PED Creditor	5 592 134	5 592 134
Other payables	13 579 878	13 642 985
Payroll accruals	402 443	844 780
	45 317 902	**49 738 436**

	2016 R	2015 R
14. TUITION AND RELATED FEES		
Tuition fees - students (Report 191)	17 290 240	11 833 905
Tuition fees - students (NCV)	12 568 557	13 119 680
Residential fees	3 976 263	3 776 945
Tuition fees - skills occupational	1 226 140	1 856 135
Examination fees	1 597 550	1 403 490
Tuition fees: NSFAS Bursaries (NCV)	20 253 517	18 524 191
Tuition fees: NSFAS Bursaries (Report 191)	3 290 575	8 232 420
	60 202 842	**58 746 766**
15. RENTALS		
Premises		
Hire of venue	376 690	373 200
Housing rental income	305 684	296 698
	682 374	**669 898**
16. INVESTMENT REVENUE		
Interest revenue		
Bank	7 960 395	8 888 972

The amount included in Investment revenue arising from non-exchange transactions amounted to R 7 268 758 (2015: R8 888 972).

	2016 R	2015 R
17. GOVERNMENT GRANTS AND SUBSIDIES		
Operating grants		
Programme funding: Grants paid in cash	23 351 856	25 684 000
Programme funding: Grants paid via Persal	150 036 000	140 016 000
	173 387 856	**165 700 000**
Conditional and Unconditional		
Included in above are the following grants and subsidies received:		
Programme funding: Grant paid cash		
Balance unspent at beginning of year	-	-
Current year receipts	26 797 000	25 684 000
Conditions met - transferred to revenue	(26 797 000)	(25 684 000)
	-	-
Programme funding: Grants paid via PERSAL		
Balance unspent at beginning of year	-	-
Current-year receipts	150 036 000	140 016 000
Conditions met - transferred to revenue	(150 036 000)	(140 016 000)
	-	-
18. SERVICES IN KIND		
Services in kind - DHET management fee cost	-	2 468 339

Management personnel are remunerated from DHET funds and not from College funds, and this constitutes services in kind which are recognised at the cash value of the services to the State. The income is recognised as "Services in kind" as part of revenue from non-exchange transactions, and the expense is recognised as "DHET management fee".

	2016 R	2015 R
19. PUBLIC CONTRIBUTIONS AND DONATIONS		
Public contributions and donations - FORD SA	782 242	130 381
20. REVENUE		
Tuition and related fees	60 202 842	58 746 766
Recoveries	-	1 194 718
Rental of facilities and equipment	682 374	669 889
Project income	12 195 542	7 132 287
Business unit income	20 930	300 427
Interest received - investments	7 960 395	8 888 972
Government grants & subsidies	173 387 856	165 700 000
Services in kind	-	2 468 339
Public contributions and donations	782 242	130 381
Project income	4 188 649	13 951 376
Insurance claim received	13 714	42 003
	259 434 544	**259 225 158**
The amount included in revenue arising from exchanges of goods or services are as follows:		
Tuition and related fees	60 202 842	58 746 766
Recoveries	-	1 194 718
Rental of facilities and equipment	682 374	669 889
Project income	12 195 542	7 132 287
Business unit revenue	20 930	300 427
Interest received - investments	7 960 395	8 888 972
	81 062 083	**76 933 059**

	2016 R	2015 R
The amount included in revenue arising from non-exchange transactions is as follows:		
Taxation revenue		
Transfer revenue		
Government grants & subsidies	173 387 856	165 700 000
Services in kind	-	2 468 339
Public contributions and donations	782 242	130 381
Projects	4 188 649	13 951 376
Insurance claim received	13 714	42 003
	178 372 461	**182 292 099**

21. EMPLOYEE RELATED COSTS

	2016 R	2015 R
Employee related costs		
Salaries and wages	3 985 602	20 369 483
Employee related costs - Contributions for UIF, pensions and medical aids	20 596	2 686 484
Travel, motor car, accommodation, subsistence and other allowances	376 505	482 852
Housing benefits and allowances	-	1 008 900
Overtime payments	31 743	18 052
Performance and other bonuses	187 787	3 812 009
Long-service awards	-	3 000
Other - Bonus & leave movement	57 877	(3 084 659)
Other - pay progression	122 157	74 743
Other - GEPF provision	169 187	823 887
Other - Provident fund provision	-	503 179
Other employee and related cost	4 745 396	2 745 835
	-	-
DHET management fee cost		
Salaries and Wages	88 937 874	61 487 603

	2016 R	2015 R
Employee related costs - Contributions for UIF, pensions and medical aids	15 928 301	9 859 636
Travel, motor car, accommodation, subsistence and other allowances	3 108 551	1 718 810
Housing benefits and allowances	5 201 400	2 697 300
Overtime payments	-	47 173
Performance and other bonuses	7 075 655	2 103 096
Other - bonus & leave movement	(629 151)	5 280 704
Other employee and related cost	-	2 187 831
Total employee related costs and DHET management fee	**129 319 480**	**114 825 918**
Expenses paid via Persal from college programme funding:		
Lecturers engaged in Report 191 and NCV courses	42 180 126	54 009 141
Support staff engaged in Report 191 and NCV courses	76 081 750	28 039 164
Other - bonus & leave movement	(629 151)	5 060 987
Management remuneration	1 989 905	-
	119 622 630	**87 109 292**
Services in kind (Paid via Persal, but not from college funding):		
Management remuneration	-	2 248 623
Other - bonus & leave movement	-	219 717
	-	**2 468 340**
Expenses paid via college payroll:		
Lecturers and support staff engaged in Report 191 and NCV courses	2 474 010	14 425 347
Support staff engaged in Report 191 and NCV Courses	2 164 203	7 980 104
Management remuneration	754 708	38 488
Lecturers not engaged in Report 191 and NCV courses	1 447 009	2 951 388

	2016 R	2015 R
Support staff not engaged in Report 191 and NCV courses	2 507 699	1 535 808
Other Bonus and leave movement	57 877	(3 084 659)
Other - pay progression	122 157	74 743
Other - GEPF provision	169 187	823 887
Other - Provident fund provision	-	503 179
	9 696 850	**25 248 285**
Total employee cost and DHET management fee:		
Total funded		
Lecturers and support staff engaged in Report 191 and NCV courses	44 654 135	68 434 489
Support staff engaged in Report 191 and NCV Courses	78 245 954	36 019 268
Management remuneration	2 038 913	-
Other - Bonus and leave movement	(629 151)	1 911 646
Other - Provident fund provision	-	503 179
	124 309 851	**106 868 582**
Total non-funded		
Management remuneration	705 700	2 287 111
Lecturers not engaged in Report 191 and NCV courses	1 447 009	2 951 388
Support staff not engaged in Report 191 and NCV courses	2 507 699	1 535 808
Other - Bonus and leave movement	57 877	284 400
Other - pay progression	122 157	74 743
Other - GEPF provision	169 187	823 887
	5 009 629	**7 957 337**

In terms of the CET Act, non-funded employees are employees of the College and are accountable to the governance structures of the College. All employees appointed in funded posts have migrated to DHET on 1 April 2015 and are DHET employees as part of a transfer of function shift. Management are defined by the

	2016 R	2015 R

CET Act as the principal and deputy principals and they are employed by DHET and have dual accountability towards the council and DHET respectively.

In-kind Benefits - DHET management fee cost

Management personnel are remunerated from DHET funds and not from college funds, and this constitutes services in kind which are recognised at the cash value of the services to the State. The income is recognised as "Services in kind" as part of revenue from non-exchange transactions, and the expense is recognised as "DHET management fee."

Council fees disclosed in the prior period as employee and related costs has now been separately disclosed as council remuneration for a better understanding for the users of the annual financial statements.

22. DEPRECIATION AND AMORTISATION

	2016 R	2015 R
Property, plant and equipment	16 154 443	13 717 857
Intangible assets	111 229	63 227
	16 265 672	**13 781 084**

23. FINANCE COSTS

	2016 R	2015 R
Finance leases	60 292	53 989

24. DEBT IMPAIRMENT

	2016 R	2015 R
Debt impairment movement	72 004 177	23 367 261

25. CONTRACTED SERVICES

	2016 R	2015 R
Legal fees	13 286	-

	2016 R	2015 R

26. GENERAL EXPENSES

	2016 R	2015 R
Advertising	750 910	896 310
Audit committee	89 310	42 534
Auditors remuneration	1 008 211	2 215 734
Bank charges	140 233	129 066
Books and learning materials	18 789 401	14 395 188
Business integrator fees	82 206	99 273
Cleaning	1 890 434	1 347 257
Computer expenses	637 694	1 131 359
Conferences and seminars	27 037	17 229
Consulting and professional fees	1 435 268	4 145 285
Consumables	51 769	91 017
Council functions	800	9 720
Diploma ceremony expenses	361 524	314 168
Electricity	6 524 969	4 501 433
Examination expenses	134 769	200 655
Fines and penalties	-	900
Fuel and oil	701 821	819 815
Function and catering expenses	2 605 994	638 770
Gifts	18 429	22 039
Insurance	1 819 605	1 531 961
Licence fees - computers and software	1 500 945	1 211 707
Marketing	1 248 556	1 063 176
Membership fees	121 634	173 467
Placement fees	151 274	23 695
Postage and courier	41 525	41 332
Printing and stationery	3 179 208	2 742 281

	2016 R	2015 R
Protective clothing	790 206	721 023
Security	3 675 886	3 810 677
Staff welfare	692 200	373 191
Stipends	5 314 900	6 419 600
Student support services	7 549 811	6 651 702
Subscriptions and membership fees	31 155	18 965
Telephone, postage, network and communication cost	2 940 577	2 392 898
Training	473 731	892 775
Travel - overseas	22 475	28 499
Travel, accommodation and entertainment	689 894	804 447
Uniforms and overalls	35 732	110 346
	65 530 093	**60 029 494**

27. AUDITORS' REMUNERATION

	2016 R	2015 R
Fees	1 008 211	2 215 734

28. CASH GENERATED FROM (USED IN) OPERATIONS

	2016 R	2015 R
(Deficit) surplus	(27 858 647)	37 036 170
Adjustments for:		
Depreciation and amortisation	16 265 672	13 781 084
Gain / Loss on sale of assets and liabilities	7 893	(21 131)
Finance costs - Finance leases	60 292	53 989
Impairment loss	313 677	-
Debt impairment	72 004 177	23 367 261
Movements in provisions	183 716	1 099 332
Gain on projects	(616 621)	(8 737 056)
Inventory losses / write downs	(3 320 249)	2 177 749

	2016 R	2015 R
Changes in working capital:		
Inventories	5 523 214	(6 549 381)
Consumer debtors	(50 530 866)	(91 206 574)
Payables from exchange transactions	(4 420 534)	(83 225)
Projects	13 189 377	3 189 749
	20 801 101	**(25 892 033)**

29. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

The following areas involve a significant degree of estimation uncertainty:

- Useful lives and residual values of property, plant & equipment
- Recoverable amounts of property, plant and equipment
- Provision for doubtful debts
- Impairment of assets
- Provisions

The following areas involved judgements, apart from those involving estimations disclosed above, that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- Inventory

		2016 R	2015 R

30. RELATED PARTIES

Relationships

Members of key management	Marais M - Accounting Officer Matijiane SM - Deputy Principal: Corporate Services Mosito TJ - Deputy Principal: Academic De Beer LC - Acting Deputy Principal: Finance
Councillors	CS Mabe (Chairperson) - Independent (Ministerial appointee) MP Madoda - Independent (Ministerial appointee) A Saffy - Independent (Ministerial appointee) SJ Mokotedi - Independent (Ministerial appointee)
	MG Nkagisang (Deputy Chairperson) Independent - Donor K Moloantoa - Independent APC Mangoma - Independent (MKG Ramorwesi resigned March 2016) JJ Erasmus - Independent SE Xipu - Independent
	M Marais - Accounting Officer
	M Maja - Academic Board Representative RD Baloyi - Lecturer Representative R Marakalala - Support Staff Representative Molekwa - SRC President T Mashaba - SRC Secretary

		2016 R	2015 R
Audit Committee	MKG Ramorwesi - Chairperson (Resigned in March 2016) APC Mangoma - Chairperson I Klynsmith - Attorney Van Velden- Duffey Inc APC Mangoma - Independent financial consultant I Carrim - Group Financial Controller at Glencore (Appointed August 2016)		
Controlling entity	Minister of Higher Education and Training and Department of Higher Education and Training		

Minister of Higher Education and Training
The Minister of Higher Education and Training ("the Minister") is the executive authority of all public entities reporting to him/her. In terms of the Continuing Education and Training Act no 16 of 2006 (the Act), the Minister has control over ORBIT TVET College.

Department of Higher Education and Training
The Minister is also a related party of the Department of Higher Education and Training ("DHET"). Therefore DHET is also a related party of ORBIT TVET College.

DHET transfers the Grant and Subsidy allocation to ORBIT TVET College and controls the employees placed at ORBIT TVET College due to their employment contracts with DHET. DHET therefore pays for the management fees.

		2016 R	2015 R
ORBIT TVET College	The following TVET Colleges have engaged in transactions with ORBIT TVET College for the business as stated. All these transactions were at arms length.		

TVET College	Business
Capricon	Conference fees
Central Johannesburg	Conference fees
Coastal	Conference fees
Ehlanzeni	Conference fees
Ingwe	Conference fees
King Sabatha	Conference fees
Taletso	Shared fees for student activities
Thekwini	Conference fees
Tswane North	Conference fees
Umgungundlovu	Conference fees
Vhembe	Conference fees
Vusulela	Shared fees for student activities
Waterberg	Conference fees
ETDP SETA	Conference fees

	2016 R	2015 R
Related party transactions		
Key management remuneration		
Marais M		
Basic	723 709	652 837
Bonus and awards	165 736	-
Company contributions (UIF, Medical aid & Pension)	94 155	84 938
Travel, motor car, accommodation, subsistence and other allowances	233 015	185 684
Leave accrual	9 708	76 113
Bonus Accrual	44 496	-
	1 270 820	**999 572**
Matijiane SM		
Basic	461 475	420 167
Bonus and awards	56 351	35 422
Company contributions (UIF, Medical aid & Pension)	60 065	54 691
Travel, motor car, accommodation, subsistence and other allowances	81 102	78 184
Leave accrual	5 964	45 875
Bonus Accrual	19 597	15 311
	684 556	**649 650**
Mosito TJ		
Basic	538 017	507 084
Bonus and awards	67 455	41 742
Company contributions (UIF, Medical aid & Pension)	70 015	72 020
Travel, motor car, accommodation, subsistence and other allowances	115 801	154 343
Leave accrual	7 502	60 452
Bonus accrual	23 007	21 965
	821 800	**857 606**
De Beer LC		
Travel, motor car, accommodation, subsistence and other allowances	7 699	-

	2016 R	2015 R

30. RELATED PARTIES

External councillors remuneration

2016

	Sitting fees	Travel and subsistence	Total
CS Mabe	-	4 091	4 091
OM Nkagisang	43 072	19 328	62 400
JJ Erasmus	14 048	-	14 048
MP Madoda	16 160	6 633	22 793
SJ Mokotedi	19 456	-	19 456
K Moloantoa	42 208	11 289	53 497
MKG Ramorwesi - Resigned March 2016	-	512	512
SE Xipu	44 128	-	44 128
	179 072	**41 853**	**220 925**

2015

	Sitting fees	Travel and subsistence	Total
CS Mabe	24 000	556	24 556
MG Nkagisang	29 862	16 457	46 319
JJ Erasmus	7 466	1 463	8 929
MP Madoda	10 665	3 186	13 851
SJ Mokotedi	13 865	683	14 548
K Moloantoa	31 463	1 322	32 785
MKG Ramorwesi - Independent	17 064	2 146	19 210
SE Xipu	33 595	1 037	34 632
	167 980	**26 850**	**194 830**

	2016 R	2015 R

30. RELATED PARTIES

External audit committee members remuneration

2016

	Sitting fees	Travel and subsistence	Total
I Klynsmith	19 392	-	19 392
APC Mangoma	59 360	4 094	63 454
I Carrim - Appointed August 2016	6 464	-	6 464
	85 216	**4 094**	**89 310**

2015

	Council's fees for services as Council's of subsidiaries	Other fees (Consultancy fees to subsidiary)	Total
I Klynsmith	4 800	127	4 927
APC Mangoma	20 800	509	21 309
MKG Ramorwesi	14 931	1 367	16 298
	40 531	**2 003**	**42 534**

Transactions with DHET and the Minister	**2016**	**2015**
Revenue from non-exchange transactions - Government grants and subsidies	176 833 000	165 700 000

	2016 R	2015 R

31. PRIOR PERIOD ERRORS

The correction of the error(s) results in adjustments as follows:

Statement of financial position	2015	2014
1. Decrease in payables from exchange transactions - payroll accruals	-	5 457
Unsupported amount to be removed from the general ledger due to payroll rollback and recalculation errors.		
2. Increase in payables from exchange transactions - payroll accruals	-	244 891
Correction of payslips not posted on the general ledger in 2014.		
3. Decrease in payables from exchange transactions - payroll accruals	-	63 537
Correction of wrong allocation to correct account.		
4. Decrease in payables from exchange transactions - payroll accruals	-	122 683
4. Increase in payables from exchange transactions - payroll accruals	-	122 683
Correction of wrong allocation to correct account.		
5. Increase in property, plant and equipment - leased assest	510 796	-
5. Increase in finance lease liability	510 797	-
5. Decrease in finance lease laibility	11 889	-
5. Increase in accumulated depreciation	13 162	-
Consensus Computing finance lease not recognised in the prior year.		
7. Decrease in finance lease asset	-	118 712
7. Decrease in accumulated depreciation	-	118 712
Removal of finance lease asset cost and accumulated depreciation as the finance lease has expired and are on a month to month contract, which has been classified as a operating lease on date of expire.		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

		2016 R 2015	2015 R 2014
8.	Decrease in finance lease asset	201 746	-
8.	Decrease in accumulated depreciation	201 746	-
	Removal of finance lease asset cost and accumulated depreciation as the finance lease has expired and are on a month to month contract, which has been classified as a operating lease on date of expire.		
9.	Decrease in finance lease asset	656 023	-
9.	Decrease in accumulated depreciation	656 023	-
	Finance lease expired and machine returned, therefore remove from property, plant and equipment.		
10.	Increase in accumulated depreciation	191 396	-
	Reversal of prior year journal AAD009, to ensure that the error identified in the prior year can be corrected based on a new calculation performed during 2016		
11.	Increase in accumulated surplus	355 674	-
11.	Decrease in accumulated depreciation	355 674	-
	Prior year (2012-2013) depreciation to be corrected due depreciation calculation corrected calculated based on the residual values.		
12.	Decrease in accumulated depreciation	-	159 899
	Prior year (2014) depreciation to be corrected due depreciation not corrected calculated based on the residual values.		
13.	Decrease in accumulated depreciation. -	191 393	-
	Prior year (2015) depreciation to be corrected due depreciation not corrected calculated based on the residual values.		

	2016 R	2015 R
14. Increase in buildings balance	424 757	-
14. Decrease in buildings under construction	424 757	-
14. Increase in buildings accumulated depreciation	559	-
Transferring WIP from 2015 to buldings. Prior Period error accounted for, incorrectly accounted for in the prior year and recognition of the additional depreciation on addition.		
15. Increase in buildings balance	-	42 704
15. Increase in buildings accumulated depreciation	-	42 704
15. Increase in accumulated surplus	-	1 036
15. Increase in buildings balance	-	1 036
Correction of prior year depreciation which has been accounted for incorrectly against cost in 2013.		
16. Increase in furniture and fixtures accumulated depreciation	25 738	-
Reversal of journal AD009 to correctly account for the restatement as the error occurred in the prior years.		
17. Decrease in furniture and fixtures accumulated depreciation	-	17 544
17. Increase in accumulated surplus	-	17 544
Recognition of prior period error on furniture and fixtures due to incorrect depreciation calculation and asset not properly recognised in prior years. (2012-2013)		
18. Increase in furniture and fixtures cost	-	167 026
18. Increase in accumulated surplus	-	112 304
18. Increase in furniture and fixtures accumulated depreciation	-	54 722
Recognition of prior period error on furniture and fixtures due to incorrect depreciation calculation and asset not properly recognised in prior years. (2014)		

	2016 R	2015 R
19. Decrease in furniture and fixtures accumulated depreciation	-	31 464
19. Increase in accumulated surplus	-	31 465
Recognition of prior period error on IT Equipment (Major) due to incorrect depreciation calculation in prior years (2012).		
20. Decrease in inventory	59 010	-
Correction of prior year current replacement costs based on auditors price lists. Restatement in account 21511		
21. Increase in inventory	620 813	-
Correction of prior year stock quantities due to miscount performed in 2015. Restatement in account 21511.		
22. Increase in IT equipment cost	-	173 752
22. Increase in IT equipment accumulated depreciation	-	47 873
22. Increase in accumulated surplus	-	125 879
Recognition of prior period error on IT Equipment (Major) due to incorrect depreciation calculation and asset not properly recognised in prior years (2012).		
23. Decrease in other equipment accumulated depreciation (Major) -	-	325 387
23. Increase in accumulated surplus	-	325 387
Recognition of prior period error on Other PPE (Major) due to incorrect depreciation calculation in prior years (2012).		
24. Increase in other equipment cost (Major)	-	134 595
24. Increase in other equipment accumulated depreciation (Major)	-	13 059
24. Increase in accumulated surplus	-	121 537
Recognition of prior period error on Other PPE (Major) due to incorrect depreciation calculation and asset not properly recognised in prior years (2012).		

	2016 R	2015 R
25. Decrease in training equipment accumulated depreciation (Major)	-	271 388
25. Increase in accumulated surplus	-	271 388
Recognition of prior period error on Training Equipment (Major) due to incorrect depreciation calculation in prior years (2012).		
26. Increase in training equipment cost (Major)	-	958 426
26. Increase in training equipment accumulated depreciation (Major)	-	161 159
26. Increase in accumulated surplus	-	797 267
Recognition of prior period error on Training Equipment (Major) due to incorrect depreciation calculation and asset not properly recognised in prior years (2012).		
27. Decrease in motor vehicles accumulated depreciation	-	256 874
27. Increase in accumulated surplus	-	256 873
Recognition of prior period error on Motor Vehicles (Major) due to incorrect depreciation calculation in prior years (2012).		
28. Decrease in furniture and fittings accumulated depreciation	-	1 346 454
28. Increase in accumulated surplus	-	1 346 454
Recognition of prior period error on Furniture and Fittings (Minor) due to incorrect depreciation calculation in prior years (2012).		
29. Increase in furniture and fittings cost	-	162 184
29. Increase in furniture and fittings accumulated depreciation	-	149 319
29. Increase in accumulated surplus	-	12 865
Recognition of prior period error on Furniture and Fittings (Minor) due to incorrect depreciation calculation and asset not properly recognised in prior years (2012).		

	2016 R	2015 R
30. Increase in IT equipment cost (Minor)	-	226 455
30. Increase in IT equipment accumulated depreciation (Minor)	-	212 408
30. Increase in accumulated surplus	-	14 046
Recognition of prior period error on IT Equipment (Minor) due to incorrect depreciation calculation and asset not properly recognised in prior years (2012).		
31. Decrease in IT equipment accumulated depreciation (Minor)	-	610 870
31. Increase in accumulated surplus	-	610 870
Recognition of prior period error on IT Equipment (Minor) due to incorrect depreciation calculation and asset not properly recognised in prior years (2012).		
32. Decrease in other equipment accumulated depreciation (Minor)	-	304 965
32. Increase in accumulated surplus	-	304 965
Recognition of prior period error on Other PPE (Minor) due to incorrect depreciation calculation in prior years (2012).		
33. Increase in other equipment cost (Minor)	-	25 212
33. Increase in training equipment accumulated depreciation (Minor)	-	22 268
33. Increase in accumulated surplus	-	2 944
Recognition of prior period error on Other PPE (Minor) due to incorrect depreciation calculation and asset not properly recognised in prior years (2012).		
34. Decrease in training equipment accumulated depreciation (Minor)	-	328 338
34. Increase in accumulated surplus	-	328 338
Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2012).		

	2016 R	2015 R
35. Increase in training equipment cost (Minor)	-	141 845
35. Increase in training equipment accumulated depreciation (Minor)	-	108 446
35. Increase in accumulated surplus	-	33 398
Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation and asset not properly recognised in prior years (2012).		
36. Increase in furniture and fittings accumulated depreciation (Major)	-	2 635
36. Decrease in accumulated surplus	-	2 635
Recognition of prior period error on Furniture and Fittings (Major) due to incorrect depreciation calculation in prior years (2013).		
37. Increase in furniture and fittings cost (Major)	-	13 260
37. Increase in furniture and fittings accumulated depreciation (Major)	-	13 985
37. Decrease in accumulated surplus	-	725
Recognition of prior period error on Furniture and Fittings (Major) due to incorrect depreciation calculation and asset not properly recognised in prior years (2013).		
38. Increase in IT equipment accumulated depreciation (Major)	-	14 549
38. Decrease in accumulated surplus	-	14 549
Recognition of prior period error on IT Equipment (Major) due to incorrect depreciation calculation in prior years (2013).		
39. Increase in IT equipment cost (Major)	-	102 068
39. Increase in IT equipment accumulated depreciation (Major)	-	39 968
39. Increase in accumulated surplus	-	62 100
Recognition of prior period error on IT Equipment (Major) due to incorrect depreciation calculation and asset not properly recognised in prior years (2013).		

	2016 R	2015 R
40. Increase in other equipment accumulated depreciation (Major)	-	227 607
40. Decrease in accumulated surplus	-	227 607
Recognition of prior period error on Other PPE (Major) due to incorrect depreciation calculation in prior years (2013).		
41. Increase in other equipment cost (Major)	-	18 241
41. Increase in other equipment accumulated depreciation (Major)	-	7 340
41. Increase in accumulated surplus	-	10 900
Recognition of prior period error on Other PPE (Major) due to incorrect depreciation calculation and asset not properly recognised in prior years (2013).		
42. Decrease in training equipment accumulated depreciation (Minor)	-	39 934
42. Increase in accumulated surplus	-	39 934
Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2013).		
43. Increase in training equipment cost (Major)	-	112 611
43. Increase in training equipment accumulated depreciation (Major)	-	86 451
43. Increase in accumulated surplus	-	36 160
Recognition of prior period error on Training Equipment (Major) due to incorrect depreciation calculation and asset not properly recognised in prior years (2013).		
44. Decrease in furniture and fittings accumulated depreciation (Minor)	-	177 490
44. Increase in accumulated surplus	-	177 490
Recognition of prior period error on Training Equipment (Major) due to incorrect depreciation calculation and asset not properly recognised in prior years (2013).		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2016 R	2015 R
45. Increase in furniture and fittings cost (Minor)	-	15 596
45. Increase in furniture and fittings accumulated depreciation (Minor)	-	18 917
45. Decrease in accumulated surplus	-	3 321
Recognition of prior period error on Furniture and Fittings (Minor) due to incorrect depreciation calculation and asset not properly recognised in prior years (2013).		
46. Increase in training equipment accumulated depreciation (Minor)	-	276 234
46. Decrease in accumulated surplus	-	276 234
Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2012).		
47. Increase in IT equipment cost (Minor)	-	5 539
47. Increase in IT equipment accumulated depreciation (Minor)	-	16 501
47. Decrease in accumulated surplus	-	10 962
Recognition of prior period error on IT Equipment (Minor) due to incorrect depreciation calculation and asset not properly recognised in prior years (2013).		
48. Increase in other equipment accumulated depreciation (Minor)	-	177 967
48. Decrease in accumulated surplus	-	177 967
Recognition of prior period error on Other PPE (Minor) due to incorrect depreciation calculation in prior years (2013).		
49. Decrease in inventory	122 454	-
Removal of consumables from Corporate Centre in the prior year.		
50. Increase in other equipment cost (Minor)	-	8 267
50. Increase in other equipment accumulated depreciation (Minor)	-	6 178
50. Increase in accumulated surplus	-	2 088
Recognition of prior period error on Other PPE (Minor) due to incorrect depreciation calculation and asset not properly recognised in prior years (2013).		

	2016 R	2015 R
51. Increase in training equipment accumulated depreciation (Minor)	-	132 465
51. Decrease in accumulated surplus	-	132 465
Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2013).		
52. Increase in training equipment cost (Minor)	-	26 619
52. Increase in training equipment accumulated depreciation (Minor)	-	44 338
52. Decrease in accumulated surplus	-	17 719
Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2013).		
53. Decrease in furniture and fitings accumulated depreciation (Major)	-	64 477
Recognition of prior period error on Furniture and Fittings (Major) due to incorrect depreciation calculation in prior years (2014).		
54. Increase in IT equipment accumulated depreciation (Major)	-	14 723
Recognition of prior period error on IT Equipment (Major) due to incorrect depreciation calculation in prior years (2014).		
55. Decrease in IT equipment accumulated depreciation (Major)	-	165 434
Recognition of prior period error on IT Equipment (Major) due to incorrect depreciation calculation in prior years (2014).		
56. Increase in IT equipment accumulated depreciation (Major)	-	49 337
Recognition of prior period error on IT Equipment (Major) due to incorrect depreciation calculation in prior years (2014).		
57. Decrease in other equipment accumulated depreciation (Major)	-	1 765 283
Recognition of prior period error on Other PPE (Major) due to incorrect depreciation calculation in prior years (2014).		

	2016 R	2015 R
58. Increase in other equipment cost (Major)	-	73 867
58. Increase in other equipment accumulated depreciation (Major)	-	8 610
58. Increase in accumulated surplus	-	73 867
Recognition of prior period error on Other PPE (Major) due to incorrect depreciation calculation and asset not properly recognised in prior years (2014).		
59. Decrease in training equipment accumulated depreciation (Minor)	-	730 975
Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2014).		
60. Increase in training equipment accumulated depreciation (Minor)	-	91 888
Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2014).		
61. Increase in furniture and fittings accumulated depreciation (Minor)	-	882 300
Recognition of prior period error on Furniture and Fittings (Minor) due to incorrect depreciation calculation in prior years (2014).		
62. Decrease in training equipment accumulated depreciation (Minor)	-	21 941
Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2014).		
63. Increase in other equipment accumulated depreciation (Minor)	-	46 420
Recognition of prior period error on Other PPE (Minor) due to incorrect depreciation calculation in prior years (2014).		
64. Increase in training equipment accumulated depreciation (Minor)	-	20 382
Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2014).		

	2016 R	2015 R
65. Decrease in furniture and fittings accumulated depreciation (Major) Recognition of prior period error on Furniture and Fittings (Major) due to incorrect depreciation calculation in prior years (2015).	10 918	-
66. Decrease in IT equipment accumulated depreciation (Major) - Recognition of prior period error on IT Equipment (Major) due to incorrect depreciation calculation in prior years (2015).	51 951	-
67. Increase in IT equipment cost (Major)	13 800	-
67. Increase in accumulated surplus Recognition of prior period error on IT Equipment (Major) due to incorrect depreciation calculation in prior years (2015).	13 800	-
68. Decrease in other equipment accumulated depreciation (Major) Recognition of prior period error on Other PPE (Major) due to incorrect depreciation calculation in prior years (2015).	805 952	-
69. Decrease in training equipment accumulated depreciation (Minor) Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2015).	234 734	-
70. Increase in furniture and fittings accumulated depreciation (Minor) Recognition of prior period error on Furniture and Fittings (Minor) due to incorrect depreciation calculation in prior years (2015).	487 516	-
71. Increase in training equipment accumulated depreciation (Minor) Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2015).	316 970	-
72. Decrease in other equipment accumulated depreciation (Minor) Recognition of prior period error on Other PPE (Minor) due to incorrect depreciation calculation in prior years (2015).	21 118	-

	2016 R	2015 R
73. Decrease in training equipment accumulated depreciation (Minor)	107 502	-
Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2015)		
74. Increase in other equipment cost	-	107 924
74. Increase in other equipment accumulated depreciation	-	732 617
74. Increase in accumulated surplus	-	107 924
Correction of other equipment due to asset register newly compiled, new bar codes allocated to assets, assets reclassified between minor and major correctly.		
75. Decrease in IT equipment cost	-	4 910
75. Increase in IT equipment accumulated depreciation	-	48 206
75. Decrease in accumulated surplus	-	4 910
Correction of IT equipment due to asset register newly compiled, new bar codes allocated to assets, assets reclassified between minor and major correctly.		
76. Decrease in training equipment cost	-	95 108
76. Increase in training equipment accumulated depreciation	-	649 794
76. Decrease in accumulated surplus	-	95 108
Correction of training equipment due to asset register newly compiled, new bar codes allocated to assets, assets reclassified between minor and major correctly.		
77. Decrease in furniture and fixtures cost	-	12 817
77. Increase in furniture and fixtures accumulated depreciation	-	40 200
77. Decrease in accumulated surplus		12 817
Correction of furniture and fixtures due to asset register newly compiled, new bar codes allocated to assets, assets reclassified between minor and major correctly.		

	2016 R	2015 R
78. Decrease in furniture and fixtures cost	-	21 602
78. Decrease in furniture and fixtures accumulated depreciation	-	23 297
78. Decrease in accumulated surplus	-	21 602
Correction of furniture and fixtures due to asset register newly compilied, new barcodes allocated to assets, assets reclassified between minor and major correctly.		
79. Increase in IT equipment cost	-	82 493
79. Increase in IT equipment accumulated depreciation	-	1 047
79. Increase in accumulated surplus -	-	82 493
Correction of IT Equipment (small) due to asset register newly compilied, new barcodes allocated to assets, assets reclassified between minor and major correctly.		
80. Decrease in training equipment accumulated depreciation	151 112	-
80. Decrease in training equipment accumulated cost	1 344	-
80. Decrease in other equipment accumulated depreciation	29 330	-
80. Increase in other equipment cost	30 240	-
Correction of depreciation for movable assets to ensure that annual financial statement agrees to the new asset registers.		
81. Decrease in pay progression accrual	16 953	-
Correction of the prior year pay progression in 2015 due to incorrect calculation performed		
82. Decrease in provisions	2 289	-
Correction of the prior year GEFP provision in 2015 due to incorrect calculation performed		
83. Decrease in IT equipment (major) accumulated depreciation	-	17 120
83. Decrease in furniture and fixtures (major) accumulated depreciation	-	1 778
83. Increase in furniture and fixtures (minor) accumulated depreciation	-	9 372
83. Increase in IT equipment accumulated (minor) depreciation	-	11 248
83. Increase in other equipment (minor) accumulated depreciation	-	5 032
83. Increase in training equipment (minor) accumulated depreciation	-	15 548
83. Decrease in accumulated surplus	-	22 302

	2016 R	2015 R
Correction of accumulated depreciation for mvable assets due to incorrect claculations performed in prior years.		
84. Increase in IT Work in progress	-	439 442
84. Increase in accumulated surplus	-	439 442
Increase in accumulated surplus		
85. Decrease in project liabilities	-	398 102
85. Increase in accumulated surplus	-	398 102
85. Decrease in project liabilities	1 793 159	-
Correction of projects 1047 and 1042 as the projects has been closed in the 2014 financial year and profits should have been accounted for.		
86. Increase in project liabilities	637 950	-
Correction of projects opening balance and correction of accumulation of profits in the statement of changes in net asset - movement in project account		
87. Decrease in provisions	225 445	-
87. Decrease in DHET Debtor	225 445	-
Correction of prior year capped leave provision to ensure balance is correctly dislcosed as Orbit does not have an legal right to retain such provision.		

	2016 R	2015 R
Statement of Financial Performance	**2015**	**2014**
1. Decrease in employee related costs - Unsupported amount to be removed from the general ledger due to payroll rollback and recalculation errors.	-	5 457
2. Increase in employee related costs Correction of payslips not posted on the general ledger in 2014.	-	244 891
3. Decrease in employee related costs Correction of wrong allocation to correct account.	-	63 537
6. Increase in depreciation	13 162	-
6. Increase in finance cost	4 150	-
6. Decrease in rental of photo copy machines - General expenditure Consensus Computing finance lease not recognised in the prior year.	16 040	-
10. Increase in depreciation Reversal of prior year journal AAD009, to enusre that the error identified in the prior year can be corrected based on a new calculation performed during 2016	191 396	-
11. Decrease in depreciation Prior year (2014) depreciation to be corrected due depreciation not corrected calculated based on the residual values.	-	159 898
12. Decrease in depreciation Prior year (2015) depreciation to be corrected due depreciation not corrected calculated based on the residual values.	191 393	-

	2016 R	2015 R
Statement of Financial Performance	**2015**	**2014**
14. Increase in buildings depreciation Transferring WIP from 2015 to buldings. Prior Period error accounted for, incorrectly accounted for in the prior year and recognition of the additional depreciation on addition.	559	-
16. Increase in furniture and fixtures depreciation Reversal of journal AD009 to correctly account for the restatement as the error occurred in the prior years.	25 739	-
20. Increase in inventory losses / writte downs expense Correction of prior year current replacement costs based on auditors price lists. Restatement in account 21511	59 011	-
21. Decrease in inventory losses / writte downs expense Correction of prior year stock quantities due to miscount performed in 2015. Restatement in account 21511.	620 813	-
49. Decrease in inventory write downs	55 483	-
49. Increase in books and learning material Removal of consumables from Corporate Centre in the prior year.	177 938	-
53. Decrease in depreciation furniture and fittings Recognition of prior period error on Furniture and Fittings (Major) due to incorrect depreciation calculation in prior years (2014).	-	64 477
54. Increase in depeciation IT equipment Recognition of prior period error on IT Equipment (Major) due to incorrect depreciation calculation in prior years (2014).	-	14 723

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2016 R	2015 R
Statement of Financial Performance	**2015**	**2014**
55. Decrease in depreciation IT equipment Recognition of prior period error on IT Equipment (Major) due to incorrect depreciation calculation in prior years (2014).	-	165 434
56. Increase in depreciation IT equipment Recognition of prior period error on IT Equipment (Major) due to incorrect depreciation calculation in prior years (2014).	-	49 337
57. Decrease in depreciation other equipment Recognition of prior period error on Other PPE (Major) due to incorrect depreciation calculation in prior years (2014).	-	1 765 283
58. Increase in depreciation other equipment Recognition of prior period error on Other PPE (Major) due to incorrect depreciation calculation and asset not properly recognised in prior years (2014).	-	8 610
59. Decrease in depreciation training equipment Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2014).	-	730 975
60. Increase in depreciation training equipment Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2014).	-	91 888
61. Increase in depreciation furniture and fitttings Recognition of prior period error on Furniture and Fittings (Minor) due to incorrect depreciation calculation in prior years (2014).	-	882 300

	2016 R	2015 R
Statement of Financial Performance	**2015**	**2014**
62. Decrease in depreciation training equipment Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2014).	-	21 941
63. Increase in depreciation other equipment Recognition of prior period error on Other PPE (Minor) due to incorrect depreciation calculation in prior years (2014).	-	46 420
64. Increase in depreciation training equipment Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2014).	-	20 382
65. Decrease in depreciation furniture and fittings Recognition of prior period error on Furniture and Fittings (Major) due to incorrect depreciation calculation in prior years (2015).	10 918	-
66. Decrease in depreciation IT equipment Recognition of prior period error on IT Equipment (Major) due to incorrect depreciation calculation i n prior years (2015).	51 951	-
68. Decrease in depreciation other equipment Recognition of prior period error on Other PPE (Major) due to incorrect depreciation calculation in prior years (2015).	805 952	-
69. Decrease in depreciation other equipment Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2015).	234 734	-

	2016 R	2015 R
Statement of Financial Performance	**2015**	**2014**
70. Increase in depreciation furniture and fittings Recognition of prior period error on Furniture and Fittings (Minor) due to incorrect depreciation calculation in prior years (2015).	487 516	-
71. Increase in depreciation training equipment Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2015).	316 970	-
72. Decrease in depreciation other equipment Recognition of prior period error on Other PPE (Minor) due to incorrect depreciation calculation in prior years (2015).	21 118	-
73. Decrease in depreciation training equipment - Recognition of prior period error on Training Equipment (Minor) due to incorrect depreciation calculation in prior years (2015)	107 502	-
74. Increase in other equipment depreciation Correction of other equipment due to asset register newly compilied, new barcodes allocated to assets, assets reclassified between minor and major correctly.	-	732 617
75. Increase in IT equipment depreciation Correction of IT equipment due to asset register newly compilied, new barcodes allocated to assets, assets reclassified between minor and major correctly.	-	48 206
76. Increase in training equipment depreciation Correction of training equipment due to asset register newly compilied, new barcodes allocated to assets, assets reclassified between minor and major correctly.	-	649 794

	2016 R	2015 R
Statement of Financial Performance	**2015**	**2014**
77. Increase in furniture and fixtures depreciation Correction of furniture and fixtures due to asset register newly compilied, new barcodes allocated to assets, assets reclassified between minor and major correctly.	-	40 200
78. Decrease in furniture and fixtures depreciation Correction of furniture and fixtures due to asset register newly compilied, new barcodes allocated to assets, assets reclassified between minor and major correctly.	-	23 297
79. Increase in IT equipment depreciation Correction of IT Equipment (small) due to asset register newly compilied, new barcodes allocated to assets, assets reclassified between minor and major correctly.	-	1 047
80. Decrease in other equipment depreciation	8 485	-
80. Increase in IT equipment depreciation	4 900	-
80. Increase in training equipment depreciation	307 037	-
80. Decrease in funiture and fixtures depreciation	3 204	-
80. Decrease in finance leased assets depreciation Correction of depreciation for movable assets to ensure that annual financial statement agrees to the new asset registers.	148 702	-
81. Decrease in employee cost Correction of the prior year payprogression in 2015 due to incorrect calculation performed	16 953	-
82. Decrease in employee cost Correction of the prior year GEFP provision in 2015 due to incorrect calculation performed	2 289	-
85. Increase in gain on completed projects Correction of projects gain on completed projects as the project 1042 has been closed in 2015.	1 793 159	

	2016 R	2015 R
Statement of Financial Performance	**2015**	**2014**
Statement of changes in net assets		
86. Increase in movment in projects	637 950	-
Correction of projects opening balance and correction of accumulation of profits in the statement of changes in net asset - movement in project account		

32. COMPARATIVE FIGURES

Various line items which were separately disclosed in the Statement of Financial Performance in the 2015 annual financial statements were combined in the 2015 annual financial statements. Items were also reclassified in the Statement of Financial Position and Statement of Financial Performance. Please refer below for the nature of the respective changes made and reasons thereof.

Statement of financial position	**2015**	
Increase in finance lease obligation - current	150 171	
Decrease in finance lease obligation - non-current	(150 171)	
Reclassifying journal accounted for in the prior year		

Statement of Financial Performance	**2015**	
Increase in repairs and maintenance	52 011	-
Decrease in general ledger -	(52 011)	-
Motor vehicle expenses has been reclassified for general expenditure to repairs and maintenance on the face on the statement of financial position.	-	

It was disclosed as separate line items in the 2015 Statement of Financial Performance as it contributes to the understandability of the financial statements and provides additional clarity for the users thereof.

	2016 R	2015 R

33. RISK MANAGEMENT AND OTHER FINANCIAL INSTRUMENT DISCLOSURES

Maximum credit risk exposure

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter- party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

The financial assets carried at amortised cost expose the entity to credit risk. The value of the maximum exposure to credit risk are as follows for each of classes of financial assets at amortised cost:

Financial instrument	2016	2015
Cash and cash equivalents	98 068 749	71 303 238
Trade and other receivables from exchange transactions	63 845 107	85 318 421
Other financial assets	58 500 000	88 500 000
Projects - Asset	1 447 622	259 094

	2016 R	2015 R
	2016	2015
Projects - Liablities	36 673 652	17 620 725
Payables from exchange transactions	45 317 902	49 738 437

No collateral is held in regards to any financial asset of ORBIT TVET College.

The College has no significant concentrations of credit risk. For banks and financial institutions, only independently rated parties are accepted and the College have policies in place to ensure that credit exposure to any one institution is limited. It also has policies in place to ensure that rendering of education service are made to students with an appropriate credit history. Receivables comprise of outstanding student loans and a number of customers dispersed across different industries and geographical areas. The College is exposed to credit risk arising from student receivables related to outstanding fees and loans. This risk is mitigated by requiring students to pay an initial installment in respect of tuition and accommodation fees at registration, the regular monitoring of outstanding fees, the institution of debt collection action in cases of long outstanding amounts. In addition, students with outstanding balances from previous years of study are only permitted to renew their registration after either the settling of the outstanding amount or the conclusion of a formal arrangement. The College assists a limited number of financially needy students with loans. Although this represents a credit risk, the risk is mitigated in view thereof that the loans are secured by means of requesting two sureties per agreement. Credit valuations are performed on the financial condition of customers other than students.

Market risk

Interest rate risk

As the entity has no significant interest-bearing assets, the entity's income and operating cash flows are substantially independent of changes in market interest rates.

At year end, financial instruments exposed to interest rate risk were Call deposits, Notice deposits and Bank overdraft:

	2016 R	2015 R

34. GOING CONCERN

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

35. EVENTS AFTER THE REPORTING DATE

Disclose for each material category of non-adjusting events after the reporting date:
- nature of the event.
- estimation of its financial effect or a statement that such an estimation can not be made.

36. EMPLOYEE BENEFITS

	2016 R	2015 R
Defined contribution plans recognised as an expense:		
Plan - Old Mutual Pention Fund Scheme	-	2 372 699
The amounts recognised in the statement of financial performance	-	2 372 699

Defined contribution plans recognised as an expense:
Plan - Old Mutual Pention Fund Scheme
The amounts recognised in the statement of financial performance

Provident fund benefits are related to the member's fund credit at retirement. The fund credit consists of member's contributions plus the employer's retirement benefit contributions plus declared returns on such contributions. Additional.

The Provident Funds are defined Contribution funds with the following contribution rates as a percentage of salary
Employee: 7.5%
Employer: 9%

	2016 R	2015 R
	2016	2015

37. IN-KIND DONATIONS AND ASSISTANCE

The entity received the following in-kind donations and assistance

DHET management fee cost	-	2 713 425

Management personnel are remunerated from DHET funds and not from college funds, and this constitutes services in kind which are recognised at the cash value of the services to the State. The income is recognised as "Services in kind" as part of revenue from non-exchange transactions, and the expense is recognised as "DHET management fee".

CENTRAL OFFICE

Tel: (014) 592 7014
Tel: (014) 597 5500
Fax: (014) 592 7013
e-mail: info@orbitcollege.co.za
Fatima Bhayat Street
RUSTENBURG, 0299
25° 40' 35.07 S 27° 14' 58.31 E

BRITS CAMPUS

Tel: (012) 381 5700
Fax: (012) 381 5708
e-mail: info@britscampus.co.za
Reitz Street North
BRITS, 0250
25° 38' 2.47 S 27° 46' 25.65 E

MANKWE CAMPUS

Tel: (014) 555 2900
Fax: (014) 555 2941
e-mail: info@mankwecampus.co.za
Stand 230, Unit 2
MOGWASE, 0314
25° 17' 41.89 S 27° 11' 57.13 E

RUSTENBURG CAMPUS

Tel: (014) 592 8461/2
Tel: (014) 597 5502
Fax: (014) 592 8473
e-mail: info@rustenburgcampus.co.za
c/o Fatima Bhayat & Bosch Street
RUSTENBURG, 0299
25° 40' 28.95 S 27° 14' 56.98 E

Call Centre
0861 000 305 • 014 592 4147

www.orbitcollege.co.zaSMS us on 32015
www.orbitcollege.co.za/mobi(start your message with ORBIT)

Follow us on

SABS ISO 9001