



SETA impact Celebrating 15 years of uplifting skills

ANNUAL REPORT

2014 | 2015



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

**BANKSETA
SUPPORTS WORLD
CLASS RESEARCH
AND BENCHMARKING
OF THE BANKING AND
MICROFINANCE
SECTOR.**

**BANKSETA
ENABLES SKILLS
DEVELOPMENT
AND ENCOURAGES
TRANSFORMATION
WITHIN THE
FINANCIAL SERVICES
SECTOR.**

**COMMITMENT
TO THE NSDS'S
OBJECTIVES WILL
ENABLE A BANKING
SECTOR BUILT ON
NATIONAL RESOURCES
WHILE FUELLING
TRANSFORMATION.**



**ACCREDITATION
AND QUALITY
ASSURANCE ARE
VITAL TO THE
SUPPORT OF THIS
MANDATE.**

**BANKSETA ASSISTS
IN EMPOWERING
SMALL AND MICRO
ENTERPRISES
THROUGH INNOVATIVE
TRAINING
SOLUTIONS.**

**BANKSETA
BUILDS SKILLS FOR
TOMORROW BY
EMPOWERING THE
COUNTRY'S
YOUTH.**



“This report presents the affairs of the Banking Sector Education and Training Authority (**BANKSETA**) in terms of our operations, financial performance and developments across all performance targets.”

Max Makhubalo

Department of Higher Education and Training
Honourable Minister Dr: Blade Nzimande
123 Francis Baard Street
Pretoria
0001

Dear Honourable Minister

REPORT TO THE MINISTER IN TERMS OF SECTION 10 (2) OF THE PUBLIC AUDIT ACT, 2004 (ACT NO 25 OF 2004)

In terms of the provisions of section 10 (2) of the Public Audit Act of 2004, it is an honour to submit the annual report for the financial year ended 31 March 2015.

This report presents the affairs of the Banking Sector Education and Training Authority (BANKSETA) in terms of our operations, financial performance and developments across all performance targets, as set out in the predetermined objectives with the Department of Higher Education and Training (DHET).

It gives me great pleasure to announce that the Audit Committee, which was established in terms of section 40 of the Act, is satisfied with BANKSETA's audited financial statements and unmodified audit opinion.

The BANKSETA team would like to thank you for the unwavering support we have received during the performance period under review. We look forward to another dynamic financial year with challenging targets to enhance the skills development and training of the sector we prudently serve.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Makhubalo', written over a horizontal line.

MAX MAKHUBALO
BANKSETA Chief Executive Officer

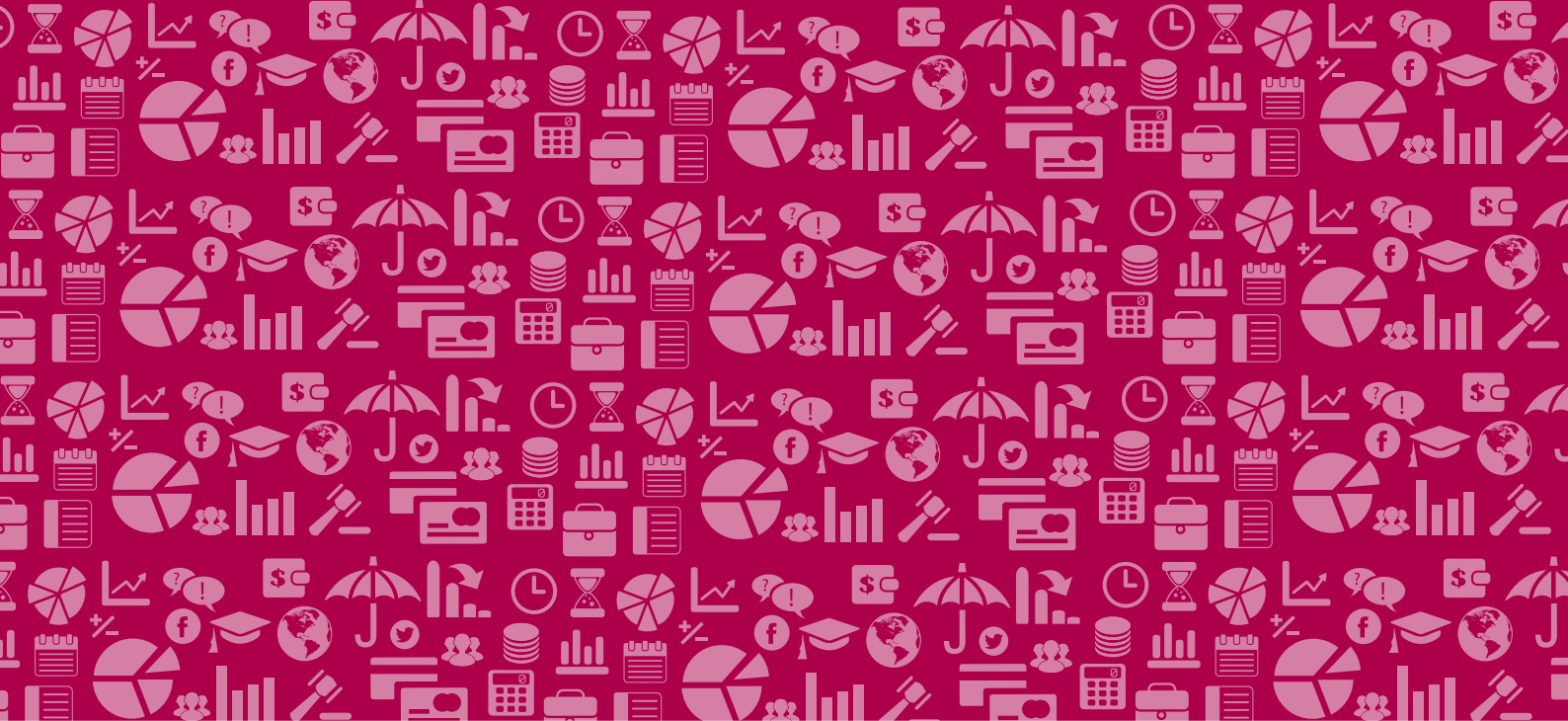
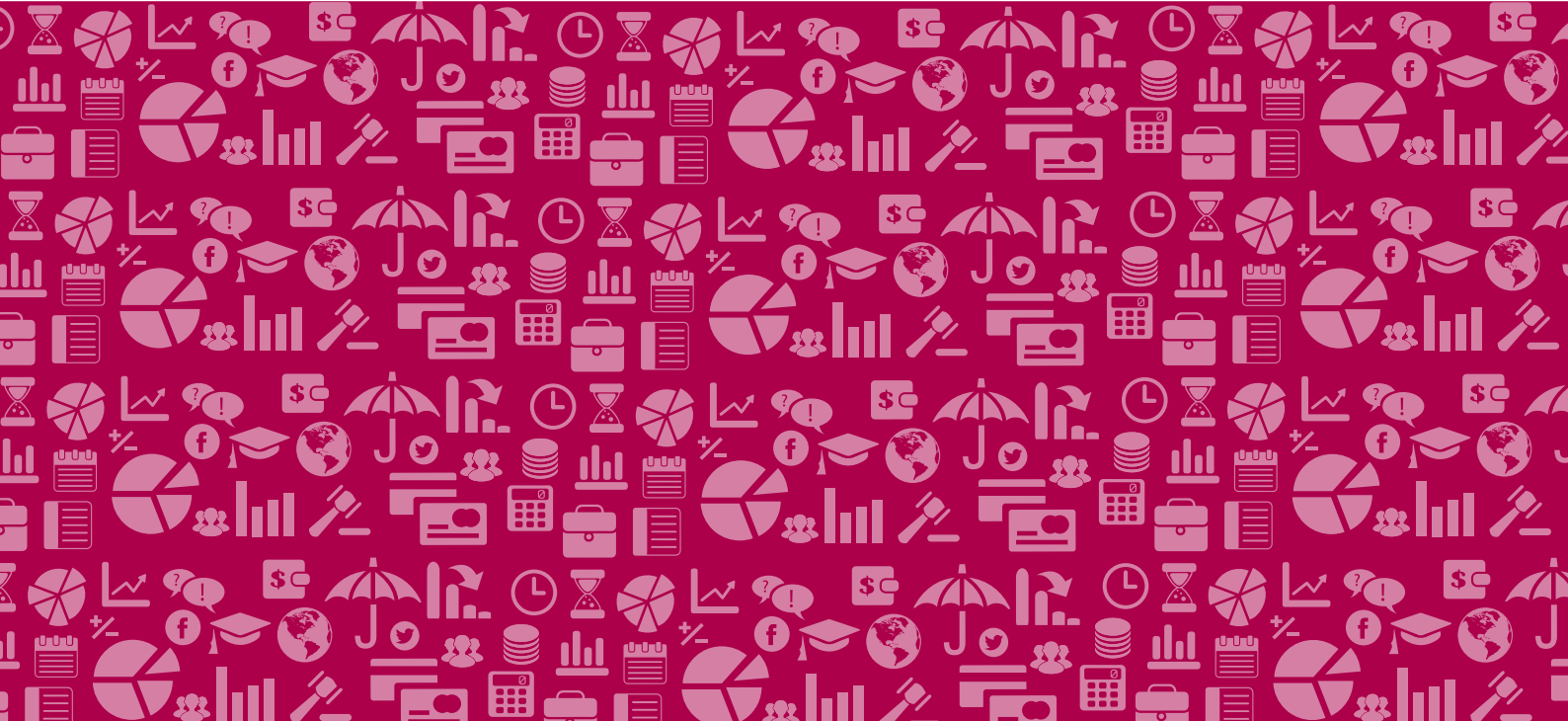


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BANK



GENERAL INFORMATION

PUBLIC ENTITY'S GENERAL INFORMATION

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ABOUT THIS ANNUAL REPORT

This annual report showcases the activities of the Banking Sector Education and Training Authority (BANKSETA) as it strives to serve the South African banking and inclusive banking sectors with a forward-thinking, well-managed and efficiently delivered skills development framework that adds further value to a sector already acknowledged for its professionalism, dynamism and sophistication.

Implementation takes place against BANKSETA's strategic planning framework, which guides the organisation on issues

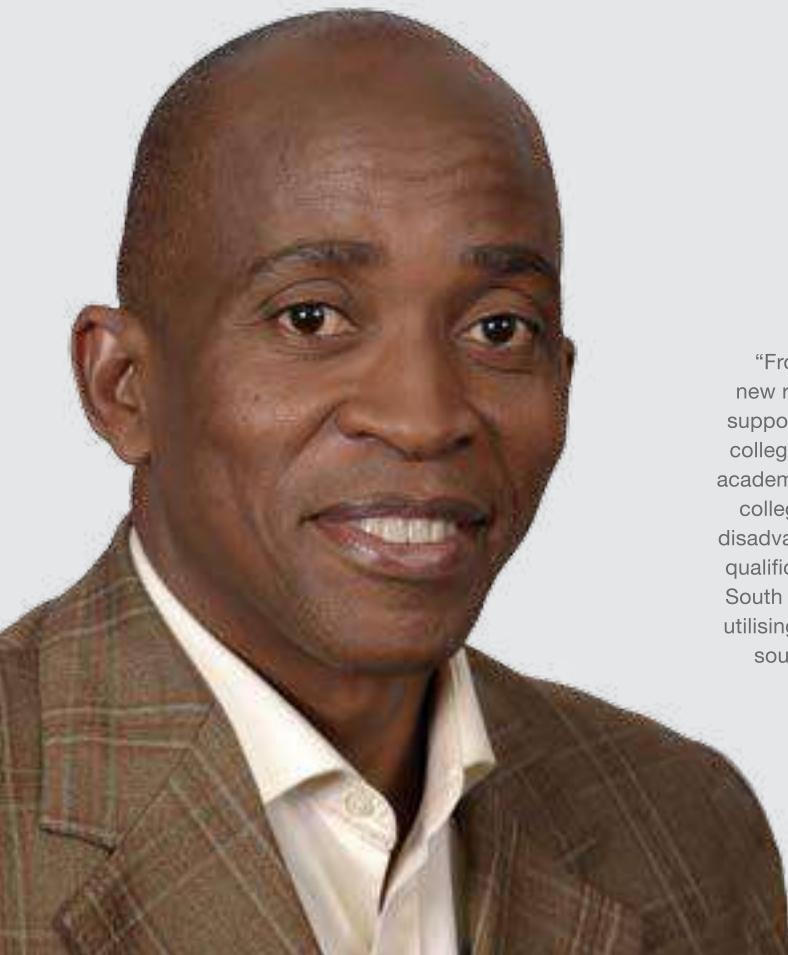
material to its long-term sustainability. The SETA's initiatives are focused on South Africa's national priorities, while taking cognisance of the sector's expansion into sub-Saharan Africa and beyond.

This is the third BANKSETA annual report that integrates governance performance with financial performance in accordance with the King Code on Governance for South Africa, 2009 (King III).

The annual financial statements have been prepared on the historic cost basis and are

prepared in accordance with the standards of Generally Recognised Accounting Practice (GRAP). In the pages that follow, we highlight the interventions that have helped to uplift the quality of life of the employees of the banking and inclusive banking sector, and proudly reflect on another successful year in BANKSETA's history.

We hope you enjoy reading through this report.



“From a skills development perspective, the implementation of new regulations in 2014 created the need to increase BANKSETA’s support for Technical and Vocational Education and Training (TVET) colleges. A large task faced was increasing investment in training of academics in Technical and Vocational Education and Training (TVET) colleges and supporting initiatives for accreditation for historically disadvantaged institutions in accounting and financial services related qualifications. Outward programmes were initiated to benchmark the South African skills development needs and targeted goals were set, utilising pointed research to inform tailor made programmes. We also sought to advance this with our partners as best as we could.”

FOREWORD BY THE CHAIRPERSON

As 2014 marked the third year in the current term of the Board, we reflect on the road travelled and the outlook for the NSDS III remaining period. We reiterate the fact that BANKSETA has demonstrated resilience and made a lot of strides in a relatively short period.

BANKSETA’s mandate is to develop skills in the banking and microfinance sector; a sector that is undergoing rapid change both locally and across the rest of the African continent. The result of this being that the sector faces critical skills shortages in a highly demanding, competitive and specialised field. Although the road to improvement has been a challenging one, it has been a positive experience overall, with many successes along the way.

We are confident to declare that the Board has developed a clear picture of where we want BANKSETA to go and all are working hard to achieve these goals. As such, we strive to provide the market with relevant and responsive skills development interventions. The record of the past three years affirms our claim that we have creatively tailored programmes that

respond to the sectors’ skill requirements, took initiative to introduce programmes geared at assisting the sector to transcend an ever changing market environment and help improve the status of many recipients of our services be they employed or unemployed.

Throughout 2014, macro-economic forces had an impact on almost all organisations in our country, often posing challenges to overcome. In terms of the financial sector, the ructions and resultant crises that were faced by various Employers, such as African Bank, caused a lot of uncertainty and discomfort for the entire sector. Although such issues did not directly affect the operations of BANKSETA, we cannot stay distant from the issues that plague those within the sector. In a broader sense, although the world continues to face a sluggish global economy, South African banks have managed to survive. This could be attributed to the strength of the banking sector itself.

In terms of the domestic financial status, an issue that cannot be ignored is the instability in the mining sector. This had

a negative impact across all sectors, resulting in strained labour relations and massive loss of gross domestic profits. The energy crisis also added to our woes and continues to pose a risk; one that must be planned for in order to surmount it. In addition, government’s push for infrastructure programmes was met with delays that affected the economy and the sector’s ability to push back.

From a skills development perspective, the implementation of new regulations in 2014 created the need to increase BANKSETA’s support for Technical and Vocational Education and Training (TVET) colleges. A large task faced was increasing investment in training of academics in Technical and Vocational Education and Training (TVET) colleges and supporting initiatives for accreditation for historically disadvantaged institutions in accounting and financial services related qualifications. Outward programmes were initiated to benchmark the South African skills development needs and targeted goals were set, utilising pointed research to inform tailor made programmes. We also sought to advance this with our partners as best as we could.

This has been done in a quest to achieve set strategic goals, to the benefit of the sector. We continued to put greater focus on research and planning and strengthening governance. We firmly believe that, whilst many of these goals entail an ongoing, continuous improvement process, BANKSETA has largely done quite well in actioning these goals and taking initiatives successfully through to implementation.

In 2014, BANKSETA excelled in various areas, including Recognition of Prior Learning, support for historically disadvantaged institutions, skills development for the employed and rural outreach programmes, all while offering support to Technical and Vocational Education and Training (TVET) colleges and matriculants.

Looking forward, BANKSETA acknowledges that there are two very important issues that need to be dealt with. These include strengthening the focus and capacity of its strategic planning processes and strengthening stakeholder engagement initiatives. The goals set by the Board for

2015 include: intense focus on accurate research and aligned action planning in support of the NDP, the benchmarking for skills in support of banks across the continent, further investment in post-school training institutions, improving the efficiency of the governance processes and strengthening capacity of board sub-committees. All this needs to be tied into effective monitoring of implementation of the strategic plan.

Working with the calibre of people on the BANKSETA Board has been a pleasure and I trust that I will be able to indulge for the remaining period of our term. During the term under review, Mr Israel Noko, Ms Sarah Louw and Ms Liesel Hollis were appointed to Board. Their appointment helped enhance the effectiveness of the Board as we have seen the vigour, creativity and a renewed excitement for the fulfilment of our mandate. In support of the Board, the BANKSETA management team is invaluable and its input is greatly appreciated.

BANKSETA acknowledges that it owes its existence to its stakeholders; without them, their support and ideas, BANKSETA would not be the SETA that it is today. We are also most grateful to the many stakeholders and consumers of our services that appreciate what we do.

Yours sincerely,



MARTIN MAHOSI
BANKSETA Chairperson



OVERVIEW BY THE CHIEF EXECUTIVE OFFICER

As we reflect on the 2014/15 financial year, we note that driving practical skills was an overarching aim for BANKSETA in 2014. As such, we strove to consolidate all of the good work being done through the learnership programmes and developed a greater platform for work integrated learning. We believe that a qualification will not equate to sustainable employment if the employee cannot complete the practical tasks at hand when employed.

For this reason, work integrated learning must be developed and implemented at universities to ensure that graduates are adequately prepared for the workplace. We have opened regional offices to improve accessibility and engagement with stakeholders outside Gauteng. BANKSETA continues to explore other avenues to further enhance the engagement with our stakeholders. We believe that BANKSETA is now perfectly positioned to achieve its goal of developing the critical skills for the banking and microfinance sector.

I have been very fortunate to serve as the Chief Executive Officer of BANKSETA for a relatively long period of time, yet I am continually awed at the level of the team that I work with. BANKSETA is very fortunate to have a solid workforce, led by very capable managers that have been able to grow an organisation-wide culture of learning and development. BANKSETA is also fortunate in that, it serves a strong and

secure sector which offers its unfettered support at all times.

Working at an organisation that is brave in innovating its product offerings to the sector is simply inspirational, with products such as the Recognition of Prior Learning and the reconstitutions of bursaries doing very well. Our programmes are pointed, tailor-made and effective, drawing a good level of diversity. BANKSETA's service offerings have matured into the "go-to" programmes for the sector.

Looking forward, BANKSETA will continue to strive to improve the way its management operates, in terms of work integration. We hope to launch a pilot project soon entailing an Africa focus and the cultivation of relationships with African partners. BANKSETA seeks to assist its partners throughout the continent, developing mutually beneficial terms of reference and support systems.

We are working very closely with the Co-operative Banks Development Agency (CBDA) and the project is running well. This initiative has flagged the need for more support and attention from the BANKSETA and we are responding accordingly. The reality for the sector and the economy is that South Africa needs to grow more aggressively than it is now; in this instance, the need to come up with interventions to address the skills identified as scarce and critical skills remains key.

As I prepare for retirement, BANKSETA is implementing strategic succession plans to ensure that those in senior positions are groomed for their future positions. This is essential in maintaining BANKSETA's performance and continued improvement. We have been fortunate that the BANKSETA revenue rate is growing ahead of inflation, allowing the SETA to fund more programmes, develop more skills and focus on insourcing, compliance and governance.

Yours sincerely,



MAX MAKHUBALO
BANKSETA Chief Executive Officer

STRATEGIC OVERVIEW

VISION

To be recognised as a centre of excellence and innovation for skills development in the broader banking and microfinance sector.

MISSION

To support transformation and people development and, through partnerships, to enable stakeholders to advance the national and global position of the broader banking and microfinance sector.

OUR GUIDING PRINCIPLES

- Leverage skills levy funds for the strategic benefit of the banking and microfinance sector
- Provide quality-assured, world-class skills training services at the lowest cost
- Deploy leading-edge technology
- Judiciously carry out the NSDS mandate
- Maintain status as a preferred human resource development partner in banking and microfinance
- Exceed customer expectations

OUR CORPORATE VALUES

- Respect - The way we treat all people
- Innovation - A constant focus
- Customer focus - The customer is king
- Professionalism - We benchmark against the best
- Diversity - A strength that binds
- Integrity - We act accordingly and encourage reciprocity
- Teamwork - In the service of our customers we are one

LEGISLATIVE MANDATE

In terms of the Skills Development Act, No 97 of 1998 as amended by the Skills Development Amendment Act 26 of 2011, within the NSDS framework, BANKSETA is mandated to develop skills in the banking and microfinance sector. It does so by:

- Encouraging employers in its sector to develop an active learning environment in the workplace;
- Providing employees with opportunities to acquire new skills/progress their careers;
- Increasing levels of investment in workplace education and training; and
- Promoting transformation as guided by the NSDS equity targets of 85% black, 54% female and 4% People with Disabilities (PWDs).

BANKSETA is committed to principles and practices that provide stakeholders with the assurance that the organisation is managed soundly and ethically. Its business and reporting practices are, therefore, in line with the Code of Corporate Practices and Conduct set out in the King III Report, the Public Finance Management Act (PFMA) (Act No 1 of 1999) and the Skills Development Levies Act (Act No 9 of 1999).

STRATEGIC OUTCOME-ORIENTATED GOALS

Strategic outcome-orientated goal 1

To conduct research on sector skills and undertake benchmarking against national and international best practices to ensure relevant and cutting-edge interventions.

Strategic outcome-orientated goal 2

To enhance the employability of the youth through effective education and training development initiatives.

Strategic outcome-orientated goal 3

to provide the employed workforce with scarce and critical skills to close skills gaps.

Strategic outcome-orientated goal 4

Enhance small and micro enterprise (SME) participation, sustainability and job creation through skills development.

Strategic outcome-orientated goal 5

to enhance and build capacity of public Further Education and Training institutions (FETs), Higher Education institutions (HEIs), SME providers and Universities of Technology to increase the national footprint and to improve relevance of training interventions in response to sector needs.

Strategic outcome-orientated goal 6

To create a skills pool that would enable the sector to meet transformation targets.

BANKSETA's PROFILE

The Banking Sector Education and Training Authority (BANKSETA) strives to provide a sector-specific framework for the development of skills in the banking and microfinance sector. The overarching purpose is to identify scarce and critical skills needs in the sector, and then train according to those needs to provide the sector with a pool of educated, capable and skilled employees. The SETA programme is funded by a levy-grant system for participating sectors or organisations.

With a professional commitment to its mandate, and as is evident from successive unqualified audits, its highly successful programmes and its reputation for excellence in the sector, BANKSETA is widely regarded as one of the best, most effective SETA in the country, and is considered a centre for excellence and innovative in the sector.

As is elaborated on under "What we do" below, BANKSETA's functional departments include Youth Development, Skills Development, Quality Management, Work Integrated Learning, Inclusive Banking and Research. These departments are responsible for the effective execution of BANKSETA's mandate, ensuring that the skills development needs of the sector are met.

At the apex of BANKSETA's governance sits the BANKSETA Board which provides the strategic insight to Executive Management. The Board is constituted of an equal number of employer and employee representatives from the sector and three Ministerial representatives. The Board Members are:

- Chairman, Martin Mahosi (Ministerial Appointment)
- Malesela Maleka (Ministerial Appointment)
- Abe Thebyane (Nedbank)
- Isaac Ramputa (SASBO)
- Joe Kokela (SASBO)
- Nathan Motjuwadi (Capitec)
- Samantha Anthony (SASBO)
- Manny Captain (SASBO)
- Myan Soobramoney (SASBO)
- Elizabeth Maepa (FirstRand)
- Sharon Taylor (Standard Bank)
- Sarah Louw (Barclays Africa Group Ltd)
- Israel Noko (MicroFinance South Africa)
- Liesel Hollis (SASBO)

The SETA's Executive Management and Management team drives its commitment to principles and practices that provide its stakeholders with the assurance that

the organisation is soundly and ethically managed. As such, the Management team plays a critical role in ensuring that BANKSETA is an efficient and effective organisation, capable of delivering consistently against its NSDS III targets.

The Executive Management and Management teams are as follows:

- Max Makhubalo, Chief Executive Officer
- Beaula Dziruni, Chief Financial Officer
- Dimakatso Seete, General Manager: Corporate Services
- Christine Fritz, General Manager: Operations
- Caroline King, Company Secretary
- Paulette Bourne, Manager: Work Integrated Learning
- Zandile Skosana, Manager: Marketing and Communications
- Deerani Naidoo, Manager: Youth Development
- Madeleine Pelzer, Manager: Skills Development
- Bekisisa Nkala, Manager: Inclusive Banking
- Charmaine Janisch, Manager: Quality Management
- Angie Naidoo, Head of Research
- Moyahabo Mohlabeng, Manager: Information Technology

OPERATING CONTEXT

The banking and microfinance sector, which originated in the 18th century is responsible for monetary intermediation and is an advanced sector that makes use of innovative technology to keep up with global trends. The sector comprises mainstream banks, donor funded non-governmental organisations and micro and small financing companies, which offer short term loans and saving options to individuals.

Despite the fact that the banking industry is under immense pressure, South African banks are second in the world for soundness. BANKSETA serves diverse stakeholders, including the central bank, South African banking operations, an increasingly strong foreign banking contingent, development finance and leasing operations, micro-lenders and other financial operations.

As can be seen by its mandate above, BANKSETA is directed to develop skills in the banking and microfinance sector, and it does so in line with the Skills Development Act and the National Skills Development Strategy (NSDS) framework. BANKSETA sets out to increase the levels

of investment in education and training so that work-seekers find work, retrenched workers re-enter the market and employers find qualified employees. Transformation is core to the SETA's mandate, guided by the NSDS equity targets of 85% black, 54% female and 4% disabled.

To achieve this mandate, a number of key focus areas have been identified. These include:

- Empowering small and medium enterprises (SMEs)
 - » Funding scarce and critical skills in the sector
- Accreditation and quality assurance for the Sector Skills Plans
 - » Programmes to develop individuals at various levels
- Supporting World Class programme design
 - » Critical and scarce skills in the sector
- Youth development
 - » Programmes to build strong and capable skills for the future
- Encourage transformation in line with National Skills Development Strategy
 - » Ethical and performance centred approach
- Building national resources to advance the broader and microfinance industry

The SETA is tasked with identifying and filling the significant skills gaps that exist across the sector, and an in-depth analysis of scarce and critical skills forms a major part of the research-driven Sector Skills Plan (SSP).

SECTOR PROFILE – BANKING SECTOR SKILLS PLAN

This section provides a snapshot of the South African banking industry by examining the various aspects of the industry, in particular its landscape and contribution to the economy. Further, it describes how the banking sector is segmented, giving insights into the size of the key players and their operational composition. It further describes retail and investment banking in detail, identifying product offerings, skills and the types of financial professionals required to support this sector of the financial industry. The analysis is followed by a description of the existing infrastructure found in the banking industry to support its operations and the distribution channels available. The banking sector in South Africa is generally regarded as being highly sophisticated and well managed.

The Global Competitiveness Report 2012–2013 rates the country second out of 144 countries in terms of banking sector soundness and third with regard to the country's financial market development. It has strong linkages with all other sectors of the economy, and while it emerged from the global economic crisis intact, it was not unscathed.

The Banking Sector

This sector comprises various banking operations and financial services organisations, including microfinance organisations – an emerging, relatively unsophisticated, yet highly regulated subsector that operates in markets where a large proportion of the population remains unbanked. Monetary intermediation

remains the primary scope of business in the banking and microfinance sector. In the first quarter of 2013, the financial, real estate and business services sector grew by R7 billion to R161 billion, accounting for 22.4% of nominal value added.

By April 2014, the South African banking sector had 17 locally controlled registered banks, two mutual banks, 41 foreign banks, and 12 local branches of foreign banks. The South African banking industry is dominated by four big banks, namely Absa, Standard Bank, First National Bank and the Nedbank Group, with the concentration mainly in the urban areas.

The rural areas or smaller towns are typically starved of the branch networks

found in urban areas. According to the 2013 figures of BASA, these four major banks have approximately 35 million retail bank accounts, serviced through 2 740 branches and 21 000 ATMs countrywide. Total assets amounting to about 84% are controlled by four major banks¹, with total assets amounting to R3.5 trillion. In terms of the composition of loans and advances, home loans represent the lions' share at 32%, followed by terms loans at 19%.

Table 1 shows South Africa's registered banks, both local and foreign-controlled banking institutions, as at April 2014. Appendix A provides a list of the representative offices of the foreign banks that have been removed from the list below.

Table 1: South African banks

REGISTERED BANK – LOCALLY CONTROLLED	REGISTERED MUTUAL BANKS	BANKS IN LIQUIDATION	REGISTERED BANKS – FOREIGN-CONTROLLED	BRANCHES OF FOREIGN BANKS	FOREIGN BANKS WITH APPROVED LOCAL REPRESENTATIVE OFFICES
African Bank	GBS Mutual Bank	Islamic Bank Limited	Absa Bank Limited	Bank of Baroda	AfrAsia Bank Limited
Bidvest Bank	VBS Mutual bank	Regal Treasury Private Bank Limited	Albaraka Bank Limited	Bank of China	African Banking Corporation of Botswana Limited
Capitec Bank	Finbond Mutual Bank		Habib Overseas Bank Limited	Bank of India	Banco Angolano de Investimentos
FirstRand Bank Limited			HBZ Bank Limited	Bank of Taiwan	Banco BPI SA
			Mercantile Bank Limited	BNP Paribas	Banco Espirito Santo e Comercial de Lisboa
Imperial Bank Limited			The South African Bank of Athens Limited	Canara Bank	Banco Internacional de Credito
Investec Bank Limited				China Construction Bank Corporation	Banco Nacional De Desenvolvimento Econômico E Social
Grindrod Bank				Citibank NA	Banco Santander Totta S.A.
Nedbank Group				Deutsche Bank AG	Banif - Banco Internacional do Funchal, S.A.
Sasfin Bank				HSBC Bank, plc	Bank Leumi Le-Israel BM
Standard Bank Limited				JPMorgan Chase Bank	Bank of America, National Association
UBank				Societe Generale	Bank of Cyprus Group
				Standard Chartered Bank	Commerzbank AG Johannesburg
				State Bank of India	Credit Suisse AG
					Ecobank
					Export-Import Bank of India

Source: South African Reserve Bank, 2014

Financial inclusion is still an imperative for the banking sector to ensure that appropriate and cost-effective products are developed for the poor in this country. According to the Finscope 2013 survey, the number of people that are considered as banked increased by 3.4 million from 23.9 million in 2012 to 27.3 million in 2013. People who are financially excluded (people with no bank account and no other formal or informal financial product or service) in 2013 stood at 5.7 million resulting in a drop of 1 million from 2012. The sector's competition is mainly from non-traditional banking institutions, such as retailers and other service providers. In most cases, these non-traditional banking institutions offer financial services in partnership with traditional financial service providers, usually leading to the disintermediation of traditional banking services.

The provision of financial services in South Africa and the banking system are highly regulated under the supervision of the South African Reserve Bank (SARB). Other agencies that regulate the financial services landscape include the National Credit Regulator (NCR) and the Financial Services Board (FSB). Regulatory capital is required for banks to reduce the probability of insolvency, i.e. it acts as an internal insurance fund for risks that cannot be insured in an external market. This is a major reason why banks differ from other

institutions, and why the approach to the regulation and supervision of banks must be differentiated from other parts of the financial system. It is important to streamline the regulatory environment to be conducive to the developmental needs of the banking sector, as well as to establish a productive balance in terms of contradictions caused by the South African policy landscape and global forces.

The successful performance of the South African banking industry in 2012 does not necessarily indicate a sector without challenges. On the contrary, several challenges exist, which include the need to expand services to low-income communities and the unbanked, excessive legislation, uncertain markets, dependence on technology, the retention of clients based on their evolving needs and the unavailability of key skills and talent. Topmost among the challenges are the growing volume of regulations for banks and the overhaul of the regulatory environment. Furthermore, South Africa has a brain drain problem that has generally affected most sectors, including the financial sector. This growing demand for skills in various areas of the banking industry must be seen in the context of the South African economy being positioned as a growing bulwark in the African context and a springboard into the African continent. Most important is the fact that, as South Africa prepares

itself to address the backlogs created by the previous system, it requires a well-developed financial sector, manned by skilled financial managers relevant to the majority of those not included in the mainstream economy and financial sector. The changes in the traditional concept of banking have significantly impacted on the number, size and products offered by the banking sector in partnership with other service providers. This is evident from the number and range of participants, change in product offerings, and shifts in the institutional and regulatory environments.

The Segmentation of the South African Banking Sector

All the banks operate their business through a wide array of business lines, which require different approaches to their management. The business units are structured slightly differently from bank to bank, but the main pillars in the industry generally include commercial banking, investment banking and development banking, as indicated in Table 2. Commercial banks' main focus is deposit taking and lending, while investment banks deal with complex financial deals, such as the buying and selling of financial products, which include derivatives, fixed-income instruments, foreign exchange, commodities and equity securities. They assist their clients to raise funds in capital markets and provide advice on mergers and acquisitions.

Table 2: The main segments of banking in South Africa

WEALTH MANAGEMENT	INVESTMENT BANKING	PRIVATE EQUITY	GLOBAL MARKETS	TRADING	RETAIL BANKING	MIDDLE CORPORATE	LARGE CORPORATE	DBSA	LAND BANK	POSTBANK
Investment banking				Commercial banking			Development banking			
South African banking sector										

Commercial banking: Commercial banking, as illustrated in Table 3, can be divided into three divisions: retail financial services, the corporate middle market and large corporates. The focus in the commercial arena is mainly on lending and collecting deposits from individuals and business. This division of banking also identifies specific borrowers and builds relationships with them.

Investment banking: An investment bank assists companies and governments and their agencies to raise money by issuing and selling securities in the primary market. They assist public and private corporations to raise funds in the capital markets (both equity and debt), as well as providing

strategic advisory services for mergers, acquisitions and other types of financial transactions. The product offering for investment banking (Table 3) is dominated by very large transactions, customised to the requirements of the big corporates or financial institutions. The financing is specialised and ranges from export and import financing, to the financing of commodities, and the structuring and customisation of finance for large and risky transactions. These customised transactions can be utilised for project financing or corporate acquisition. Trading banking is an area that involves the trading of different instruments for investment purposes, with the aim of hedging against future exposure to risk.

Trading is divided into derivatives, equities and fixed income. These instruments can be traded in various markets, using specific forms of products. The product offering for trading includes those products traded for third parties and traditional proprietary trading. Trading for third parties involves the interaction of traders with clients and business units to cluster customised products for large borrowers like banks, insurance companies, brokers and funds. Private banking focuses on the management of assets for individuals and companies. It is also a part of investment banking that focuses on specialised services like wealth management for specific clients.

Table 3: Investment banking products

INVESTMENT BANKING PRODUCTS	CLIENTS
Equity capital securities	Medium and large corporates
Debt capital securities	Medium and large corporates
Trading	Financial institutions
Derivatives	Financial institutions
Brokerage	Financial institutions
Insurance	Parastatals and government entities
Advisory	Large corporates and government entities

Development banking: The development banking sector plays a key role in the South African banking industry. Although there are several development finance institutions in South and Southern Africa, the organisations detailed in Table 4 play a key role:

Table 4: Developing banking organisations

DEVELOPMENT BANKING ORGANISATION	ROLE IN THE BANKING INDUSTRY
The Development Bank of Southern Africa (DBSA)	Its purpose is to accelerate sustainable socio-economic development by funding physical, social and economic infrastructure. DBSA's goal is to improve the quality of life of the people of the region.
The Land Bank	This organisation focuses on the agricultural sector and is a leading agricultural financier. The development banking sector has distinct differences when compared with other industry players, but also demonstrates remarkable similarities. From a skills development perspective, focus should be placed on key drivers, such as economic factors and technological developments.
Postbank	The South African Postbank is mainly a savings bank, currently restricted to taking deposits, and does not cater for credit and other savings products. However, the South African Postbank Limited Act is searching for a legislative framework that would increase the ambit of the Postbank in terms its role and product offering to the poor.

The top 12 scarce skills cited in the SSP for 2014/15 were:

- FAIS-compliant Consultant
- Credit Card Specialist
- Business Development/Relationship Manager
- Risk Specialist
- Information Technology Markets Trading Developer
- FX Spot Trader
- Financial Analyst – internal
- Statistical Analyst
- Debit Card/Credit Card Fraud Investigator
- Research Analyst
- Trader (sales, equity, derivatives)
- Fiduciary Manager

SECTOR PROFILE – INCLUSIVE BANKING SECTOR SKILLS PLAN

Key issues regarding the provision of inclusive financial services in the developing world and South Africa include the following:

- Substantially reduce the gap in access and the use of financial services between the banked and unbanked sectors of society
- Enhance SMEs' access to finance, as well as building their institutional capacity in view of their pivotal role in job creation in the emerging markets

- Reduce poverty and income inequality in order to enhance growth
- Expand the scope of financial inclusion beyond credit to include, inter alia, safe and secure savings, remittances and insurance
- Ensure that financial inclusion leverages all financial services providers

FinScope 2013 identifies the number of banked people to have increased by 3.4 million from 23.9 million in 2012 to 27.3 million in 2013. This sizeable increase is mainly from the increase of 1.9 million SASSA cardholders. SASSA is emboldening people to transact because 8.2 million of the 9.9 million people use their card to acquire cash from the till, withdraw cash at the ATM, make payments at a store or check their balances. Overall savings with banks witnessed an upsurge from 3.9 million to 4.7 million, buttressed by 2 million with fixed or notice deposit accounts. Borrowing from banks has followed a similar trajectory, increasing by 2 million from 4.5 million in 2012 to 6.5 million in 2013.

The Inclusive Banking Sector

The overall gross debt book increased from R1.44 trillion for the period ending

December 2012 to R1.52 trillion for the same period in 2013, signifying an increase of 5.5%. During the same period, the debt book for the banking industry grew from R1.22 trillion to R1.29 trillion, depicting a 6% increase. There were 20.64 million borrowers, as recorded by credit bureaus, as of December 2013. Of these borrowers, 10.71 million were in good standing and 9.93 million have compromised records (are three or more months in arrears, have administration orders and court judgments).

Industry players in South Africa are diverse in nature and target different segments of the market, as illustrated in Figure 10. The segments include first-tier banks, second-tier banks, micro-lenders, development micro-financiers/microenterprise lenders, financial cooperatives and cooperative banks, retailers and low-income housing lenders. The role of all these entities is to innovate and develop cost-effective financial products that meet the needs of the financially excluded in a responsible manner. First-tier banks have become quite active in the low-income segment, although this is not their primary focus. Besides first-tier banks, second-tier banks primarily target the middle- and low-income sectors and have been diversifying their product

THE IB SECTOR PROFILE

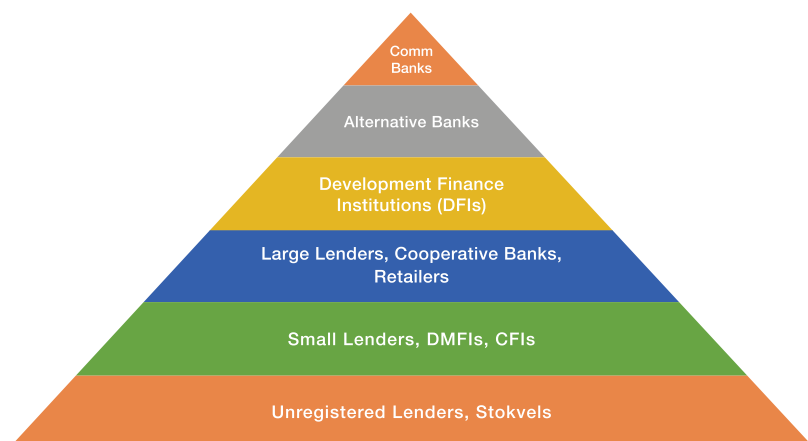


Figure 10: South Africa's inclusive banking landscape – interventions
Source: RUDO Consulting, 2012

offerings. The sector also comprises of informal players such as mashonisas and stokvels. The 2012-13 Annual Report of the NCR reveals that there are 5 450 registered credit providers with 41 642 branches in South Africa as of 31 March 2013. Of these, four providers are first-tier banks, and include FNB, Absa, Standard Bank and Nedbank. They provide a variety of financial products tailored for low-income people, including transactional, savings and loan products. For the big banks, making inroads into the low-income bracket is also a survival tactic, as increased competitive pressure in the middle- to upper-income market segment puts a squeeze on their margins. They are coming up with a variety of innovative low-cost products and models for reaching the mass market to meet their financial services' access needs.

The Postbank could be a major player within the retail bank market. A division of the SAPO, the Postbank, which hitherto has provided low-income people with access to secure and reliable savings accounts at competitive interest rates and flexible terms, is poised to transform itself into a retail bank that is wholly owned by the SAPO following the approval of the South African Postbank Limited Bill by Parliament. The Postbank's main thrust will be the mass mobilisation of savings and investment from a broad community, particularly to communities that have little or no access to commercial banking services and facilities. It will seek to provide financial services to wide segments of society, particularly the rural community. With a strong balance sheet, huge customer base (6.2 million) and wide distribution network (2 400 branches countrywide), the Postbank is well placed to compete with the top four retail banks in the country.

There are also second-tier banks, which include African Bank, Capitec, Ubank and Ithala Bank. The focus of these banks is mainly unsecured credit, although Capitec and Ithala take deposits and offer other products like savings. Some second-tier banks plan to amplify their product offerings to encompass home loans, vehicle finance and credit cards as a strategy to develop the bank into a mainstream bank, offering a comprehensive suite of products. The proposed products offerings are unsecured mortgages to the low-income housing market segment valued at up to R350 000, vehicle finance with a maximum value of R22 000 and a credit card.

The NCR's 2013 registration statistics indicate that there are approximately 390 large micro-lenders operating nationally. They offer mainly unsecured credit to salaried individuals with an estimated loan book of R6.5 billion. The lending product is a term loan that ranges from three to twelve months with "monthly loans charging fairly close to the maximum allowed interest rate on the big portion of their book". Some Lenders have diversified portfolios that include low-end mortgages of up to R400 000 and educational loans.

The next layer of lenders comprises the approximately 2 550 small micro-lenders that mainly concentrate on 30-day cash loans and have an average of one branch. A branch manager who is responsible for the general management of staff and operations, as well as authorising loans, manages the branch. The average cash loan is R3 000, with a maximum of R30 000 reported in some cases. These lenders are estimated to be serving at least 50% of the number of clients in that segment and have a combined book value of approximately R6 billion. The analysis indicates that

most small lenders' challenges are mainly sustainability, accessing funding and the burden of compliance, attracting skilled workers and marketing their businesses. Large furniture groups and non-bank motor financiers also provide loans for the purchase of furniture and cars for low-income persons. The low-income furniture book value in South Africa is estimated to be R45 billion. While there is not much information available to shed light on vehicle finance for the low-income sector, the loan book value is estimated to be between R2 and R6 billion. The gamut of financial services products offered by retailers are burgeoning. Some of these retailers are entering into partnerships with mainstream banks in the provision of these financial services, enabled by mobile technology, which will be an area of increasing innovation going forward. The local microfinance sector, driven by the recession and a high level of consumer over-indebtedness, has resulted in substantial consolidation in the sector. Microfinance South Africa (MFSA) has reported an 11% reduction in its membership base as larger and stronger companies absorbed some of the smaller companies, while others have closed down. The unsecured lending bubble has had a negative impact on major players, who are reporting a substantial bad debt book.

Microenterprise lenders provide loans to SMEs and poorer South Africans. Most register and operate as non-profit organisations. They are small organisations with one or two branches, although large microenterprises like the Small Enterprise Foundation (SEF) have branches countrywide. The average loan size is R3000, although large microenterprises offer loans of up to R10 000 and predominantly use group-lending methodologies. The money is disbursed as cash, although other microenterprises prefer paying the clients' suppliers directly to ensure that the money is utilised for its intended purpose. There are currently 19 microenterprise lenders countrywide, with SEF being the oldest and largest institution in the country. Most of the players are concentrated in Limpopo, followed by Mpumalanga and the Western Cape. The biggest challenge for microenterprise lenders is the high operational costs of servicing their clients. This sector's lending is labour-intensive and the loan application process seems long and intense. Most microenterprises operate under strenuous conditions and seem to conduct their businesses manually with few systems to alleviate their operational burden.

The Cooperative Banks Act of 2007 established the CBDA for the following purposes:

- To promote and advance the social and economic welfare of all South Africans through broadening the provision of banking services under sustainable conditions
- To promote the development of enduring and responsible cooperative banks
- To establish a regulatory framework and instructions to safeguard cooperative bank members
- To provide for the registration of cooperative banks
- To provide for the regulation and supervision of cooperative banks
- To provide for the creation of cooperative bank supervisors and a development agency for cooperative banks
- To provide for matters related to the above

The Exemption Notice 404 of 2012 broadened the mandate of the CBDA to encompass responsibility for the supervision and regulation of cooperative banks that were hitherto the duties of the Savings and Credit Cooperative League (SACCOL) and the South African Microfinance Apex Fund (SAMAF). The exemption notice also provides for the cleavage for credit cooperatives into two categories:

- Credit cooperatives with more than 200 members and which have deposits of between R1 million and R20 million are required to register as cooperative banks with the Cooperative Development Agency housed at National Treasury. There are approximately 16 cooperative financial institutions who mainly offer savings and credit products to the very poor, serving a total outreach of 26 164 members. This member base's loan book is about R90 million and the savings book is R118 million.
- Cooperative banks with deposits exceeding R20 million must register

with the SARB's Cooperative Banks Supervision Department. There are currently only two licensed cooperative banks (Ditsobotla Primary Savings and Credit Cooperative, and OSK Koöperatiewe Bank Beperk).

Low skills levels and governance issues plague the CFIs, and most cannot reach the capital adequacy needed. The service offering is still too traditional, due to lack of automation. Most CFI cannot grow their membership as a result. Notwithstanding this, there are excellent examples of successful financial cooperatives, namely Ditsobotla Cooperative Bank from the North West, which won the prize for the best financial cooperative in South Africa. In addition, the Kwa-Machi Cooperative Financial Institution, which commenced as an informal saving club in 1999, launched on 12 July 2013 as the first cooperative bank in KwaZulu-Natal.

Stokvels

Stokvels are both formal and informal platforms that provide mostly black South Africans with an opportunity to save, borrow and invest money. They operate on a more structured basis, and are not subject to compliance and registration under the National Credit Act. A recent study indicates that there are approximately 811 830 stokvels with 11.4 million members and an estimated savings book value of about R44 billion. The profile of stokvels in South Africa is as follows:

- Number of stokvels in South Africa: 811 830
- Number of members: 11 400 000
- Estimated savings book: R44 billion
- Provincial distribution: Gauten (24%), Limpopo (20%), North West (11%), KwaZulu-Natal (14%), Free State (8%), Eastern Cape (8%), Mpumalanga (7%) and Western Cape (6%)
- Average monthly contribution: R220

The study further shows that most stokvels deposit their savings into a bank account, including the Postbank, with Nedbank

having 22% of the accounts, followed by Absa (13%), FNB (12%), Standard Bank and the Postbank (11%). Stokvels provide an opportunity for rural and poor people to access finance and save. For banks, they create a platform to serve the 'traditionally excluded market'. Stokvels might encounter competition from the Save Act, which has developed an appealing savings model that eliminates the risk associated with stokvels. Moreover, the allure of Save Act savings groups is that it affords members more control and transparency with their transactions, hence they prefer it to stokvels. The annual pay-outs of Save Act savings groups are generous coupled with little risk.

Peer-to-Peer Lending

Peer-to-peer lending is defined as the practice of lending money to unrelated individuals, or 'peers', without going through a traditional financial intermediary such as a bank or other traditional financial institution. This lending takes place online on peer-to-peer lending companies' websites using various lending platforms and credit checking tools. Most peer-to-peer loans are unsecured personal loans made to individuals who do not provide any collateral to the lender in case of default. Investors have no protection through any government guarantee.

Lenders mitigate this risk by choosing whom to lend to and by diversifying their investments among different borrowers. The success of the peer-to-peer lending model is that consumers trust one another more in terms of online transactions. Another attractive feature is that borrowers do not need to pay high interest rates and lenders earn higher returns because of service automation. The peer-to-peer model is reliant on lending intermediaries that link borrowers with lenders. These are for-profit businesses. They generate revenue by collecting a one-time fee on funded loans from borrowers and assessing a loan-servicing fee to investors, either a fixed amount annually or a percentage of the loan amount.

Table 2: Tabular presentation of the South African IB sector

TYPE OF SERVICE PROVIDER	NUMBER OF PLAYERS	PRODUCTS AND SERVICES
First-tier banks	4	Typical loans of up to 48 months.
Second-tier banks	3	Microloans and personal loans, deposits, transactions and savings. African Bank only offers loans.
Large micro-lenders: 5 000+ active borrowers	23	Loans of up to 12 months: will charge close to maximum allowed interest and fees with some concessions for repeat customers and maximum allowed rates.

TYPE OF SERVICE PROVIDER	NUMBER OF PLAYERS	PRODUCTS AND SERVICES
Small micro-lenders	2 550	Loans of up to three months, but mostly one month (would typically charge maximum allowed fees and interest).
Microenterprise lenders	14	Loans to SMEs and microenterprises through a combination of group and individual lending methodologies.
Financial cooperatives and cooperative banks	20 (18 cooperative financial institutions and two cooperative banks)	Savings and credit to members.
Debt counsellors	2 027	Debt review/restructuring for borrowers in distress.
Retailers: Fast-moving consumer goods (FMCG) with more than 500 000 customers in living standards measure (LSM) 1–7, clothing with or than 200 000 customers and furniture with more than 100 000 customers in LSM1–7)	25	Withdrawals Payment of bills Personal loans Insurance Money transfer Value-added services (SASSA pension pay-outs)
Housing financiers	12	Provide housing finance to low-income clients.

Sources: RUDO Consulting: 2013. CIBA 2013, Finmark 2013

The sector is mostly technology-driven and calls for skilled personnel to be continuously trained in order to keep abreast of the fast pace of technological changes. Most second-tier banks and large lenders have made inroads into housing and SMME finance, while small lenders remain monolithic. This has exacerbated the sustainability challenges small lenders face.

Conclusion

In 2013, there were 5.7 million who were unbanked, comprising the following:

- 1.9 million in urban formal areas
- 700 000 in urban informal areas
- 400 000 in rural formal areas
- 2.6 million in tribal areas

Of the 5.7 million that were excluded in 2013, about 2.9 million people were difficult to access, as they had no money or mobile phones, while the remaining 2.8 million presented a potential opportunity for banks to provide access to financial services as they had some money and mobile phones. The nearest sources of infrastructural access for this group of people were supermarkets and social grant ID points. Other infrastructural points that this group of people were using that could be potential financial services access points were restaurants and churches. Devices

(for withdrawals) could be installed at these places to broaden access to service points and to decrease the time taken to reach a service point. As highlighted through the statistics, there still needs to be a concerted effort by government and role-players in the IB sector to increase financial access in tribal areas and remote areas.

Microfinance has a role to play to increase financial inclusion through innovation, and creative and sustainable practices and products. Although the South African microfinance sector has slowed down and consolidated due to the current unsecured lending repayment crisis, most responsible borrowers improved their lives and circumstances. The foray of retail banks into the IB sphere has generated greater convenience and variety, and has ultimately contributed to financial inclusion. Consequently, retail players are bringing a significant measure of dynamism and competitive pressure to the sector. It is also important to note the level of divergence that exists in the sector. There are institutions that use top-of-the-range innovation and take full advantage of technological developments that offer cost-effective, easy-to-access products and services (most second-tier banks and online lender Wonga). Conversely, there are

those at the very low end of the continuum that use manual operating systems and are inefficient, and face a wide range of challenges (financial cooperatives and many small lenders). In terms of financial cooperatives, the CBDA is taking steps to upgrade technological systems.

Lack of skills and capacity is a key barrier to improvement, innovation and professionalisation of this industry. The skills needed include risk management, IT skills and management skills to ensure product diversification and digitising the sector. Each subsector is different requiring customised interventions to address the uniqueness of skills needs in these subsectors.

WHAT WE DO

BANKSETA's overarching goal is to foster the development of diverse, skilled professionals for the banking and microfinance sector. Whether candidates are at entry level, post-graduates or have a doctorate, BANKSETA seeks to build an educated, skilled talent pool, while supporting transformation in the sector.

To achieve this, BANKSETA established the following functional departments.

Youth Development Department

The team is responsible for advising employers in the sector on how to implement learning programmes effectively and in accordance with relevant legislation. The Youth Development department is involved in building partnerships on behalf of the sector between learners, employers and training providers. Collaboration at this level results in interventions that are aligned to sector needs and priorities.

The skills priority areas guiding the development of learning programmes include the following:

- Information Technology
- Customer Interface
- Specialist Financial Skills
- Legislation Compliance
- Microfinance Skills
- Management and Leadership

PIVOTAL Funding Grant

PIVOTAL grants are used to sponsor or subsidise the cost of implementing various programmes such as learnerships, internship, work readiness, work based experience and bursaries. The various programmes seek to address the scarce and critical skills in SSP.

BANKSETA sponsored interventions

- *Letsema Post-matric programme and Kuyasa Post-graduate programme:* These are fully sponsored BANKSETA programmes for which BANKSETA pays for the recruiting of unemployed learners, pays monthly stipends for the duration of the learnership, training provision and learner support. The registered employer is responsible for hosting learners, providing them with workstations and workplace experience.
- *Virtual Bank Work-Readiness Programme:* In terms of this programme, BANKSETA fully sponsors the recruiting of unemployed learners, pays their monthly stipends for a period of six months and provides training linked to the registered skills programme.

Work-Integrated Learning and Bursaries Department

Work-Integrated Learning programmes seek to make every workplace a training space. BANKSETA employs a multipronged approach on Work Integrated Learning and providing funding for bursaries. It currently engages the public institutions of learning

to build capacity, thereby promoting access and reach. Each of the strategic relationships built with the public TVET colleges, Universities and Universities of Technology are designed in such a manner to either:

- Improve how the institution responds to the needs of the broader banking and inclusive banking sector, through lecturer support; or
- Develop scarce and critical skills for occupations that are in short supply by the sector, through bursary support; or
- Bring demand (industry/employers) for skills closer to supply (current workers/new entrants into the economy) of skills by address better use of work-based skills development.

Capacity Building

In collaboration with the Association of Accounting Technicians, AAT(SA), a partnership between the South African Institute of Chartered Accountants (SAICA) and the Association of Accounting Technicians, BANKSETA has launched a capacity building for TVET institutions in the level III Accounting Technicians qualification and take nominated lecturers through the qualification, at level IV. The initial intake is 300 learners and 35 lecturers in seven provinces, and the project provides additional support to enhance the learners' employability and facilitate their placement with host employers for practical experience. In the second phase, the accredited TVET colleges will be responsible for the training of approximately 500 learners.

The eight participating colleges and employers are:

- Letaba FET College (Tzaneen, Limpopo)
- Umfolozi FET College (Richards Bay, KwaZulu-Natal)
- Flavius Mareke FET College (Sasolburg, Free State)
- Motheo FET College (Bloemfontein, Free State)
- Gert Sibande FET College (Standerton/Ermelo, Mpumalanga)
- Orbit FET College (Rustenburg, North West)
- Lovedale (Eastern Cape)
- Northern Cape Urban College (Northern Cape)

Skills Development Department

The Skills Development department is responsible for capacitating Skills

Development Facilitators, to enable them to develop Workplace Skills Plans (WSP) and implementation reports for the organisations they represent. The aim is to address all levels within the organisations, to address the scarce and critical skills as highlighted in the SSP.

BANKSETA's employer base is large. The only way that BANKSETA can progress in skills development is to work in partnership with our employer base to ensure that skills development takes place on all levels within the organisation.

BANKSETA values the feedback from stakeholders and hence endeavours to hold information sessions across different departments to ensure that skills development efforts as indicated in the employer Workplace Skills Plans are highlighted and successfully implemented. BANKSETA also has regular interaction with employers through various meetings to obtain feedback from the sector about what skills development efforts are working and what not. Through this interaction, employers learn from others.

In so doing, the Skills Development department endeavours to ensure that all its levy paying employers receive their mandatory grants as stipulated in the Mandatory Grant Guidelines.

BANKSETA's current pay-out rate is 96%. Another incentive in the Workplace Skills Plan process is that once employers have submitted their documentation (WSP/ATR) they can take part in the Discretionary Grant Funding that BANKSETA disburse through sector specific projects.

Mandatory Grant Report

The mandatory grant report consists of a Workplace Skills Plan and an Annual Implementation Report. The report is due on or before 30 April of each year and must be submitted to BANKSETA on the online SETA Management System (SMS) by each registered stakeholder organisation's Skills Development Facilitator (SDF).

Workplace Skills Plan

A Workplace Skills Plan reflects the intended skills development programme of a participating organisation for the year ahead. From 1 January to 31 December each year, participants must ensure that they plan ahead to submit by 30 April the following year.

Annual Implementation Report

An implementation report reflects the actual skills development that took place within an organisation for the 12 month period commencing 01 January to 31 December each year.

The submission and subsequent approval of these two documents entitles levy paying organisations to claim back 20% of the skills levy that they paid. It is also a pre-requisite for any BANKSETA registered organisation (levy paying or non-levy paying) to participate in BANKSETA Discretionary Grant-Funded projects.

Growing skills in the banking sector

The Skills Development department implements a number of initiatives that support the following:

- Adult and Youth Education and Training
- Masters and Executive courses
- Recognition of Prior Learning for FAIS and Skills Development Facilitators
- International Executive Development Programme (Retail and Investment Banking)

The following skills development initiatives were launched in the year under review:

Inter-Bank Compliance (IBC) Project

The first phase of the IBC Project focuses on an Occupational Certificate: Compliance Officers. The aim of this project is to ensure that 50 Compliance Officers be assessed and certified against the Occupational Certificate: Compliance Officers. This is on a NQF level 6. The project has been running for nearly a year and delegates will write the board exams in August and November of 2015.

The second phase of the project aims to implement a Blended Learning Intervention that will equip employees within the banking and microfinance sector to upskill themselves with the requisite understanding and knowledge of the current compliance and regulations in the Sector. The training material was launched on 20 April 2015.

Mathematics and Science Support Programme (MSSP)

This project aims to support development programmes through partnerships and/or scholarships to unemployed learners to improve scores in Mathematics, Science, Accounting and English subjects in Grade 10, 11 and 12. A further aim is for 65% of learners to complete each year successfully. The programme has a rural

skills development element.

BANKSETA funds the following MSSP Centres for Grade 10, 11 & 12s:

- Free State (Parys, Kroonstad, Botshabelo)
- Mpumalanga (Witbank)
- Gauteng (Kagiso)
- Limpopo (Vhembe)
- KwaZulu-Natal (Pinetown, Port Shepstone, Overport, Austerville, Red Hill, Harding, Ixopo, Woodlands, Umlazi)

Quality Management Department

The Quality Management (QM) department's primary role is to facilitate the quality assurance of training provision implementation and development and maintenance of qualifications in the banking and microfinance sector.

The QM department uses the following mechanisms to implement the Sector Skills Plan:

- Identifying the learning needs of the most vulnerable segments of the sector
- Capacity building of training providers and employers
- Monitoring training implementation and assessment of learners' competence in the sector
- Promoting training for SMEs
- Enabling employers to use different methodologies in the workplace thereby facilitating an active training environment
- Enabling a banking and microfinance sector built on NSDS principles whilst fuelling transformation

Training provider accreditation

Accreditation of training providers is subject to and inclusive of:

- On-going assessment and evaluation of training providers' learning programmes based on banking related qualifications
- Facilitating national learner certification and maintaining learner records and achievements on SAQA National Learners Record Database
- Maintaining a database of registered constituent assessors and moderators

Sector compliance

The QM department supports the achievement of compliance towards relevant banking regulations and legislation, such as the FAIS Act, which in 2008 added national regulatory examinations to its

requirements. These examinations were introduced together with stricter minimal formal qualifications in order to support clients across the financial services industry in South Africa.

Recognition of Prior Learning (RPL)

The QM department facilitates a project that utilises a RPL Methodology and Credit Accumulation Transfer (CAT) matrix which will determine exemptions a learner may have in context of a qualification. The individual will then undergo a RPL assessment process to achieve the outstanding credits to achieve a national qualification that is recognised by SAQA.

RPL provides an opportunity to obtain a formal qualification which recognises formal learning acquired and work experience.

Research Department

Research forms the backbone of BANKSETA, as it focuses on critical and scarce skills within the sector and offers a wealth of strategic information to assist with skills development. Through this critical strategic initiative, BANKSETA aims to achieve its goals of developing a research portal and becoming a thought leader.

The SETA's research strategy is aligned to best practice, to the research agenda of the DHET and to the changes emerging due to sector skills planning.

The department is responsible for:

- Undertaking research that underpins the SSP
- Preparing the SSP for the banking sector
- Conducting research that is relevant to skills development in the banking and microfinance sector
- Carrying out impact assessment of BANKSETA interventions to determine their contributions to the sector
- Funding doctoral students in an attempt to support lecturer development at Universities whilst simultaneously generating new knowledge
- Ensuring that research outputs are available for public consumption via the Knowledge Bank Portal on BANKSETA's website

Sector Skills Plan

The SSP is the main research publication of BANKSETA. It is a strategic document that all SETAs must publish annually. The data analysed in the SSP is based on the

Workplace Skills Plans (WSPs) and the implementation reports submitted annually by organisations within the banking and microfinance sector.

Benchmarking studies

The banking and microfinance sector's global competitiveness and rapid development make research, benchmarking and communication key to its overall success. To ensure that the sector is able to perform competitively with counterparts in other parts of the world, benchmarking has been undertaken by BANKSETA for the benefit of the sector since its inception and is communicated continually.

Academic research

BANKSETA has supported a number of students to complete Doctoral level studies which include research findings and theses that are relevant to BANKSETA and the sector's future development. The knowledge produced through such research projects is made available on the BANKSETA's Research Portal.

Inclusive Banking Department

The inclusive Banking department managed by Bekisisa Nkala was established in September 2014 following the review of the Bankseta strategy. The role of the Inclusive banking department is to provide support to SMEs, Cooperative Financial Institutions (CFIs), Development Finance Institutions (DFIs), Microfinance Institutions (MFIs) and other role-players in the banking and financial services sector. The support is offered in various formats with the sole purpose of providing skills development to all who need to improve their skills.

The inclusive banking sub-sector comprises a wide range of service providers which are classified according to the following categories:

- Second-tier banks
- Medium and large micro-lenders
- Small micro-lenders
- Microenterprise lenders
- Financial cooperatives
- Housing financiers
- Debt counsellors

The Inclusive Banking department offers support to SMEs, DFIs, MFIs and Cooperative Financial Institutions. We offer the following:

- SME Funding window
- Support for Cooperatives
- Bursaries (employed)
- Certificate in Management Development for Microfinance

- Support and guidance with WSP and ATR submissions
- SDF registration
- Entrepreneurial Skills Training
- Mobile Training Solution and
- Internships

KEY FEATURES

Operational highlights

One of the highlights of the year under review was the appointment of three new Board Members. While the Board has always been of a stellar calibre, the new members' fresh ideas sparked innovation, adding a new level of discussion and ensuring greater focus. In general, BANKSETA is grateful to its Board members who are always ready to assist, and are reliable and communicative.

The Corporate Services department strives to maximise the retention of staff and minimise staff turnover, to obtain over 80% customer satisfaction in a survey, to obtain a rating of four out of five regarding staff members' perception of whether BANKSETA is living the values that define the culture of the business, and to conduct two formal reviews on staff performance. BANKSETA also increased its provincial representation through the establishment of regional offices.

As a result of sound strategic plans and a focus on implementation, these goals were successfully achieved. BANKSETA only lost one employee in the year under review and it was a loss to the sector. BANKSETA partnered with the sector in an effort to ensure that the programmes offered are relevant to the sector.

In a very successful year, certain highlights particularly stood out. These included: the strategic review of BANKSETA organogram, which led to a few well-earned promotions, with three managers being promoted to the executive management level, three specialists being promoted to managerial level and three administrators being promoted to specialist level. BANKSETA opened its doors to a learner to receive work integrated learning while completing his studies, and as a result of his hard work, he is now a permanent BANKSETA staff member; and BANKSETA's provincial presence, which indicates its growth in terms of size and job creation ability, enabling it to do more for the sector, in less time.

BANKSETA noted particular highlights in terms of its financial management in 2014. These included; the decrease of

discretionary expenditure by 4% due to the expenditure cap, the achievement of a 96% mandatory grant percentage, and keeping the administration expenditure within budget. BANKSETA has maintained its reputation as the best-performing South African SETA, and this is in part due to its marketing and communications activities. The SETA's social media profile has grown significantly.

STAKEHOLDER ENGAGEMENT

Nurturing the relationships that BANKSETA has with its stakeholders is a key driver of success that informs business strategy and enables the SETA to improve the impact of its activities on the stakeholders with whom it engages. BANKSETA's approach to stakeholder engagements is based on an adaptation of the King III Code of Governance which guides the governance of stakeholder relationships.

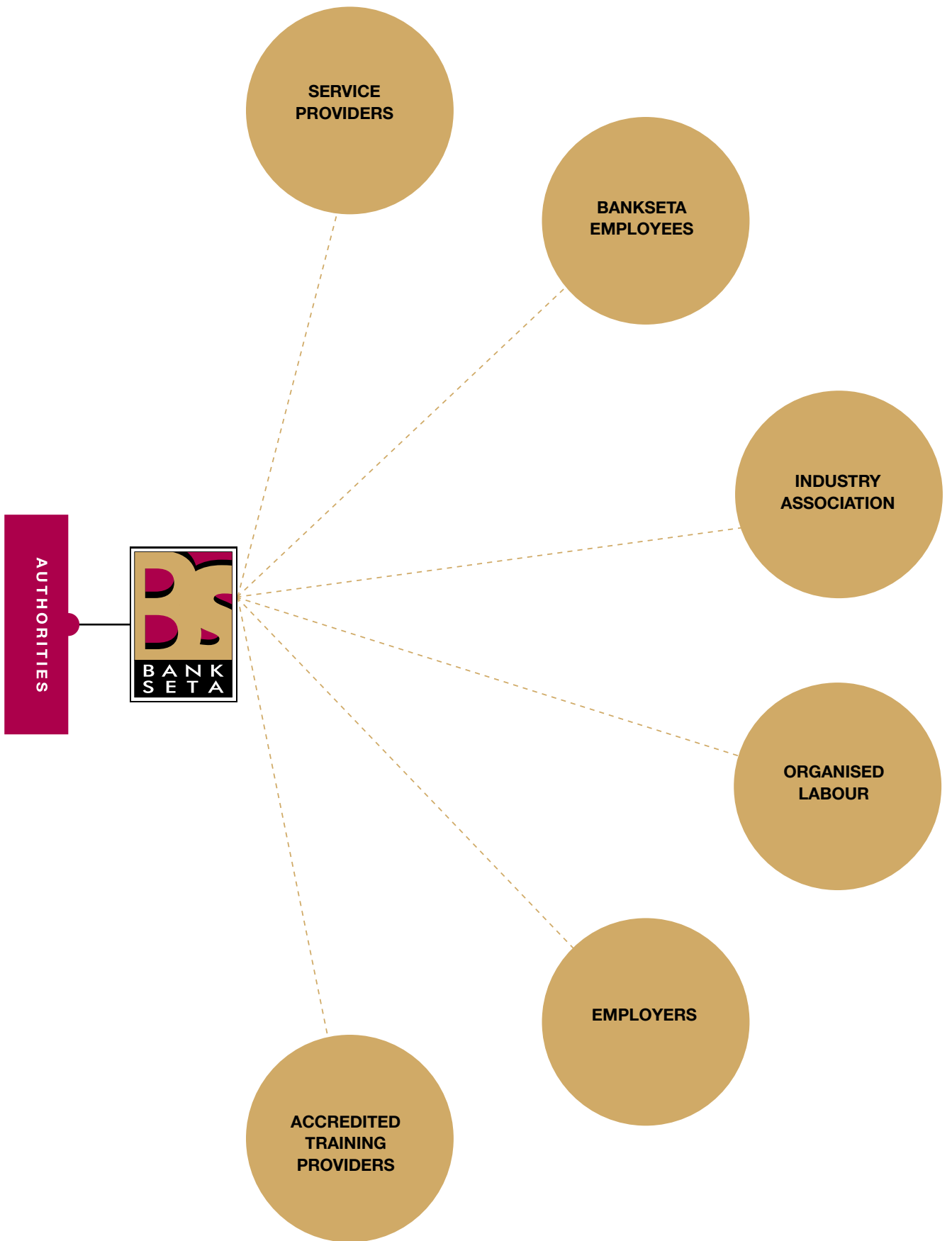
To ensure BANKSETA's long-term sustainability, a balanced scorecard outlines the SETAs capacity to continue operating over time and the SETA's sustainability largely relies on its stakeholder relationships. It's therefore critical for BANKSETA to have appropriate systems to monitor and evaluate the holistic impact of its stakeholder engagement strategy and continuously improve on it.

BANKSETA also conducts a customer satisfaction survey in order to gauge stakeholder perceptions on an annual basis; and in the year under review, BANKSETA proudly scored a rating of 82.4%. Amongst the areas covered in the study, is the perception on how the stakeholders view the status of stakeholder engagement by the BANKSETA. Very little emphasis was placed on this section and the management has agreed to increase that accordingly.

It is BANKSETA's communication objective to turn each stakeholder it engages with into a brand ambassador. The SETA strives to address multiple stakeholder complexities and engage each stakeholder group by utilising various engagement platforms and stretching its communication efforts far and wide, in order to raise the awareness of the BANKSETA brand and to drive custodianship. The SETA also ensures that it communicates a consistent message to all stakeholder groups based on its mandate, code of ethics, values and strategy.

Our Stakeholders





10	▲ 5.407	3.5710	▲ 72.2400	▲ 0.7450	5.407	6.3610	▲ 5.407	▲ 24.7050
80		2.2400	▲ 74.9870	▲ 6.7470	5.407	6.3280		47.0540
10		4.9870	▲ 18.6350	4.5740	0.457	3.5710		▲ 6760.70
								▲ 34.7080



54.0	4.9870		11.5%		30.0%
	8.6350				
	8.7860				
60.7	5.3230				



PERFORMANCE INFORMATION

F O R E W O R D

The key objective of the Annual Performance Plan (APP) is to reflect specific performance targets that the institution aims to achieve in the budget year/s in accordance with the BANKSETA Strategic Plan 2012/2013–2016/17.

It demonstrates particularly the alignment to NSDS III outcomes and outputs as well as the management of performance thereof (inclusive of monitoring and evaluation).

TARGETS AND QUARTERLY ACHIEVEMENTS FOR 2014/15

PROGRAMME 1: Research and Skills Planning									
Description of the Programme: In order to produce credible sector skills plans they need to represent the dynamics of the sector and accurately identify skills shortages coupled with realistic interventions (Research department – operational funds)									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2011/12		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 1.1:	Improving the quality of sector skills planning.								
1.1.	Stakeholder satisfaction with the accuracy of both the Banking and Inclusive Banking SSPs measured by annual stakeholder satisfaction survey rating			No baseline	70% satisfaction for 2014 submission	-	-	-	79%

1.1. Target exceeded by a narrow margin – the reason for the increase is owing to the targeted approach of accessing relevant stakeholders who liaise with and are supported by BANKSETA.

PROGRAMME 2: Research and Skills Planning (WSP)									
Description of the Programme: The participation of stakeholders in terms of sector skills planning and compilation is fundamental to any meaningful and credible SSP (Skills Development department – no discretionary grant funds required).									
	Programme performance indicator 2010/11	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2011/12		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 1.2:	Improving the level of participation in skills planning within the sector								
2.1.	Increase in the number of employers participating as measured by WSP submission rates		Large-55 Medium-32 Small-296	Large-49 Medium-28 Small-236	Large-Maintain Medium-Maintain Small-increase by 10%	Large & Medium: 107 Small: 166	-	-	-

2.1. There has been an increase in the participation from large and medium organisations – the target of 77 large and medium organisations was exceeded with 30 organisations. This is due to many of the small organisations (mostly micro lenders) being taken over by larger credit providers. Many other small micro lenders simply went out of business due to the high cost of compliance.

PROGRAMME 3: Skills@work awards									
Description of the Programme: To formally recognise companies that have positively contributed towards upskilling their employees and contributed to the country's goal of bridging the skills gap (Marketing & Communications Department – R150 000).									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 1.2:	Improving the level of participation in skills planning within the sector								
3.1.	Success of the programme measured by number of entries			No baseline	10	-	-	-	14
3.2.	Success of the programme measured by dissemination of awards			No baseline	4	-	-	-	5

3.1. Target achieved – BANKSETA embarked on a rigorous process to build awareness of the Skills@work awards campaign by encouraging both employers and accredited training providers to participate. This resulted in an increase in applications received.

3.2. Target exceeded – Additional categories were built into the 2011/2015 awards, hence the marginal increase on target achievement

PROGRAMME 4: Kuyasa Learnership									
Description of the Programme: The aim of this project is to enable 200 unemployed post graduate learners to become more employable. The programme incorporates both soft skills and technical training (modeled according to existing KUYASA learnership) (Learning Programmes department – R15 000 000). (PIVOTAL)									
	Programme performance indicator 2010/11	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2011/12	2012/13			Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 2.1:	To provide an array of learning programmes which focus on scarce and critical skills, to the unemployed youth. The aim of this approach is to make the youth more employable.								
4.1.	Success of the programme measured by number of learners enrolled in the programme		100	100	200	-	-	-	301
4.2.	Success of the programme measured by number learners completing the programme successfully		65	65	160	-	-	-	312

4.1. Target achieved – variance in target due to co funding by the sector

4.2. Target achieved - A higher percentage of learners completed the programme due to the higher intake of learners in the programme from the previous year, completing their qualifications.

PROGRAMME 5: Letsema Learnership									
Description of the Programme: The aim of this project is to enable 300 unemployed post graduate learners to become more employable. The programme incorporates both soft skills and technical training (modeled according to existing Letsema learnership) (Learning Programmes department – R25 000 000). (PIVOTAL)									
	Programme performance indicator 2010/11	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2011/12	2012/13			Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 2.1:	To provide an array of learning programmes which focus on scarce and critical skills, to the unemployed youth. The aim of this approach is to work in partnership with the sector and to make the youth more employable.								
5.1.	Success of the programme measured by number of learners enrolled in the programme		350	350	300	-	-	-	410
5.2.	Success of the programme measured by number learners completing the programme successfully		228	228	240	-	-	-	403

5.1. Target achieved - variance in target due to co funding by the sector.

5.2. Target achieved - A higher percentage of learners completed the programme due to the higher intake of learners in the programme from the previous year, completing their qualifications.

PROGRAMME 6: Learnership funding for Unemployed

Description of the Programme: The aim of this intervention is to encourage better use of workplace based skills development by funding 250 unemployed learners on learnerships to address scarce, critical and priority skills required for the broader banking and micro finance sector. The level of learnership will be to address middle-level professional skills (namely NQF 3 - 5 etc) (Learning Programmes department – R20 000 000). (PIVOTAL)

	Programme performance indicator 2010/11	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2011/12	2012/13			Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 2.1:	To provide an array of learning programmes which focus on scarce and critical skills, to the unemployed youth. The aim of this approach is to work in partnership with the sector and to make the youth more employable.								
6.1.	Success of the programme measured by number of learners enrolled in the programme		192	250	250	-	-	90	244
6.2.	Success of the programme measured by number learners completing the programme successfully		No baseline established - learners to graduate in 2012/2013 period	163	200	-	-	-	30

6.1. Target significantly exceeded – the variance is due to additional funding being made available for employer-implemented programmes.
 6.2. Target not achieved – 142 learners that completed were not reported to DHET as certificates per DHET validation framework, are required as supporting evidence. The BANKSETA has the statement of results showing successful completion for the 142 learners; however, reporting to DHET will only be done once the SETA concerned (Services Seta) has issued the certificates.

PROGRAMME 7: Work Readiness Programme for Graduates

Description of the Programme: To assist 100 unemployed graduates on work readiness programmes, focusing on scarce and critical skills (Learning Programmes department – R15 000 000). (PIVOTAL)

	Programme performance indicator 2010/11	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2011/12	2012/13			Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 2.1:	To provide an array of learning programmes which focus on scarce and critical skills, to the unemployed youth. The aim of this approach is to work in partnership with the sector and to make the youth more employable.								
7.1.	Success of the programme measured by number of learners enrolled in the programme		70	70	100	70	-	69	-
7.2.	Success of the programme measured by number learners completing the programme successfully		49	49	80	64	-	66	-
7.3.	Success of the programme measured by number learners finding placement		35	35	70	-	-	53	56

- 7.1. Target exceeded - surplus funds were made available to support additional learners.
- 7.2. Target exceeded – variance is due to the timing of the programme and completion overlaps financial years.
- 7.3. Target achieved – increase in number of learners resulted in increased placements with employers

PROGRAMME 8: Work Readiness Programme for Post Matric learners									
Description of the Programme: To assist 110 unemployed post matric learners on work readiness programmes, focusing on scarce and critical skills (Learning Programmes department – R15 000 000). (PIVOTAL)									
	Programme performance indicator 2010/11	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2011/12	2012/13			Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 2.1:	To provide an array of learning programmes which focus on scarce and critical skills, to the unemployed youth. The aim of this approach is to work in partnership with the sector and to make the youth more employable.								
8.1.	Success of the programme measured by number of learners enrolled in the programme		New project - no baseline established	New project - no baseline established	110	81	-	80	-
8.2.	Success of the programme measured by number learners completing the programme successfully		New project - no baseline established	New project - no baseline established	88	79	-	77	-
8.3.	Success of the programme measured by number learners finding placement		New project - no baseline established	New project - no baseline established	77	-	-	-	30

- 8.1. Target exceeded - surplus funds were made available to support additional learners.
- 8.2. Target exceeded – variance is due to the timing of the programme and completion overlaps financial years.
- 8.3. Target not achieved - the uptake of matriculants into the broader banking and inclusive banking sectors has been slow.

PROGRAMME 9: Internships and Work-based experience funding									
Description of the Programme: The aim of this intervention is to encourage better use of workplace based skills development by funding 200 work-based based experience programmes and internships for both post matric and graduate learners to address scarce, critical and priority skills required for the broader banking and micro finance sector (Work Integrated Learning department – R6 000 000). (PIVOTAL)									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 2.1:	To provide an array of learning programmes which focus on scarce and critical skills, to the unemployed youth. The aim of this approach is to work in partnership with the sector and to make the youth more employable.								
9.1.	Success of the programme measured by number of learners enrolled in the programme		New project - no baseline established	50	200	-	-	52	52
9.2.	Success of the programme measured by number learners completing the programme successfully		New project - no baseline established	New performance measure - no baseline established	100	-	-	-	-

- 9.1. Target not achieved - due to a very low number of applications received in the first funding window, a second funding window was opened in the third quarter to afford employers another opportunity to apply for internship funding. Again, there was a very low response rate. In some instances, funding was approved for internships to employers and the sector did not implement the internships that they initially applied for. A focus group with representatives from the sector will be convened to determine the reason for the low uptake of internships.
- 9.2 Target not achieved – internship agreements to register interns from the previous year were reported on in the 2013/2014 financial year.

Completions on these learners is outstanding.

PROGRAMME 10: Information Technology Programme									
Description of the Programme: To assist the broader banking and micro finance sector to develop information technology related skills required to drive and maintain banking innovation. The approach will entail conducting a focus group session with relevant sector representatives to inform the offering. The second phase will assist 40 unemployed graduate learners to complete a recognised learning programme as approved by the sector. (Work Integrated Learning department – R5 000 000). (PIVOTAL)									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 2.1:	To provide an array of learning programmes which focus on scarce and critical skills, to the unemployed youth. The aim of this approach is to work in partnership with the sector and to make the youth more employable.								
10.1.	Success is measured by development of a curriculum for the banking technician professional, based on inputs from 60% of large, medium and small employers participating in the formal skills planning process			New project - no baseline established	1 approved curriculum methodology and approach	-	-	-	1
10.2.	Success of the programme measured by number of learners enrolled in the programme			New project - no baseline established	40	-	-	-	-
10.3.	Success of the programme measured by number learners completing the programme successfully			New project - no baseline established	32	-	-	-	-

10.1. Target achieved – a level 5 Systems Support skills programme will be implemented.

10.2. Target not achieved in current financial year - learners are currently being recruited and training will commence in June/July 2015.

10.3. Target not achieved in current financial year - completions will be recorded in the 2015/16 financial year.

PROGRAMME 11: Learning Programme for Learners with Disabilities									
Description of the Programme To provide a learning programme (this could be a learnership, bridging programme or work readiness programme, to address the sector need) to 30 unemployed learners living with disabilities to small, medium and large organisations registered with BANKSETA in skills priority areas identified by the Sector Skills Plan (Learning Programmes department - R500 000). (PIVOTAL)									
	Programme performance indicator 2010/11	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2011/12	2012/13			Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 2.2:	To provide learning programmes for learners with disabilities to acquire the skills needed to enter the sector								
11.1.	Success of the programme measured by number of learners enrolled in the programme		New project - no baseline established	25	30	-	-	-	39
11.2.	Success of the programme measured by number learners completing the programme successfully		New project - no baseline established	No baseline established	24	-	-	-	32

11.1. Target marginally exceeded – surplus funds were made available to support additional learners

11.2. 32 learners completed the programme successfully and statements of results have been received by BANKSETA. The certificates have not been printed by Services SETA and will be reported to DHET in the 2015/2016 financial year once the graduation has been finalized.

PROGRAMME 12: Maths & Science Support Programmes									
Description of the Programme: To support development programmes through partnerships and/or scholarships to 500 unemployed learners to improve scores in mathematics, science, accounting and English subjects in Grade 10, 11 and 12. (Skills Development Department – no additional funds from 2014/2015 discretionary grant budget).									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 2.5:	To support targeted development programmes through partnerships and/or scholarships to learners in Grade 10, 11 and 12 in order to increase pool of successful matriculants in mathematics, science and English subjects.								
12.1.	Success is measured by number of learners placed on development programmes to improve mathematics, economics, business communications skills and accounting scores	New project - no baseline established	New project - no baseline established	500	164	-	172	888	
12.2.	Success of the programme measured by number learners completing Grade 10, 11 and 12 successfully			70%	-	-	-	920	

12.1. Target significantly exceeded – the variance is as a result of additional funds being made available to support and activate new centres and sites.

12.2. Target significantly exceeded – the percentage completions increased as a result of more learners being sponsored (refer 12.1).

PROGRAMME 13: Merit Bursaries									
Description of the Programme: The purpose of this project is to fund 40 bursaries to previously disadvantaged students over a maximum 4-year course of studies in the following scarce and critical skills areas: Actuarial Science (Accounting), Bachelor of Science (IT) or Bachelor of Commerce (IT), Bachelor of Commerce (Accounting) (Work Integrated Learning department – R6 000 000). (PIVOTAL)									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 2.4:	To increase access to Occupationally Directed Programmes by providing workplace exposure and sponsorship for actuarial students in their undergraduate and honours qualifications.								
13.1.	Success of the programme measured by number of learners enrolled in the programme	New project - no baseline established	New project - no baseline established	40	-	-	-	94	
13.2.	Success of the programme measured by number learners completing the programme successfully	New project - no baseline established	New project - no baseline established	32	-	-	-	33	

13.1. Target significantly exceeded – the variance is as a result of additional funds being made available to support more learners.

13.2. Target achieved

PROGRAMME 14: Career Guidance Programme

Description of the Programme: Building career and vocational guidance by funding the development and dissemination of a career guide to youth through the training of life orientation teachers.(Skills Development Department – R1 500 000)

	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 2.5:	To build career and vocational guidance to youth by funding the development and dissemination of a career guide to life orientation teachers.								
14.1.	Success is measured by number of life orientation teachers trained		558	650	500	122	-	95	639
14.2.	Success is measured by number of career guides that are distributed to youth		-	No baseline established	5000	-	-	-	7066

14.1. Target significantly exceeded - the target to train 500 LO teachers was exceeded due to the demand from the regional education departments. As a result of the huge interest in attending the workshops, some LO teachers attended the training without formal confirmations thereby raising the number of attendees per workshop. The contract cost as per the SLA with the service provider was not impacted at all as 1200 training manuals were printed by the training provider, to allow distribution not only to the LO teachers but to the provincial education departments officials as well. Over attendance did not compromise the quality of the training nor did it increase the cost of the training material as sufficient material was printed in advance. Catering was also sufficient to accommodate at least 40 per class and there were no additional costs incurred.

14.2. Target significantly exceeded - the BANKSETA had invitations to share information on career expos over-and-above the planned exhibitions with the DHET. As youth development and career guidance is one of our primary focus areas, there is always an obligation from our part to deliver career booklets, in response to the demand but guided by the budget available. Career booklets were purchased in bulk using the economies of scale principle, which consequently enabled the BANKSETA to distribute the booklets to a broader youth target base.

PROGRAMME 15: Learnership funding for employed

Description of the Programme: The aim of this intervention is to encourage better use of workplace based skills development by funding 400 employed learners on learnerships to address scarce, critical and priority skills required for the broader banking and micro finance sector. The level of learnership will be to address middle-level professional skills (namely NQF 4 and above etc) (Learning Programmes department – R20 000 000). (PIVOTAL)

	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 3.1:	To provide Learnerships to employees in the sector								
15.1.	Success of the programme measured by number of learners enrolled in the programme		465	260	400	-	21	360	12
15.2.	Success of the programme measured by number of learners completing the programme successfully		No baseline established - learners to graduate in 2012/2013 period	169	256	15	28		180 (Niche Learnerships and PIVOTAL Completions)

15.1. Target missed by a narrow margin – this funding is for employer demand-driven programmes and applications approved correlate with applications received. The slight shortfall is explained by some learner agreements not meeting the requirements for DHET reporting – once these queries have been addressed, the impacted learners will be reported on.

15.2. Target significantly exceeded – the increased certifications issued is based on learners from the previous financial year, completing their qualifications.

PROGRAMME 16: Certificate in Management Development									
Description of the Programme: It is a management development programme targeting beneficiaries with a potential to occupy junior and middle management positions in the banking sector (Learning Programmes department – R12 500 000*). (PIVOTAL)									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 3.2:	To provide Management and Leadership programmes to employees in the sector.								
16.1.	Success of the programme measured by number of learners are registered on the programme		160	160	200	-	236	-	-
16.2.	Success of the programme measured by number of learners completing the programme successfully		110	120	120	-	91	-	29

16.1. Target exceeded by a narrow margin – the number of learners nominated is informed by the need for junior and middle management skills in the broader banking and inclusive banking sector. Additional funds were applied for to respond to the influx of nominations received.

16.2. Target achieved

PROGRAMME 17: Executive Programmes Bursaries									
Description of the Programme: BANKSETA has initiated this programme as a mechanism to increase the pool of senior management skills in the banking and microfinance sector (Work Integrated Learning department – R7 000 000). (PIVOTAL)									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 3.2:	To provide Management and Leadership programmes to employees in the sector.								
17.1.	Success of the programme measured by number of bursaries approved and funded comprising of masters studies and executive courses are approved and funded		300	190	190	-	-	69	123
17.2.	Success of the programme measured by the number of bursaries who complete their studies (this is due to the multi-year nature of some of the studies)		15	15	15	-	-	-	36

17.1. Target exceeded by a narrow margin - the number of learners nominated is informed by the need for junior, middle and senior management skills in the broader banking and inclusive banking sector. Additional funds were applied for to respond to the influx of nominations received.

17.2 .Target significantly exceeded – the increased completions are based on beneficiaries from the previous financial year, now completing their qualifications.

PROGRAMME 18: International Executive Development Programme									
Description of the Programme: It is a management development programme targeting beneficiaries with a potential to occupy Executive management positions in the banking and microfinance sector (Skills development department – R18 752 212).									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 3.2:	To provide Management and Leadership programmes to employees in the sector.								
18.1.	Success of the programme measured by number of learners registered on the programme		40	40	40	-	-	-	40
18.2.	Success of the programme measured by number of learners completing the programme successfully		40	34	30	-	-	-	40

18.1. Target achieved

18.2. Target exceeded by a narrow margin – the increased completion rate is based on the intake in the current financial year, completing the programme successfully.

PROGRAMME 19: BANKSETA PhD and Post doctoral studies funding Programme									
Description of the Programme: It is a bursary programme targeting beneficiaries researching topics that will benefit the banking and microfinance sector (Research department – R500 000). (PIVOTAL)									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 3.2:	To provide Management and Leadership programmes to employees in the sector.								
19.1.	Success of the programme measured by the number of candidates funded for PhD and/or post doctoral studies		9 W	15	8	-	-	-	12

19.1. Target exceeded by a narrow margin – the increase is noted by the quality of applications meeting the requirements of the funding, as well as the amended approach whereby BANKSETA forms partnerships directly with Universities who are supporting these students.

PROGRAMME 20: RPL for FAIS Compliance									
Description of the Programme: Encouraging better use of workplace based skills development by providing RPL assessments against FSB approved qualifications in order to comply with FAIS Fit & Proper regulations (QM Department – R8 000 000). (PIVOTAL)									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 3.3:	To establish RPL as an enabling structure for Human Resource Development in the sector.								
20.1.	Success of the programme measured by number of employees registered for RPL assessment			200	3250	375 SP	170 SP	124 SP 18 L	13 SP
20.2.	Success of the programme measured by number of employees registered for RPL assessment achieve qualification			200	1500	-	-	-	135 LS 115 SP

20.1. Target not achieved

20.2 Target not achieved

The numbers reported on refers only to the learners meeting the DHET requirements for reporting. The reconciliation between actual learner numbers and reported numbers are underway.

PROGRAMME 21: Skills Programmes (scarce and critical skills) for the employed									
Description of the Programme: Encouraging better use of workplace based skills development by assisting the sector in the implementation of skills programmes (scarce and critical skills) (QM department). (PIVOTAL)									
	Programme performance indicator 2010/11	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2011/12	2012/13			Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 3.4:	To provide programmes in scarce and critical skills to employees in the sector								
21.1.	Success of the programme measured by number of employees registered on skills programmes		652	200	150	106	58	35	155
21.2.	Success of the programme measured by number of employees achieving skills programmes			150	113	53	-	37	26

All of the above are Industry Funded

21.1. Target significantly exceeded

21.2. Target significantly exceeded

These statistics record the employer-funded training that is taking place; and is a tracking tool for BANKSETA to assess the types of programmes being implemented by the sector, to address skills gaps.

PROGRAMME 22: QCTO qualification development									
Description of the Programme: Encouraging better use of workplace based skills development by assisting the sector in the development of occupationally based QCTO curricula and qualifications (QM department – no additional funds for 2014/15).									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 3.4:	To provide programmes in scarce and critical skills to employees in the sector								
22.1.	Success of the programme measured by number of qualifications developed		2	2	2	-	-	2	1
22.2.	Success of the programme measured by number of qualifications submitted to QCTO		4	2	2	-	-	2	-

22.1. Target exceeded by a narrow margin - the achievements in Q3 refer to the organisational risk manager and organisational risk practitioner qualification development and achievement in Q4 refers to the credit loan officer. These qualifications are essential to both the banking and inclusive banking sectors hence the needs to finalise the development, based on sector need and inputs.

22.2. Target achieved.

PROGRAMME 23: Pivotal Grant Funding Window

Description of the Programme: The purpose of this programme is to fund demand-driven skills development programmes in the sector which fall within the definition of PIVOTAL programmes (Learning Programmes department – R25 237 248). (PIVOTAL)

	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 3.4:	To provide programmes in scarce and critical skills to employees in the sector								
23.1.	Success is measured by number of learners assisted to achieve qualifications or part qualifications through PIVOTAL programmes	New project - no baseline established	New project - no baseline established		700	-	324	247 L/s	12 Bursary Workers entered 267 Lship workers entered 46 Lship Unemployed

23.1. Target significantly exceeded – the BANKSETA PIVOTAL funding supports demand-driven programmes implemented by the sector. Amounts were approved in direct correlation with applications received. Bursaries approved in the 2013/2014 financial year could not be reflected due to outstanding performance information; and as a result, these were entered in Q2 of the 2014/15.

PROGRAMME 24: SME Funding for scarce and critical skills

Description of the Programme: Encouraging and supporting 40 small enterprises through funding scarce and critical skills as identified by the Inclusive Banking SSP and increase access to Occupationally Directed Programmes (Skills Development Department – R5 900 000).(PIVOTAL and non PIVOTAL)

	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2011/11	2011/12	2012/13		Q1	Q3	Q3	Q4
STRATEGIC OBJECTIVE 4.1:	Increase SME participation in BANKSETA SME support interventions								
24.1.	Success of the programme is measured by the number of SMEs that qualify for funding	No baseline	50		40 SME employers approved for funding and 100 beneficiaries	-	-	-	40
24.2.	Success of the programme is measured by number of beneficiaries that complete interventions successfully	No baseline	No baseline		35 of funded projects complete with a 80% success rate	-	-	-	18

24.1. Target achieved

24.2. Target not achieved – this project is still in progress. Outstanding results will be reported in the 2015/2016 financial year once all relevant supporting evidence has been received from approved employers

PROGRAMME 25: Mobile Training Solutions

Description of the Programme: Encouraging and supporting small enterprises through mobile training solutions (Skills Development department – R7 500 000).

	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 4.1:	Increase SME participation in BANKSETA SME support interventions								
25.1.	Success of the programme is measured by the number of SME organisations that participate in training		193	150	150 SME organisations	10	49	12	80

25.1 Target achieved

PROGRAMME 26: Development Finance Skills Development									
Description of the Programme: Increase SME access to funding by building to capacity of six (6) Microfinance organizations to provide enterprise / development finance to SMEs (Skills Development department – no additional funds from 2014/2015 discretionary grant budget).									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 4.2:	Support Development Finance Organisations through BANKSETA interventions								
26.1.	Success of the programme measured by number of Microfinance organisations enrolling in the programme		New project - no baseline established	New project - no baseline established	6	-	-	-	-
26.2.	Success of the programme measured by number of organisations completing the programme successfully		New project - no baseline established	New project - no baseline established	6	-	-	-	-

26.1. Target not achieved - the project scope was revised in accordance with the research findings (which was part of the project TNA). This resulted in more time taken to develop appropriate course materials thus delaying the actual training of development finance organisations.

26.2. Target not achieved – please refer to 26.1.

PROGRAMME 27: Certificate in Management Development for Micro-Finance									
Description of the Programme: Increase access to Occupationally Directed Programmes by providing 100 middle managers in Development / Micro finance organisations with a Certificate in Management Development (Skills Development department – R4 750 000). (PIVOTAL)									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 3.2:	To provide Management and Leadership programmes to employees in the sector.								
27.1.	Success of the programme measured by number of learners enrolling in the programme		New project - no baseline established	New project - no baseline established	100	7	-	-	93
27.2.	Success of the programme measured by number of learners completing successfully		New project - no baseline established	New project - no baseline established	Completion will only happen in 2015	-	-	-	-

27.1. Target achieved

27.2. Target not achieved – completions will be recorded in Q4 2015/2016, given the timing of the programme.

PROGRAMME 28: Cooperative Financial Institutions Support

Description of the Programme: Encouraging and supporting cooperatives by funding training in 30 co-operative banks and 300 Co-operative members. (Skills Development department – no additional funding from 2014/15 discretionary grant budget). (PIVOTAL and NON-PIVOTAL)

	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 4.3:	Support Cooperative banks through BANKSETA interventions								
28.1.	Success of the programme measured by number of Co-operatives receiving support or funding for training (PIVOTAL)		17	15	30	8	-	31	-
28.2.	Success of the programme measured by number of members completing short training programmes		No baseline	No baseline	300	64	-	135	104

28.1. Target exceeded marginally – the increase is owing to a targeted training approach that was implemented in partnership with NACFISA and linked to the Co-operatives Indaba.

28.2. Target achieved

PROGRAMME 29: Post-School Public FET Capacity Building

Description of the Programme: To build capacity with FET Colleges in an effort to collaborate by assisting with accreditation to deliver BANKSETA-specific qualifications as well as assist FET learners to gain experience in the workplace through work integrated learning interventions (Work Integrated Learning department – R58 213 927). (PIVOTAL)

	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2011/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 5.1:	To build capacity with FET Colleges and Universities of Technology in an effort to collaborate by assisting with accreditation to deliver BANKSETA-specific qualifications as well as assist FET and University of Technology learners to gain experience in the workplace through work integrated learning interventions.								
29.1.	Success is measured by number of FET Colleges who are able to meet BANKSETA's accreditation requirements (governed by an MoU)			New project - no baseline established	4	10	2	-	1
29.2.	Success of the programme measured by number of learners enrolled in the programme			New project - no baseline established	300	-	93	-	-
29.3.	Success of the programme measured by number learners completing the programme successfully			No baseline established	240	-	-	-	-
29.4.	Success is measured by number of FET college learners assisted to access work integrated learning (WIL) opportunities			New project - no baseline established	600	49	311	72	191

29.1. Target significantly exceeded – the amount of participating colleges was increased owing to targeted awareness sessions to explain how the funding opportunity works

29.2. Target not achieved in current financial year - learners currently being recruited and training will commence in June / July 2015.

29.3. Target not achieved in current financial year - graduations to take place May / June 2015.

29.4. Target achieved

PROGRAMME 30: Universities of Technology Work Integrated Learning Funding Window									
Description of the Programme: The purpose of this programme is to fund demand-driven skills development projects that fall outside the scope of current BANKSETA programmes through collaborations with Universities of Technology. (Work Integrated Learning department – R15 000 000).(PIVOTAL)									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 5.1:	To build capacity with FET Colleges and Universities of Technology in an effort to collaborate by assisting with accreditation to deliver BANKSETA-specific qualifications as well as assist FET and University of Technology learners to gain experience in the workplace through work integrated learning interventions.								
30.1.	Success is measured by number of Universities of Technology which meet BANKSETA funding window requirements		New project - no baseline established	New project - no baseline established	3	-	-	-	1
30.2.	Success is measured by number of University of Technology learners assisted to access work integrated learning (WIL) opportunities		New project - no baseline established	New project - no baseline established	500	43	109	32	199

30.1. Target not achieved – the agreements for CPUT and MUT will be reported in the 2015/2016 financial year, once received.
 30.2. Target partially achieved by 76% in the current financial year – placement opportunities for 50 Cape Peninsula University of Technology (CPUT) and 10 Central University of Technology (CUT) will only be concluded in July / August 2015. These will be formalised and tracked during the 2015/2016 financial year. 40 Work Integrated Learning (WIL) opportunities were converted to internships with a BANKSETA registered employer, as part of a formal programme to be implemented in April / May 2015.

PROGRAMME 31: FET Articulation project									
Description of the Programme: To provide for the development of an articulation programme between the FET colleges and the universities in the Eastern Cape (EC) that will lead to a learner being able to enter a qualification at a second year level at a university (Work Integrated Learning department – R1 000 000).(PIVOTAL)									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 5.2:	To provide for the development of an articulation programme between the FET colleges and the universities in the Eastern Cape (EC) that will lead to a learner being able to enter a qualification at a second year level at a university.								
31.1.	Success is measured by development of an articulation framework for FET colleges to present NQF aligned programmes that articulate with university qualifications		New project - no baseline established	New project - no baseline established	1 Framework developed and approved by subject-matter-experts (SME)	-	-	-	-
31.2.	Success is measured by development of articulated bridging curriculum with facilitator guides, learner material and study guides, assessment tools and module answers		New project - no baseline established	New project - no baseline established	Articulated bridging curriculum with facilitator guides, learner material and study guides, assessment tools and model answers signed off and approved by SME	-	-	-	-

31.3.	Success is measured by training lecturers from FET colleges to run the bridging programme (train-the-trainer)	New project - no baseline established		New project - no baseline established	Train-the-trainer pilot sessions at each of the sites identified	-	-		-
31.4.	Success is measured by supporting 20 learners to complete the FET: Microfinance qualification Level 4(SAQA ID 23433)	New project - no baseline established		New project - no baseline established	16 completions	-	-		-
31.5.	Success is measured by supporting 20 learners to gain sufficient workplace experience in the Microfinance industry	New project - no baseline established		New project - no baseline established	20 learners exposed to MFI workplace integrated learning	-	-		-

This project has been terminated and the funds transferred to the Discretionary Grant pool of funds. The articulation of qualifications between TVETs and HEIs is included in the funding opportunities for HEIs and will not be a separate project.

PROGRAMME 32: Centre of Excellence – University of Zululand

Description of the Programme: Increase access to Occupationally Directed Programmes by providing 100 bursaries (year 4) to the University of Zululand (Unizulu) towards Chartered Accounting qualification (through SAICATHuthuka Capacity Building Programme) (Executive and Governance departments – R10 000 000).(PIVOTAL)

	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 5.3:	To increase access to Occupationally Directed Programmes by providing bursary funding: to the University of Zululand (Unizulu), University of Venda and University of the Western Cape towards Chartered Accounting, to the University of Fort Hare towards Financial Markets (honours) qualification and National Students Financial Aid Scheme (NSFAS).								
32.1.	Success of the programme measured by number of learner registrations		50	100	100	-	-	-	95
32.2.	Success of the programme measured by learner completion rates (from previous financial year)			46 (92%)	70	-	-	-	-

32.1. Target missed by a narrow margin – final numbers to be sponsored is informed by the recruitment process at the University and also dependent on learners meeting the funding requirements.

32.2. BANKSETA is sponsoring a pipe-line of accounting learners and the first intake will only complete in 2016.

PROGRAMME 33: Centre of Excellence – University of Fort Hare									
Description of the Programme: Increase access to Occupationally Directed Programmes by providing 39 bursaries to the University of Fort Hare (UFH) towards Financial Markets (honours) qualification (Executive and Governance departments – R5 400 000). (PIVOTAL)									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 5.3:	To increase access to Occupationally Directed Programmes by providing bursary funding: to the University of Zululand (Unizulu), University of Venda and University of the Western Cape towards Chartered Accounting, to the University of Fort Hare towards Financial Markets (honours) qualification and National Students Financial Aid Scheme (NSFAS).								
33.1.	Success of the programme measured by number of learner registrations		30	30	39	40	-	-	-
33.2.	Success of the programme measured by learner completion rates		23	30	32	-	-	-	-

33.1. Target missed by a narrow margin – final numbers to be sponsored is informed by the recruitment process at the University and also dependent on learners meeting the funding requirements.

33.2. Target not achieved - BANKSETA is sponsoring a pipe-line of accounting learners and the first intake will only complete in 2016.

PROGRAMME 34: Centre of Excellence – University of Venda									
Description of the Programme: Increase access to Occupationally Directed Programmes by providing 50 bursaries (year 1) to the University of Venda towards Chartered Accounting qualification (through SAICA Thuthuka Capacity Building Programme) (Executive and Governance departments – R7 000 000).(PIVOTAL)									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 5.3:	To increase access to Occupationally Directed Programmes by providing bursary funding: to the University of Zululand (Unizulu), University of Venda and University of the Western Cape towards Chartered Accounting, to the University of Fort Hare towards Financial Markets (honours) qualification and National Students Financial Aid Scheme (NSFAS).								
34.1.	Success of the programme measured by number of learner registrations			New project - no baseline established	50	-			103

34.1. Target significantly exceeded – this is based on additional funds being made available as well as learners meeting the programme funding requirements

PROGRAMME 35: Interbank Compliance Project									
Description of the Programme: Increase access to Occupationally Directed Programmes by providing 50 compliance officers with bursaries to complete a Compliance officer qualification. (PIVOTAL) (Skills Development department - no additional funding from 2014/15 discretionary grant budget)									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 3.4:	To provide programmes in scarce and critical skills to employees in the sector								
35.1.	Success of the programme measured by number of learners enrolling in the programme			New project - no baseline established	50	-	-	50	-
35.2.	Success of the programme measured by number of learners completing successfully			New project - no baseline established	Completion will only happen in 2015	-	-	-	-

35.1. Target achieved

35.2. Target not achieved – completions will be reported in Q3 of the 2015/2016 financial year, owing to programme timing.

PROGRAMME 36: Centre of Excellence – UWC Accounting Support project

Description of the Programme: Increase access to Occupationally Directed Programmes by providing 60 bursaries (years 2 and 3) to the University of the Western Cape towards Chartered Accounting qualification (through the SAICA Thuthuka Capacity Building Programme) (Work Integrated Learning Department) – R0.00 R0.00 * Budget already applied for in 2013/14 financial year).(PIVOTAL)

	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 5.3:	To increase access to Occupationally Directed Programmes by providing bursary funding: to the University of Zululand (Unizulu), University of Venda and University of the Western Cape towards Chartered Accounting, to the University of Fort Hare towards Financial Markets (honours) qualification and National Students Financial Aid Scheme (NSFAS).								
36.1.	Success of the programme measured by number of learner registrations			New project - no baseline established	60	162	-	-	15

36.1. Target significantly exceeded – this is based on additional funds being made available as well as learners meeting the programme funding requirements.

PROGRAMME 37: Centre of Excellence – Enterprisation Project

Description of the Programme: Increase access to Occupationally Directed Programmes by providing bursaries and related experience to 5 interns in order for them to complete their tuition linked to chartered accounting studies. The skills of these graduates will be used to provide back-office support to black entrepreneurs and small businesses with a turnover of up to R10 million per annum. It is anticipated that a number of the graduates who start out in Enterprisation will subsequently be absorbed into the entrepreneurs' businesses. (Work Integrated Learning Department) –(R0.00 * Budget already applied for in 2013/14 financial year). (PIVOTAL)

	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 5.5:	To increase access to Occupationally Directed Programmes by providing bursaries and related work experience to 5 interns studying towards Chartered Accounting.								
37.1.	Success of the programme measured by number of learner registrations			New project - no baseline established	5	-			9

37.1. Target exceeded by a narrow margin – Additional learners could be supported given that per capita programme costs were competitive.

PROGRAMME 38: NSFAS Support

Description of the Programme: Increase access to Occupationally Directed Programmes by providing 42 learners who have successfully completed their qualifications (within scarce and critical skills scope of BANKSETA or teaching qualifications in Maths or Accounting) with bursary funding through NSFAS. (Executive and Governance departments – R3 219 990). (PIVOTAL)

	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 5.3:	To increase access to Occupationally Directed Programmes by providing bursary funding: to the University of Zululand (Unizulu), University of Venda and University of the Western Cape towards Chartered Accounting, to the University of Fort Hare towards Financial Markets (honours) qualification and National Students Financial Aid Scheme (NSFAS).								
38.1.	Success of the programme measured by number of learners who have successfully completed their qualifications and are certificated			No baseline	42	-	-	-	-

38.1 Target not achieved – follow-up is being made with NSFAS to finalise learners to be sponsored.

PROGRAMME 39: RPL for Skills Development Facilitators									
Description of the Programme: The aim of this project is to ensure that 50 Skills Development Facilitators to be assessed and certified against the National Diploma: Occupationally Directed Education, Training and Development Practices (Skills Development department – R2 750 000). (PIVOTAL)									
	Programme performance indicator	Baseline			Annual Target 2014/15	Achievement per Quarter			
		2010/11	2011/12	2012/13		Q1	Q2	Q3	Q4
STRATEGIC OBJECTIVE 3.3:	To establish RPL as an enabling structure for Human Resource Development in the sector.								
39.1.	Success of the programme measured by number of employees registered for RPL assessment			No baseline	50	-	-	-	-
39.2.	Success of the programme measured by number of employees registered who achieve qualification			No baseline	30	-	-	-	-

39.1. Target not achieved

39.2. Target not achieved

31 candidates were nominated of which only 8 qualified as RPL candidates. 22 candidates are regarded as suitable candidates for the qualification provided they receive additional training. Only the 8 candidates are taken through the RPL process and will be reported once supporting documentation is received.



ORGANISATIONAL PROFILE

The BANKSETA is a statutory body established through the Skills Development Act of 1998 to enable its stakeholders to advance the national and global position of the banking and microfinance industry. In terms of the Public Finance Management Act (1999) (PFMA), the BANKSETA is a Schedule 3A public entity. Thus, in delivering on its mandate, the SETA and its Accounting Authority, are governed by the Skills Development Act, the PFMA, the Skills Development Levies Act, the SETA Standard Constitution and any other relevant legislation.

The Executive Authority (the Minister of Higher Education and Training) must exercise his powers and responsibilities in respect of the SETA constitution, to ensure that the implementation of the objectives and execution of the functions of the SETA comply with both the Act and the policies of the Executive Authority and government. This is managed through a service level agreement which outlines the minimum service levels required by the SETA in performing its statutory functions, meeting the National Skills Development Strategy targets and implementing its strategic plan and annual performance plan.

The Accounting Authority, also known as the Board, of the SETA, governs and manages the SETA in accordance with applicable legislation and provides strategic direction. As King III articulates, the essence of good governance emanates from effective leadership and the Accounting Authority and the Executive Management of the SETA have a critical role to play in ensuring that the SETA fulfills its strategic and operational objectives, towards sustainable performance and meeting the needs of its stakeholders.

GOVERNANCE STRUCTURE



MARTIN MAHOSI
(Chairperson)

Ministerial Appointment



MALESELA MALEKA

Ministerial Appointment



ISAAC RAMPUTA

Organised Labour (Sasbo)



MANNY CAPTAIN

Organised Labour (Sasbo)



JOE KOKELA

Organised Labour (Sasbo)



SAMANTHA ANTHONY

Organised Labour (Sasbo)



MYAN SOOBRAMONEY

Organised Labour (Sasbo)



NATHAN MOTJUWADI

Organised Employers
(Capitec Bank)



ABRAM THEBYANE

Organised Employers (Nedbank)



ELIZABETH MAEPA

Organised Employers
(FirstRand Bank Limited)



SHARON TAYLOR

Organised Employers
(Standard Bank)



LIESEL HOLLIS

Organised Labour (Sasbo)



SARAH LOUW

Organised Employers
Absa (Barclays)



ISRAEL NOKO

Organised Employers (MFSA)

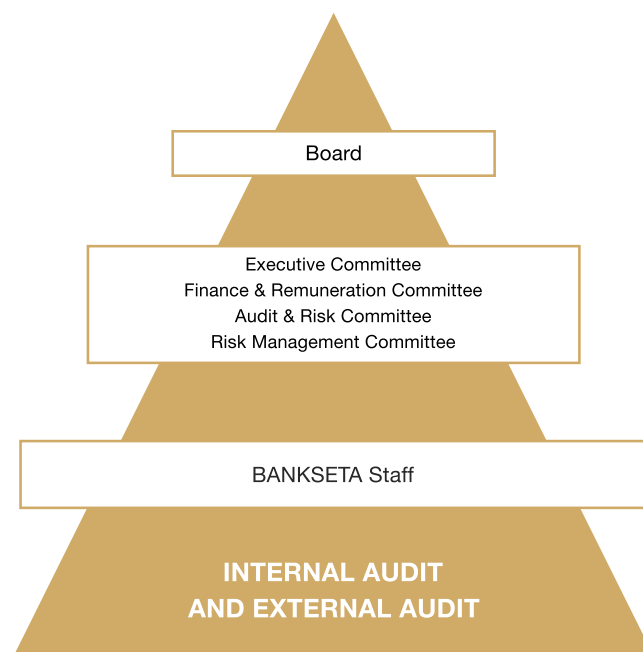
NOTE:
Isaac Ramputa resigned
in January 2015

INTRODUCTION

Corporate governance is concerned with the balance of interests and powers between members, directors and stakeholders in order for the organisation to achieve its objectives, in a open and transparent manner. BANKSETA, as a public entity and

a steward of public funds is accountable to its Executive Authority as well as stakeholders and takes responsibility in the implementation of its mandate. In this way, the Accounting Authority needs to ensure that good corporate governance practices are applied and compliance with the PFMA,

King III Code and other relevant legislation is adhered to, to discharge its duties and responsibilities effectively and thereby be an effective Board and in the achievement of objectives.



ACCOUNTING AUTHORITY/BOARD

The roles and functions of the Board are articulated in the BANKSETA Constitution which is the basis of the Board Charter:

- Govern and manage the SETA;
- Ensure that the SETA achieves the objectives contemplated in clause 5 of the Constitution and performs the functions contemplated in clause 6 of the Constitution;
- Provide effective leadership and to ensure that the SETA implements the goals of the NSDS and the Performance Agreement with the Minister;
- To set a strategic direction for the SETA;
- Liaise with stakeholders;
- Ensure that the SETA complies with

the relevant statutory requirements and the requirements of the Constitution;

- Manage institutional risk;
- Monitor the performance of the SETA;
- Apply for the establishment of the SETA in terms of section 9(1) of the Act, read together with the Regulations Regarding the Establishment of Sector Education and Training Authorities, 7 September 1999, as amended by General Notice R106 in the Government Gazette 27254 of February 2005;
- Perform its functions as required by the Skills Development Act;
- Meet the targets in the National Skills Development Strategy;

- Implement the approved Strategic Plan; and
- Adhere to the requirements of the Public Finance Management Act and Treasury Regulations.

COMPOSITION OF THE BOARD

The composition of the BANKSETA Board consists of:

Six representatives from organised labour and six representatives from organised employers, as well as two representatives from community organisations, professional body or bargaining council or government department.

BOARD MEMBERS:

BOARD MEMBER NAME	CONSTITUENCY	ORGANISATION	POSITION	APPOINTMENT DATE
Martin Mahosi (Chairperson)	Ministerial appointment			1 April 2011
Malesela Maleka	Ministerial appointment			1 April 2011
Isaac Ramputa	Organised labour	Sasbo	Assistant General Secretary	1 April 2011 (resigned in January 2015)
Joe Kokela	Organised labour	Sasbo	President	1 April 2011
Samantha Anthony	Organised labour	Sasbo	Chief Financial Officer	2 August 2011
Myan Soobramoney	Organised labour	Sasbo	National Secretary	2 August 2011
Manny Captain	Organised labour	Sasbo	Sasbo (Deputy President) Business Manager - Nedbank	2 August 2011

Liesel Hollis	Organised labour	Sasbo	Transformation Head: Banking Channels (FNB) / Member of Sasbo Management Committee	4 June 2014
Abram Thebyane	Organised employers	Nedbank	Group Executive: HR	1 April 2011
Nathan Motjuwadi	Organised employers	Capitec Bank	HR Executive	2 August 2011
Elizabeth Maepa	Organised employers	FirstRand Bank	Group HR Executive	6 December 2012
Sharon Taylor	Organised employers	Standard Bank	Head: Human Capital	6 December 2012
Sarah Louw	Organised employers	Absa (Barclays)	Chief Executive: HR	4 June 2014
Israel Noko	Organised employers	MFSA	Chief Executive Officer: NPI Governance Consulting (Pty) Ltd/ MFSA Board member	4 June 2014

The Board is currently awaiting feedback from the Department of Higher Education and Training on the approval of a nomination for the one membership vacancy representing either: a) government departments that have an interest in the sector, (b) any interested professional body, (c) any bargaining council with jurisdiction in the Sector, (d) organisation of community which have an identifiable interest in skills development in the sector.

Board Committees

The following Board Committees are currently fully operational with organised labour, organised employers and independent representatives:

- Audit and Risk Committee
- Finance and Remuneration Committee
- Executive Committee

Finance and Remuneration Committee

The Finance and Remuneration Committee

must perform all functions referred or delegated to it by the Accounting Authority, in order to ensure that the SETA meets the requirements of the Skills Development Act, the Skills Development Levies Act, PFMA and the Treasury Regulations that relate to finance and the remuneration of the Chief Executive Officer, board and committee members and staff.

NAME	CONSTITUENCY	ORGANISATION	START DATE
Samantha Anthony (Chairperson)	Organised labour	Sasbo	1 April 2011
Malesela Maleka	Ministerial appointment		2 August 2011
Nathan Motjuwadi	Organised employers	Capitec Bank	2 August 2011
Paul Khoza	Organised employers	Nedbank	1 April 2011 (resigned in September 2014)
Shirley Zinn	Independent	Independent	18 February 2015
Modi Dolamo	Independent	Independent	18 February 2015

Audit and Risk Committee

The Audit and Risk Committee must perform the functions of an audit committee as contemplated in the PFMA. The Audit and Risk Committee must serve as a mechanism of the Accounting Authority to monitor and reinforce the effectiveness of both the internal control system and the internal and external audit (Auditor-General) functions in accordance with the Audit and Risk Committee and Internal Audit Charters.

NAME	CONSTITUENCY	ORGANISATION	START DATE
Marlé van der Walt (Chairperson)	Organised employers	Investec	13 May 2009 (resigned in July 2014)
Elvera van Wyk (Chairperson from September 2014)	Organised employers	Nedbank	19 January 2011
Tinyiko Mhlari	Independent	Independent	30 April 2012
Thomas Kgokolo	Independent	Independent	28 June 2013
Shauneez West	Organised labour	Sasbo	21 May 2014
Israel Noko	Organised employers	MFSA	23 September 2014

Executive Committee

Subject to the directions of the Accounting Authority, the Executive Committee is responsible for overseeing the management of the SETA (inclusive of Governance and Strategy Committee responsibilities from January 2013).

NAME	CONSTITUENCY	ORGANISATION	START DATE
Martin Mahosi (Chairperson)	Ministerial appointment		2 August 2011
Myan Soobramoney	Organised labour	Sasbo	2 August 2011
Abram Thebyane	Organised employers	Nedbank	2 August 2011
Joe Kokela	Organised labour	Sasbo	2 August 2011
Isaac Ramputa	Organised employers	Sasbo	24 January 2013 (resigned in January 2015)
Elizabeth Maepa	Organised employers	FirstRand Bank	25 January 2013

BANKSETA Governance Department

The role of the department entails providing comprehensive support to the BANKSETA Board, which includes the supply of necessary information regarding compliance responsibilities, implementing formal governance systems and processes and enabling the Board and Management to meet all necessary submission deadlines. Other responsibilities comprise: submission of the strategic plan and annual performance plan and facilitating strategic planning sessions as well as the co-ordination of the Annual General Meeting.

In addition to the compliance requirements, the Governance Department focuses on determining the Board's specific needs. Some insight into these needs is given by the annual Board evaluation. In the support role, the Department handles all Board member queries, seeing to it that whatever the Board requires is delivered on.

In this role, confidentiality is paramount. The Company Secretary's duties, being employed by the BANKSETA, reporting to the Chief Executive Officer (CEO), and dealing directly with the Chairperson, requires the greatest discretion. It is also essential to balance the needs of the various parties that the Company Secretary and the Department provide support to.

To ensure that all deliverables are met, large focus is placed on planning to guide progress, ensuring that everything is noted. Especially with regards to governance, where tight deadlines abound, processes and systems are essential to achieve success. During the year under review, all compliance submission deadlines were met and the Board welcomed the appointment of three new Board Members, adding a new level of discussion and ensuring greater focus. Going forward, the Governance department is looking forward to dedicating more resource capacity and to concentrate on the areas of improvement as identified in the annual Board evaluation.

Board and Committee member remuneration

Board and Committee members are not staff members of the BANKSETA. An allowance is paid to Board and Committee members for their attendance at and contributions to official meetings. The allowance rates approved by the Board and by the Minister of Higher Education and Training are in accordance with the remuneration level sub-category S, as determined by the Minister of Finance in the "Circular from the National Treasury on Adjustment of the Remuneration Levels". Audit and Risk Committee members are remunerated according to rates specified by the Minister of Finance in the "Circular from the National Treasury on the Remuneration of Non-Official Members: Commissions and Committees of Inquiry, and Audit Committees.

Hourly rates are applied for meeting fees applicable to Board and Committee meetings. Furthermore, Board members are paid an additional board fee, in accordance with the circular issued by the Minister of Higher Education for the "Classification of SETAS for Standardisation of Remuneration Tariffs for Board members".

Allowances are paid to the constituencies that members represent and not to the individual except for members who are Ministerial appointments, independent Committee members and for members who have gained exemption in this respect from respective employers. Independent Committee members who are considered public officials or government employees are not remunerated for meeting attendance unless they take unpaid leave from their respective positions to attend. Allowances are also subject to relevant tax rates.

Board Member Remuneration (meeting and board fee):

NAME	ORGANISATION	ROLE	MEETING FEE (R)	BOARD FEE (R)	ATTENDANCE
M Mahosi	Ministerial	Chairperson	25 344,00	43 506,11	7/8
M Maleka	Ministerial	Member	7 616,00	33 825,60	4/8
I Ramputa	Sasbo	Member	14 784,00	31 006,80	5/8
J Kokela	Sasbo	Member	20 160,00	33 825,60	7/8
S Anthony	Sasbo	Member	22 176,00	45 100,80	8/8
M Soobramoney	Sasbo	Member	20 160,00	33 825,60	7/8
M Captain	Sasbo	Member	14 112,00	33 825,60	4/8
A Thebyane	Nedbank	Member	20 160,00	33 825,60	7/8
N Motjuwadi	Capitec Bank	Member	15 008,00	33 825,60	7/8
E Maepa	FirstRand	Member	22 176,00	45 100,80	8/8
S Taylor	Standard Bank	Member	12 768,00	33 825,60	4/8
S Louw	Absa/Barclays	Member	4 928,00		2/5
L Hollis	Sasbo	Member	17 024,00	37 584,00	5/5
I Noko	MFSA	Member	10 976,00	28 188,00	3.5/5

Finance and Remuneration Committee Member Meeting Fees:

NAME	ORGANISATION	ROLE	MEETING FEE (R)	ATTENDANCE
S Anthony	Sasbo	Chairperson	4 762,50	5/5
P Khoza	Nedbank	Member	981,00	2/2
M Maleka	Ministerial	Member	1 199,00	2/5
N Motjuwadi	Capitec Bank	Member	2 180,00	4/5
S Zinn	Independent	Member	654,00	1/1
M Dolamo	Independent	Member	Public official	1/1

Audit and Risk Committee Member Meeting Fees:

NAME	ORGANISATION	ROLE	MEETING FEE (R)	ATTENDANCE	FEES FOR ATTENDED BOARD MEETINGS(R)
M van der Walt	Investec	Chairperson	1 792,00	2/2	2 016,00
E van Wyk	Nedbank	Member	2 880,00	5/6	9 856,00
T Mhlari	Independent	Member	2 108,00	4/6	
T Kgokolo	Independent	Member	1 564,00	3/6	
S West	Sasbo	Member	2 788,00	6/6	
I Noko	MFSA	Member	1 292,00	3/3	

Executive Committee Member Meeting Fees:

NAME	ORGANISATION	ROLE	MEETING FEE (R)	ATTENDANCE
M Mahosi	Ministerial	Chairperson	4 000,50	4/4
M Soobramoney	Sasbo	Member	2 289,00	4/4
J Kokela	Sasbo	Member	1 199,00	2/4
A Thebyane	Nedbank	Member	1 090,00	2/4
I Ramputa	Sasbo	Member	1 199,00	2/4
E Maepa	FirstRand	Member	1 526,00	3/4

RISK MANAGEMENT

In accordance with the BANKSETA Risk Management Policy and Framework, risk management has been adopted as a critical governance requirement in order to address all factors that may hinder or prevent BANKSETA from achieving all its goals and objectives. BANKSETA (through the Accounting Authority, Audit and Risk Committee, Risk Management Committee and staff members) is committed to the optimal management of risk in order to achieve its vision, mission, objectives, strategies and plans and to protect our core values. The Accounting Authority (“the Board”) has committed BANKSETA to a process of risk management that is aligned to the principles of good corporate governance, as supported by legislation and leading practice and is composed of the following:

- Risk management is inseparable from the organisation’s strategic and business processes.
- Risk identification should be directed in the context of the organisation’s purpose.
- The Board will be responsible for the process of risk management.
- The Board will approve the organizations chosen risk philosophy.
- The Board will approve key risk indicators and tolerance levels.
- The Board will adopt a risk

management plan.

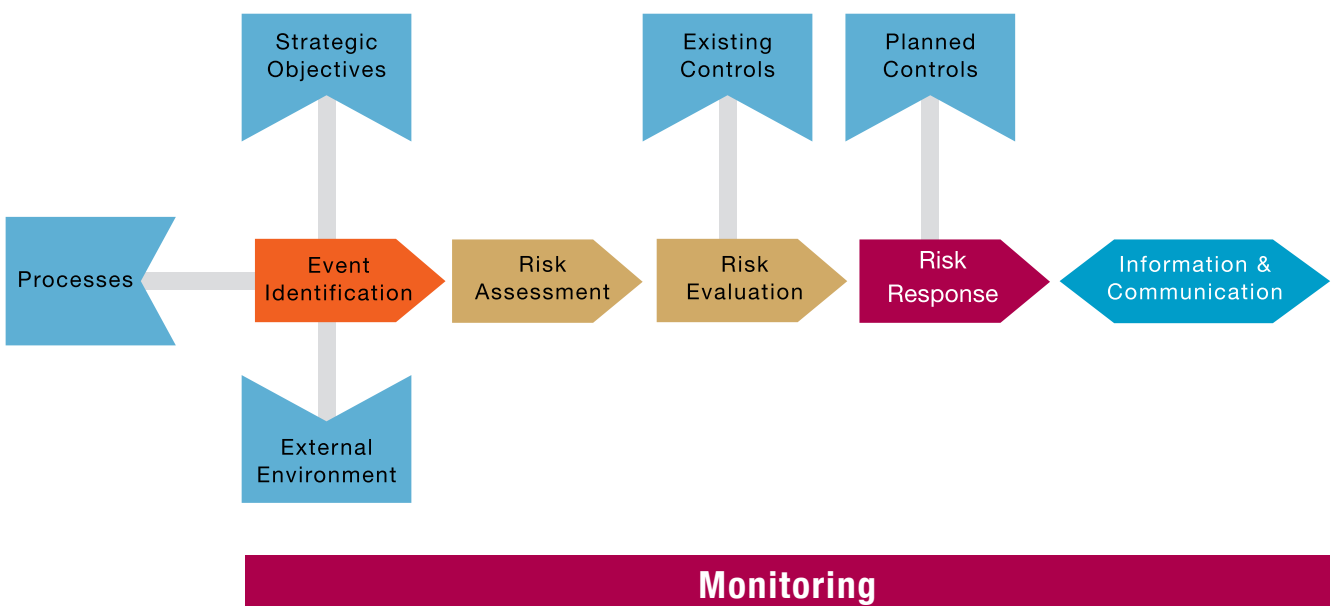
- The Board will report on the effectiveness of risk management.
- The Board will ensure that the organisation’s reputational risk is protected.
- The Board will determine the extent to which risks relating to sustainability are addressed and reported on.
- The Board will ensure that IT is aligned with business objectives and sustainability.
- The Board will consider the risk of the unknown as part of the qualitative and quantitative risk assessment process.
- The Board may delegate the responsibility of risk management to a risk committee.
- Management is responsible for the implementation of the risk management process.
- Risk management will be practiced by all staff in their day to-day activities.
- Risk assessments will be performed on an ongoing basis.
- Key risks should be quantified and responded to appropriately.
- Internal audit should provide independent assurance on the risk management process.

approach to enterprise risk management at BANKSETA and to ensure that all risks that could affect our people, reputation, business processes and systems, financial and environmental performance are identified, assessed and treated to an acceptable level by:

- Incorporating a consistent approach to risk management into the culture and strategic planning processes of BANKSETA, supporting the setting of priorities and making of decisions at all levels.
- Applying a consistent approach to risk response and control activities to support BANKSETA’s governance responsibilities for innovation and responsible risk-taking, policy development, programs and objectives. In all cases, appropriate measures will be put in place to address unfavourable impacts from risks and favourable benefits from opportunities.
- Manage a transparent approach to risk through formal and informal communication and monitoring of all key risks, balancing the cost of managing the risk with the anticipated benefit. Risk management practices will be adapted to encompass best practices, specific circumstances and mandate.

Through the Risk Management Framework, the BANKSETA has adopted a standard

The risk management process comprises:



The Risk Management Committee is a sub-committee of the Audit and Risk Committee and is responsible for assisting the Chief Executive Officer in monitoring the performance of risk management and to report accordingly to the Audit and Risk Committee and the BANKSETA Board. The role of the Risk Management Committee is to formulate, promote and review the Enterprise-wide Risk Management objectives, strategy and policy, and to monitor the process at strategic, management and operational levels.

GOVERNANCE REPORT

The BANKSETA is committed to the application of recommended practices and principles as given in the King III Code of Governance Practice in South Africa and compliance with the prescripts of the PFMA.

In setting the strategic direction of the organisation, the BANKSETA held its annual strategy session in July 2014 with Board and management discussing issues of strategic relevance to highlight the way forward, taking into account opportunities and mitigation of risks. The following focus areas for 2015-16 came to the fore:

- Opportunities for Work-integrated Learning (in partnership with TVET/FET colleges)
- IT training for the sector
- Impact Assessment approach
- The implementation of the Insourcing/Outsourcing of functions model
- Provincial Presence of the BANKSETA (stakeholder mapping and provincial offices)
- Preparing for the end of NSDS III license period (31 March 2016)

Inputs from the strategic session and Sector Skills Plans were incorporated in the BANKSETA Strategic Plan and Annual Performance Plan for 2015/16 – 2019/20.

An independent Board evaluation was conducted and finalised in February 2015. The scope of the assessment was to evaluate the Board performance against accepted good corporate governance principles and practices, on a comparable basis with previous Board assessments.

The following areas were covered by means of interviews and questionnaires:

- Board composition
- Strategy
- Roles and responsibilities
- Board meetings
- Succession planning
- Chairman of the Board

- Company Secretary
- Board Committees (Executive, Finance and Remuneration, Audit and Risk)

Overall, the Board self-assessment yielded positive outcomes, denoting overall effective performance against specified criteria. Strengths were identified in the areas of Board Committees, the conduct at Board meetings and Board member roles and responsibilities. Areas of improvement comprised more effective monitoring of strategy implementation, relationship with management, succession planning and ongoing governance training.

Internal controls and Internal Audit coverage for 2014-15

As part of the Board's role in respect of risk management, the Board is also responsible for maintaining a sound system of internal control. Internal Audit, thus, assists BANKSETA to accomplish its objectives by bringing a systematic and disciplined approach in order to evaluate and improve the effectiveness of risk management, control, and governance processes, as articulated in its Internal Audit Charter.

BANKSETA has currently outsourced the role of internal audit to an outside service provider composed of a team of dedicated auditors with industry-specific audit expertise and thereby creating synergies from an audit perspective.

Internal Audit Coverage for 2014-15 (aligned to the rolling three year strategic internal audit plan) encompassed the following:

- Performance Information
- Strategic Plan Implementation - Discretionary Projects, Learnerships and Learning Programmes
- Bonus Review
- Financial Discipline Review
- Supply Chain Management
- Commitments Schedule
- Follow Up - Internal Audit Findings (SSP and Human Capital Management)
- Follow Up - Auditor General AG Audit

The BANKSETA ensures that it complies with laws and regulations through its pertinent governance structure and senior management responsibilities, in accordance with its mandate and as formally communicated by the relevant Executive Authority and National Treasury. Furthermore, the BANKSETA has developed a compliance framework, aligned to the Executive Authority

compliance calendar, and a Compliance Policy, to ensure there is consistent focus on adhering to compliance responsibilities. During the 2014/15 financial year, there were no significant changes to legislation nor regulations applicable to the SETA.

- BANKSETA is also required to report to the relevant authorities on the disclosure of information in terms of the Promotion of Access to Information Act. During the period of review, no information requests were received.
- The BANKSETA has a Fraud Prevention Plan and Policy (which includes Whistleblower Protection) and an anti-fraud hotline, managed by an independent service provider with specific reporting processes in place. Fraud reporting is a standard agenda item for Risk Management Committee, Audit and Risk Committee and Board governance structures. No reports on fraud were noted during the 2014/15 financial year.
- Formal declaration of interests are noted and records kept in accordance with meetings conducted at Committee and Board level as well as for Supply Chain Management activities in order to ensure that conflict of interest is minimised within the context of the SETA activities and mandate.

CODE OF CONDUCT

The BANKSETA strictly adheres to the Code of Conduct as elucidated in the BANKSETA Constitution and is applied as follows:

- All Members of the Accounting Authority, the chambers and any committee established by the Accounting Authority are subject to this Code of Conduct and are required to comply with both the letter and the spirit of the Code.
- The Members of the Accounting Authority, the chambers and any committee established by the Accounting Authority –
 - a. Stand in a fiduciary relationship to the SETA;
 - b. Must comply with all the applicable laws and regulations that regulate the activities they are engaged in for and on behalf of the SETA;
 - c. Must perform their functions fairly, honestly and in good faith, giving full effect to the obligations and spirit of the Act and this Constitution;
 - d. Must protect and promote the

- a. reputation of the SETA and promote goodwill towards it;
- b. Must perform their duties conscientiously and in the best interest of the SETA; and
- c. Conduct themselves ethically and in accordance with the principles of good governance.

To ensure the proper execution of its mandate and effective compliance with the applicable legislative and policy framework, the Accounting Authority must ensure that the staff of the SETA and Members of all committees and chambers, adhere to the following principles of governance –

- Effectiveness and efficiency in the execution of their specified mandates, which require clearly formulated purpose statements, objectives, roles and responsibilities.
- Accountability for meeting their specified mandates, which requires effective accountability mechanisms, proper management, control and the safeguarding of finances and resources, as well as regular and accurate performance reviews, assessments and reporting.
- Integrity and honesty in the management of finances and

resources, which require observing and promoting high standards of ethical conduct, proper execution of fiduciary duties, independence from vested interests and avoiding undue influence and a conflict of interests.

- Transparency and openness, which require fair, transparent and accessible rules, processes and procedures; the consistent application of these rules, processes and procedures; transparent and motivated decision-making; and timely and accurate provision of information to a higher authority, stakeholders and the public.
- Participation in the development and implementation of public policies, where appropriate, which requires the active involvement of beneficiaries, stakeholders and other affected groups in the formulation of policies and programmes; promoting ownership of policies and programmes; stakeholder commitment to their success; and consultation with, and representation on institutional structures.
- The capacity and resources to execute their mandate, which require

appropriate selection and capacity-building, in order to ensure that members and staff have the necessary skills, knowledge and experience.

Contravention of the Code of Conduct would be treated in the manner prescribed by the BANKSETA Standard Constitution. No incidences in respect of breach of the Code of Conduct and Ethics were recorded during the 2014/15 financial year.

The BANKSETA recognises its accountability to all its stakeholders under the legal and regulatory requirements applicable to its business and is committed to high standards of integrity and fair dealing in the conduct of its business. It is committed to comply with both the spirit and the letter of applicable requirements and always to act with due skill, care and diligence. The social impact of the BANKSETA's efforts in meeting its primary strategic objectives will result in a transformed, skilled and capable workforce to address the sector strategic objectives and national strategic objectives and skills development legislation (Standard Constitution of SETA regulations and Skills Development Amendment Act, 2011).

MANAGEMENT STRUCTURE



Max Makhubalo,
Chief Executive Officer



Beaula Dziruni
Chief Financial Officer



Dimakatso Seete
General Manager:
Corporate Services



Christine Fritz
General Manager:
Operations



Caroline King
Company Secretary



Paulette Bourne
Manager: Work
Integrated Learning



Zandile Skosana
Manager: Marketing and
Communications



Deerani Naidoo
Manager: Youth
Development



Madeleine Pelzer
Manager: Skills
Development



Bekisisa Nkala
Manager: Inclusive Banking



Charmaine Janisch
Manager: Quality
Management



Angie Naidoo
Head of Research

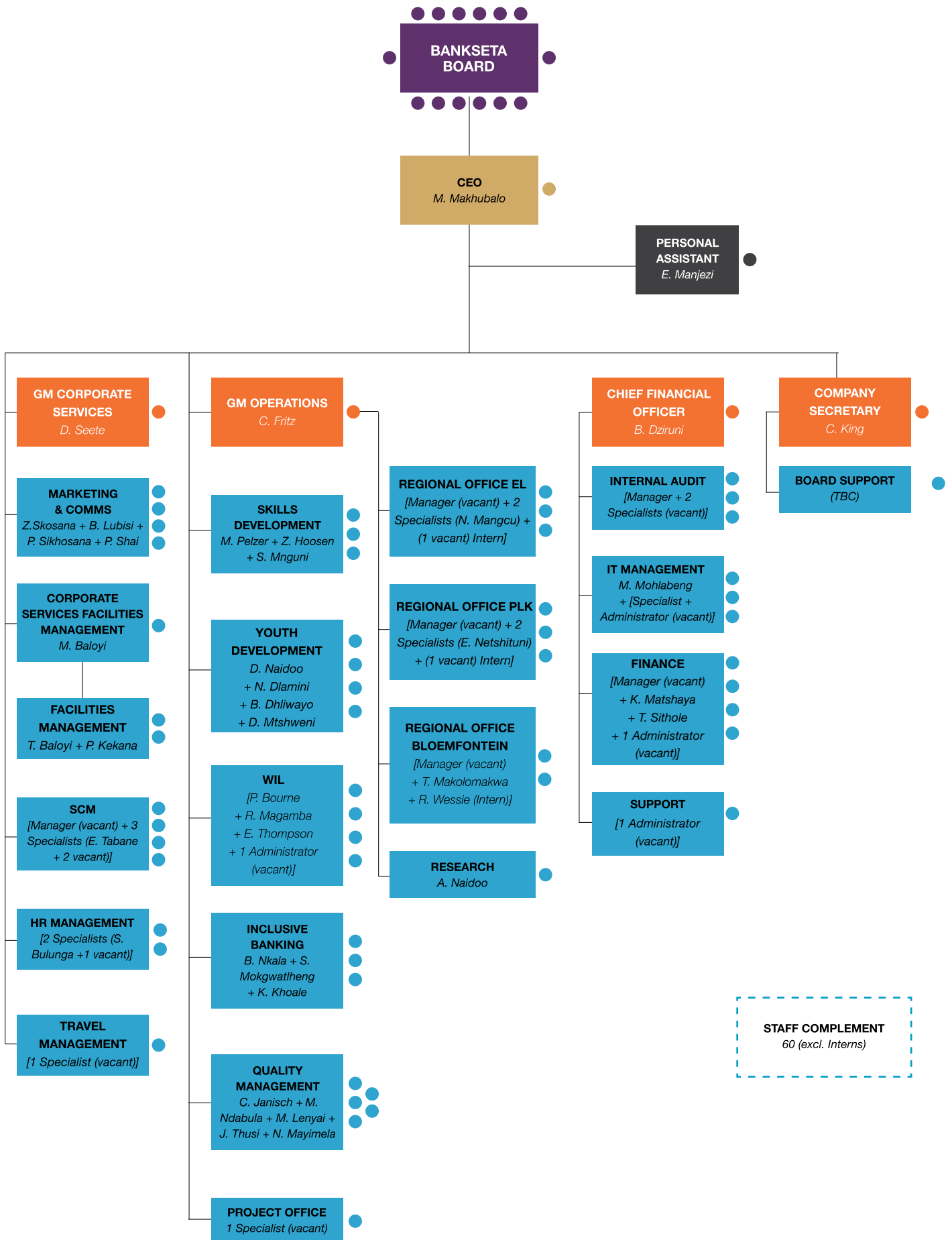


Moyahabo Mohlabeng
Manager: Information
Technology





HUMAN RESOURCES



PERSONNEL COST

LEVEL	PERSONNEL EXPENDITURE (R)	NUMBER OF EMPLOYEES	AVERAGE COST PER EMPLOYEE (R)
Executive Level	5 900 913,87	5	1 180 182,77
Management	5 178 920,50	8	647 365,06
Professionally Qualified	8 887 174,00	22	403 962,45
Skilled	607 460,00	3	202 486,66
Semi-skilled	201 000,00	2	100 500,00
Unskilled	0	0	0
TOTAL		40	

CHANGES IN EMPLOYMENT

LEVEL	APPOINTMENTS	RESIGNATIONS	PROMOTIONS
Top Management	1		2
Senior Management	1	1	3
Professionally Qualified	5		6
Skilled	1		
Semi-skilled			
Unskilled			
TOTAL	8	1	11

EMPLOYMENT EQUITY

LEVELS	FEMALE				MALE				FOREIGN NATIONALS		DISABLED		TOTAL
	A	C	I	W	A	C	I	W	FEMALE	MALE	FEMALE	MALE	
Top Management													0
Senior Management	1			1			1		1				4
Professional Qualified	1	2	2	2	2								9
Skilled	16	1	1		2					1	1		22
Semi-Skilled	2				1								3
Unskilled	2												2
TOTAL	22	3	3	3	5	0	1	0	1	1	1	0	40

TRAINING COSTS

DEPARTMENT	TRAINING EXPENDITURE	NO. OF TRAINED STAFF	AVERAGE PER EMPLOYEE
Corporate Services	36 021,94	4	9 005,49
Executive	13 782,59	2	6 891,30
Governance		0	
Marketing and Communications	17 255,32	1	17 255,32
Inclusive Banking	6 140,00	1	6 140,00
Quality Management	38 015,00	5	7 603,00
Skills Development	2 450,00	1	2 450,00
Work Integrated Learning	40 316,25	4	10 079,06
Youth Development	5 678,45	2	2 839,23
Research	2 200,00	1	2 200,00
TOTAL	161 859,55	21	64 463,39





FINANCIAL INFORMATION

STATEMENT OF FINANCIAL RESPONSIBILITY

THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015,

AUDITED

The Annual Financial Statements for the year ended 31 March 2015, set out on pages 64 to 107, have been approved by the Accounting Authority on 28 July 2015 in terms of section 51(1)(f) of the Public Finance Management Act (PFMA), No 1 of 1999 as amended, and are signed on their behalf by:



MAX MAKHUBALO
BANKSETA Chief Executive Officer



MARTIN MAHOSI
BANKSETA Chairperson

Banking Sector Education and Training Authority
ANNUAL FINANCIAL STATEMENTS
31 MARCH 2015

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REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE BANKING SECTOR EDUCATION AND TRAINING AUTHORITY (BANKSETA)

Report on the financial statements

INTRODUCTION

1. I have audited the financial statements of the Banking Sector Education and Training Authority (BANKSETA) set out on pages 72 to 107, which comprise the statement of financial position as at 31 March 2015, statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget information with actual information for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

ACCOUNTING AUTHORITY'S RESPONSIBILITY FOR THE SEPARATE FINANCIAL STATEMENTS

2. The board of directors, which constitutes the accounting authority, is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practices (SA Standards of GRAP), the requirements of the Public Finance Management Act of South Africa, 1999, (Act No.1 of 1999) (PFMA) and the Skills Development Act of South Africa, 1998 (Act No.97 of 1998) (SDA) and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR-GENERAL'S RESPONSIBILITY

3. My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

OPINION

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the BANKSETA as at 31 March 2015 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the PFMA and SDA.

EMPHASIS OF MATTER

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

SETA RE-ESTABLISHMENT

8. As disclosed in note 26 to the financial statements, the BANKSETA license expires on 31 March 2016. As at 29 July 2015, the minister of Higher Education and Training had not made a pronouncement on the renewal of SETA licences beyond 31 March 2016.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof. I have a responsibility to report findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters.

PREDETERMINED OBJECTIVES

10. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the BANKSETA for the year ended 31 March 2015:

- Programme 4: Kuyasa learnership
- Programme 5: Letsema learnership
- Programme 6: Learnership funding for unemployed
- Programme 7: Work readiness programme for graduates
- Programme 8: Work readiness programme for post matric learners
- Programme 10: Information technology programme
- Programme 20: RPL for FAIS compliance
- Programme 23: PIVOTAL grant funding window
- Programme 24: SME funding for scarce and critical skills
- Programme 29: Post-school public FET capacity building
- Programme 35: Interbank compliance project

- Programme 36: Centre of excellence – UWC accounting support project
- Programme 37: Centre of excellence – enterprisation project
- Programme 38: NSFAS support
- Programme 39: RPL for skills development facilitators.

11. I evaluated the reported performance information against the overall criteria of usefulness and reliability.

12. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPi).

13. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

14. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following programmes:

- Programme 4: Kuyasa learnership
- Programme 5: Letsema learnership
- Programme 6: Learnership funding for unemployed
- Programme 7: Work readiness programme for graduates
- Programme 8: Work readiness programme for post matric learners
- Programme 10: Information technology programme
- Programme 20: RPL for FAIS compliance
- Programme 23: PIVOTAL grant funding window
- Programme 24: SME funding for scarce and critical skills
- Programme 29: Post-school public FET capacity building
- Programme 35: Interbank compliance project
- Programme 36: Centre of excellence – UWC accounting support project
- Programme 37: Centre of excellence – enterprisation project
- Programme 38: NSFAS support
- Programme 39: RPL for skills development facilitators.

ADDITIONAL MATTERS

15. Although I identified no material findings on the usefulness and reliability of the reported performance information for the selected programmes, I draw attention to the following matters:

ACHIEVEMENT OF PLANNED TARGETS

16. Refer to the annual performance report on pages 29 to 47 for information on the achievement of planned targets for the year.

ADJUSTMENT OF MATERIAL MISSTATEMENTS

17. I identified material misstatements in the annual performance report submitted for auditing on the reported performance information for Programme 4: Kuyasa Learnership, Programme 5: Letsema Learnership, Programme 6: Learnership Funding for Unemployed, Programme 7: Work readiness programme for graduates, Programme 8: Work readiness programme for post matric learners, Programme 23: PIVOTAL Grant Funding Window, Programme 29: Post-school public FET capacity building, Programme 36: Centre of Excellence – UWC Accounting support project and Programme 37: Centre of Excellence – Enterprisation Project. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness of the reported performance information.

COMPLIANCE WITH LEGISLATION

18. I performed procedures to obtain evidence that the public entity had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

INTERNAL CONTROL

19. I considered internal control relevant to my audit of the financial statements, the annual performance report and compliance with legislation. I did not identify any significant deficiencies in internal controls.

Auditor General

Pretoria
31 July 2015



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

AUDIT AND RISK COMMITTEE REPORT

Report of the Audit and Risk Committee required by Treasury Regulations 27.1.7 and 27.1.10 (b) and (c) issued in terms of the Public Finance Management Act 1 of 1999, as amended by Act 29 of 1999

The BANKSETA hereby present the report for the financial year ended 31 March 2015

INTRODUCTION

The BANKSETA and its Board (Council) are committed to the highest standards of sound corporate governance principles and practices in South Africa. This is avouched by its notably ethical behaviour and ongoing fine tuning of the prevailing corporate governance principles and practices. The Audit and Risk Committee's composition and activities are fully compliant with the requirements of the Public Finance Management Act and it endeavoured to exceed the requirements of the Act.

AUDIT AND RISK COMMITTEE MEMBERS AND ATTENDANCE

The Audit and Risk committee consists of the members listed hereunder and meets at least 4 times per annum as per its approved terms of reference. During the current financial year 6 meetings were held.

NAME OF MEMBER	NUMBER OF MEETINGS ATTENDED
Marlé van der Walt - Investec (Chairperson) (Appointed 13 May 2009 and resigned July 2014)	2
Elvera van Wyk (previous Helberg - Nedbank (Appointed 19 Jan 2011)	5
Tinyiko Mhlari- Independent member (Appointed 30 April 2012)	4
Thomas Kgokolo (Appointed 28 May 2013)	3
Shauneez West (Appointed 21 May 2014)	6
Israel Noko (Appointed 23 September 2014)	3

Furthermore, at least one representative from both the Auditor-General's office and the Internal Auditors are present at all Audit and Risk committee meetings, regardless of whether or not the agenda items directly concern the audit of the SETA's Financial Statements.

AUDIT AND RISK COMMITTEE RESPONSIBILITY

The Audit and Risk Committee reports that it has adopted appropriate formal terms of reference as its audit committee charter, inclusive of responsibilities in respect of risk management, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

THE EFFECTIVENESS OF INTERNAL CONTROL

The system of controls is designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. In line with the PFMA and the King III Report on Corporate Governance requirements, Internal Audit provides the Audit and Risk Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, the Audit Report on the Annual Financial Statements, and the management letter of the Auditor-General, it was noted that no significant or material non-compliance with regulations have been reported.

EVALUATION OF ANNUAL FINANCIAL STATEMENTS

The Audit and Risk Committee has

- Reviewed and discussed the audited annual financial statements to be included in the annual report;
- Reviewed the Auditor-General management letter and management's response thereto; and
- Reviewed changes in accounting policies and practices.

The Audit and Risk Committee concurs and accepts the Auditor-General's conclusions on the Annual Financial Statements and is of the opinion that the Audited Annual Financial Statements be accepted and read together with the report of the Auditor-General.



.....
ELVERA VAN WYK

Chairperson
31 JULY 2015

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

As the BANKSETA Accounting Authority, it is the Board's responsibility to prepare Financial Statements that fairly represent BANKSETA's financial position as at 31 March 2015 and also the financial performance and summary cash flow activities for the year ending 31 March 2015. We are of the opinion that appropriate accounting policies, supported by reasonable and prudent judgements and estimates, have been applied on a consistent basis. The financial statements comply with GAAP, including any interpretations of such Statements issued by the Accounting Practices Board and with the prescribed standards of Generally Recognised Account Practice (GRAP).

GENERAL REVIEW OF THE STATE OF AFFAIRS

The Banking Sector Education and Training Authority (BANKSETA) is a Schedule 3A public entity established by the Minister of Labour on 20 March 2000, and subsequently re-established to 31 March 2016. The objective of the BANKSETA is to develop skills in and for the broader banking and Micro finance industries in South Africa. The following sectors fall within the scope of the BANKSETA.

- Central banking
- Discount houses, commercial and other banking
- Building Societies
- Financial mediation
- Lease financing
- Securities dealings
- Activities ancillary to financial mediation

THE MISSION OF THE BANKSETA IS:

"To support transformation and people development and through partnerships, to enable stakeholders to advance the national and global position of the broader banking and microfinance industry."

THE BANKSETA IS THEREFORE RESPONSIBLE FOR:

- The identification of priority skills in the sector
- The distribution of mandatory grants to qualifying registered companies
- The distribution of discretionary grants that will benefit the sector at large as well as individuals within the sector
- The implementation of quality assurance processes that will enhance and ensure quality provision of training.
- Supporting the implementation of applicable national strategic objectives as identified in the National Skills Development Strategy.

BANKSETA's receives 80% of the skills development levies paid by employers in the sector, 20% going to the National Skills Fund. This levy income increased by 5.3% from prior year from R568 million to R598 million. The levy base stayed constant with about 3,600 registered levy payers. The levy exemption threshold for employers remained at R500,000 per annum payroll.

The mandatory grant participation and pay-out ratios remained at prior year's high level of 97%. Mandatory grant disbursement decreased to R134 million from R188 million in the prior year. At 31 March 2013, the mandatory grant percentage was decreased from 50% to 20%, but due to the two months' timeline between employers paying the levies and the levies being received by SETA some of the mandatory grants at 50% were still payable in 2013/14 financial year.

The 2014/15 discretionary grant expenditure including project expenses increased by 15% from R282 million to R323 million. The prior year amount included an amount of R68 million, that was the net present value of the BANKSETA's contribution to the infrastructure of TVET colleges. The increase from the prior year is mainly due to the discretionary funds available being 33% higher than in prior year as a result of accumulated surpluses. A number of high value multi-year contract commitments were also completed during the year. All project related costs are directly allocated to projects and are not allocated to operational expenditure. BANKSETA has allocated approximately 94% (2013/14: 123%) of its available surplus funds as at 31 March 2015. The BANKSETA failed to meet the 95% commitments level due to higher than normal levies received in March 2015 four days before year-end, and hence could not be committed to discretionary projects before the end of the financial year. In terms of the new grant regulations they BANKSETA may forfeit the 1% difference amounting to R2.3 million. The BANKSETA will put a business case to the Executive Authority outlining the motivations for the BANKSETA not to lose the funds.

Admin expenditure increased by 16% from R48 million to R56 million. The staff complement has grown and BANKSETA's provincial footprint has spread to Limpopo and the Eastern Cape. In addition the BANKSETA has started delivering in-house a number of key functions like IT and Finance which were previously outsourced. Admin expenditure was less than admin levies for 2014/15 by R23 million (2013/14 – R26 million) representing 29% of admin levies received. (2013/14 – 35%).

Expenditure ceilings of R19 million were in effect during the year and the BANKSETA made an actual surplus of R149. Please refer to the annual financial statements for full details of the BANKSETA's income and expenditure.

PAYMENTS AND REMUNERATION IN THE BANKSETA*Members of the Accounting Authority.*

Note: The amounts indicated below will be paid to the nominating organisations and not to the individual representatives (with the exception of Ministerial appointments). All payments are in respect of Board meeting or Committee meeting attendance fees.

NAME	CONSTITUENCY	AMOUNT
M Mahosi	Ministerial	R 68 850
M Maleka	Ministerial	R 41 442
I Ramputa (resigned in January 2015)	Organised Labour (Sasbo)	R 45 791
J Kokela	Organised Labour (Sasbo)	R 53 986
S Anthony	Organised Labour (Sasbo)	R 67 277
M Soobramoney	Organised Labour (Sasbo)	R 53 986
M Captain	Organised Labour (Sasbo)	R 47 938
A Thebyane	Organised Employers (Nedbank)	R 53 986
N Motjuwadi	Organised Employers (Capitec Bank)	R 48 834
E Maepa	Organised Employers (FirstRand Bank Ltd)	R 67 277
S Taylor	Organised Employers (Standard Bank)	R 46 594
S Louw	Organised Employers (Absa/Barclays)	R 4 928
L Hollis	Organised Labour (Sasbo)	R 54 608
I Noko	Organised Employers (MFSA)	R 39 164

CEO REMUNERATION

ANNUAL AND OTHER INCOME.	AMOUNT (PRE-TAX)	NOTES
Pension	R 159 976	
Medical	R 35 676	
Base remuneration	R 1 286 486	Included as part of package
Total guaranteed cost-to-company package	R 1 482 138	Benchmarked annually
Non-guaranteed (at risk) remuneration	R 629 388	The BANKSETA's incentive scheme is benchmarked and negotiated annually. The incentive is dependent on personal performance, SETA core function (department) performance, the results of SETA performance and the retention strategy of the BANKSETA.
Total guaranteed and non-guaranteed (at risk) remuneration*	R 2 111 526	

* The CEO's remuneration amount reflects actual amounts paid in the 2014/15 financial year.

BUSINESS ADDRESS

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MIDRAND
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POSTAL ADDRESS
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VORNA VALLEY
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TEL: 011 805 9661
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WEBSITE: www.bankseta.org.za

CORPORATE GOVERNANCE

In terms of the Skills Development Act, total administration costs may not exceed 10% of total levies received. It gives me great pleasure to report that total administration expenditure in the BANKSETA is again running below the allowed 10%. Our aim has always been to run the BANKSETA on a lean and efficient basis and I attribute the SETA's success in this regard to the quality of people in its employ, the quality of its HR practices and sound business model.

The BANKSETA has an independent audit committee, which is satisfied that the necessary checks and balances are in place. The Audit and Risk committee functions are in line with the Audit and Risk Committee Charter and comply with principles of good corporate governance and with the requirements of the Public Finance Management Act. The functions of the audit committee include a review and an update of the risk analysis, by management and independently from internal audit. Also refer to the audit committee's report for detail.

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

**MARTIN MAHOSI**

Chairman
31 JULY 2015

Banking Sector Education and Training Authority
STATEMENT OF FINANCIAL PERFORMANCE
 FOR THE YEAR ENDED 31 MARCH 2015

	Note	2014/15 R'000	2013/14 R'000
REVENUE			
Skills development levy: income from non-exchange transactions	2	598 686	568 298
Skills development levy: penalties and interest from non-exchange transactions		37 615	3 493
Donations for special projects	15	16 371	20 816
Investment revenue from exchange transactions	3	27 737	19 725
Other revenue from exchange transactions	4	67	63
Total revenue		680 476	612 395
EXPENSES			
Employer grant and project expenses	5.1	(456 229)	(467 556)
Administration expenses	6	(55 645)	(47 918)
Finance costs	5.2	(3 373)	(2 471)
Special project expenditure	15	(16 371)	(20 816)
Total expenses		(531 618)	(538 761)
NET SURPLUS FOR THE YEAR	1	148 858	73 634

Banking Sector Education and Training Authority
STATEMENT OF FINANCIAL POSITION
 AS AT 31 MARCH 2015

	Note	2014/15 R'000	2013/14 R'000
ASSETS			
Non-current assets			
Infrastructure, plant and equipment	7	1 682	1 504
Intangible assets	8	28	19
Current assets			
Receivables from non-exchange transactions	9	15 807	228
Receivables from exchange transactions	10	3 386	2 577
Cash and cash equivalents	11	565 201	464 331
Consumables		23	23
Total assets		586 127	468 682
LIABILITIES			
Non-current liabilities			
Payables from non-exchange transactions	13	-	27 916
Current liabilities			
Payables from exchange transactions	12	36 726	45 960
Payables from non-exchange transactions	13	85 602	74 953
Provisions	14	16 319	1 251
Donor funding received in advance	15	-	19 980
Total liabilities		138 647	170 060
NET ASSETS		447 480	298 622
NET ASSETS AND LIABILITIES			
Funds and reserves			
Administration reserve		1 710	1 523
Employer grant reserve		342	191
Discretionary reserve		445 428	296 908
TOTAL FUNDS AND RESERVES		447 480	298 622

Banking Sector Education and Training Authority
STATEMENT OF CHANGES IN NET ASSETS
 FOR THE YEAR ENDED 31 MARCH 2015

	Note	Administration reserve	Employer grant reserve	Discretionary reserve	Unappropriated surplus	Total
		R'000	R'000	R'000	R'000	R'000
Balance at 31 March 2013		1 508	129	223 351	-	224 988
Net surplus per statement of financial performance		-	-	-	73 634	73 634
Allocation of unappropriated surplus, and	1	25 783	9 863	37 988	(73 634)	-
Excess reserves transferred to discretionary reserves		(25 768)	(9 801)	35 569	-	-
Balance at 31 March 2014		1 523	191	296 908	-	298 622
Net surplus for the period		-	-	-	148 858	148 858
Allocation of unappropriated surplus, and	1	23 187	4 634	121 037	(148 858)	-
Excess reserves transferred to discretionary reserves		(23 000)	(4 483)	27 483	-	-
Balance at 31 March 2015		1 710	342	445 428	-	447 480

An amount of R1 710 000 (2013/14: R1 523 000) is retained in the administration reserve equal to the carrying value of property, plant and equipment, and intangible assets.

An amount of R342 000 (2013/14: R191 000) is disclosed in the employer grant reserve for newly registered member companies, participating after the legislative cut-off date and new scheme year levies received for the period ending 31 March. Refer to note 17 for disclosure of this contingent liability.

Banking Sector Education and Training Authority
CASH FLOW STATEMENT
 FOR THE YEAR ENDED 31 MARCH 2015

	Note	2014/15	2013/14
		R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating activities			
Cash receipts from stakeholders		619 966	579 432
Cash paid to stakeholders, suppliers and employees		(542 705)	(603 298)
Cash generated from operations	16	77 261	(23 866)
Grants	15	994	1 291
Investment revenue from exchange transactions received	3	26 753	18 567
Finance cost	5.1	(3 373)	(2 471)
Net cash inflow from operating activities		101 635	(6 479)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of infrastructure, plant and equipment	7	(740)	(502)
Purchase of intangible assets		(39)	(34)
Proceeds from disposal of property, plant and equipment		14	25
Net cash outflow from investing activities		(765)	(511)
Net increase in cash and cash equivalents		100 870	(6 990)
Cash and cash equivalents at the beginning of the period	11	464 331	471 321
Cash and cash equivalents at the end of the period	11	565 201	464 331

Banking Sector Education and Training Authority
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
 FOR THE YEAR ENDED 31 MARCH 2015

	Note	Approved Original Budget	Budget Adjustments	Final Budget	Actual Income/ (Expenditure)	Favourable/ (Unfavourable) variance
		2014/15 R'000	2014/15 R'000	2014/15 R'000	2014/15 R'000	2014/15 R'000
REVENUE						
Skills development levy transfer from non - exchange transactions	25.1	527 475	-	527 475	598 686	71 211
Skills development levy penalties and interest from non - exchange transactions	25.2	-	-	-	37 615	37 615
Investment revenue from exchange transactions	25.3	11 300	-	11 300	27 737	16 437
Other revenue from exchange transactions		-	-	-	67	67
Total Revenue		538 775	-	538 775	664 105	125 330
EXPENSES						
Employer grant	25.4	(127 913)	-	(127 913)	(133 890)	(5 977)
Project Expenses (including finance costs)	25.5	(341 631)	19 758	(321 873)	(325 712)	(3 839)
Administration expenses	25.6	(69 231)	-	(69 231)	(55 645)	13 586
Total Expenses		(538 775)	19 758	(519 017)	(512 247)	3 770
NET SURPLUS/(DEFICIT) FOR THE PERIOD*		-	19 758	19 758	148 855	129 100

The approved original budget was submitted to the Executive Authority in line with the Public Finance Management Act, 1999, Chapter 6 Public Entities, part 2 par 53. Due to the expenditure ceiling that was set by National Treasury, an adjustment was made to reduce the budgeted expenditure amount.

For details regarding the difference between budget and actual refer to Note 25

Banking Sector Education and Training Authority
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

1. BASIS OF PREPARATION

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

The annual financial statements have been prepared on the historical cost basis, except where adjusted for present/fair values as required by the respective accounting standards. The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) and the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999) as amended, including any interpretations of such Standards issued by the Accounting Standards Board.

2. CURRENCY

These financial statements are presented in South African Rands.

3. REVENUE RECOGNITION

3.1 Revenue from non-exchange transactions

Non-exchange revenue transactions result in resources being received by the BANKSETA, usually in accordance with a binding arrangement. When the BANKSETA receives resources as a result of a non-exchange transaction, it recognises an asset and revenue in the period that the arrangement becomes binding and when it is probable that BANKSETA will receive economic benefits or service potential and it can make a reliable measure of the resources transferred.

Where the resources transferred to the BANKSETA are subject to the fulfilment of specific conditions, it recognises an asset and a corresponding liability. As and when the conditions are fulfilled, the liability is reduced and revenue is recognised. The asset and the corresponding revenue are measured on the basis of the fair value of the asset on initial recognition.

Non-exchange revenue transactions include the receipt of levy income from the Department of Higher Education and Training, income from the National Skills Fund, and grants from the national government.

3.1.1 Levy income

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

Skills Development Levy (SDL) transfers are recognized when it is probable that future economic benefits will flow to the SETA and these benefits can be measured reliably. This occurs when the Department of Higher Education and Training either makes an allocation or payment, whichever comes first, to the SETA, as required by Section 8 of the Skills Development Levies Act, 1999 (Act No. 9 of 1999), as amended.

In terms of section 3(1) and 3(4) of the Skills Development Levies Act, 1999 (Act No. 9 of 1999) as amended, registered member companies of the SETA pay a skills development levy of 1% of the total payroll cost to the South African Revenue Services (SARS), who collects the levies on behalf of the Department of Higher Education and Training. Companies with an annual payroll cost less than R500 000 are exempted in accordance with section 4(b) of the Levies Act as amended, effective 1 August 2005.

80% of skills development levies are paid over to the SETA (net of the 20% contribution to the National Skills Fund). The SETA was not in a position to verify that SARS has collected all potential skills levy income.

Levy income is recognised on the accrual basis.

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

3.1.2 Interest and penalties

Interest and penalties received on the skills development levy are recognised on the accrual basis.

3.1.3 Funds allocated by the National Skills Fund for Special Projects

Funds transferred by the National Skills Fund (NSF) are accounted for in the financial statements of the BANKSETA as a liability until the specific special conditions have been met. The liability is reduced by any valid project expenditure incurred and recognised as revenue.

3.1.4 Government grants and other donor income

Conditional government grants and other conditional donor funding received is recorded as deferred income when they become receivable and is then recognised as and when the conditions are met. Unconditional grants received are recognised when the grant becomes binding.

3.2 Revenue from exchange transactions

Revenue from exchange transactions is recognised when it is probable that future economic benefits or service potential will flow to the SETA and these benefits can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable.

3.2.1 Investment Revenue from Exchange Transactions

Investment Revenue from Exchange Transactions is accrued on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the period to maturity.

4. GRANTS AND PROJECT EXPENDITURE

A registered employer may recover a maximum of 20% of its total levy payment as a mandatory employer grant (excluding interest and penalties) by complying with the grant criteria in accordance with the Skills Development Act, 1998 SETA Grant Regulations regarding monies received and related matters (The SETA Grant Regulations).

Mandatory grants

The grant expenditure is recognised when the employer has submitted an application for a grant in the prescribed form within the legislated cut off period and the application has been approved. Grants are equivalent to 20% of the total levies contributed by employers to the SETA during the corresponding financial period.

Discretionary grants

A SETA may allocate discretionary grants to employers who have submitted an application for a discretionary grant in the prescribed form within the agreed upon cut-off period.

Discretionary project expenditure

A SETA may out of surplus mandatory, admin or discretionary levies and in accordance with criteria as defined in the SETA Grant Regulations allocate funds to employers and other associations or organisations. The criteria for allocating funds are approved by the SETA Board. Where necessary it can be required of interested employers, associations or organisations to complete and submit a funding application for consideration and approval by the SETA.

A SETA allocates discretionary grants to employers who have submitted an application for a discretionary grant in the prescribed form within the agreed upon cut-off period. Discretionary grant expenditure is recognised as expenses in the period in which they are incurred, in which the conditions are met.

Project expenditure comprise:

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

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

Project costs are recognised as expenses in the period in which they are incurred.

Retrospective adjustments by SARS

The SETA refunds amounts to employers in the form of grants, based on information from SARS. Where SARS retrospectively amends the information on levies collected, it may result in grants that have been paid to certain employers that are in excess of the amount the SETA is permitted to have granted to employers. A receivable relating to the overpayment to the employer in earlier periods is raised as the amount of such grant over payment, net of bad debts and provision for irrecoverable amounts.

5. IRREGULAR AND FRUITLESS AND WASTEFUL EXPENDITURE

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

- The PFMA,
- The Skills Development Act (the Act), 1998 (Act No.97 of 1998) as amended

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

All irregular and fruitless and wasteful expenditure is recognised against the respective class of expense in the period in which they are incurred.

6. INFRASTRUCTURE, PLANT AND EQUIPMENT

Infrastructure, plant and equipment is stated at cost less any subsequent accumulated depreciation and adjusted for any impairments. Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight line method.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (i.e. impairment losses are recognised.)

The gain or loss on disposal of infrastructure, plant and equipment is determined as the difference between the sale proceeds and the carrying amount and are taken into account in determining operating profit.

7. INTANGIBLE ASSETS

Intangible assets is stated at cost less any subsequent accumulated amortisation and adjusted for any impairments. Amortisation is charged so as to write off the cost of assets over their estimated useful lives, using the straight line method.

The estimated useful lives and amortisation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Where the carrying amount of an asset is greater than its estimated recoverable service amount, it is written down immediately to its recoverable service amount (i.e. impairment losses are recognised.)

The gain or loss on disposal of intangible asset is determined as the difference between the sale proceeds and the carrying amount and are taken into account in determining surplus or deficit for the year.

8. CONSUMABLES

Consumables are recognised as an asset at cost on the date of acquisition and are subsequently recognised in surplus or deficit as they are consumed.

9. LEASING

Finance leases consistent with the definition set out in the Treasury Regulations refer to a contract that transfers the risks, rewards, rights and obligations incidental to ownership to the lessee and are recorded as a purchase of equipment by means of long-term borrowing. All other leases are classified as operating leases.

Payments made under operating leases (leases other than finance leases) are charged to the Statement of Financial Performance on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

10. PROVISIONS

Provisions are recognised when the SETA has a present obligation as a result of a past event and it is probable that this will result in an outflow of economic benefits or service potential that can be estimated reliably.

11. EMPLOYEE BENEFITS

The cost of employee benefits is recognised during the period in which the employee renders the related service. Employee entitlements are recognised when they accrue to employees. A provision is made for the estimated liability as a result of services rendered by employees up to the Statement of Financial Position date. Provisions included in the Statement of Financial Position are provisions for leave (based on the current salary rates) and termination benefits.

Termination benefits are recognised and expensed only when the payment is made.

No provision has been made for retirement benefits as the SETA does not provide for retirement benefits for its employees.

12. GRANTS AND PROJECTS

A liability is recognised for grant payments once the specific criteria set out in the SETA Grant Regulations has been complied with by member companies and it is probable that the SETA will approve the grant application for payment. The liability is measured based on the expected future cash outflow as determined in accordance with the Act. The measurement of the liability is estimated using the value of the levies received.

Discretionary projects

No provision is made for projects approved at year-end, unless the service in terms of the contract has been delivered. Where a project has been approved, but has not been accrued for or provided for, it is disclosed as approved and allocated for future projects in the notes to Annual Financial Statement. Where a project has been contracted, but has not been accrued for, it is disclosed as commitments in the notes to the financial statements.

Commitments are disclosed where the SETA has, in the normal course of its operations, entered into a contractual agreement with entities related to project expenses which are not yet due for payment.

13. FINANCIAL INSTRUMENTS

Recognition

Financial assets and financial liabilities are recognised on the SETA's Statement of Financial Position when the SETA becomes a party to the contractual provisions of the instrument.

Financial assets

All financial assets of the SETA were categorised as loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less any impairment. Interest income is recognised by applying the effective interest rate.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each year end. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the surplus or deficit.

Financial liabilities

All financial liabilities of the SETA were classified as other financial liabilities. The classification depends on the nature and purpose of the financial liabilities and is determined at the time of initial recognition.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised using the effective method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

14. RESERVES

Net assets is classified based on the restrictions placed on the distribution of monies received in accordance with the Regulations as follows:

- Administration reserve
- Employer grant reserve
- Discretionary reserve
- Unappropriated surplus

Employer levy payments are set aside in terms of the Skills Development Act and the regulations issued in terms of the Act, for the purpose of:

	2014/15	2013/14
	%	%
Administration costs of the SETA	10,5	10,5
Employer grant fund levy	20	20
Discretionary grants and projects	49,5	49,5
Received by the SETA	80	80
Contribution to the National Skills Fund	20	20
	<u>100</u>	<u>100</u>

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

Interest and penalties received from SARS as well as interest received on investments are utilised for discretionary grant projects.

Surplus funds in the administration reserve and unallocated funds in the employer grant reserve are moved to the discretionary fund reserve. Provision is made in the administration reserve equal to the net book value of depreciable assets. Provision is made in the employer grant reserve for newly registered companies, participating after the legislative cut-off date.

15. COMPARATIVE FIGURES

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

16. TAXATION

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

Banking Sector Education and Training Authority
 NOTES TO THE FINANCIAL STATEMENTS
 31 MARCH 2015

1. ALLOCATION OF NET SURPLUS FOR THE YEAR TO RESERVES:

	Total per Statement of Financial Performance 2013/14	Total per Statement of Financial Performance 2014/15	Administration reserve	Employer grants reserve	Discretionary reserve				
					Mandatory skills grant	Discretionary grants R'000	Special projects	Projects	Total discretionary
Total revenue	612 395	680 476	78 832	138 524	-	16 371	446 749	463 120	
Skills development levy: income from non-exchange transactions									
Admin levy income (10,5%)	73 638	78 765	78 765	-	-	-	-	-	
Grant levy income (69,5%)	494 660	519 921	-	138 524	-	-	381 397	381 397	
Skills development levy: penalties and interest from non-exchange transactions	3 493	37 615	-	-	-	-	37 615	37 615	
Donations for special projects	20 816	16 371	-	-	-	16 371	-	16 371	
Investment revenue from exchange transactions	19 725	27 737	-	-	-	-	27 737	27 737	
Other revenue from exchange transactions	63	67	67	-	-	-	-	-	
Total expenses	(538 761)	(531 618)	(55 645)	(133 890)	-	(16 371)	(325 712)	(342 083)	
Administration expenses	(47 918)	(55 645)	(55 645)	-	-	-	-	-	
Finance costs	(2,471)	(3 373)	-	-	-	-	(3 373)	(3 373)	
Special projects expenditure	(20 816)	(16 371)	-	-	-	(16 371)	-	(16 371)	
Employer grants and project expenses	(467 556)	(456 229)	-	(133 890)	-	-	(322 339)	(322 339)	
Net surplus per statement of financial performance allocated	73 634	148 858	23 187	4 634	-	-	121 037	121 037	

Banking Sector Education and Training Authority
 NOTES TO THE FINANCIAL STATEMENTS
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2. SKILLS DEVELOPMENT LEVY INCOME FROM NON-EXCHANGE TRANSACTIONS

The total levy income per the statement of financial performance is as follows:

Levy income: administration

Levies received
Levies received from SARS
InterSETA transfers in
InterSETA transfers out
Levies accrued

Levy income: employer grants

Levies received
Levies received from SARS
InterSETA transfers in
InterSETA transfers out
Levies accrued

Levy income: discretionary grants

Levies received from SARS
Levies received
InterSETA transfers in
InterSETA transfers out
Levies accrued

2014/15	2013/14
R'000	R'000
78 765	73 638
78 776	73 575
78 785	73 595
-	(18)
(9)	(2)
(11)	63
138 524	197 982
138 449	197 588
138 455	197 672
-	(90)
(6)	6
75	394
381 397	296 678
381 532	296 622
381 575	296 672
-	(35)
(43)	(15)
(135)	56
598 686	568 298

3. INVESTMENT REVENUE FROM EXCHANGE TRANSACTIONS

Interest revenue
Bank deposits
Receivable

2014/15	2013/14
R'000	R'000
25 595	18 567
2 142	1 158
27 737	19 725

4. OTHER REVENUE

Other revenue comprises:
Insurance claims received
Other income

2014/15	2013/14
R'000	R'000
24	44
43	19
67	63

Banking Sector Education and Training Authority
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5. EMPLOYER GRANT AND PROJECT EXPENSES

	2014/15	2013/14
	R'000	R'000
Mandatory grants	133 890	188 119
Disbursed	129 084	258 204
Provisions and accruals	4 806	(70 085)
Discretionary grants	-	4
Disbursed	(1)	(2 825)
Provisions and accruals	1	2 829
Project expenditure	319 945	214 579
Disbursed	327 416	197 677
Provisions and accruals	(7 471)	16 902
FET Colleges infrastructure contribution	-	64 854
Disbursed	-	-
Provisions and accruals	-	64 854
	453 835	467 556
	2 394	-
5.1 Potential Surrender to the National Skills Fund		
Total employer grant and project expense per statement of financial performance	456 229	467 556
	3 373	2 471
5.2 Finance costs relating to FET Colleges infrastructure contribution		

*In terms of Skills Development Circular No. 08/2013, issued on 29 August 2013, the BANKSETA was required to contribute funds to the NSF for FET college infrastructure development. The amount to be paid by BANKSETA is R71 827 325. The BANKSETA's Accounting Authority approved that the amount be paid in tranches from September 2014 until March 2016. Due to the materiality of this amount and the time between the raising of the obligation and its settlement, the effect of discounting is material. As at 31 March 2015, the net present value of this liability is R27 916 000, and the total finance costs incurred is R5 844 000.

	2014/15	2013/14
	R'000	R'000
Total project expenditure as per Note 18.1	323 318	281 904
Net Present Value of FET Colleges infrastructure contribution	-	64 854
Finance Costs relating to FET Colleges infrastructure contribution	3 373	2 471
Project expenditure	319 945	214 579

Banking Sector Education and Training Authority
 NOTES TO THE FINANCIAL STATEMENTS
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6. ADMINISTRATION EXPENSES

	2014/15	2013/14
	R'000	R'000
Depreciation/amortisation	582	509
Loss on sale of assets	2	-
Operating lease rentals (minimum lease payments)	2 396	2 148
Buildings	2 224	2 000
Plant, machinery and equipment	173	148
Maintenance, repairs and running costs - other	132	72
Advertising, marketing and promotions, communication	1 064	1 012
Entertainment expenses	130	249
Consultancy and service provider fees	12 826	11 982
Legal fees	313	471
Cost of employment	24 099	18 831
Travel and subsistence	1 714	1 253
Staff training and development	185	173
Remuneration to members of the accounting authority and committees	713	344
External auditor's remuneration - audit fees	1 745	1 653
Audit fees	1 745	1 653
Bad debts written off	-	-
Allowance for doubtful debts	46	39
Other	9 697	9 182
Other administration expenses	2 748	1 964
Consulting fees	1 302	2 516
Telephone costs	698	637
Workshops	608	295
Printing and stationery	417	215
Research costs	1 240	2 108
Internal audit fees	655	589
Quality Council for Trade and Occupations	2 029	858
	55 645	47 918

Banking Sector Education and Training Authority
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6.1 Cost of employment

	2014/15	2013/14
	R'000	R'000
Salaries and wages	20 971	16 545
Basic salaries	14 920	12 336
Performance awards	5 622	3 887
Temporary staff	46	15
Leave payments	383	307
Social contributions	3 128	2 286
Medical aid contributions	548	448
Pension contributions: defined contribution plans	1 906	1 590
Skills development levies	208	155
Employee benefits tax*	364	
Workmen's Compensation	42	41
UIF	60	56
	24 099	18 831
Allocation of cost of employment		
Administration expenses	6	24 099
		18 831
		24 099
		18 831
Average number of employees	40	33

Refer to the report by the Accounting Authority for disclosure concerning the emoluments of members of the accounting authority, and the Executive management group.

*In previous financial years, the BANKSETA did not withhold PAYE or pay tax to SARS for death and disability cover benefit that the BANKSETA was paying for, on behalf of the employees. To date, an estimate has been made of the possible tax that should have been paid over to SARS, being R364 230, and a provision has been raised for this amount.

7. INFRASTRUCTURE, PLANT AND EQUIPMENT

	Cost	Accumulated depreciation	Closing carrying amount
	R'000	R'000	R'000
Year ended 31 March 2015			
Computer equipment	1,296	(804)	492
Office furniture and fittings	1 369	(844)	525
Office equipment	1 171	(629)	542
Leasehold improvements	449	(326)	123
Balance at end of period	4 285	(2 603)	1 682
Made up as follows:			
- Owned assets	4 285	(2 604)	1 682
Year ended 31 March 2014			
Computer equipment	921	(632)	289
Office furniture and fittings	1 360	(744)	616
Office equipment	880	(484)	396
Leasehold improvements	409	(206)	203
Balance at end of period	3 570	(2 066)	1 504
Made up as follows:			
- Owned assets	3 570	(2 066)	1 504

Banking Sector Education and Training Authority
 NOTES TO THE FINANCIAL STATEMENTS
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Movement summary 2015

	Carrying amount 2014	Additions	Disposals	Depreciation	Carrying amount 2015
	R'000	R'000	R'000	R'000	R'000
Computer equipment	289	402	(10)	(189)	492
Office furniture and fittings	616	8	-	(99)	525
Office equipment	396	290	-	(144)	542
Leasehold improvements	203	40	-	(120)	123
Balance at end of period	1 504	740	(10)	(552)	1 682

Movement summary 2014

	Carrying amount 2013	Additions	Disposals	Depreciation	Carrying amount 2014
	R'000	R'000	R'000	R'000	R'000
Computer equipment	179	290	(13)	(167)	289
Office furniture and fittings	697	24	-	(105)	616
Office equipment	352	188	-	(144)	396
Leasehold improvements	271	-	-	(68)	203
Balance at end of period	1 499	502	(13)	(484)	1 504

The following useful lives are used in the calculation of depreciation.

- Computer equipment	3 years	33.33%
- Office furniture and fittings	10 years	10%
- Office equipment	5 years	20%
- Leasehold improvements	over the lease term	

8. INTANGIBLE ASSETS

	Cost	Accumulated amortisation	Closing carrying amount
	R'000	R'000	R'000
Year ended 31 March 2015			
Application software	183	(155)	28
Balance at end of period	183	(155)	28
Made up as follows:			
- Owned assets	183	(155)	28

Banking Sector Education and Training Authority
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	Cost	Accumulated amortisation	Closing carrying amount
Year ended 31 March 2014	R'000	R'000	R'000
Application software	144	(125)	19
Balance at end of period	144	(125)	19
Made up as follows:			
- Owned assets	144	(125)	19

Movement summary 2015

	Carrying amount 2014	Additions	Disposals	Amortisation	Carrying amount 2015
	R'000	R'000	R'000	R'000	R'000
Application software	19	39	-	(30)	28

Movement summary 2014

	Carrying amount 2013	Additions	Disposals	Amortisation	Carrying amount 2014
	R'000	R'000	R'000	R'000	R'000
Application software	9	34	-	(24)	19

Application software complies with the definition of intangible assets, which is an identifiable non-monetary asset without physical substance.

The amortisation expense has been included in the line item 'depreciation/amortisation' in note 6, administration expenditure.

The following useful lives are used in the calculation of amortisation.

- Application software	2 years (Unless license period is different)	50%
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9. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

		2014/15	2013/14
		R'000	R'000
InterSETA debtors	23	5	5
Employer receivables	9.1	15 802	223
		15 807	228

9.1 Employer receivable

Employer receivable			
Overpayment to employers		16 018	393
Allowance for impairment		(216)	(170)
Net effect of SARS retrospective adjustments on affected employers		15 802	223

R16 018 000 (2014: R393 000) was recognised as a receivable relating to the overpayment to the employer in earlier periods, and is based on the amount of such grant over payments.

Banking Sector Education and Training Authority
 NOTES TO THE FINANCIAL STATEMENTS
 31 MARCH 2015

10. RECEIVABLES FROM EXCHANGE TRANSACTIONS

	2014/15	2013/14
	R'000	R'000
SARS Receivable	492	492
Deposits	319	268
Payroll related receivables	-	5
Prepaid expenses	428	637
Interest receivables	2 142	1 158
Other receivables	5	17
	3 386	2 577

11. CASH AND CASH EQUIVALENTS

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand and in banks and investments in fixed deposits. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement can be reconciled to the related items in the balance sheet as follows:

	2014/15	2013/14
	R'000	R'000
Cash at bank and on hand	64 793	87 908
Cash at bank	64 783	87 906
Cash on hand	10	2
Short term investments/instruments	500 408	376 423
Cash and cash equivalents at end of year	565 201	464 331

As required in Treasury Regulation 31.2, National Treasury approved the banks where the bank accounts are held. The weighted average interest rate on short term bank deposits was 5.58% (2013/14: 4.94%).

The Skills Development Act Regulations state that a SETA may, if not otherwise specified by the Public Finance Management Act, invest the monies in accordance with the investment policy approved by the relevant SETA.

Treasury Regulation 31.3 requires that, unless exempted by the National Treasury, the SETA as a public entity that is listed in Schedule 3A of the Act must invest surplus funds with the Corporation for Public Deposits.

As the SETA was exempted by the National Treasury from the requirement of Treasury Regulation 31.3 to invest surplus funds with the Corporation for Public Deposits, surplus funds were invested in line with an investment policy as required by Treasury Regulation 31.3.5.

Banking Sector Education and Training Authority
 NOTES TO THE FINANCIAL STATEMENTS
 31 MARCH 2015

12. PAYABLES FROM EXCHANGE TRANSACTIONS

	2014/15	2013/14
	R'000	R'000
Salary related payables	319	-
Project creditors	32 566	40 037
Sundry payables	3 841	5 923
Trade payables	555	2 978
Other accrued expenses	2467	1 568
Leave accrual	819	568
Bonus accrual	-	809
	36 726	45 960

The effect of discounting was considered and found to be immaterial.

13. PAYABLES FROM NON-EXCHANGE TRANSACTIONS

		2014/15	2013/14
		R'000	R'000
Skills development grants payable - mandatory		51 181	30 604
InterSETA payables	25	59	26
Employer payables		3 568	4 914
FET Colleges infrastructure contribution payable	13.1	30 794	67 325
Less: non-current portion of liability		-	(27 916)
		85 602	74 953

13.1 FET Colleges Infrastructure Contribution Payable

The FET Colleges Infrastructure contribution payable comprises of:

Net present value of FET Colleges infrastructure contribution	27 916	64 854
Current portion of liability	27 916	36 938
Non-current portion of liability	-	27 916
Interest accrued	2 878	2 471
	30 794	67 325

In terms of Skills Development Circular No. 08/2013, issued on 29 August 2013, the BANKSETA was required to contribute funds to the NSF for FET college infrastructure development. The amount to be paid by BANKSETA is R71 827 325. The BANKSETA's Accounting Authority approved that the amount be paid in tranches from September 2014 until March 2016. Due to the materiality of this amount and the time between the raising of the obligation and its settlement, the effect of discounting is material. As at 31 March 2015, the net present value of this liability is R27 916 000, and the interest accrued is R2 878 000.

Banking Sector Education and Training Authority
 NOTES TO THE FINANCIAL STATEMENTS
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14. PROVISIONS

	Opening Balance	Change In Estimate	Addition	Reversed during the year - transferred to discretionary grant reserve	Closing Balance
	R'000	R'000	R'000	R'000	R'000
2014/15					
Levies incorrectly received	1 251	7	318	(255)	1 321
Unallocated levies received	-	-	12 240	-	12 240
Employee benefits tax provision	-	-	364	-	364
Potential surrender of uncommitted surplus funds	-	-	2 394	-	2 394
	1,251	7	15 316	(255)	16 319
2013/14					
Levies incorrectly received	1 765	(29)	288	(773)	1 251
	1 765	(29)	288	(773)	1251

An amount of R1 321 000 (2013/14: R1 251 000) relates to levies incorrectly contributed by employers, and paid over by SARS and DHET, after being exempted from contributing skills development levies due to new legislation which came into effect 1 August 2005.

In terms of Skills Development Circular No. 09/2013, issued by DHET on 25 August 2013, SETAs are able to utilise exempted amounts contributed after the expiry date of five years as stipulated in terms of section 190(4) of the Tax Administration Act. These amounts have been transferred to the discretionary funds in line with the aforementioned circular.

*In the 2014/15 financial year, BANKSETA received more levy income in cash, than was substantiated by employer levy files from the Department of Higher Education and Training (DHET). The amount of this overpayment is R12.24 mil. as at 31 March 2015, this issue had not yet been resolved. Due to this discrepancy, BANKSETA has taken a conservative approach, and has recognised a Levy receipt liability for this amount.

In previous financial years, the BANKSETA did not withhold PAYE or pay tax to SARS for death and disability cover benefit that the BANKSETA was paying for, on behalf of the employees. To date, an estimate has been made of the possible tax that should have been paid over to SARS, being R364 230, and a provision has been raised for this amount.

Included in the provisions is the potential surplus amount payable to the National Skills Funds for the financial year 2014/15 amounting to R2 394 000. This relates to uncommitted discretionary reserves.

15 DONOR FUNDING RECEIVED IN ADVANCE

15.1 ABSA LETSEMA FUNDING

Opening balance ABSA Letsema 7

Utilised and recognised as revenue

Closing adjustment

Closing balance

	2014/15	2013/14
	R'000	R'000
Opening balance ABSA Letsema 7	5	5
Utilised and recognised as revenue		
Closing adjustment	(5)	-
Closing balance	-	5

Banking Sector Education and Training Authority
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The project was completed in previous financial years, and the liability was closed off in 2014/15.

	2014/15	2013/14
	R'000	R'000
Opening balance ABSA Letsema 8	12	1 019
Received during the year - ABSA Letsema 8 project	-	(1 033)
ABSA Letsema 8 project	-	-
Transfer to ABSA	-	(1 033)
Interest received	0	26
Utilised and recognised as revenue-conditions met:	-	-
Closing adjustment	(12)	-
Closing balance	-	12

The project was completed in previous financial years, and the liability was closed off in 2014/15.

15.1 ABSA LETSEMA FUNDING (CONTINUED)

	2014/15	2013/14
	R'000	R'000
Opening balance ABSA Letsema 9	784	848
Received during the year - ABSA Letsema 9 project	-	(94)
ABSA Letsema 9 project	-	-
Transfer to Letsema 10	-	(94)
Interest received	38	32
Utilised and recognised as revenue-conditions met:	-	(2)
Letsema 9 training and development	-	-
Letsema 9 project cost	-	(2)
Refund to ABSA	(822)	-
Closing balance	-	784

Banking Sector Education and Training Authority
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All monies payable to ABSA were re-imbursed by the 31st of March 2015.

	2014/15	2013/14
	R'000	R'000
Opening balance ABSA Letsema 10	7	3 733
Received during the year - ABSA Letsema 9 project	-	94
ABSA Letsema 10 project	-	-
Transfer from Letsema 9	-	94
Interest received	-	60
Utilised and recognised as revenue- conditions met:	-	(3 880)
Letsema 10 training and development	-	(2 436)
Letsema 10 project cost	-	(1 444)
Refund to ABSA	(7)	-
Closing balance	-	7

All monies payable to ABSA were re-imbursed by the 31st of March 2015.

	2014/15	2013/14
	R'000	R'000
Opening balance ABSA Letsema 11	3 153	-
Received during the year - ABSA Letsema 10 project	-	3 841
ABSA Letsema 11 project	-	3 841
Transfer from Letsema 10	-	-
Interest received	80	20
Utilised and recognised as revenue- conditions met:	(2 845)	(708)
Letsema 11 training and development	(2 191)	(618)
Letsema 11 project cost	(654)	(90)
Refund to ABSA	(388)	-
Closing balance	-	3 153

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All monies payable to ABSA were re-imbursed by the 31st of March 2015.

	2014/15	2013/14
	R'000	R'000
Opening balance ABSA Kuyasa 2013	651	13 081
Received during the year - ABSA Kuyasa 2013 project	-	-
Interest received	30	256
Utilised and recognised as revenue-conditions met:	-	(12 686)
Kuyasa 2013 training & development	-	(9 717)
Kuyasa 2013 project cost	-	(2 969)
Refund to ABSA	(681)	-
Closing balance	-	651

All monies payable to ABSA were re-imbursed by the 31st of March 2015.

	2014/15	2013/14
	R'000	R'000
Opening balance ABSA Kuyasa 2014	15 368	-
Received during the year - ABSA Kuyasa 2014 project	-	18 813
ABSA Kuyasa 2014 project	-	18 813
Transfer from Letsema 10	-	-
Interest received	425	95
Utilised and recognised as revenue-conditions met:	(13 526)	(3 540)
Kuyasa 2014 training and development	(10 806)	(2 551)
Kuyasa 2014 project cost	(2 720)	(989)
Refund to ABSA	(2 269)	-
Closing balance	-	15 368

All monies payable to ABSA were re-imbursed by the 31st of March 2015

TOTAL SPECIAL PROJECT INCOME RECOGNISED FOR THE YEAR PER THE STATEMENT OF FINANCIAL PERFORMANCE

(16 371) **20 816**

TOTAL DONOR FUNDING RECEIVED IN ADVANCE

- **19 980**

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16 RECONCILIATION OF NET CASH FLOW FROM OPERATING ACTIVITIES TO NET SURPLUS

	2014/15	2013/14
	R'000	R'000
Net surplus as per statement of financial performance	148 858	73 634
Adjusted for non-cash items:		
Depreciation/amortisation	582	509
(Profit)/loss on disposal of property, plant and equipment	(14)	(14)
Finance cost	3 373	2 471
Adjusted for items separately disclosed		
Interest received	(27 737)	(19 725)
Adjusted for working capital changes:		
(Increase)/Decrease in receivables from exchange transactions	(809)	930
(Increase)/Decrease in receivables from non-exchange transactions	(15 579)	6 557
(Decrease)/Increase in payables and provisions	(31 413)	(88 333)
Decrease/(Increase) in consumables	-	105
Cash generated from operations	77 261	(23 866)

17 CONTINGENCIES

17.1 Retention of surplus funds

In terms of the PFMA, all surplus funds as at year-end may be forfeited to National Treasury should an application for retention of surplus funds be denied. We submitted an application to the Department of Higher Education and Training and Training for the retention of surplus funds. As in the previous year BANKSETA expects that National Treasury will approve the retention of surplus funds, due to the fact that, of the Available Discretionary Reserves of R450 639 000, R444 949 000 (99%) has been committed to future discretionary projects.

17.2 First time employer registrations

The Skills Development legislation allows an employer, registering for the first time, 6 months to submit an application for a mandatory grant.

At the reporting date it is estimated that, as a result, additional mandatory grant expenditure of R342 000 (2013/14: R191 000) will be payable. The amount is contingent on the number of submissions received and approved.

COMMITMENTS

18.1 Discretionary reserve

Of the balance of R445 428 000 (2013/14: R296 908 000) available in the discretionary reserve at the end of March, R719 720 000 has been approved by the Accounting Authority for future projects and skills priorities as set out below. Note that the definition commitments by the accounting authority includes signed contracts and memorandums of agreements up to the approval date of the financial statements. Amounts for expenses that have already been contracted or incurred, and therefore included in grant expenses in the Statement of Financial Performance, are also indicated. A request for the accumulation of these funds has been submitted to National Treasury. At the time of compiling the financial statements, no reply had been received.

Banking Sector Education and Training Authority
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NSDS Indicator	Project Name	Project number	Opening balance 2012/13	Approved by Accounting Authority	Utilised	Opening balance 2013/14	Approved by Accounting Authority	Utilised	Closing Balance	Commitments 2014/15	Commitments 2013/14
2,8	SME Training Voucher Project 2007	212	46	-	-	46	-46	-	-	-	-
2,8	IEDP Canada 2008	242	39	-	-	39	-39	-	-	-	-
2,8	QCTO Pilot Project	246	8 549	-7 715	-212	622	-20	-130	472	357	479
2,2	SME Training Voucher Project 2008/09 and 2009/10	251	-	-	-	-	-	-	-	-	-
5,1	Centres of Excellence: NW University	270	170	-	-	170	-170	-	-	-	-
2,8	FAIS Support & Implementation	290	2 080	-2 080	-	-	-	-	-	-	-
2,8	Discretionary Grant Funding Window	293	-	-	-	-	-	-	-	-	-
2,8	Reasonable Accommodation Strategies	294	1 697	-1 697	-	-	-	-	-	-	-
4,1	Bridging programme for learners with disability	301	4 508	1 115	-3 016	2 607	-2 028	-402	177	-	2 807
5,1	Centre of Excellence: University of FortHare	308	63	-93	29	-	-	-	-	-	-
	Work Readiness Intervention	309	201	-201	-	-	14 814	-	14 814	-	-
2,8	Certificate in Management Development 2010	310	1 794	-1 794	-	-	-	-	-	-	-
2,8	Youth Portal	312	976	-976	-	-	-	-	-	-	-
2,8	IEDP Planning	317	332	-	-316	16	1	-11	5	-	-
1,2	Career Awareness Project 2010	318	-	-	-	-	-	-	-	-	-
4,1	Kuyasa 2010/11	340	602	-	-	602	-602	-	-	-	-
	CEO Discretionary Funds 2010/11 & 2012	341	3 840	-3 840	-	-	-	-	-	-	-
2,8	Masters & Executive Courses	346	4 461	1 641	-282	5 820	-5 809	-11	-	-	2 480
2,8	IEDP USA 2011	347	129	230	2	361	-79	-283	-	-	243
2,8	18.1 Niche learnerships	348	3 367	-52	-1 015	2 299	-2 025	-275	-	-	2 289
4,1	18.2 Niche Learnerships	349	1 724	1 505	-488	2 741	-2 293	-448	-	-	1 122
4,1	Letsema 9	350	6 054	-6 024	-30	-	-	-	-	-	-
4,1	Kuyasa 2011/12	351	4 606	-4 601	-6	-	-	-	-	-	-
1,2	Career Awareness Project 2011	353	521	-521	-	-	-	-	-	-	-
2,7	Adult Education & Training (AET) 2011-2012	354	388	-2	-194	192	-192	-	-	-	193
2,2	SME Training Voucher Project 2011	355	-	-	-	-	-	-	-	-	-
2,2	SME Support 2011	356	238	-138	-100	-	-	-	-	-	77
2,8	Doctoral & Post Doctoral Funding 2011	359	389	-2	-381	6	-6	-	-	-	-
1,1	Research Skills Planning 2011	360	20	37	-57	-	-	-	-	-	-
4,3	NVC RPLAA Learner	362	20	-20	-	-	-	-	-	-	-
5,2	MicroFinance - FET Articulation	363	6 499	-2 609	-	3 890	-3 890	-	-	-	-
	BASA - Environmental and Social Risk Management	365	411	-200	-211	-	-	-	-	-	-
5,1	International Banking Conference: 2012 Investment	450	89	-89	-	-	-	-	-	-	-
	NFSAS Support Funding	456	50	2 950	-	3 000	8 270	-577	10 693	2 423	3 000
4,1	Research and Skills Planning	458	2 082	-1 157	-925	-	-	-	-	-	-
4,2	University of Zululand 2	459	4 909	-195	4 714	-	-	-	-	-	-
	Adult Education and Training (AET)	460	800	-	-800	-	-	-	-	-	-
	Financial Literacy 2012/2013	461	264	-19	-245	-	-	-	-	-	-
4,2	MFI Learnership	462	4 794	1 879	-4 483	2 190	-668	-1 426	96	-	1 900
	SME Support	464	1 811	-332	-875	604	-29	-430	144	49	501
	SME Voucher	465	207	-9	-198	-	-	-	-	-	-
4,3	Kuyasa 13 Learnership	466	26 886	-	-11 550	15 336	-14 799	-41	496	-	1 896
4,3	Letsema Learnership	467	19 686	5 957	-23 531	2 112	-1 611	-34	467	-	1 928
4,3	Work Readiness Intervention	468	16 967	2 654	-9 233	10 388	-2 301	-7 788	299	181	7 880
	QCTO 2012	469	13	-	-	13	-	-	13	-	-
	NVC-RPLAA 2012	470	600	-	-600	-	-	-	-	-	-
	Co-Operative Banks Staff Development	471	150	-	-150	-	-	-	-	-	-
4,2	IEDP UK; Dubai & Uganda 2012	472	182	-146	-36	-	-	-	-	-	-
4,2	IEDP USA & Ghana 2012	473	310	696	-448	558	-128	-	430	-	571

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NSDS Indicator	Project Name	Project number	Opening balance 2012/13	Approved by Accounting Authority	Utilised	Opening balance 2013/14	Approved by Accounting Authority	Utilised	Closing Balance	Commitments 2014/15	Commitments 2013/14
	National Payment System 2012	474	800	-350	-	450	-450	-	-	-	-
4,2	CMD 2012	475	810	-232	-198	380	-395	14	-	-	197
	Career Awareness 2012-2013	476	342	-184	-146	12	-	-	12	-	-
4,2	Internship and Work-Based Experience Initiative	478	6 310	-800	-2 760	2 750	-1 400	-1 350	-	-	2 290
	Niche Learnerships (18.1)	479	5 183	-21	-1 887	3 275	-1 542	-1 687	46	30	3 203
4,3	Post-School Public FET Capacity Building	480	49 960	53 418	-5 268	98 111	-8 995	-33 057	56 072	56 092	74 485
4,2	Niche Learnerships (18.2)	481	2 675	-50	-939	1 686	-618	-870	198	135	1 662
5,1	Centre of Excellence : University of Venda	483	458	-50	-302	107	-	-	107	-	93
3,2	Post Matric Work Readiness Programme	484	19 572	928	-14 459	6 041	3 301	-8 736	606	360	9 026
	Recognition of Prior Learning (RPL) for FAIS Compl	485	23 085	-513	-18 380	4 191	-400	-3 500	291	-	2 426
	HIV/AIDS Training Support	486	208	-56	-151	-	-	-	-	-	-
	IT Skills Funding Window	487	3 837	-660	-3 041	136	-99	-129	-92	-	154
5,1	Centre of Excellence: University of Zululand	488	142	-162	20	-	-58	-	-58	-	-
4,2	University of Technology Work Integrated Learning (WIL)	489	1 900	4 140	-514	5 526	-	-5 445	81	-	5 000
4,1	German Dual Education Model Benchmarking Tour	490	2 500	-	-2 080	420	-	-26	394	-	-
4,2	Merit Bursaries	491	8 981	12 817	-2 758	19 040	-4 480	-12 245	2 314	-	14 145
2,8	CMD for Micro-Finance	492	3 500	504	-1 147	2 857	-	-2 662	860	-	2 662
	Capacity Building in Development Finance in SA	493	-	6 000	-	6 000	-	-1 272	4 728	4 199	5 462
	Inter-Banking Compliance Project	494	3 150	8 839	-711	11 278	638	-4 389	7 527	6 886	11 270
	Maths & Science Support Programme	496	-	30 000	-2 089	27 911	9 728	-11 249	26 389	15 583	26 810
4,4	Pro-Maths - Centre of Excellence	497	10 000	-6 770	-2 153	1 077	-1 077	-	-	-	2 153
	Career Awareness 2013	498	-	1 287	-1 154	133	-10	-123	-	-	123
	AET 2013	499	-	1 000	-	1 000	-	-432	568	432	864
	MTS 2013	500	-	6 600	-6 311	289	-	-	289	-	6 618
	SME Support 2013	501	-	4 524	-2 608	1 916	-689	-482	745	727	1 701
4,6	Entrepreneurship Skills for SMEs	502	4 710	-	-911	3 799	-1 677	-2 085	38	-	2 057
4,2	Review of SA Micro-Finance 2013	503	483	-27	-456	-	-	-	-	-	-
	Cooperative Financial Institutions Support 2013	504	-	6 205	-1 456	4 749	-338	-3 170	1 245	1 237	4 083
	Niche Learnerships for Employed Learners (18.1)	505	-	21 110	-6 344	14 766	-1 660	-8 170	4 936	3 888	13 626
	Niche Learnerships for Unemployed Learners (18.2)	506	-	15 360	-3 704	11 656	-2 713	-2 348	6 595	6 112	10 456
	Letsema 11 Learnership	507	-	41 597	-7 059	34 538	-3 804	-29 167	1 567	-	31 074
	Kuyasa Learnership 2014	508	-	20 000	-3 384	16 616	-1 052	-12 317	3 246	-	14 272
	PIVOTAL Grants Funding Window	509	-	36 142	-2 260	33 881	-4 049	-16 117	13 715	17 194	31 602
	UWC SAICA THUTHUKA	510	-	25 000	-17 358	7 642	22 450	-19 623	10 465	10 278	7 527
	Entrepreneurship Graduation Project	511	-	6 500	-2 462	4 038	-	-2 103	1 935	1 878	3 982
	CoE - Univ of Fort Hare 2013	512	-	3 275	-3 015	261	-	-14	246	-	-
	UniZulu 2014 - CoE	513	-	14 556	-5 509	9 047	-	-8 923	124	-	8 897
	Skills@Work Awards 2013	514	-	160	-160	-	-	-	-	-	-
	Doctoral & Post Doctoral Studies Research Funding	515	-	500	-110	390	-	-172	219	131	-
	Certificate for Management Development Programme	516	-	9 900	-8 120	1 780	-888	-855	37	-	864
	Masters & Executive Short Courses	517	-	7 045	-3 391	3 654	-100	-2 370	1 538	224	2 598
	International Executive Development Programme - Retail Banki	518	-	5 529	-5 525	4	-110	106	-	-	-

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NSDS Indicator	Project Name	Project number	Opening balance 2012/13	Approved by Accounting Authority	Utilised	Opening balance 2013/14	Approved by Accounting Authority	Utilised	Closing Balance	Commitments 2014/15	Commitments 2013/14
	IEDP Investment Banking 2013	519	-	7 162	-7 105	57	-	173	231	-	-
	Certificate: Management Development Programme 2014	520	-	12 500	-	12 500	-	-12 000	1 928	12 621	24 621
	Consumer Education	521	-	2 000	-	2 000	-	-217	1 783	178	1 500
	CoE: University of Venda- SAICA Thuthuka (1)	523	-	7 716	-3 109	4 607	-	-4 477	129	-	4 441
	IEDP Investment Banking 2014	524	-	9 133	-1	9 132	-	-6 391	2 740	1 441	-
	IEDP Retail Banking 2014	525	-	9 619	-39	9 581	-3 109	-6 331	140	31	-
	SME Support Project 2014	526	-	5 900	-	5 900	-2 700	-679	2 521	2 183	-
	Mobile Training Solutions	527	-	7 500	-	7 500	-493	-6 571	436	-	-
	Career Awareness 2014/15	528	-	1 500	-	1 500	279	-1 176	608	-	-
	RPL for SDF's	529	-	2 750	-	2 750	70	-70	2 680	699	-
	CoE: University of Zululand (Year 4)	530	-	19 162	-	19 162	-8 637	-9 974	551	-	-
	CoE: University of Fort Hare 2014	531	-	5 500	-	5 500	-100	-4 358	1 042	-	-
	CoE: University of Venda (Year 2)	532	-	7 716	-	7 716	-716	-6 260	740	520	-
	RPL Capacity Building for Training Providers	533	-	5 000	-	5 000	-	-	5 000	-	-
	Training of RPL Assessors and Moderators	534	-	8 000	-	8 000	-	-	8 000	-	-
	Masters and Executive Development Courses 2014	535	-	7 000	-	7 000	-	-2 000	5 000	4 748	-
	Internships and Work-Based Experience Initiative 2014	536	-	6 000	-	6 000	90	-1 010	4 990	4 943	-
	Merit Bursaries Actuarial Science(Accounting)	537	-	6 000	-	6 000	2 850	-2 997	5 853	26 378	-
	Doctoral and Post Doctoral Studies Funding	538	-	500	-	500	-	-100	400	122	-
	RPL for FIAS Project	540	-	8 000	-	8 000	-	-	8 000	13 987	-
	Skills@Work Awards	541	-	150	-	150	72	-187	35	-	-
	Information Technology Programme	542	-	5 000	-	5 000	5 000	-	10 000	4 857	-
	University of Technology WIL Funding	543	-	15 000	-	15 000	-5 800	-1 973	7 227	5 212	-
	Work Readiness Intervention Post Graduates	544	-	15 000	-	15 000	-	-	15 000	14 186	-
	Post Matric Work Readiness Intervention	545	-	15 000	-	15 000	-	-	15 000	4 708	-
	Kuyasa Learnership	546	-	15 000	-	15 000	15 851	-6 941	23 910	19 235	-
	Letsema Learnership	547	-	25 000	-	25 000	15 415	-9 281	31 134	27 196	-
	CMD- Micro Finance	548	-	4 750	-	4 750	-	-1 210	3 540	2 822	-
	Niche Learnership for Employed Learners (18.1)	549	-	20 000	-	20 000	-	-6 423	13 577	13 647	-
	Niche Learnership for Unemployed Learners (18.2)	550	-	20 000	-	20 000	-	-5 508	14 562	13 853	-
	Funding for Learners with Disabilities (Unemployed) 18.2	551	-	500	-	500	-	-	500	440	-
	PIVOTAL Grant Funding Window	552	-	25 237	-	25 237	4 049	-8 954	20 500	15 737	-
	NSFAS		3 000	-3 000	-	-	-	-	-	-	-
	FET Colleges Infrastructure Contribution	555		71 827	-67 325	4 502		-3 373	1 129	1 129	4 502
	University Grant Funding Window	539	-	-	-	-	15 000	-	15 000	-	-
	Sponsorship of the AAOIB African Banking Conference 2014	553	-	-	-	-	200	-	200	-	-
	Cooperative Financial Institutions Business Analyst Internsh	554	-	-	-	-	4 300	-700	3 600	3 600	-
	FET College Work Integrated Learning (WIL) Funding Window	556	-	-	-	-	16 418	-7 653	8 765	10 868	-
	Letsema Learnership	557	-	-	-	-	35 000	-	35 000	19 109	-
	Kuyasa Learnership	558	-	-	-	-	15 000	-	15 000	19 703	-

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NSDS Indicator	Project Name	Project number	Opening balance 2012/13	Approved by Accounting Authority	Utilised	Opening balance 2013/14	Approved by Accounting Authority	Utilised	Closing Balance	Commitments 2014/15	Commitments 2013/14
	Learnership funding for Unemployed	559	-	-	-	-	20 000	-	20 000	-	-
	Work Readiness ramme for Graduates	560	-	-	-	-	13 500	-	13 500	15 162	-
	Work Readiness ramme for Post-Matric learners	561	-	-	-	-	5 000	-	5 000	-	-
	Internships and Work-Based Experience Funding	562	-	-	-	-	6 000	-	6 000	-	-
	Higher Education Funding Window	563	-	-	-	-	5 000	-	5 000	-	-
	Learning ramme for Learners with Disabilities	564	-	-	-	-	2 000	-	2 000	-	-
	Merit Bursaries	565	-	-	-	-	5 000	-	5 000	-	-
	Certificate in Management Development	566	-	-	-	-	9 000	-	9 000	-	-
	Post-School Public FET (TVET) Capacity Building	567	-	-	-	-	20 500	-	20 500	-	-
	Pivotal Grant Funding Window	568	-	-	-	-	30 000	-	30 000	4 567	-
	Learnership Funding for Employed	569	-	-	-	-	20 000	-	20 000	-	-
	Career Guidance	570	-	-	-	-	1 500	-	1 500	-	-
	International Executive Development Programme - Investment Banking	571	-	-	-	-	20 000	-	20 000	-	-
	PhD & Post-Doctoral Studies Funding Programme	572	-	-	-	-	1 000	-	1 000	-	-
	SME Funding for scarce and critical skills	573	-	-	-	-	2 900	-	2 900	-	-
	Mobile Training Solutions	574	-	-	-	-	7 500	-	7 500	-	-
	Development Finance Skills Development	575	-	-	-	-	1 000	-	1 000	-	-
	Co-operative Financial Institutions Support	576	-	-	-	-	2 000	-	2 000	-	-
	Universities of Technology Work-Integrated Learning Funding Window	577	-	-	-	-	12 000	-	12 000	-	-
	Centre of Excellence - University of Zululand	578	-	-	-	-	15 700	-	15 700	12 756	-
	International Executive Development Programme - Retail		-	-	-	-	8 828	-	8 828	-	-
	Centre of Excellence - University of Fort Hare	579	-	-	-	-	5 000	-	5 000	-	-
	Centre of Excellence - University of Venda	580	-	-	-	-	18 000	-	18 000	18 000	-
	Africa Expansion	581	-	-	-	-	500	-	500	-	-
	TVET Work-Integrated Learning Funding Window	582	-	-	-	-	15 000	-	15 000	-	-
	Entrepreneurship Programme	583	-	-	-	-	3 000	-	3 000	-	-
	Technical Vocational and Training (TVET) Articulation	584	-	-	-	-	1 000	-	1 000	-	-
	- Skills@Work Awards	585	-	-	-	-	250	-	250	-	-
	Executive Programmes Bursaries	586	-	-	-	-	7 000	-	7 000	-	-
	Project Refunds	-	-	-	-	-	-	150	-	-	-
		-	285 133	685 334	(281 904)	688 563	352 082	(323 318)	719 720	423 036	363 812

The current year expenditure (utilised), is made up as follows (Note 5):

Finance costs relating to FET colleges infrastructure contribution

Project expenditure

(323 318)

(3 373)

(319 945)

Banking Sector Education and Training Authority
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Operating Leases

Total of future minimum lease payments under non-cancellable leases:

	2014/15	2013/14
	R'000	R'000
Not later than one year	2 849	2 279
Later than one year and not later than five years	-	2 246
	<u>2 848</u>	<u>4 525</u>

The operating leases above relate to building premises used for office accommodation, multifunction copiers and a vending machine. During February 2011 BANKSETA entered into a new lease agreement for the building until 28 February 2016. The rental and operational costs escalate annually on 1 March with 8.5%. The vending machine contract has a 0% escalation, and will run from November 2012 to 31 March 2016. One multifunction copier lease has the following period: June 2011 to May 2014, and has a 15% escalation rate, which is also linked to the prime interest rate. Other multifunction copiers have fixed payments with no escalation.

19. MATERIAL LOSSES THROUGH CRIMINAL CONDUCT, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

19.1 Irregular Expenditure

Incident/Detail of Irregular Expenditure	Disciplinary Steps Taken/ criminal proceedings	2014/15	2013/14
		R'000	R'000
Transactions above R500 000, but less than R1 000 000, not treated as Requests for Bids	None, as this was a misinterpretation of legislation. Training has been provided to staff to prevent a recurrence.	-	989
Total irregular expenditure incurred in the current financial year		<u>-</u>	<u>989</u>

	2014/15	2013/14
	R'000	R'000
Opening balance	989	1 117
	-	989
Less: Amounts condoned	-	(1 117)
Closing Balance of Expenditure awaiting condonation/to be recovered	<u>989</u>	<u>989</u>

Banking Sector Education and Training Authority
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19,2 Fruitless and Wasteful Expenditure

	2014/15	2013/14
Reconciliation of Fruitless and Wasteful Expenditure	R'000	R'000
Fruitless and wasteful expenditure - opening balance	4	-
Fruitless and wasteful expenditure - current year	-	4
Less: amounts condoned	-	-
Less: amounts recovered	-	-
Fruitless and wasteful expenditure awaiting condonation or recovery	4	4

The expenditure relates to a cancelled order for gifts meant for the Certificate in Management Development Project in May 2013. BANKSETA only realised subsequent to the supplier starting the work, that the contract value would be exceeded if the process was finalised. This led to the cancellation of the order and a cancellation fee was paid to the supplier.

20 FINANCIAL INSTRUMENTS

In the course of the SETA operations it is exposed to credit, liquidity and market risk. The SETA has developed a comprehensive risk strategy in terms of TR 28.1 in order to monitor and control these risks. The risk management process relating to each of these risks is discussed under the headings below.

Interest rate risk

The SETA manages its interest rate risk by effectively investing SETA surplus cash in term deposits with different financial institutions according to the SETA's investment policy.

	Interest bearing		Non-interest bearing	TOTAL R'000
	Amount R'000	Effective interest rate	Amount R'000	
Year ended 31 March 2015				
<i>Assets</i>				
Cash	565 201	5,58%	-	565 201
Accounts receivable from non-exchange transactions	-	-	15 807	15 807
Other accounts receivable	-	-	3 386	3 386
Total financial assets	565 201	5,58%	19 193	584 394
<i>Liabilities</i>				
Trade and other payables	30 794	-	91 779	122 573
Total financial liabilities	30 794	-	91 779	122 573
Year ended 31 March 2014				
Total financial assets	464 331	4,94%	2 805	467 136
Total financial liabilities	(67 325)	-	(81 504)	(148 829)
	397 006	4,94%	(78 699)	318 307

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The SETA limits its treasury counter-party exposure by only dealing with well-established financial institutions approved by National Treasury. The SETA's exposure is continuously monitored by the accounting authority.

Credit risk with respect to levy paying employers is limited due to the nature of the income received. The SETA's concentration of credit risk is limited to the banking industry in which the SETA operates. No events occurred in the banking industry during the financial year that may have an impact on the accounts receivable that has not been adequately provided for. The SETA is exposed to a concentration of credit risk, as significant amounts is owed by the South African Revenue Service (SARS). This concentration of risk is limited as SARS is a government entity with sound reputation. Accounts receivable are presented net of allowance for doubtful debt.

The ageing of other receivables

	2014/15		2013/14	
	Gross R'000	Impairment R'000	Gross R'000	Impairment R'000
Not past due	2 164	-	1 180	-
Past due 0 - 30 days	1 289	-	1 520	-
Past due 31 - 120 days	-	-	637	-
Past due 120 - 365 days	1 222	-	-	-
More than one year	-	-	760	-
Total other receivables	3 453	-	-	-

The ageing of cash and cash equivalents:

	2014/15		2013/14	
	Gross R'000	Impairment R'000	Gross R'000	Impairment R'000
Not past due	565 201	-	464 331	-
Past due 31 - 120 days	-	-	-	-
Past due 120 - 365 days	-	-	-	-
More than one year	-	-	-	-

The SETA manages liquidity risk through proper management of working capital, capital expenditure and actual vs. forecasted cash flows and its cash management policy. Adequate reserves and liquid resources are also maintained.

2014/15

	Carrying Amount	Contractual Cash Flows	6 months or less	1 - 2 years	More than 2 years
Trade and other payables from exchange transactions	(36 971)	(36 971)	(36 652)	-	-

2013/14

	Carrying Amount	Contractual Cash Flows	6 months or less	1 - 2 years	More than 2 years
Trade and other payables from exchange transactions	(45 960)	(45 960)	(45 960)	-	-

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

Market risk

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

The SETA's financial instruments consist mainly of cash and cash equivalents, account and other receivables, and account and other payables. No financial instruments were carried at an amount in excess of its fair value. The following methods and assumptions are used to determine the fair value of each class of financial instrument:

Cash and cash equivalents

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

The carrying amount of accounts receivable is net of allowance for any doubtful debt, estimated by the accounting authority based on prior experience. The carrying amount of these assets approximates their fair value.

Accounts payable

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

21. NEW ACCOUNTING PRONOUNCEMENTS

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

		Effective date, commencing on or after
Segment Reporting	GRAP 18	01 April 2015
Statutory receivables	GRAP 108	Not yet determined
Related party disclosures	GRAP 20	Not yet determined

An entity shall apply Standards of GRAP for Annual Financial Statements covering periods beginning on or after a date to be determined by the Minister of Finance in a regulation to be published in accordance with section 91(1)(b) of the PFMA.

GRAP 20 : Related Party disclosures

This standard prescribe the disclosure of information relevant to draw attention to the possibility that the Seta financial position and surplus/deficit may have been affected by the existence of related parties. It is not expected that this standard will significantly impact future disclosures as the current disclosures are based on GRAP 20.

GRAP 18: Segment reporting

This standard prescribes the disclosure to present more specific and detailed information about major activities undertaken by an entity during a particular period, along with the resources allocated to those activities. The SETA already reports on revenue and expenditure per segment. Although the format of the reporting could change, we do not foresee major disclosure changes.

GRAP 108: Statutory receivables

The standard prescribes the accounting treatment of receivables that arise from legislation, supporting regulations, or similar means. It is not expected that this standard will significantly impact future disclosures.

The following Standards and Interpretations that have been issued but are not yet affective are not applicable to the SETA and will not have an impact on future financial statements:

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NOTES TO THE FINANCIAL STATEMENTS

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Effective date, commencing on or after

Transfer of Functions between Entities Under Common Control	GRAP 105	01 April 2015
Transfer of Functions between Entities Not Under Common Control	GRAP 106	01 April 2015
Mergers	GRAP 107	01 April 2015
Service concession arrangements: grantor	GRAP 32	Not yet determined

22. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

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

Useful lives and residual value of property, plant and equipment and intangible assets

The SETA has reviewed the residual values used for the purposes of depreciation calculations in light of the amended definition of residual value. The review did not highlight any requirement for an adjustment to the residual values used in the current or prior periods. Residual values are reviewed annually.

The SETA reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each annual reporting period, refer note 7 and 8 for the respective carrying values.

23. RELATED PARTY TRANSACTIONS

Transactions with entities under common control

The SETA was controlled by the Department of Labour, for the period up until 31 October 2009, and since 1 November 2009 by the Department of Higher Education and Training and Training. The departments were controlled, respectively by the Minister of Labour and Minister of Higher Education and Training.

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

InterSETA transactions and balances arise due to the movement of employers from one SETA to another.

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The balances at year-end included in receivables and payables are:

		2014/15		2013/14	
		R'000		R'000	
		Amount of the transaction	Amount receivable/ payable	Amount of the transaction	Amount receivable/ payable
Receivables	9	-	5	(140)	5
FASSET		-	-	2	-
MICT		-	-	(144)	-
INSETA		-	-	2	-
SERVICES SETA		-	5	-	5
Payables	13	59	(59)	11	26
FASSET		-	-	(5)	-
INSETA		-	-	6	-
CHIETA		-	-	-	-
SERVICES SETA		-	-	-	-
SASSETA		-	-	(16)	-
OTHER		59	(59)	-	-
W & R SETA		-	-	(26)	26
Total		59	(54)	(129)	(21)

*Note that relating to SETA transfer that the amount of the transaction, where applicable, includes interest and penalties transferred to or from the SETA.

Remuneration of Key Management

The key management personnel (as defined by IPSAS 20, Related Party Disclosures) of BANKSETA is: the members of the accounting authority and the members of the senior management group.

The Accounting Authority consists of members appointed in terms of its constitution. The Chief Executive Officer attends meetings of the Accounting Authority but is not a member of the Accounting Authority. The aggregate remuneration of members of the Accounting Authority and the number of members receiving remuneration within this category are:

	2014/15	2013/14
	R'000	R'000
Aggregate remuneration	700	329
Number of persons	14	11

The senior management group consists of the SETA's chief executive officer, and the following General Managers: General Manager: Operations, General Manager: Corporate Services and the Chief Financial Officer. The aggregate remuneration of members of the senior management group and the number of managers receiving remuneration within this category are:

	2014/15	2013/14
	R'000	R'000
Aggregate remuneration	3 977	1 416
Number of persons	4	1

Refer to the report by the Accounting Authority for detail disclosure concerning the emoluments of members of the Accounting Authority and the Chief Executive Officer.

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24. TRANSACTIONS WITH STAKEHOLDERS REPRESENTED ON THE ACCOUNTING AUTHORITY

BANKSETA has, in the normal course of its operations, entered into certain transactions with entities which had a nominated representative serving on BANKSETA's accounting authority.

Related party	Nature of relationship	Transaction type	2014/15		2013/14	
			R'000		R'000	
			Amount of the transaction	Amount receivable/ (payable)	Amount of the transaction	Amount receivable/ (payable)
Receivables						
ABSA Letsema	S Louw (Authority member)	Letsema Project	-	-	-	-
ABSA Kuyasa	S Louw (Authority member)	Kuyasa Project	-	-	-	-
Payables						
Investec	M Van der Walt (Audit Committee Chairperson, resigned during 2014/15)	Discretionary Grant	280	(280)	-	-
First Rand Bank	E Maepa (Authority member)	Discretionary Grant	3 697	-	492	(12)
Micro Finance South Africa	I Noko (Authority member)	Discretionary Grant	115	(20)	-	-
ABSA	S Louw (Authority member)	Discretionary Grant	17 496	-	-	-
Nedbank	A Thebyane (Authority member)	Discretionary Grant	4 934	(148)	6 425	(3 284)
Standard Bank	S Taylor (Authority member)	Discretionary Grant	4 010	-	1 258	-
Capitec	N Motjuwadi (Authority Member)	Discretionary Grant	2 909	(740)	720	-
			-	-	-	-
Total			-	-	-	-

The above transactions occurred under terms that were no less favourable than those available in similar arm's length dealings.

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25. NOTES TO COMPARISON OF BUDGET AND ACTUAL

Legislation requires that the SETA annually, in August submit a budget to the Minister for approval. Any subsequent changes required to the initial budget are approved by the Management Board on recommendation of the Finance Committee.

25.1 Skills Development Levy: Income from non-exchange transactions:

The levy receipt for the current year was 14% higher than the budget for the year, due to higher increases, bonuses and employee share schemes maturities.

25.2 Skills Development Levy: penalties and interest from non-exchange transactions:

Income from penalties and interest arise when employers fail to submit their returns as required by legislation. These amounts typically vary significantly year on year. The full balance is made available for projects.

25.3 Investment Revenue from Exchange Transactions

Investment Revenue from Exchange Transactions was 145% more than what was budgeted for due to high interest rates obtained on BANKSETA's investments in 2014/15 and higher average cash balances during the financial year.

25.4 Employer grant

The approved final budget only includes the estimated mandatory grant spending of the current financial year. There was an increase in mandatory grant expenditure due to the increase in levies received.

25.5 Project Expenditure (including Finance Costs relating to the FET Infrastructure liability)

The approved final budget only includes the estimated project spending of the current financial year. The actual project expenditure was lower than the budget due to the time frame of projects, as generally projects incur expenses towards the end of the life span of the projects.

25.6 Administration expenses

Administration expenditure is limited to 10.5% of levies received. The legislation limit has not been exceeded and the savings will be utilised to fund sector skills priorities, through various projects.

26. 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.

The SETA is currently established until 31 March 2016. There are no known instances that cast doubt on the BANKSETA's ability to continue as a going concern except the uncertainty of the SETA's existence post 31 March 2016. The SETA is currently awaiting notice from the Minister for a renewal of its certificate of establishment post 31 March 2016.



REGISTERED LEARNERSHIPS

DHET REG NO	LEARNERSHIP TITLE	QUALIFICATION TITLE
02Q020064221234	Further Education and Training Certificate: Credit and Sales for Asset Based Finance	Further Education and Training Certificate: Banking
02Q020074171204	Further Education and Training Certificate:Banking	Further Education and Training Certificate:Banking
02Q020013241554	Retail Foreign Exchange Banking Learnership	Further Education and Training Certificate: Banking
02Q020052231404	National Certificate: Banking: Credit Analysis	Further Education and Training Certificate: Banking
02Q020053321204	Essential Skills for Banking	Further Education and Training Certificate: Banking
02Q020022231204	Introduction to Micro Finance Supervision and Management Learnership	Further Education and Training Certificate: Banking
02Q020051271205	National Certificate in Banking: Treasury and Global Markets	National Certificate in Banking: Treasury and Global Markets
02Q020077111205	Retail Banking Sales and Marketing Management	Retail Banking Sales and Marketing Management
02Q020018001205	Business Analysis Learnership	Certificate: Business Management
02Q020019001205	HR Benefits in Banking Consulting Learnership	National Certificate: Human Resources Management
02Q020023001205	Legal Recoveries Services	National Certificate: Banking Services Advice
02Q020024001205	Risk Management Learnership	Certificate: Business Management
02Q020025181545	Banking Management Learnership	National Certificate: Banking
02Q020026171565	Asset Protection in Banking Learnership	National Certificate: Banking
02Q020027291685	Corporate Asset Based Finance Learnership	National Certificate: Banking
02Q020028231395	Relationship Manager Learnership	National Certificate: Banking
02Q020029201315	Customer Service Representative Learnership	National Certificate: Banking
02Q020057101205	National Certificate: Core Banking and Financial Services	National Certificate: Banking
02Q020030001205	Small Business Services Learnership	National Certificate: Banking Services Advice
02Q020031002405	Diploma in Management and Leadership Learnership	Diploma: Management Leadership
02Q020032002405	Human Resource in Banking Learnership	National Higher Certificate: Human Resource Management
02Q020033001205	Fleet Management Learnership	Certificate: Fleet Management
02Q020034001205	Operations and Productivity Management Learnership	Certificate: Business Management
02Q020015001205	National Certificate in Banking Services Advice	National Certificate: Banking Services Advice
02Q020010002405	Credit Learnership	Diploma: Credit
02Q020014001205	CML Learnership	Certificate: Management: Leadership
02Q020007001205	Treasury Learnership Programme	Diploma: Treasury: International Banking
02Q020004001805	Information Technology in Business	National Certificate: Information Technology
02Q020067071205	National Certificate: Banking	National Certificate: Banking
02Q020066101285	Certificate in Sales and Customer Relations	Certificate in Sales and Customer Relations
02Q020063091225	National Certificate: Credit and Sales for Asset Based Finance	National Certificate: Credit and Sales for Asset Based Finance
02Q020060051315	Credit and Risk Assessment	National Certificate: Banking
02Q020050001205	Certificate: Management Development Learnership	Certificate: Management Development
02Q020037181585	Certificate in Banking: Risk Management Learnership	National Certificate: Banking
02Q020036182015	Sales and Relationship Management	National Certificate: Banking
02Q020035391285	Investment Administration Learnership	National Certificate: Banking
02Q020038001205	Change Management Learnership	Certificate: Business Management
02Q020039001205	Project Management Learnership	Certificate: Business Management
02Q020040002405	Diploma in Business Analysis Learnership	Diploma: Advanced Business Management
02Q020045002405	Diploma: Advanced Business Management: Risk Management	Diploma: Advanced Business Management
02Q020044001205	Certificate: Bank Credit	Certificate: Bank Credit
02Q020047001205	Certificate in Financial Planning	Certificate in Financial Planning
02Q020049001205	Certificate in Bank Credit	Certificate: Bank Credit
02Q020065001205	Certificate in Sales: Banking	Certificate: Sales: Banking Services

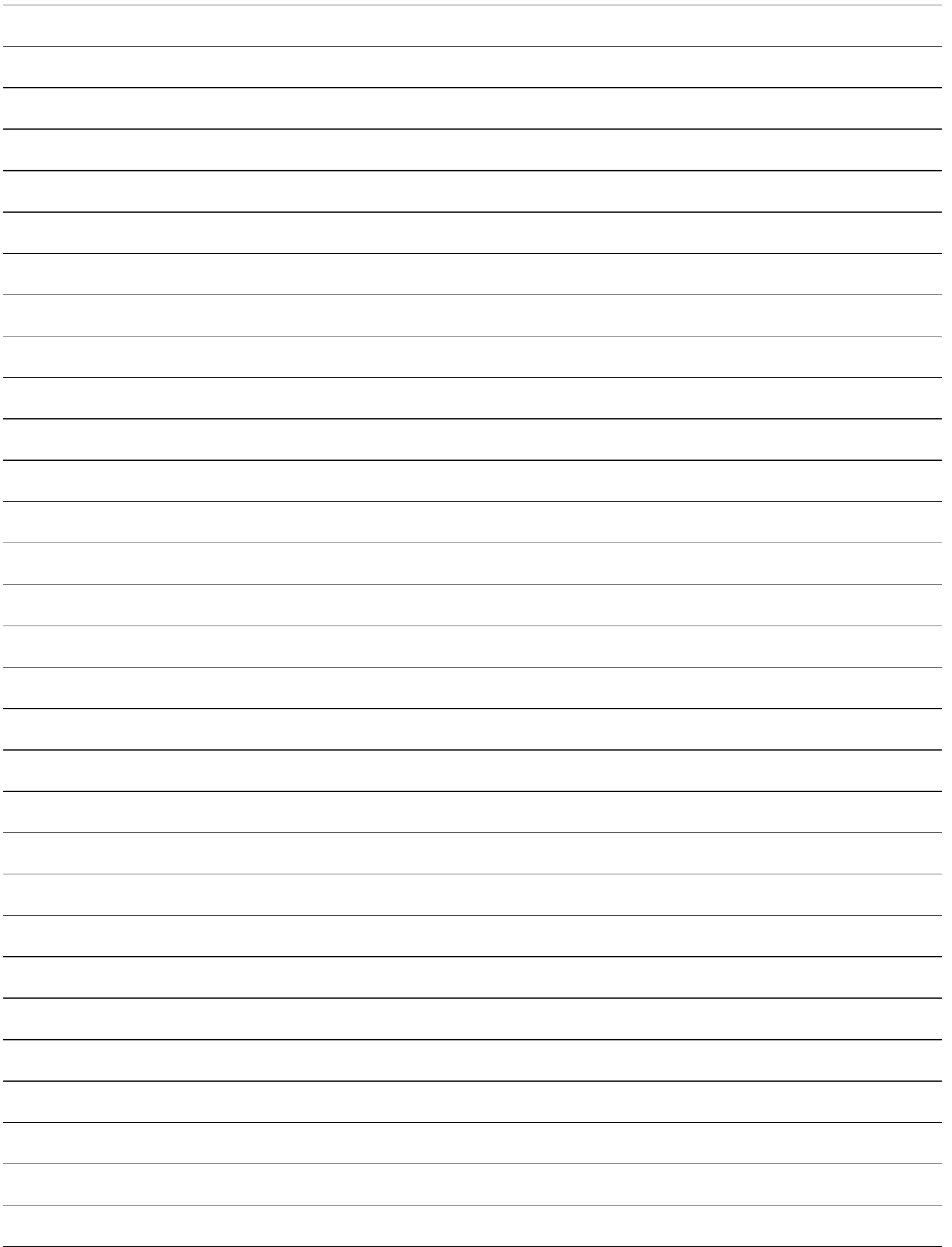
02Q020042003606	BML Learnership	Bachelor of Management Leadership
02Q020046081216	National Certificate: Financial Markets and Instruments	National Certificate: Financial Markets and Instruments
02Q020056002406	Higher Diploma in Banking: Management	Higher Diploma in Banking: Management
02Q020069081206	Advanced Certificate in Management	Advanced Certificate in Management
02Q020011001206	Internal Audit Technician Learnership	Diploma: Technician: Internal Auditing
02Q020151081206	Advanced Certificate in Management	Certificate: Business Management
05Q050033003606	Technician (Civil Engineering)	National Diploma: Engineering: Civil
02Q020072061206	Advanced Certificate for Graduate Trainees in Retail and /or Banking	Advanced Certificate for Graduate Trainees in Retail and / or Banking
02Q020071061206	Advanced Certificate in Banking Services	Advanced Certificate in Banking Services
02Q020070131206	Advanced Certificate in Banking Services	Advanced Certificate in Banking Services
02Q020075061206	Advanced Certificate for Credit Managers in Banking Services Environment	Advanced Certificate for Credit Managers in Banking Services Environment
02Q020076111298	Postgraduate Diploma in Coaching	Postgraduate Diploma in Coaching
02Q020068081308	Post Graduate Diploma in Business Administration	Post Graduate Diploma in Business Administration

UNREGISTERED LEARNERSHIPS

DHET REG NO	LEARNERSHIP TITLE	QUALIFICATION TITLE
02Q020002481203	Entry Level Banking Learnership	National Certificate: Banking
02Q020005141814	Retail Banking - Credit	Further Education and Training Certificate: Banking
02Q020020181474	Asset Protection in Banking	Further Education and Training Certificate: Banking
02Q020009001205	Financial Services Co-operatives Banking Learnership	Certificate: Banking

ACRONYMS

BANKSETA	Banking Sector Education and Training Authority
BASA	Banking Association South Africa
CBDA	Co-operative Bank Development Agency
CFI	Co-operative Financial Institutions
DBSA	Development Bank South Africa
FAIS	Financial Advisory and Intermediary Services Act
FET	Further Education and Training
FSB	Financial Services Board
FSC	Financial Services Charter
GDP	Gross Domestic Product
HEI	Higher Education Institution
IB	Inclusive Banking
IT	Information technology
MFSA	Micro Finance South Africa (previously Association of Micro Lenders)
NCR	National Credit Regulator
NEET	Not in Education, Employment or Training
NQF	National Qualifications Framework
NSDS	National Skills Development Strategy
PIVOTAL	Professional, Vocational, Technical and Academic Learning
RPL	Recognition of Prior Learning
QCTO	Quality Council for Trade and Occupations
SACCO	Savings and Credit Co-operatives
SAQA	South African Qualifications Authority
SARB	South African Reserve Bank
SARS	South African Revenue Services
SETA	Sector Education and Training Authority
SMEs	Small and micro enterprises
SSP	Sector Skills Plan
TVET	Technical and Vocational Education and Training
WSP	Workplace Skills Plan
WSP/TR	Workplace Skills Plan/Annual Training Report





BANKSETA





TEAM





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