

ANNUAL REPORT 2022-2023



South African Nursing Council
Regulating nursing, advocating for the public



SANCC

South African Nursing Council
Regulating nursing, advocating for the public



SANC's General Information

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List of Abbreviations/Acronyms

AFS	Annual Financial Statements
APC	Annual Practising Certificate
APM	Audit Planning Memorandum
APP	Annual Performance Plan
ARC	Audit and Risk Committee
ATR	Annual Training Report
ASDSA	Association for Skills Development in South Africa
BCM	Business Continuity Management
B-BBEE	Broad-Based Black Economic Empowerment
CHC	Community Health Centre
CHE	Council on Higher Education
CIPS	Chartered Institute of Procurement and Supply
CMTT	Change Management Task Team
COIDA	Compensation for Injuries and Diseases Act
COLA	Cost of Living Adjustment
CPD	Continuing Professional Development
COVID-19	Coronavirus Disease of 2019
DHET	Department of Higher Education and Training
DEL	Department of Employment and Labour
EAP	Employee Assistance Program
EDCO	Education Committee
EE	Employment Equity
EVP	Employee Value Proposition
ERP	Enterprise Resource Planning
FINCO	Finance Committee
FY	Financial Year
HEQSF	Higher Education Qualifications Sub-Frameworks
HRRP	Human Resources and Remuneration Committee
HRIS	Human Resources Information Systems
IC	Impairment Committee

ICAS	Independent Counselling and Advisory Services
ICT	Information and Communication Technology
M&E	Monitoring and Evaluation
MMS	Membership Management System
NEA	Nursing Excellence Awards
NEIs	Nursing Education Institutions
NDoH	National Department of Health
OD&WP	Organisational Development and Workforce Planning
OHS	Occupational Health and Safety
PAAP	Post Audit Action Plan
PCC	Professional Conduct Committee
PIC	Preliminary Investigating Committee
PMC	Project Management Committee
PMO	Project Management Office
PMDS	Performance Management Development System
ROE	Return on Earnings
SABPP	South African Board for People Practices
SADC	Southern Africa Development Community
SAICA	South African Institute of Chartered Accountants
SARA	South African Reward Association
SCM	Supply Chain Management
SITA	State Information Technology Agency
SMT	Senior Management Team
SFA	Strategic Focus Areas
SHERQ	Safety, Health, Environment, Risk And Quality
SMT	Senior Management Team
TWG	Technical Working Group
WFH	Work From Home



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SANC
South African Nursing Council
Regulating nursing, midwifery and public health

WALL OF REMEMBRANCE

tribute to our Nurses who have sacrificed
the line of duty while caring for their
against the COVID-19 virus for

You fought the
immeasurable
served the nation
medication



PART A

GENERAL INFORMATION

1

Message by the Chairperson

Dr Matlou Molepo



The Council of the South African Nursing Council has nearly finalised the fifth year of its five-year tenure from 2018 – 2023. The 16th Council of the South African Nursing Council (SANC) in its message in 2018, pledged that the **“overall SANC goals, over and above the strategic ones, which were to guide its programmes for five years, were to:¹**

- ensure good governance across the organisation;
- ensure excellent service delivery and effective regulation of the Nursing profession; and
- enhance stakeholder engagement and customer relations.”

It is with confidence that we inform you that the 16th Council has fulfilled its mandate through the dedication of the:

- Council members who were nominated and appointed by the then Minister of Health, through their varied backgrounds and knowledge in Nursing, law, finance, regulatory and governance;
- Executive and Senior Management of the SANC; and
- SANC Staff.

The past five years of the 16th Council were marred by challenges in the internal and external environment. The most devastating challenge being the COVID-19 pandemic, which adversely affected organisations of all sizes and the SANC was no exception during the peak of the pandemic. The Council was proactive and compassionate in softening the effect of this pandemic that not only destabilized the world, but the Nursing profession worldwide.

Following the disruptive COVID-19 pandemic, the Council took a resolution to honour the Nurses who succumbed due to the consequences of the pandemic by erecting a Wall of Remembrance in their honour. Through its compassionate efforts, the SANC ensured that the Nurses were not burdened with increasing Annual Practising Fees - a moratorium on the non-increase of fees during 2020 was communicated to all the SANC members. Additionally, a call of zero (R0) restoration fees/penalties was imposed and communicated to all Nurses who wished to practice during the pandemic period.

Further, the SANC was moved with compassion for its Staff

by implementing the Work From Home (WFH) system as a safety precaution.

In the 2022-2023 financial year, the 16th Council was diligent in executing its strategy through three Strategic Focus Areas (SFA) namely:

- **Repositioning and re-engineering the organisation;**
- **Regulating the Nursing Profession; and**
- **Providing Expert guidance on Nursing related matters.**

SFA: Repositioning and Re-Engineering the Organisation

- a. The SANC was able to fill critical executive positions, namely; the post of the Registrar and CEO since the retirement of the former Registrar, Ms SA Mchunu in September 2022, and the post of the Deputy Registrar;
- b. A fit-for-purpose organisational structure has been implemented with due care in ensuring a balance between the core and support business personnel;
- c. Self-assessment processes for the 16th Council and Committee members performance was conducted successfully;
- d. The SANC managed to become the employer of choice through its competitive remuneration and value-add for its staff;
- e. The SANC instituted internal controls and was able to obtain an unqualified audit opinion for the past three years through its credible externally sourced auditors; and
- f. Lastly, the Council was able to develop a Service Standards Charter to ensure improved service delivery not only for its varied stakeholders but for its clients.

SFA: Regulating the Nursing Profession

The core mandate of the SANC as guided by the Nursing Act, 2005 (Act No.33 of 2005) is to regulate the Nursing profession by establishing and maintaining Nursing education and training as well as practice standards and also advocate on behalf of the public in matters concerning Nursing.

¹Page 4: SANC Strategic Plan: 2018-2023

The Council has maintained a strong focus on regulating the Nursing profession, through benchmarking exercises, collaboration with like-minded institutions and research.

- a. The lesson learnt from the benchmark exercise conducted in 2019 about development of Licensure examination framework was that practice/task analysis be conducted to ensure that the licensure examination is based on the context and is psychometrically and legally defensible.
- b. The regulation of the Nursing profession is a consistent, systematic process that requires its custodian to be au courant due to the critical nature of the profession. The aforementioned requires collaborating efforts through our National Department of Health (NDoH);
- c. One major achievement under the leadership of the NDoH Chief Nursing Office is the agreement by the Nursing Quad (comprising of the NDoH, Department of Higher Education and Training (DHET), SANC and Council on Higher Education (CHE) that professional Nurses who hold legacy qualifications that previously enabled them to access specialist studies should be allowed to access the Postgraduate Diplomas in Nursing. This culminated in the issuing of a Joint Communiqué by the CHE and the SANC on 17 March 2023 regarding access to Postgraduate Diplomas in Nursing.

SFA: Providing Expert Guidance on Nursing-Related Matters.

- This Council further prides itself in providing expert guidance on Nursing-related matters to the Ministry of Health on a bi-annual basis; and
- The Council also launched the Southern Africa Development Community (SADC) Nursing and Midwifery Forum to promote collaborations with other regulators in the Region.

The five-year tenure of the 16th Council unfolded between the polarities of order and uncertainty. It is important at this time to recognise these two fundamental opposites without which this experience could not even be realised. With that being said, the

following initiatives could not be fully achieved due to varied challenges:

- a. The implementation of the Servant Leadership Model;
- b. The implementation of the Membership Management System; and
- c. The implementation of the Knowledge Management hubs.

The 16th Council hopes that the 17th Council will recognise and embrace the work achieved towards accomplishing the aforementioned goals.

My sincere gratitude is expressed to the SANC Council members – your leadership from the front, knowledge, commitment, perseverance, and dedication is valued and appreciated. The achievement of the majority of the strategic objectives within the five-year strategy under challenging circumstances is commendable and applauded.

The SANC Management and employees of the SANC: Your support and commitment towards the vision, mission and values of the Council are commendable.

At the end of our tenure, this Council's wish is that you will continue to raise the SANC flag to unimaginable heights through your excellent service to the Nurses and the Public alike.

With confidence, conviction and certainty in the solid foundation, the 16th Council passes the baton to the 17th Council.



DR MATLOU CECILIA MOLEPO
SANC CHAIRPERSON





The production of this Annual Report is in compliance with the statutory obligation of Council to submit an annual report to the Minister of Health on the performance of the SANC in the year under-review. I am pleased to report on selected significant milestones of the SANC in delivering its mandate in the 2022/2023 Financial Year.

Regulating Nursing Education and Training

The year under review has shown significant progress in terms of the implementation of Post Graduate Diploma programmes by Universities, Public Nursing Colleges and Private Nursing Education Institutions. This resulted in the Joint Communiqué on access to Postgraduate Diplomas in Nursing between the South African Nursing Council (SANC) and Council on Higher Education (CHE). The communiqué recommended that as the country is in a period of transition as Nursing education fully migrates to the higher education sector, historical pathways that enabled the development of Nurse or Midwife Specialists need to be recognised. In the interests of ensuring that a sufficient number of specialist Nurses are available for the health sector in the country, Nurses who hold legacy qualifications that previously enabled them to access specialist studies should be allowed to access Postgraduate Diplomas in Nursing.

Regulating Nursing Practice

The SANC approved the piloting of Nursing Practice Standards that will be used to inspect all health establishments to improve the quality of Nursing care provision. The standards were developed by a diverse Technical Working Group (TWG), to ensure an inclusive process in standards development. There is a general acceptance of the Nursing Practice Standards by the profession in health establishments inspected so far, and valuable comments are being provided and lessons learnt from the pilot programme will inform the review and finalisation of the Nursing Practice Standards.

In terms of Section 2(1)(g) of the Nursing Act, 2005 (Act No. 33 of 2005), the Council may conduct a quality control inspection in accordance with the prescribed conditions. The South African Nursing Council (SANC) has established a Monitoring and Evaluation Section within the Provider Affairs Department to conduct such inspections to ensure that Nursing Education Institutions maintain the accreditation requirements, criteria and standards for Nursing education and training.

Provide effective and efficient Financial Management System

The SANC is proud to announce that it received an unqualified audit opinion on its 2021/22 Financial Statements even though the country was still suffering the aftermaths of the COVID-19 pandemic.

Improve Service Delivery

The SANC continued its focus on improved service delivery by investing in several service improvement interventions e.g. a Change Management Plan for Service Delivery under the slogan *#buildingabetterSANC*. The Plan focussed on the SANC staff to create awareness, educate, remind and reward. A key component was the focus on ensuring that all communication is sent out internally first, and the emphasis on cross-work between departments.

One of the noticeable service delivery initiatives at the SANC is the Queue Management and Rating System at Reception and Cash Management areas, which assists the SANC with detailed analytical reports on walk-in clients served, the level of service experienced and thus assists with improved operational efficiency and improved employee satisfaction.

During the year under review, as part of the Council's strategic plan, the SANC approved a Service Standards Charter, applicable to the entire organisation. The SANC Service Standards Charter will be launched externally during the next financial year.

The SANC had a major setback in implementing the Member Management System (MMS) due to service provider related issues. This affected all service delivery projects linked to the MMS.

Promote Collaboration With Partners and Stakeholders

The SANC hosted various stakeholder engagement platforms locally and internationally where we engaged with our stakeholders and received valuable contributions and input that assist the SANC to strategically fulfil its mandate.

Promoting the image of Nursing as a Profession

The SANC recently launched the Nursing Excellence Awards to confer annual Excellence Awards for outstanding service by Nurses and Nursing Education Institutions within their chosen field, who are in good standing with the SANC. The Awards aim to motivate Nurses to improve and uphold the standard of Nursing in South Africa. It is a means for recognizing the contributions of Nurses to the profession and the public and an opportunity to create public awareness of the value of the Nurse in healthcare.

In 2020 the world was thrown into its biggest crisis in more than a hundred years with the outbreak of the COVID-19 pandemic. The South African Nursing Council, the regulator of the Nursing profession, has subsequently built a Wall of Remembrance on its premises and unveiled it to honour the fallen heroes and pay tribute to those Nurses who have passed away during the pandemic.

Acknowledgements

I would like to thank the Chairperson of Council, Council Members, Management and Staff for the hard work and expertise shared in delivering the SANC mandate in 2022/2023 Financial Year (FY) and for their contribution during the compilation of this Annual Report. I sincerely extend my gratitude to all Nurses who always strive for excellence despite the challenges they face on a daily basis.

PROF NTOMBIFIKILE G MTSHALI
REGISTRAR AND CHIEF EXECUTIVE OFFICER (CEO)



3.1 OVERVIEW

The South African Nursing Council (Council) is a body responsible for setting, maintaining and regulating standards of Nursing education and practice in the Republic of South Africa. The Council is funded mainly through revenue generated from the rendering of various services to the Nurse Practitioners as well as the Nursing Education Institutions (NEIs). This is complemented by the sale of distinguishing devices to the Nurse Practitioners as well as through investment income that is generated from investing excess cash with the major South African banks. The 2023 financial year shows that the Council is recovering well from a prior year which was impacted by the COVID-19 pandemic. The Council executed its role to manage its finances effectively and efficiently. The Council managed to report a net surplus of R59.5 million (2022: R37.8 million) during the year under review. This increase in net surplus for the period is equivalent to 57% year-on-year.

3.2 REVENUE

Total revenue earned amounted to R165 million (2022: R149.3 million), this represents an increase of 11% year-on-year. The annual fees from Nurse Practitioners of R126.5 million (2022: R122 million) remain the core funding source for the Council. During the year under review, annual fees amounted to 77% (2022: 82%) of the total revenue generated by the Council. The restoration fees decreased to R10.4 million (2022: R11.7 million) and this represents a decrease of 11% over the two comparative periods. The decrease in restoration fees can be attributed to the implementation of the PERSAL deductions as well as the direct deposits made by other major Nursing Education Institutions (NEIs). The use of the PERSAL deductions and direct deposits by major employers allows the employers to identify Nurse Practitioners whose affairs are not in order with the Council and the employers are able to implement the necessary corrective action as the Nurse Practitioners are not allowed to practise the profession if their affairs with the Council are not in order. Furthermore, the direct payments by these employer groups also minimise the risk of late payments. It is illegal in South Africa for any Nurse Practitioner to practise the Nursing profession if the Nurse Practitioner is not registered with the Council.

Registration and verification fees have increased to R5.4 million (2022: R5.1 million) and R2.3 million (2022: R1.4 million) respectively. The increase is mainly attributable to the increase in the number of students who are registering for the new qualification programmes as well as the increase in the number of verifications that have been performed during the period under review. Examination fees have decreased to R1.8 million (2022: R4.3 million). This represents a significant decrease of 59% year-on-year, and this is mainly due to the drastic decline in the number of students who are writing the legacy qualification programmes due to the phasing out of the legacy qualifications. Accreditation fees increased to R3.2 million (2022: R1.9 million) during the period under review due to the increase in accreditation visits that were undertaken during the financial year.

The Nursing Education Institution annual fee of R1.7 million was levied for the first time during the year under review. This fee is payable by all the NEIs which want to remain accredited with the Council.

The Council recognised an amount of R9.8 million for Other Income – Unidentified Deposits. This amount relates to the amounts that remain unclaimed over a period of three years. These amounts arise from the inadequately referenced deposits into the accounts of the Council. The Council is working with the major banks to put measures in place to reduce the number of unidentified deposits.

Revenue from the sale of distinguishing devices showed an increase to R3.7 million (2022: R2.7 million) due to the increase in the selling price of distinguishing devices. Furthermore, the number of distinguishing devices that the Nurse Practitioners could buy during the calendar year was increased from three sets to five sets.

The Council will continue to put measures in place to improve revenue generation, revenue mix and the ultimate collection of Council revenue. It is worth noting that the phasing out of the legacy qualifications and the implementation of the PERSAL deductions and direct deposits by the big NEIs will have an impact on the key revenue streams of the Council going forward.

REVENUE CHART FOR 31 MARCH 2023 vs 31 MARCH 2022:

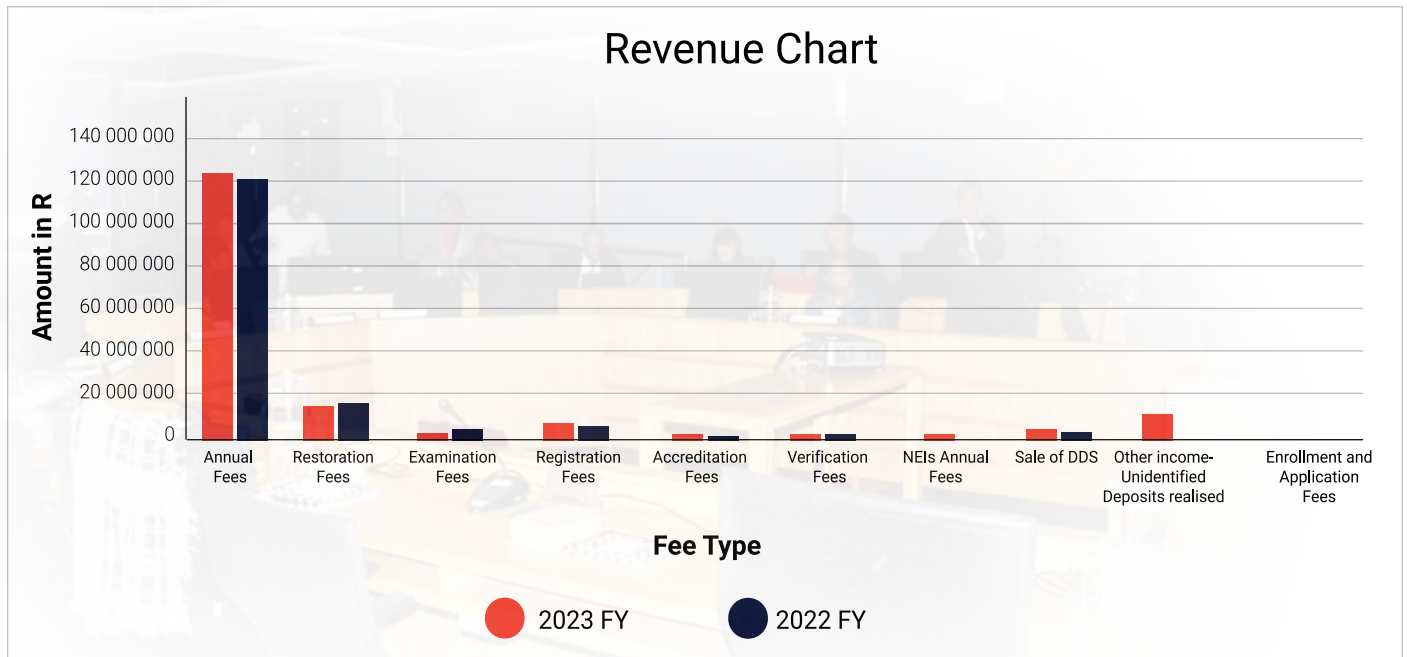


Figure 1: Revenue Chart

3.3 ANNUAL FEES

The annual fee payment period opens on the 01st of July of each year, and it runs until the 31st of December each year. The Nurse Practitioners have an option to pay the annual fees directly through a bank account deposit or to pay at the Council premises. The Council prefers the direct bank account deposits; however, some Nurse Practitioners still prefer making payments at the Council premises. The main reasons behind making direct payments are due to the challenges with the SAPO deliveries and fear of removal from the Nurse Register due to the payments reaching the Council after the cut-off date. There are major challenges with the annual practising certificates which are sent through the South African Post Office (SAPO), but this is exacerbated by the incorrect and outdated Nurse Practitioners’ information in the Nurse Register. This results in Council receiving a large number of annual practising certificates which are returned undelivered.

The chart below depicts the number of APCs processed from July to March of each comparative year.

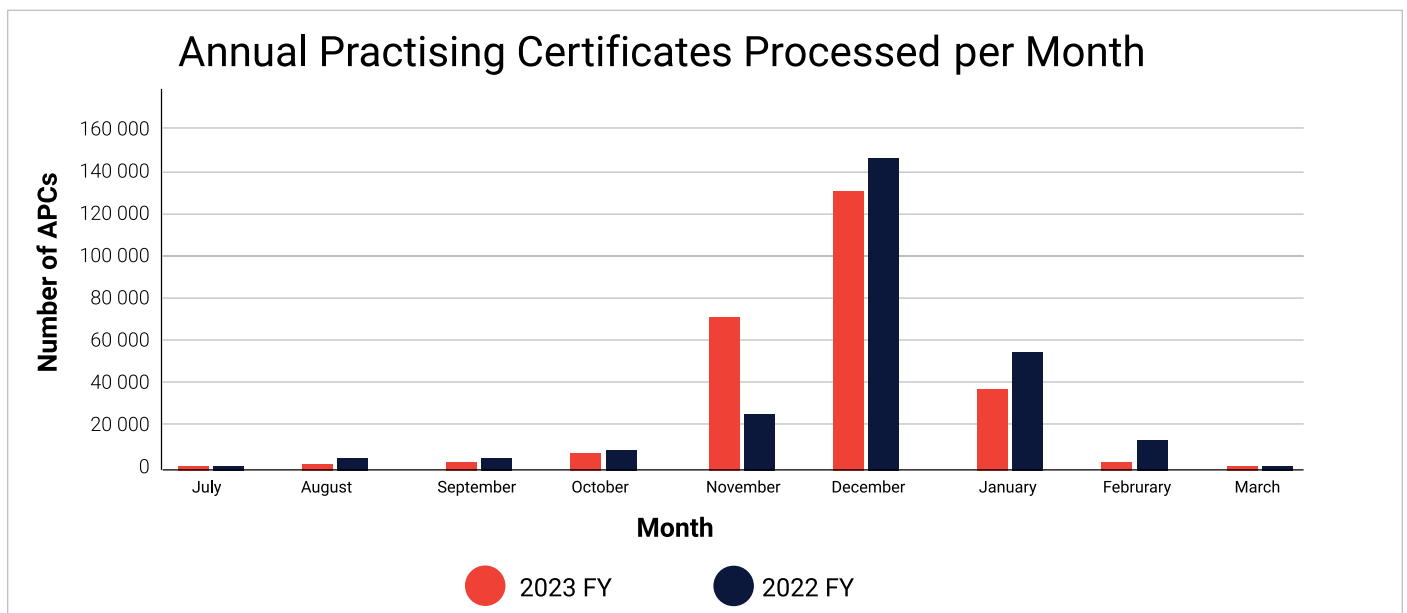


Figure 2: Annual Practising Certificates processed per month

Nurse Practitioners traditionally settle annual fees towards the end of the year and the PERSAL deductions are also effected by the employers on behalf of the Nurse Practitioners towards the end of year. The peak periods are in the months of November through to December. The peaks in the months of January and February are uncommon; these were caused mainly by the late submission of the supporting documents by the departments which had effected the PERSAL deductions on behalf of the Nurse Practitioners. A noticeable improvement in the submission of the supporting documents by the departments was noted during the 2023 financial year, however, there is still room for improvement.

A total of 256 706 (2022: 258 911) APCs were processed in the 2023 financial year. The direct deposit payment method is still the most preferred method of payment. This payment method is utilised by all the departments that deduct annual fees through PERSAL, private organisations as well as individual Nurse Practitioners. The use of the direct deposit payment method for APCs processed has increased to 226 086 (88%) (2022: 223 077) (86%) whilst the counter payments decreased to 30 620 (12%) (2022: 35 834) (14%). The decrease in over-the-counter payments is a good sign that the Nurse Practitioners are starting to embrace the direct deposit payment method. The table below summarises the methods of payments used by the Nurse Practitioners during the 2023 and 2022 financial years.

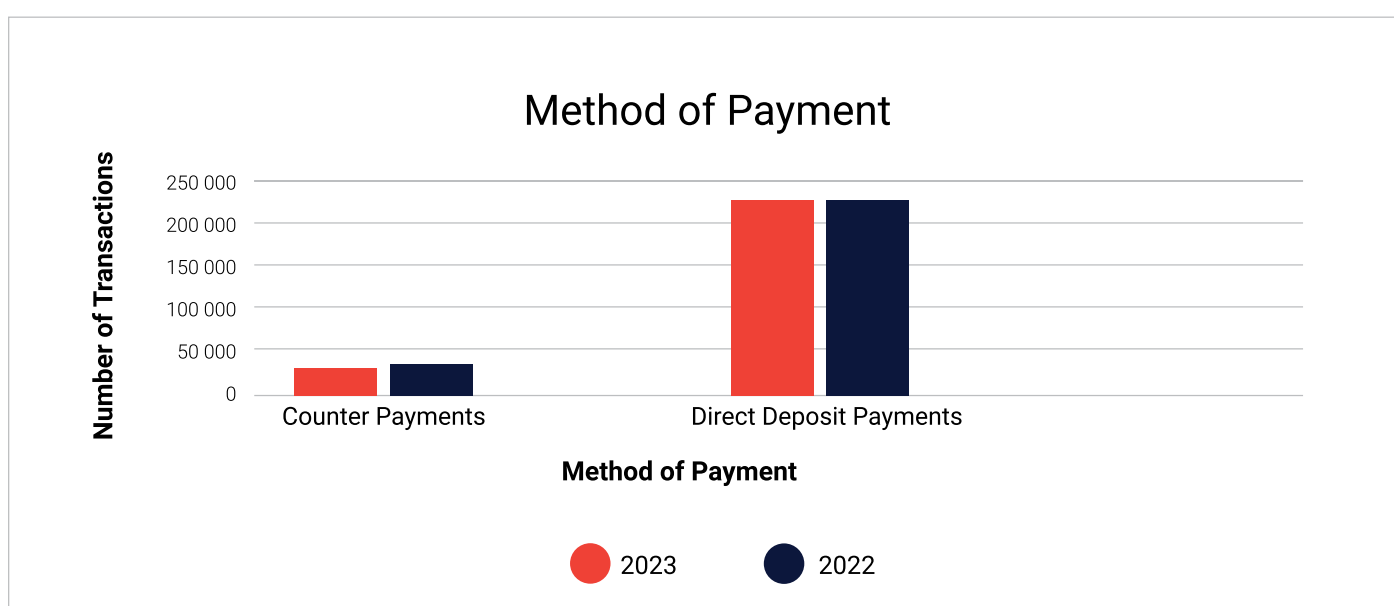


Figure 3: Method of payment

3.4 EXPENDITURE

Expenditure increased by 9% year-on-year, and this can be attributed mainly to the filling of the vacant and newly created positions within the Council, increases in computer licence fees, water and electricity costs, materials costs, recruitment costs, meetings and events costs, inspection costs, security costs, courier costs and computer services costs. The Council approved the creation of several critical positions that would assist the Council to deliver on its strategic objectives. These positions are in the process of being filled and would have an impact on the overall Council staff costs. The employee costs remain the highest cost element within the South African Nursing Council, and this is in line with the activities of the Council. Management has put measures in place to contain all unnecessary and discretionary expenditure. There are still several vacant positions that are expected to be filled during the 2023/24 financial year and the Council has put measures in place to ensure that all critical vacancies are filled urgently.

The 16th Council has made major strides towards achieving its five-year strategy, however, there are areas that could not be achieved during its tenure due to a number of challenges and it is expected that the majority of these will be achieved during the 2023/24 financial year.

3.5 INVESTMENT INCOME

The finance income increased to R44.6 million (2022: R27.5 million) representing a 62% increase because of a prevailing high interest rate environment. The interest rates have increased drastically as the South African Reserve Bank has increased the repo rate to contain inflation, which was outside the target range.

3.6 OTHER INCOME

Other income has increased to R1.3 million (2022: R0.2 million) represents an increase of 550% over the two comparative periods. This increase is mainly due to increase in donor fund revenue recognised during the period under review.

3.7 WORKING CAPITAL

The Council has managed to maintain a healthy cash balance and it is able to settle its liabilities as they fall due, and the Council has put measures in place to ensure that valid invoices are settled within 30 days in line with the provisions of the Nursing Act, 2005 (Act No. 33 of 2005). The cash and cash equivalent balances increased by R59.1 million during the year under review and this is mainly due to the cancellation of the Membership Management System contract as well as lower spending amongst some operating expenditure and capital expenditure items.

3.8 CAPITAL INVESTMENTS

The South African Nursing Council invested in new laptops and office furniture to the value of R4 million.

3.9 SUPPLY CHAIN MANAGEMENT

The Council has an established and fully operational Supply Chain Management (SCM) System which reports to the Chief Financial Officer. Its primary responsibilities, amongst others, include the following:

- a. The implementation of the approved SCM policy and system;
- b. Ongoing maintenance of the SCM system to improve the effectiveness and efficiency of the system;
- c. Regular reporting to Council on the performance of the SCM system;
- d. Enforcement of the regulatory framework for the SCM within the SANC;
- e. Render assistance and administrative support to the line function managers and other employees in the performance of their SCM responsibilities; and
- f. Capacity building and training of employees involved in SCM processes.

The Council has fully-fledged Supply Chain Management Committees which operate within the framework of approved delegations of authority. The following key SCM Committees were operational during the period under review:

- a. Bid Specifications Committee;
- b. Bid Evaluation Committee; and
- c. Bid Adjudication Committee.

Each Committee is chaired by a Chairperson who is appointed in line with the provisions of the Supply Chain Management Policy. Each member of the Committee is formally appointed in writing for a fixed period by the Registrar and CEO. The Council also ensure that the SCM officials receive regular training on SCM and other related matters.

The Preferential Procurement Regulations 2022 became effective on 16 January 2023, this necessitated the revision of the Supply Chain Management Policy and Procedure Manual. In order to align with the provisions of the Preferential Procurement Policy Framework Act, 2000 (Act No. 97 of 2000), the maximum points for specific goals for each preference point system were approved as detailed in the table below.

Specific goal	80/20 Preference Point system	90/10 Preference Point system
Black Ownership	8	4
Black Women Ownership	4	2
Black Youth Ownership	4	2
Disability Ownership	4	2
Total Points allocated to Specific Goals	20	10

Table 1: Preferential Points

This will go a long way in addressing the historical injustices of the past. The Council will also appoint a service provider to assist with the assessment of the B-BBEE level of compliance in the 2023/24 financial year.

In order to improve operational efficiency and turnaround times, the Council also obtained approval to participate in the National Treasury’s transversal contracts for some goods and services. The following are the active transversal contracts at the end of the financial year:

- a. RT5-2020 - Rendering of a Continuous Parcel Courier and Freight Services to the State.
- b. RT8-2020 - Transportation of cargo and furniture relocations Services for the State.
- c. RT15-2021 - Supply and Delivery of Mobile Communication Services to the State.
- d. RT3-2022 - Supply, Delivery, Installation, Commissioning and Maintenance of Office Automation Solutions to the State.

The Council had 53 active contracts at the end of the reporting period and the Council has put measures in place to ensure that the procurement process within the Council is fair, equitable, transparent, competitive and cost-effective.



4 SOUTH AFRICAN NURSING COUNCIL, COUNCILLORS' STATEMENT OF RESPONSIBILITY

for the year ended 31 March 2023

The Councillors are responsible for the preparation and fair presentation of the financial statements comprising the statement of financial position as at 31 March 2023, the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, and the report of the South African Nursing Council, in accordance with International Financial Reporting Standards.

The Councillors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for maintaining adequate accounting records and an effective system of risk management as well as the preparation of supplementary schedules included in these financial statements.

The Councillors have reviewed the Council's cash flow forecast for the year to 31 March 2024, and in the light of this review and the current financial position, they are satisfied that the Council has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Council's annual financial statements in the course of executing their statutory duties. The external auditors' unqualified report is presented on pages 98 to 99. The annual financial statements set out on pages 90 to 128, which have been prepared on the going concern basis, were approved by the Council on 28 July 2023 and were signed on its behalf by:



Dr MC Molepo (Chairperson)



Dr SM Zuma (Vice-Chairperson)





PART B

STRATEGIC OVERVIEW



The SANC Vision

Excellence in professionalism and advocacy for healthcare users



The SANC Mission

We serve and protect healthcare users by regulating Nursing and Midwifery professions

The SANC Values



Advocacy

Promote the SANC, its brand and services to all stakeholders.



Caring

About each other, clients and the organisation's purpose.



Professionalism

Maintain a high level of professionalism in all areas of our day-to-day work.

Relevance

Commit to being an integral part of the organisation and its future.

Innovation

Consistently and intentionally introduce new ideas, products, processes and procedures to ensure the organisation meets the needs of its clients.

Quality

Ensure high value in all deliverables and in service delivery.



The SANC Mandate

Statutory professional body mandated to regulate the Nursing and Midwifery professions by establishing and maintaining nursing education and training as well as practice standards, while advocating for the interests of the public.

1. LEGISLATIVE MANDATES

The South African Nursing Council is a statutory body established by Section 2 of the Nursing Act, 1978 (Act No. 50 of 1978). It continues to exist as a juristic person drawing its mandate from the Nursing Act, 2005 (Act No. 33 of 2005).

Operations of the SANC are governed by various legislations, including but not limited to the following:

- **Constitution of the Republic of South Africa, 1996** - Provides for health services as a competency of the Department of Health. Relevant sections of the Constitution provide for the Bill of Rights and access to health care services, which are the cornerstone in the protection of the public.
- **National Health Act, 2003 (Act No. 61 of 2003)** - Provides for establishment of the Forum of Statutory Health Professionals Councils which must, among other things, protect the public and health care users.
- **National Health Amendment Act, 2013 (Act No. 12 of 2013)** - Provides for the establishment of the Office of the Health Standards Compliance, which among others, liaises with and establishes cooperative relationships with regulatory authorities such as the SANC to ensure harmonisation of health standards.
- **Nursing Act, 2005 (Act No. 33 of 2005)** - Provides for the regulation of the Nursing profession by the SANC.

SANC ORGANISATIONAL STRUCTURE

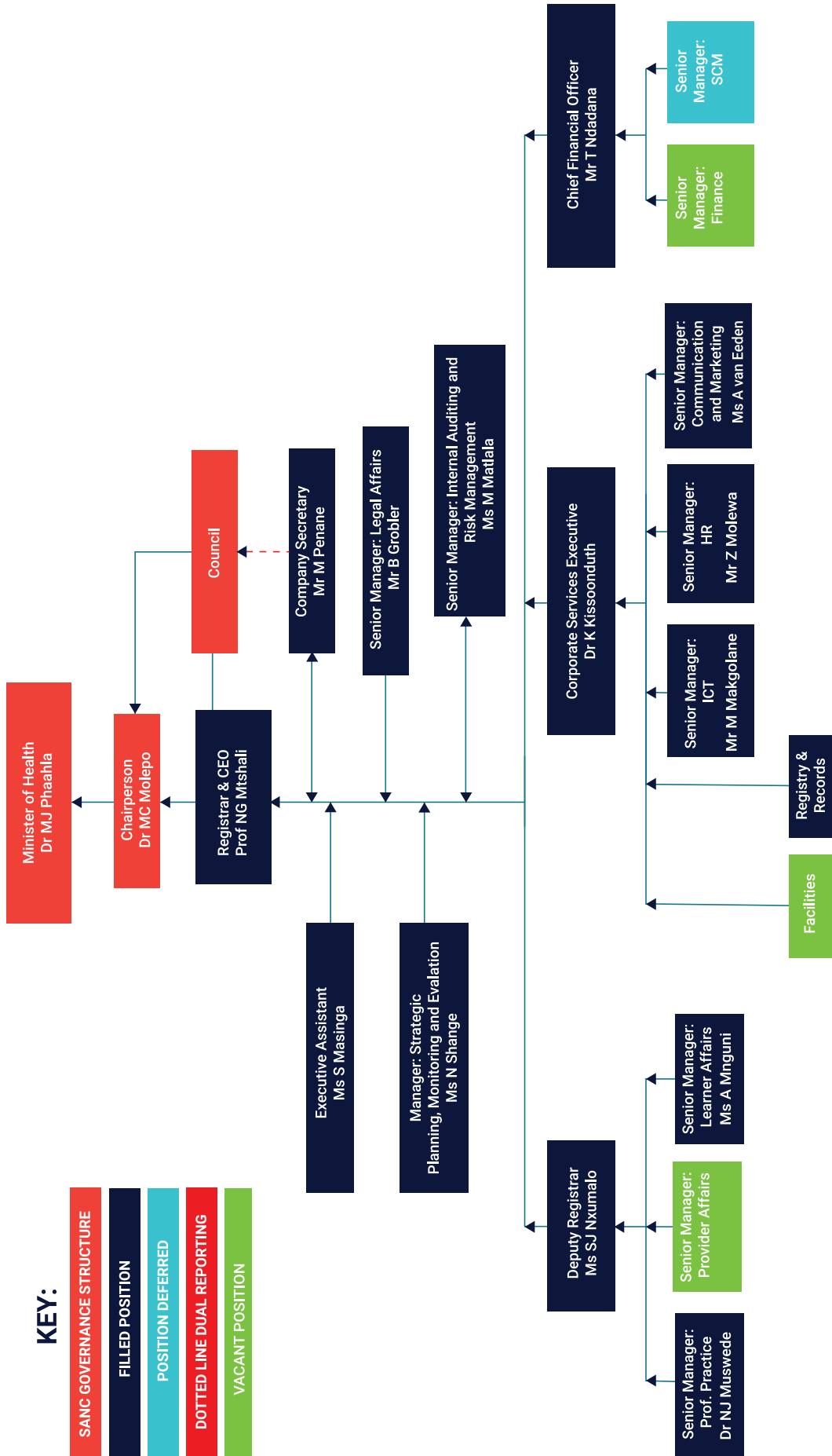


Figure 4: Macrostructure approved by Council - reflecting filled and vacant positions

3. KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

In the year under review the Regulations under the Disaster Management Act, 2002 (Act No. 57 of 2002) had a much smaller effect on the SANC than in the preceding years.

INTERNAL LEGISLATIVE CHANGES

The SANC mandated by the Nursing Act, 2005 (Act No. 33 of 2005) is responsible for either publishing Regulations or consultation with the Minister responsible for publication of Regulations. The SANC engaged with the National Department of Health (NDoH) regarding regulations as follows:

- The Scope of Practice Regulations were reviewed, approved by Council, and submitted to the NDoH for processing, and promulgated by the honourable Minister of Health, Dr MJ Phaahla.
- Distinguishing Devices Regulations for Nurses and Midwives were reviewed and approved by Council and submitted to the NDoH for further processing. The regulations have since been published by the NDoH for public comment.
- The SANC has further perused the review of the Nursing Act, 2005 (Act No. 33 of 2005) and has been cooperating with the NDoH for such review. This project is ongoing.



SANC
South African Nursing Council
Regulating nursing, midwifery and public health

WALL OF REMEMBRANCE

tribute to our Nurses who have sacrificed
the line of duty while caring for their
against the COVID-19 virus in

You fought the
immeasurable
ved the nation
medication



PART C

ORGANISATIONAL PERFORMANCE

1. SANC STRATEGIC FOCUS AREAS: 2018 – 2023

SFA 1 - REPOSITIONING AND RE-ENGINEERING THE ORGANISATION

Strategic Objectives (SOs)

To arrive at overall repositioning and reengineering of the SANC, the following strategic objectives were adopted:

- S01 - Ensure effective governance
- S02 - Position the SANC to become an employer of choice
- S03 – Strengthen and sustain financial position
- S04 - Enhance Information and Communication Technology Management solutions (ICT/IMS)
- S05 - Enable effective knowledge management solutions
- S06 - Improve service delivery

SFA 2 - REGULATING THE NURSING PROFESSION

Strategic Objectives (SOs)

To enhance this strategic focus area during the years 2018 - 2023, the following objectives were adopted:

- S07 - Regulating Nursing education and training
- S08 - Regulate Nursing Practice
- S09 - Promote Nursing Research

SFA 3 - PROVIDING EXPERT GUIDANCE ON NURSING RELATED MATTERS

Strategic Objectives (SOs)

To enhance this strategic focus area in the next five years, the following objectives were adopted:

- S010 - Promote servant leadership
- S011 - Initiate, influence and facilitate the development of Nursing related legislative framework
- S012 - Promote collaborations with other Nursing regulators
- S013 - Advise and consult with the Minister of Health on Nursing related matters
- S014 - Promote the image of the Nursing profession within the context of being a regulator

2. OVERVIEW OF SANC PERFORMANCE 2022/2023 FY

PROGRESS TOWARDS ACHIEVEMENT OF STRATEGIC OBJECTIVES AND INITIATIVES

As a statutory professional body, the SANC is mandated to regulate the Nursing profession by establishing and maintaining Nursing education and training as well as practice standards. The SANC also advocates on behalf of the public in matters concerning Nursing. In order to carry out its mandate during the 2022/23 financial year (FY) the SANC was guided by the SANC Annual Performance Plan (APP) 2022/2023 FY which is aligned to the Strategic Focus Areas, Strategic Objectives and initiatives outlined in the SANC five-year Strategic Plan 2018 to 2023. The progress made by the SANC as at the end of the 2022/23 FY towards the achievement of planned annual targets is discussed below.

PERFORMANCE INFORMATION BY PROGRAMME (2022/2023 FY QUARTERLY REFLECTION)

The SANC performance is tracked against the APP indicators on a quarterly basis. The tables below present the number of planned targets per quarter, the number of targets achieved, partially achieved and not achieved as well as percentages relating to the achieved, partially achieved and not achieved quarterly targets.

2022/2023 FY QUARTERLY ACHIEVEMENT														
Programmes	# of Indicators	QUARTER 1						# of Indicators	QUARTER 2					
		Achieved		Partially Achieved		Not Achieved			Achieved		Partially Achieved		Not Achieved	
		#	%	#	%	#	%		#	%	#	%	#	%
Programme 1: Governance Division	12	10	83%	0	0%	2	17%	12	9	75%	0	0%	3	25%
Programme 2: Professional Affairs Division	4	3	75%	0	0%	1	25%	5	4	80%	1	20%	0	0%
Programme 3 Finance Division	2	1	50%	0	0%	1	50%	3	2	67%	0	0%	1	33%
Programme 4 Corporate Services Division	19	9	47%	2	11%	8	42%	19	6	32%	0	0%	13	68%
Totals	37	23	62%	2	5%	12	32%	39	21	54%	1	3%	17	43%

Table 2: Quarter 1 and 2 Performance Information 2022/2023 FY

2022/2023 FY QUARTERLY ACHIEVEMENT														
Programmes	# of Indicators	QUARTER 1						# of Indicators	QUARTER 2					
		Achieved		Partially Achieved		Not Achieved			Achieved		Partially Achieved		Not Achieved	
		#	%	#	%	#	%	#	%	#	%	#	%	
Programme 1: Governance Division	14	9	64%	2	14%	3	21%	14	10	71%	1	7%	3	21%
Programme 2: Professional Affairs Division	4	3	75%	1	25%	0	0%	5	3	60%	1	20%	1	20%
Programme 3 Finance Division	2	1	50%	0	0%	1	50%	2	1	50%	0	0%	1	50%
Programme 4 Corporate Services Division	17	8	47%	1	6%	8	47%	18	12	67%	1	5%	5	28%
Totals	37	21	57%	4	11%	12	32%	39	26	67%	3	8%	10	25%

Table 3: Quarter 3 and 4 Performance Information 2022/2023 FY

The table below presents the comparison between the overall SANC performance for 2021/2022 and 2022/2023 financial years.

ANNUAL PERFORMANCE ACHIEVEMENT 2021/2022 FY					ANNUAL PERFORMANCE ACHIEVEMENT 2022/2023 FY				
Programmes	# of Indicators	Achieved	Partially Achieved	Not Achieved	Programmes	# of Indicators	Achieved	Partially Achieved	Not Achieved
Programme (1)	16	14	2	0	Programme (1)	14	9	4	1
		87.5%	12.5%	0%			64%	29%	7%
Programme (2)	10	7	2	1	Programme (2)	5	4	1	0
		70%	20%	10%			80%	20%	0%
Programme (3)	2	2	0	0	Programme (3)	4	3	0	1
		100%	0%	0%			75%	0%	25%
Programme (4)	7	0	2	5	Programme (4)	18	12	1	5
		0%	29%	71%			67%	6%	27%
Totals	35	23	6	6	Totals	41	28	6	7
		66%	17%	17%			68%	15%	17%

Table 4: Comparison of overall SANC Performance for 2021/2022 FY and 2022/2023 FY

Programmes	Annual Targets	Targets Achieved	Targets Partially Achieved	Targets Not Achieved
Programme 1: Governance Division	14	9	4	1
	100%	64%	29%	7%
Programme 2: Professional Affairs Division	5	4	1	0
	100%	80%	20%	0%
Programme 3: Finance Division	4	3	0	1
	100%	75%	0%	25%
Programme 4: Corporate Services Division	18	12	1	5
	100%	67%	6%	27%
Total	41	28	6	7
	100%	68%	15%	17%

Table 5: Overall Performance per Programme 2022/2023 FY

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

PROGRAMME 1: GOVERNANCE

Purpose: Provide strategic leadership, management, and support services to the SANC.

Description of sub-programmes

The programme consists of four sub-programmes which are aligned with the budget programme structure of the SANC.

The sub-programmes are:

- Leadership Management Department;
- Secretariat Department;
- Internal Audit and Risk Management Department; and
- Legal Affairs Department.

Strategic Focus Area 1	Repositioning and re-engineering the organisation
Strategic Objectives	<ul style="list-style-type: none"> • Ensure effective governance • Promote collaborations with other Nursing regulators • Advise and report to the Minister of Health on matters regarding the Nursing profession

The SANC's Strategic Focus Area 1 of repositioning and re-engineering itself as an organisation was undertaken through the Strategic Objective 1, that of ensuring effective governance by concentrating on several initiatives during the 2022/2023 FY. The SANC 2023/2024 Annual Performance Plan (APP) was approved by Council during the financial year under review. Throughout the financial year, planned annual targets of the APP were reported on through quarterly performance reports and presented to Council to reflect progress.

To ensure that organisational policies are developed, reviewed, and implemented, a Policy Register was developed and quarterly reports on the monitoring of the Policy Register were produced. There was a transitional period within the Office of the Registrar which hindered on the achievement of the SANC Compliance Dashboard. The Servant Leadership Model was retained for development in the 2023/2024 FY.

The SANC continued to make strides in achieving the planned annual targets for the 2022/2023 FY by ensuring that engagements with international critical partners and stakeholders was initiated. The Southern African Development Community (SADC) Nurse Regulators Forum was convened during the reporting period. In spite of one meeting that could not convene due to a lack of quorum, a successful meeting was held on the 1st of March 2023 where an agreement was reached not to dissolve the Forum as the intention was to assist in addressing challenges in the SADC region.

During the 2022/2023 FY 90% of inquiries or formal hearings were conducted by the Professional Conduct Committee (PCC) on complaints or allegations of unprofessional conduct or misconduct, referred by the Preliminary Investigation Committee in terms of Section 46 of the Nursing Act, 2005 (Act No. 33 of 2005). PCC made findings and appropriately sanctioned individuals based on the evidence before the Committee in terms of Section 47(1) of the Act.



PROGRAMME 1: GOVERNANCE

Sub-Programme 1.1 Leadership Management Department

Strategic Focus Area: Repositioning and re-engineering the organisation

Strategic Objectives	Performance Indicator	Actual Performance 2021/2022	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned Target to Actual Achievement 2022/23	Reasons for Deviations
Ensure effective governance	Organisational Annual Performance Plan produced	SANC 2021/22 APP approved by Council	SANC 2022/23 APP approved by Council	SANC 2022/23 APP approved by Council	None	N/A
	Number of performance reports against the SANC APPs produced	5	5	5	None	N/A
	Number of reports on the monitoring of policy register produced	Policy Register developed	4	4	None	N/A
	Two SANC compliance dashboards	New indicator	2	1	1	Transitional changes in the Registrar's office
	Servant leadership framework implemented	New indicator	Servant Leadership Model developed and implemented	Servant Leadership Model not developed and implemented	Servant Leadership Model not developed and implemented	Procurement of the statistician could not be finalised during the reporting period.
Promote collaborations with other Nursing Regulators	Number of Reports on SADC Nurse Regulators' Forum convened	Launch of SADC Nurse Regulators' Forum	2	1	1	The quorum could not be met.
	Number of reports on collaborations with relevant local critical partners and stakeholders	4	4	4	None	N/A
	Number of reports on international collaborative activities produced	4	4	4	None	N/A
Advise and consult with the Minister of Health on Nursing related matters	Number of reports on Nursing related matters submitted to the Minister of Health	2	2	2	None	N/A

PROGRAMME 1: GOVERNANCE						
Sub-Programme 1.2 Secretariat Department						
Strategic Focus Area: Repositioning and re-engineering the organisation						
Strategic Objectives	Performance Indicator	Actual Performance 2021/2022	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned Target to Actual Achievement 2022/23	Reasons for Deviations
Ensure effective governance	Approved Compliance universe implemented	Approved compliance universe	Compliance Universe implemented	Compliance Universe was partially implemented	Compliance Universe was partially implemented	Leadership changes in the Registrar & CEO's office
	Self-assessment processes for Council and Committee members conducted	Council Performance Evaluation Policy	Self-assessment processes for Council and Committee members conducted	Self-assessment processes for Council and Committee members conducted	None	N/A

PROGRAMME 1: GOVERNANCE						
Sub-Programme 1.3 Internal Audit and Risk Management Department						
Strategic Focus Area: Repositioning and re-engineering the organisation						
Strategic Objectives	Performance Indicator	Actual Performance 2021/2022	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned Target to Actual Achievement 2022/23	Reasons for Deviations
Ensure effective governance	Percentage of internal audit projects completed in line with the approved audit plan	100%	100%	72%	28%	The service provider appointment was not completed in the reporting cycle.
	Number of Strategic Risk reports	4 Strategic Risk reports	4 Strategic Risk reports	4 Strategic Risk reports	None	NA
Sub-Programme 1.4 Legal Affairs Department						
Regulate Nursing Practice	Percentage of matters of unprofessional conduct presented attended to	100% of cases presented to the PCC attended to	90% of cases presented to the PCC attended to	90% of cases presented to the PCC attended to	None	NA

PROGRAMME 2: PROFESSIONAL AFFAIRS DIVISION

Purpose: Regulate Nursing Education and Training;
Regulate Nursing Practice; and
Promote Nursing Research.

Description of sub-programmes

The programme consists of two sub-programmes which are aligned with the budget programme structure of the SANC. The sub-programmes are:

- **Provider Affairs Department; and**
- **Professional Practice Department.**

Strategic Focus Area 2	Regulating the Nursing Profession
Strategic Objectives	<p style="text-align: center;"> Regulate Nursing education and training Regulate Nursing Practice Promote Nursing Research </p>

Even though the SANC is a statutory body and not a government department, the SANC does contribute to the National Development Plan (NDP) 2030 priority outcomes. According to the NDP, South Africa can realise the 2030 goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society. Through Programme 2: Professional Affairs Division, the SANC is contributing to the priorities of the NDP. The SANC immensely contributed to education, health, and skills development.

During the 2022/2023 FY the Provider Affairs Department made progress towards the implementation and monitoring of the approved education and training standards. Twelve approved Clinical Facilities and three NEIs were visited for audit as well as inspections in loco. The Council accredited Nursing education physical facilities, new Nursing programmes and approved clinical facilities. Twenty-eight Postgraduate Nursing Diplomas were accredited. A total of 574 clinical facilities for clinical placement of students for Work Integrated Learning were approved.

Through the Provider Affairs Department the Council approved the Nursing Education and Training Standards, Nursing Education and Training Guidelines for undergraduate programmes, the Monitoring and Evaluation Policy, Monitoring and Evaluation Guidelines, and the Quality Control Self-Assessment Tool.

In line with the above outlined strategic objective of Regulating Nursing Practice, the Professional Practice Department achieved 100% of the APP targets set for the 2022/2023 FY. For Nursing practice standards piloting, the planned annual target was to pilot in 10 health establishments; the Professional Practice Department went above and beyond by piloting at 11 health establishments. Those include one Central Hospital, three Provincial Hospitals, two Private Hospitals, one Regional Hospital, one Military Health Services Hospital, one Correctional Services Centre, one District Hospital, and one Community Health Centre (CHC). Piloting during the financial year under review served the purpose as the feasibility of standards and measures across all Nursing service delivery platforms was tested, as well as internal processes developed.

The Preliminary Investigating Committee (PIC) handled cases of alleged unprofessional conduct as stipulated in terms of the Nursing Act, 2005 (Act No. 33 of 2005). Such cases were brought forth by the media, members of the public, and managers in both private and public healthcare establishments. All cases (100%) presented to PIC were attended to.

The Impairment Committee (IC) continued to handle inquiries into alleged unfitness to practice as mandated by Section 51 of the Nursing Act, 2005 (Act No. 33 of 2005). Cases of unfitness to practice are reported to the Council by employers, colleagues, and the public. The IC received a total of 134 cases of unfitness to practice during the 2022/2023 FY with 68 Nurses who are in impairment review.

Piloting on the Continuing Professional Development (CPD) was planned to be conducted in four provinces (one district per province) for the financial year under review. The CPD pilot roll-out was successfully conducted in four provinces, one district per province in the following provinces: Mpumalanga, KwaZulu-Natal, Western Cape, and Eastern Cape. The purpose of the pilot was achieved as the feasibility of internal CPD processes and procedures and implementation by Nurses were tested.

PROGRAMME 2: PROFESSIONAL AFFAIRS DIVISION						
Sub-Programme 2.1 Provider Affairs Department						
Strategic Focus Area: Regulating the Nursing Profession						
Strategic Objectives	Performance Indicator	Actual Performance 2021/2022	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned Target to Actual Achievement 2022/23	Reasons for Deviations
Regulate Nursing education and training	Education and training standards implemented and monitored	New indicator	Implement and monitor the approved education and training standards	Conducted audit visit to 1 NEI to Pilot the Education and Training Standards	2	Two planned visits were not undertaken/ postponed on request by NEIs
Sub-Programme 2.2 Professional Practice Department						
Regulate Nursing Practice	Approved Nursing practice standards implemented and monitored	Nursing practice standards approved by Council	Nursing practice standards piloted in 10 health establishments	Nursing practice standards piloted in 11 health establishments	Nursing practice standards piloted in 1 additional health establishment	N/A
	90% of cases presented to PIC attended to	90% of cases presented to PIC attended to	90% of cases presented to PIC attended to	90% of cases presented to PIC attended to	None	N/A
	90% of unfitness to practice cases received by Impairment Committee attended to	90% of unfitness to practice cases received by Impairment Committee attended to	90% of unfitness to practice cases received by Impairment Committee attended to	90% of unfitness to practice cases received by Impairment Committee attended to	None	N/A
	CPD pilot roll out conducted in 4 provinces (1 district per province)	New indicator	CPD pilot roll out conducted in 4 provinces (1 district per province)	CPD pilot roll out conducted in 4 provinces (1 district per province)	None	N/A

PROGRAMME 3: FINANCE DIVISION

Purpose: Manage and facilitate the provision of financial accounting services.

Strategic Focus Area 2	Repositioning and re-engineering the organisation
Strategic Objectives	Strengthen and sustain financial position

To strengthen and sustain financial position, the SANC Finance Division planned to report quarterly on the Revenue Generation Strategy Framework and the implementation thereof. In that regard, the Finance Division managed to appoint the service provider on the 23rd of March 2023 and the project plan was developed thereafter.

The Finance Division of the SANC continued to reflect effective and efficient financial management system by complying with the timeframe prescribed for the approval of the annual financial statements by Council which was done before 31 July 2022. Furthermore, the SANC achieved an unqualified audit opinion for the 2021/2022 FY. The Council approved budget for the 2023/2024 FY was submitted to the Director-General of the Department of Health by 31 December 2022.

PROGRAMME 3: FINANCE DIVISION						
Strategic Focus Area: Repositioning and re-engineering the organisation						
Strategic Objectives	Performance Indicator	Actual Performance 2021/2022	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned Target to Actual Achievement 2022/23	Reasons for Deviations
Strengthen and sustain financial position	Number of reports on the Revenue Generation Strategy and Framework implemented	New indicator	4	0	4	The service provider appointment was not completed in the reporting cycle.
	Annual financial statements produced within prescribed timeframe	Annual Financial Statements approved by Council on or before 31 July 2021	Audited Annual Financial Statements approved by Council on or before 31 July 2022	Audited Annual Financial Statements approved by Council on or before 31 July 2022	None	N/A
	Audit outcome for SANC	Unqualified audit opinion achieved	Unqualified audit opinion achieved	Unqualified audit opinion achieved	None	N/A
	SANC approved budget submitted to the Director-General: Health.	New indicator	Approved budget submitted	Approved budget submitted	None	N/A

PROGRAMME 4: CORPORATE SERVICES DIVISION

Purpose: Oversee all human resources related matters, provide information communication technology business enablement, oversee internal and external communication and marketing, guide and coordinate records management and services; manage and facilitate the provision of facilities services.

Description of sub-programmes

The programme consists of three sub-programmes and two sections which are aligned with the budget programme structure of the SANC. The sub-programmes are:

- **Human Resources Department;**
- **Information and Communication Technology Department;**
- **Communication and Marketing Department;**
- **Registry and Records Section; and**
- **Facilities Section.**

Strategic Focus Area 1	Repositioning and re-engineering the organisation
Strategic Objectives	<ul style="list-style-type: none"> • Position the SANC to become the employer of choice • Enhance Information and Communication Technology management solutions (ICT/IMS) • Enable effective knowledge management solutions • Improved service delivery • Promote the image of the SANC and of the Nursing Profession within the context of being a regulator

To ensure that the SANC efficiently and effectively delivers on its strategic focus areas and objectives, the Human Resources Department planned to review the organisational structure during the 2022/2023 FY. The initial progress in this regard was that the organisational structure had to be implemented in a phased approach through the Annual Recruitment Plan for the 2022/2023 FY. First the Department had to finalise the remuneration and PayScale design project that commenced during the financial year under review before full implementation of the organisational structure could be conducted. Critical positions, e.g. that of the Registrar and CEO and the Deputy Registrar were filled during the period under review. In that regard, the Council approved organisational structure was implemented.

The Talent Management Policy and Succession Planning Programme were approved by Council on the 30th of June 2022. The Succession Planning Programme was then implemented during the financial year under review.

During the 2022/2023 FY, the Information and Communication Technology Department planned to implement the Enterprise Resource Plan (ERP), implement the Membership Management System, implement cyber security remediation plan, to deploy new server and storage infrastructure, to deploy ICT end user computing devices, and to finalise the adoption of the cloud solution. The ICT Department had made progress towards achieving the planned targets for the financial year. The delay with the appointment of relevant service providers impacted on the outcome of the planned ICT annual targets.

The cancellation of a contract with *Spesnet* formed an impediment towards the achievement of the Membership Management System (MMS); however, a roadmap on the new MMS project was developed and presented to the Council on the 31st of March 2023. The deployment of ICT end user computing devices was achieved.

Through the use of a variety of channels and events, the organisational Values Campaign was successfully launched during the financial year under review. Furthermore, the SANC Service Standards Charter was finalised and approved by Council. The Charter outlines the SANC's Service Standards and redress mechanisms within the service areas. With the focus on the improvement of service delivery, a Change Management Plan focussing on service delivery was successfully implemented during the 2022/2023 FY. In addition, the Communication and Marketing Campaign on SANC service delivery, *#buildingabetterSANC* was launched and was underscored by the Values Campaign and the Change Management Plan for service delivery. The message and the slogan *#buildingabetterSANC* was communicated through social media, the SANC website, SANC newsletters (*#SANCNews*), posters, etc.

The Registry and Records Section implemented and reviewed the Data Archive and Retrieval Policy (Records Management Policy) during the 2022/2023 FY. The Section has several roles and responsibilities, which amongst them include but is not limited to establishing new records management systems. *Metrofile* was appointed during the financial year under review to provide, inventory management, provision of document retrieval services, storage and retrieval of backup media devices. Interventions in terms of volumes of post returned from the South African Post Office were made. The SANC consulted the National Department of Health to engage Provincial Departments of Health to communicate with Nurses to update their contact details with the SANC. A notice to that effect was also published on the SANC website.

A comprehensive Facilities Management Plan was reviewed and implemented during the financial year under review.

PROGRAMME 4: CORPORATE SERVICES DIVISION

Sub-Programme 4.1 Human Resources Department

Strategic Focus Area	Strategic Objectives	Performance Indicator	Actual Performance 2021/2022	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned Target to Actual Achievement 2022/23	Reasons for Deviations
Repositioning and re-engineering the organisation	Ensure effective governance	Council approved organisational structure implemented	New indicator	Organisational structure reviewed	Organisational structure reviewed	None	N/A
		Talent Management Policy reviewed and implemented	New indicator	Talent Management Policy implemented and reviewed	Talent Management Policy implemented and reviewed	None	N/A
		Report on the reviewed and implemented Succession Planning Programme implemented finalized	New indicator	Succession planning programme implemented	Succession planning programme implemented	None	N/A
		Number of progress reports on the implementation of the organisational structure	New indicator	4	4	None	N/A
		Number of progress reports on the implementation of the Employee Communication Strategy	New indicator	4	4	None	N/A
		Number of progress reports on the implementation of the Change Management Programme.	New indicator	4	4	None	N/A

PROGRAMME 4: CORPORATE SERVICES DIVISION							
Sub-Programme 4.3 Communication and Marketing Department							
Strategic Focus Area	Strategic Objectives	Performance Indicator	Actual Performance 2021/2022	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned Target to Actual Achievement 2022/23	Reasons for Deviations
Repositioning and re-engineering the organisation	Position the SANC to become the employer of choice	Organisational values campaign implemented	New indicator	Organisational values campaign implemented	Organisational values campaign implemented	None	N/A
	Improve service delivery	Service Standards Charter implemented	New indicator	SANC Service Standards Charter implemented	SANC Service Standards Charter implemented	None	N/A
		Change Management Plan for service delivery implemented	New indicator	Change Management Plan implemented	Change Management Plan implemented	None	N/A
		Communication and Marketing Plan implemented	New indicator	Communication and Marketing Campaign on SANC Service Delivery initiatives launched	Communication and Marketing Campaign on SANC Service Delivery initiatives launched	None	N/A
	Promote the image of the SANC and of the Nursing Profession within the context of being a regulator	Nursing Excellence Awards Campaign implemented	Nursing Excellence Awards campaign was not implemented due to COVID19 restrictions	Nursing Excellence Awards hosted	Nursing Excellence Awards were not hosted	Deferred to 2023/2024 FY	Deferred in order to be hosted as part of the 2023/2024 FY Nursing Indaba

PROGRAMME 4: CORPORATE SERVICES DIVISION

Section: Registry and Records

Strategic Focus Area	Strategic Objectives	Performance Indicator	Actual Performance 2021/2022	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from planned Target to Actual Achievement 2022/23	Reasons for Deviations
Repositioning and re-engineering the organisation	Enable effective knowledge management solutions	Approved Records Management Policy implemented	New indicator	Data Archive and Retrieval Policy (Records Management Policy) implemented and reviewed	Data Archive and Retrieval Policy (Records Management Policy) implemented and reviewed	None	N/A

Section: Facilities

	Improve service delivery	Facilities Management Plan approved by the SMT.	New indicator	Comprehensive Facilities Management Plan reviewed and implemented	Comprehensive Facilities Management Plan reviewed and implemented	None	N/A
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DEFERRED TARGETS

Programme 1: Governance - Leadership and Management:

- Servant Leadership framework implementation.

Programme 3: Finance Division:

- Revenue Generation Model Strategy and Framework.

Programme 4: Corporate Services Division:

- Fit-for-purpose Organisational Structure implementation; and
- Membership Management System (MMS) Project and its related projects.



PROFESSIONAL AFFAIRS DIVISION OVERVIEW

The Professional Affairs Division is responsible for the core business of the South African Nursing Council, that of regulating Nursing education and practice. The division derives its mandate from the Nursing Act, 2005 (Act No.33 of 2005). It is comprised of three Departments, namely,

- Provider Affairs Department with two sections (Accreditation, and Monitoring and Evaluation);
- Learner Affairs Department with two sections (Assessment and Nurses Registration); and
- Professional Practice Department with four sections (Practice and Conduct, Inspectorate, Continuing Professional Development (CPD) and Impairment).

The Professional Affairs Division supports the following Council Committees:

- Education;
- Laws, Practice and Standards and its subcommittee on CPD;
- Impairment; and
- Preliminary Investigating.

The key achievements of the Division are as follows:

- a. Nursing Education Institutions (NEIs) were accredited to offer undergraduate programmes and Postgraduate Diplomas in Nursing to produce Nurse Specialists and Midwife Specialists who are vital in addressing the burden of disease in the country and contribute to the Human Resource Strategy for Health.
- b. Engagement took place with various stakeholders to discuss matters of common interest in Nursing education and training including Nursing practice. The discussions with the Council on Higher Education (CHE) led to a joint statement by the SANC and the CHE resulting in Nurses who graduated from the legacy four-year Diploma course and General Nurses with Midwifery qualification, being able to access Postgraduate Diplomas in Nursing without having to do additional short courses or programmes.
- c. Education and training standards were pilot tested as were the Practice Standards.
- d. Inspections were conducted in Health Establishments and NEIs including inspection in loco. Investigative inspections were also conducted to ensure compliance with the Nursing Act, 2005 (Act No. 33 of 2005).
- e. Piloting of the Continuing Professional Development in five Provinces to ensure that Nurses maintain their competencies.
- f. Enquiries were held for Nurses who are alleged to be unfit to practise Nursing with reasonable skill and safety due to disability or mental challenges. This emphasizes the role of the SANC regarding the protection of the public from Nurses who are not fit to practice.
- g. Reported cases of unprofessional conduct were investigated and appropriate steps taken for those who were found guilty.
- h. Scope of Practice Regulations were reviewed and Distinguishing Devices Regulations developed and submitted to the National Department of Health.
- i. The process of sourcing a consultant to conduct practice/task analysis to develop the blueprint of Licensure examination is in progress.
- j. The statutory registrations were done in line with the Nursing Act, 2005 (Act No. 33 of 2005).

3.1.1 PROVIDER AFFAIRS DEPARTMENT

The Provider Affairs Department is mandated in terms of Section 4(1)(d) and (2)(f) and (g) of the Nursing Act 2005, (Act No. 33 of 2005) to execute its responsibilities. This Department is responsible for:

- accreditation of Nursing Education Institutions (NEIs) and Nursing programmes;
- approval of clinical facilities; and
- monitoring and evaluation of accredited NEIs to ensure that they comply with accreditation criteria, standards and requirements.

The Provider Affairs Department supports the Education Committee (EDCO) of Council. The mandates of the Provider Affairs Department are carried out through two sections under this Department:

- Accreditation Section; and
- Monitoring and Evaluation Section.

In compliance with the Nursing Act, 2005 (Act No. 33 of 2005) the Provider Affairs Department performed as follows in the 2022/23 financial year:

ACCREDITATION OF NURSING EDUCATION INSTITUTIONS

In the 2022/23 FY Council accredited three NEIs to offer a Higher Certificate in Nursing. The majority of the Private NEIs, Public Colleges and Universities were accredited in 2019 and commenced offering programmes in January 2020. In the past FY there were a total of 119 accredited Nursing Education Institutions. The table below depicts the total number of accredited NEIs. In the year under review all NEIs maintained their accreditation status.

ACCREDITED NURSING EDUCATION INSTITUTIONS	TOTAL ACCREDITED
Private NEIs	34
Public NEIs	65
Universities	20
TOTAL	119

Table 6: Number of accredited NEIs

STATUS ON THE PHASING OUT OF LEGACY QUALIFICATIONS AND PHASING IN OF NEW QUALIFICATIONS

All 119 accredited NEIs are offering Higher Education Qualifications Sub-Framework (HEQSF)-compliant qualifications. Hundred and two NEIs are still phasing out legacy qualifications and 47 have completely phased out legacy qualifications. It is important to note that some of the NEIs are offering HEQSF-compliant qualifications while still phasing out legacy qualifications. The table below provides a breakdown according to the type of the NEI:

	Public NEIs	Private NEIs	Private NEIs	Total
HEQSF-compliant qualifications	65	34	34	119
Still phasing out legacy qualifications	50	33	33	102
Phased out legacy qualifications	32	14	14	47

Table 7: Status on the phasing in of HEQSF-compliant qualifications and phasing out of legacy qualifications

ACCREDITATION OF NURSING EDUCATION PROGRAMMES

In the 2022/23 FY Council prioritised the accreditation of postgraduate programmes due to upscaling the production of Specialist Nurses in the country. Most of the undergraduate programmes were accredited prior to the commencement of HEQSF-compliant qualifications in 2020. As a result, in the 2022/23 FY Council accredited four Higher Certificate in Nursing programmes and three Diploma in Nursing programmes. Council continues to support NEIs that have submitted their undergraduate programmes for accreditation.

In the 2022/2023 FY the SANC accredited 28 postgraduate Nursing Diploma programmes. The table below depicts the total number of accredited programmes per area of specialisation:

POSTGRADUATE NURSING DIPLOMAS	TOTAL ACCREDITED
Postgraduate Diploma in Adult Critical Care Nursing R.635	5
Postgraduate Diploma in Child Critical Care Nursing R.635	1
Postgraduate Diploma in Perioperative Nursing R.635	3
Postgraduate Diploma in Mental health Nursing R.635	1
Postgraduate Diploma in Child Nursing R.635	1
Postgraduate Diploma in Midwifery R.635	2
Postgraduate Diploma in Emergency Nursing R.635	3
Postgraduate Diploma in Nephrology Nursing R.635	2
Postgraduate Diploma in Oncology and Palliative Nursing R.635	1
Postgraduate Diploma in Orthopaedic Nursing R.635	1
Postgraduate Diploma in Occupational Health Nursing R.635	3
Postgraduate Diploma in Health Services Management R.635	3
Postgraduate Diploma in Nursing Education R.635	2
TOTAL	28

Table 8: Accredited postgraduate Nursing Diploma Programmes in 2022/23 FY

APPROVED CLINICAL FACILITIES FOR WORK INTEGRATED LEARNING IN THE 2022/23 FY

In the 2022/23 FY the SANC approved 562 clinical facilities. The clinical facilities are spread across all nine Provinces and are for the placement of both undergraduate and postgraduate diploma students. Clinical facilities included public and private health establishments including community-based clinical settings.

TYPE OF CLINICAL FACILITY	APPROVED NUMBERS
Public Hospitals	131
Private Hospitals	168
Community Health Centres	51
Public Clinics	168
Old Age Homes/Frail Care	5
Industry Clinics	35
Private Clinics	4
TOTAL	562

Table 9: Number of approved clinical facilities by type in 2022/23 FY

AUDIT VISITS, QUALITY INSPECTIONS AND INSPECTIONS IN LOCO

The SANC in 2022/23 FY visited 12 NEIs and 66 clinical facilities as part of audits, quality inspections and inspections in loco.

	NUMBER OF NEIs	NUMBER OF CLINICAL FACILITIES
Audit visits	03	12
Quality Control Inspections	04	27
Inspections in loco	05	27
TOTAL	12	66

Table 10: Audit Visits, Quality Inspections and Inspections in loco during 2022/23 FY

3.1.2 LEARNER AFFAIRS DEPARTMENT

The Learner Affairs Department is responsible for all statutory registrations and management of examinations conducted by the SANC. It specifically supports the Education Committee (EDCO) of the Council.

The Learner Affairs Department comprises of the Registration Section and Assessment Section. The Department is mandated in terms of the Nursing Act, 2005 (Act No. 33 of 2005) to:

- Register students as learner Nurses and/or learner Midwives;
- Register Nurses on completion of training;
- Conduct examinations, and grant certificates in respect of such examinations;
- Register constituent assessors and moderators;
- Process applications for registrations of internationally qualified Nurses and Midwives; and
- Issue duplicate registration certificates.

In compliance with the mandate in the Nursing Act, 2005 (Act No. 33 of 2005) the Department performed as follows in the 2022/23 FY:

REGISTER STUDENTS AS LEARNERS AND ON COMPLETION OF TRAINING

In terms of the Nursing Act, 2005 (Act No. 33 of 2005), the SANC must register Nurses from commencement of education and training until completion, including additional qualifications. The SANC also provides statistics of students who register and pass/fail the examinations.

A total of 2 075 learners were registered under HEQSF-compliant undergraduate programmes - 357 under postgraduate Nursing Diploma programmes and 213 under Legacy programmes. The number of learners registered for legacy programmes are those that failed the Bridging Course (R.683) three times and resumed the programme afresh.

The number of learners for the four-year programme are those that terminated and resumed training because they were not affected by the pronouncement of the Minister of Higher Education and Training that the end-date for enrolment of learners for legacy qualifications was 31 December 2019.

PROGRAMME	TOTAL REGISTERED LEARNERS
UNDERGRADUATE NURSING PROGRAMMES	
Higher Certificate in Nursing R.169	413
Diploma in Nursing R.171	850
Bachelor of Nursing R.174	812
TOTAL	2075
POSTGRADUATE NURSING DIPLOMA PROGRAMMES R. 635	
Health Services Management	56
Mental Health Nursing	20
Primary Care Nursing	129
Midwifery	54
Nursing Education	39
Peri-Operative Nursing	13
Adult Critical Care	9
Occupational Health Nursing	37
TOTAL	357
LEGACY PROGRAMMES	
Four-year Diploma/Degree programme R.425	14
Bridging Course R.683	191
Diploma in Midwifery R.254	8
TOTAL	213
GRAND TOTAL OF REGISTERED LEARNERS 2022/23 FY	2645

Table 11: Registered learners in 2022/23 FY

NURSES REGISTERED ON COMPLETION OF BASIC QUALIFICATIONS IN 2022/23FY

No person may practise as a Nurse Practitioner unless he or she is registered to practise in at least one of the prescribed categories in the Nursing Act, 2005 (Act No. 33 of 2005). In the 2022/23 FY the SANC registered a total of 7924 Nurses on completion of legacy qualifications. A total of 175 Nurses were registered on completion of the new qualifications. The 69 Enrolled Nurses and 29 Enrolled Nursing Auxiliaries were terminations from the four-year Diploma or Degree programmes.

CATEGORY	PROGRAMME	TOTAL
LEGACY QUALIFICATIONS		
Enrolled Nurses	R.425 programme terminations	69
Enrolled Nursing Auxiliary	R.425 programme terminations	29
General Nurse	R.683 Bridging Programme	2048
Psychiatric Nurse	R.880 Diploma in Psychiatric Nursing	1
Midwife	R.254 Diploma in Midwifery	69
Community Service Practitioner	R.425 programme	2764
Registered Nurses	R.425 programme	2944
TOTAL		7924
HEQSF-COMPLIANT NURSING QUALIFICATIONS		
Higher Certificate: R.169	Higher Certificate: R.169	175
TOTAL		175

Table 12: Nurses registered on completion of basic qualifications in 2022/23 FY



NURSES REGISTERED FOR ADDITIONAL QUALIFICATIONS IN THE 2022/23 FY

The SANC registered a total of 3391 Nurses for additional qualifications in different areas of specialisations.

QUALIFICATIONS PER AREAS OF SPECIALISATION	TOTAL REGISTERED
Nursing Administration	1276
Nursing Education	942
Occupational Health Nursing	416
Clinical Nursing Science, Health Assessment, Treatment and Care	222
Critical Care Nursing: General	136
Operative Nursing	83
Community Health Nursing	82
Midwifery and Neonatal Nursing Science	68
Psychiatric Nursing	45
Child Nursing	33
Oncology Nursing	27
Psychiatric Nursing: Child	26
Nephrology Nursing	18
Critical Care Nursing: Emergency	11
Orthopaedic Nursing	2
Ophthalmic Nursing	2
Trauma and Emergency Nursing	2
TOTAL	3391

Table 13: Nurses registered for additional qualifications in the 2022/23 FY

SANC EXAMINATIONS

In line with the provisions of the Nursing Act, 2005 (Act No. 33 of 2005), the SANC conducted national examinations for the legacy qualifications as per the SANC approved schedules. Examinations conducted included national examinations for legacy qualifications, professional entrance examinations for HEQSF-compliant qualifications, and admission examinations for foreign applicants. Table 14 provides a schedule of examinations that were conducted by Council:

PROGRAMME	DATE	PAPER
Bridging course R.683 First year	11 May 2022	Paper 1
	13 May 2022	Paper 2
	09 November 2022	Paper 1
	11 November 2022	Paper 2
Bridging course R.683 Final year	25 May 2022	Paper 1
	27 May 2022	Paper 2
	23 November 2022	Paper 1
	25 November 2022	Paper 2
Diploma in Psychiatric Nursing R.880	09 May 2022	Paper 1
	11 May 2022	Paper 2
	13 May 2022	Paper 3
	07 November 2022	Paper 1
	09 November 2022	Paper 2
	11 November	Paper 3
Diploma in Midwifery R.254	5 May 2022	Paper 1
	11 May 2022	Paper 2
	13 May 2022	Paper 3
	07 November 2022	Paper 1
	09 November 2022	Paper 2
	11 November	Paper 3
Clinical Nursing Science, Health Assessment, Treatment and Care R.48	25 May 2022	Paper 1
	27 May 2022	Paper 2
	23 November 2022	Paper 1
	25 November 2022	Paper 2
Higher Certificate in Nursing R.169	11 May 2022	Only paper
	9 May 2022	Only paper
- Enrolment as a Nursing Auxiliary	27 May 2022	09:00 12:00
- Enrolment as a Nurse	25 November 2022	09:00 12:00
- Registration as a Nurse		

Table 14: South African Nursing Council (SANC) examination schedule for 2022

PERFORMANCE IN THE SANC EXAMINATIONS

TYPE OF EXAMINATION	TOTAL CANDIDATES	PASSED		FAILED	
		NUMBER	%	NUMBER	%
NATIONAL EXAMINATIONS FOR LEGACY QUALIFICATIONS					
Bridging course R.683 first year	272	180	66.2%	92	33.8%
Bridging course R.683 final year	1463	1208	82.6%	255	17.4%
Diploma in Psychiatric Nursing R.880	2	2	100%	0	0
Diploma in Midwifery R.254	48	33	68.8%	15	31.2%
Clinical Nursing Science, Health Assessment, Treatment and Care R.48	2	2	100%	0	0
PROFESSIONAL ENTRANCE EXAMINATIONS FOR NEW QUALIFICATIONS					
Higher Certificate in Nursing R.169	267	258	96.6%	9	3.4%
ADMISSION EXAMINATION FOR FOREIGN APPLICANTS					
Examination for foreign applicants leading to registration as a Nurse	59	44	74.6%	15	25.4%

Table 15: Examinations statistics for the year 2022/23

ASSESSOR AND MODERATOR REGISTRATIONS

In line with the Nursing Act, 2005 (Act No. 33 of 2005) a total of 235 assessors and 217 moderators were registered in the 2022/23 financial year, as per Table 16 below:

Assessors	235
Moderators	217
TOTAL	452

Table 16: Assessors and moderators registered in 2022/23 FY.

REPLACEMENT CERTIFICATES ISSUED IN THE 2022/23 FY

A total of 611 replacement certificates were issued in the 2022/23 financial year. Table 17 provides a breakdown per qualification/ category:

REPLACEMENT CERTIFICATES PER QUALIFICATION/CATEGORY	TOTAL CANDIDATES
Enrolled Nursing Certificate	64
Enrolled Nursing Auxiliary Certificate	82
Diploma in General Nursing (Bridging Course leading to registration as a General Nurse)	88
Diploma in Psychiatric Nursing	18
Diploma in Midwifery	34
Diploma in Community Nursing	30
Registered Nurses post - Community Service	154
Additional qualifications	141
TOTAL	611

Table 17: Replacement certificates issued per qualification/category

VERIFICATIONS AND TRANSCRIPTS ISSUED IN THE 2022 CALENDER YEAR

In the 2022 calendar year the SANC received a total of 1 126 requests from verifications and transcripts. Table 18 depicts the Nurses who requested verifications of qualifications and/or transcripts of training to be sent mostly to the United States of America (USA), United Kingdom (UK), agencies working with different countries, Australia, Ireland and United Arab Emirates (UAE):

Country	Jan	Feb	Marc	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
USA	15	22	41	20	32	42	29	44	25	63	74	5	412
UK	15	23	32	16	20	15	39	22	26	38	26	13	285
Agencies	7	2	10	6	12	8	4	19	4	14	25	16	127
Australia	8	3	3	3	11	8	8	11	5	15	10	12	97
Ireland	5	7	2	4	7	4	4	8	3	7	8	4	63
UAE	2	4	1	1	8	7	2	8	2	7	8	2	52
New Zealand	2	2	1	0	3	4	4	4	1	3	5	1	30
Namibia	0	1	1	1	1	3	0	2	11	0	1	1	22
Zimbabwe	0	0	0	0	1	1	2	2	1	2	2	2	13
Cayman Island	2	0	0	0	0	0	0	2	0	2	2	2	10
China	1	0	1	1	1	0	0	0	0	1	1	1	7
Swaziland	0	0	1	1	1	0	0	0	0	0	0	0	3
Botswana	0	0	0	1	1	0	0	0	0	0	0	0	2
Mozambique	1	1	0	0	0	0	0	0	0	0	0	0	2
Lesotho	0	0	0	0	0	0	1	0	0	0	0	0	1
MONTH TOTALS	58	65	93	54	98	92	93	122	78	152	162	59	1126

Table 18: Verification and transcripts statistics in the 2022 calendar year

- Note:
- The above figures indicate the number of persons who have requested that verifications of qualifications and/or transcripts of training be sent to the countries indicated only, and nothing else.
 - It is specifically stated that Nurses are not required to notify the Council if they do leave the country.
 - The fact that a Nurse has requested a verification be sent does not necessarily mean that she/he has taken up the offer of a position in another country.

3.1.3 PROFESSIONAL PRACTICE DEPARTMENT

The Professional Practice Department of the SANC handles all professional/Nursing practice matters of practitioners who are registered in terms of Section 31(1) of the Nursing Act, 2005 (Act No. 33 of 2005). It is responsible for maintaining practice standards and conduct of Nurses, investigation of alleged unprofessional conduct by Nurses, determination of conditions relating to CPD, and holding enquiries for Nurses who are alleged to be incapacitated.

The Department executes its mandate through its four Sections namely: Inspectorate, Impairment, Preliminary Investigations and Continuing Professional Development (CPD).

The Department supports three Committees and one sub-Committee of Council, i.e.:

- Laws, Practice and Standards Committee, and its sub-committee; the CPD sub-Committee;
- Impairment (IC) Committee; and
- Preliminary Investigating (PIC) Committee.

The Professional Practice Department performed as follows in executing its mandate:

CONDUCTING INSPECTIONS AND INVESTIGATIONS OF HEALTH ESTABLISHMENTS

In terms of Section 4(1)(d) of the Nursing Act, 2005 (Act No. 33 of 2005), the SANC is mandated to conduct inspections and investigations of health establishments to ensure compliance with the Act as well as with rules and standards determined by the Council in terms of this Act.

During the year under review the Department pilot-tested the approved Nursing Practice Standards in 11 health establishments. The purpose of the pilot study is to test the feasibility of standards and measures across all Nursing service delivery platforms, as well as internal processes developed. Inspection reports were compiled and sent to all health establishments in line with the policy and procedures. Quality improvement plans are at varying stages of being received by the SANC office. There is general acceptance and appreciation of the standards by the health services and the profession. Lessons learnt from the pilot study will inform the necessary revisions and finalisation of the Nursing Practice Standards, and these will be used to inspect all health establishments to improve quality of the Nursing care provided.

MANAGING UNPROFESSIONAL CONDUCT - PRELIMINARY INVESTIGATIONS

The Preliminary Investigating Committee (PIC) is responsible for handling cases of alleged unprofessional conduct in terms of the Nursing Act, 2005 (Act No. 33 of 2005). Cases of unprofessional conduct are received from the media, members of the public, and managers in both private and public healthcare establishments. Only cases relating to Nurses whose names are in the SANC Nurse Register are investigated. Tables 19 to 25 reflect a statistical summary of cases that were received and processed by the SANC during the year under review:

FYR 2022-23	Q1	Q2	Q3	Q4	TOTAL
Complaints attended to	16	15	13	13	57
Outside jurisdiction	17	31	15	13	76
TOTAL	33	46	28	26	133

Table 19: Number of cases received for alleged unprofessional conduct by Nurses

CUMULATIVE CASES	Q1	Q2	Q3	Q4	TOTAL
2019	3	3	3	1	10
2020	3	3	2	0	8
2021	42	35	17	9	103
2022	22	28	46	36	132
2023	0	0	0	12	12
TOTAL	70	69	68	58	265

Table 20: Cases in progress (cumulative)

CASES	Q1	Q2	Q3	Q4	TOTAL
Midwifery	5	7	3	6	21
General	12	14	12	9	47
Unprofessional conduct	4	1	0	2	7
Education and training	4	5	4	0	13
TOTAL CASES	25	27	19	17	88

Table 21: Number of cases of unprofessional conduct referred to the Preliminary Investigating Committee

DECISIONS	Q1	Q2	Q3	Q4	TOTAL
No case	3	5	5	2	15
PCC	7	11	10	10	38
Fined	1	1	0	0	2
In abeyance/deferred	14	10	4	5	33
TOTAL	25	27	19	17	88

Table 22: Depicts Committee decisions of Cases referred to the Preliminary Investigating Committee

CASES REPORTED BY	Q1	Q2	Q3	Q4	TOTAL
Members of the public	15	10	12	15	52
Nursing Managers/Other	5	12	3	0	20
Internal (SANC/Education/IC)	5	5	4	0	14
Media	0	0	1	1	2
TOTAL	25	27	20	16	88

Table 23: Depicts the persons who reported cases of alleged unprofessional conduct by Nurses

REPORTED FROM	Q1	Q2	Q3	Q4	TOTAL
Private institution	8	12	8	6	34
Public institution	13	10	7	11	41
Internal	4	5	4	0	13
TOTALS	25	27	19	17	88

Table 24: Depicts place of incidence of the alleged unprofessional conduct

CATEGORY	NUMBER OF NURSES
Professional Nurse	62
Midwives	41
Enrolled Nurses	23
Enrolled Auxiliary Nurses	13
TOTAL	139

Table 25: Depicts number of Nurses referred to the Professional Conduct Committee

PROVINCE	NUMBER OF CASES
Gauteng	24
KwaZulu-Natal	30
North West	3
Eastern Cape	6
Western Cape	10
Northern Cape	4
Limpopo	4
Mpumalanga	3
Free State	4
TOTAL	88

Table 26: Depicts reported cases of unprofessional conduct of Nurses per province

MANAGING UNFITNESS TO PRACTICE - IMPAIRMENT

The inquiries into alleged unfitness to practice are conducted by the Impairment Committee, as mandated by Section 51 of the Nursing Act, 2005 (Act No. 33 of 2005). Employers, colleagues, and the public report cases of unfitness to practice to the Council. The SANC balances the interest of the public and the wellness of the Nurse Practitioners by ensuring that Practitioners with physical or mental health challenges or any other such condition which renders them impaired, are assisted and rehabilitated.

During the year under review the following was achieved:

- Circulars were developed and shared with stakeholders, sensitising them on the importance of managing scheduled substances.
- Stakeholder engagements hosted to create awareness on the existence of the Impairment Committee of Council. This was accomplished through information sharing on all available platforms, e.g. the SANC Stakeholder Forum, SANC website, and the SANC e-Newsletters.

In terms of managing unfitness to practice the following was achieved:

CASES	Q1	Q2	Q3	Q4	TOTAL
Cases in Progress	12	14	12	11	49
New cases	5	6	1	0	12
Limitation to practice	0	0	0	2	2
Administrative removal/suspension	9	11	17	17	54
Student	0	0	1	0	1
Restored	1	2	0	0	3
Discharged/closed	1	4	3	1	9
Inquiries	1	0	0	0	1
Referred to PIC	1	1	0	1	3
TOTALS	30	38	34	32	134

Table 27: Depicts cases received of allegations of unfitness to practice by Nurses

CATEGORY	GENDER	Q1	Q2	Q3	Q4
Registered Nurse	F	6	13	18	10
	M	2	2	3	2
Enrolled Nurse	F	1	1	3	2
	M	0	0	0	0
Enrolled Nursing Auxiliary/Learner	F	1	1	1	1
	M	0	0	1	0
TOTAL		10	17	26	15

Table 28: Depicts categories of Nurses who are under impairment review

CATEGORY	GENDER	Q1	Q2	Q3	Q4
Registered Nurse	F	6	12	12	12
	M	2	3	3	3
Enrolled Nurse	F	1	1	1	1
	M	1	1	1	1
Enrolled Nursing Auxiliary/Learner	F	0	0	0	0
	M	0	0	0	0
TOTAL		10	17	17	17

Table 29: Depicts removals due to non-compliance of impaired Nurses

PROVINCE	NUMBER OF CASES
Eastern Cape	0
Gauteng	13
KwaZulu-Natal	8
Limpopo	1
Mpumalanga	1
Northern Cape	1
Northwest	1
Western Cape	1
TOTAL	26

Table 30: Depicts cases of impaired Nurses per province

PROVINCE	TOTAL REMOVED
Gauteng	5
KwaZulu-Natal	2
Western Cape	10
TOTAL	17

Table 31: Depicts administrative removals per Province due to non-compliance

CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

A CPD pilot roll-out plan was developed and approved by Council. The CPD pilot roll-out was conducted successfully in four provinces, one district per province. The provinces piloted were Mpumalanga, KwaZulu-Natal, Western Cape, and Eastern Cape. The pilot roll-out was conducted in partnership with the Nursing Practice Directorate in the Office of the Chief Nursing Officer in the National Department of Health. Practising Midwives in public health establishments (Primary Health Care Clinics, Community Health Centres, District Hospitals and Provincial hospitals) were used as a sample for the pilot. The partogram programme was used. The pilot was well received by the Nurse Practitioners in provinces. During feedback sessions, participants indicated that the training upskilled their competence and improved confidence in accurately plotting and interpreting the partogram when managing a woman in labour. They further indicated significant improvement in the referral pathways because Midwives refer appropriately, after thorough assessment, progressing and monitoring and most of referred cases are those with indications for Caesarian-section or other complications. The provinces piloted resolved to extend the CPD pilot programme to other districts within the province. Lessons learnt from the pilot roll-out will assist in improving the CPD processes in the planned Membership Management System (MMS), before a countrywide CPD roll-out for Nurses and Midwives takes place.



4.1 LEGAL AFFAIRS DEPARTMENT

The core functions of the Legal Affairs Department are to:

- Provide corporate legal support services to the SANC
- Institute and defend all litigation matters on behalf of and against the SANC
- Assist with the drafting of all relevant legislation
- Conduct inspections and investigations of accredited and illegal Nursing Education Institutions
- Conduct any other inspection or investigation ordered by the Registrar
- Lead the prosecution in an inquiry into any complaint of unprofessional conduct or misconduct against any practitioner in terms of the Nursing Act, 2005 (Act No. 33 of 2005)
- Render legal support to all standing or working Committees of the Council or the Administration
- Facilitate all appeals in terms of Section 15(4) of the Nursing Act, 2005 (Act No. 33 of 2005)
- Attend to all appeals in terms of Section 57 of the Nursing Act, 2005 (Act No. 33 of 2005).

The Legal Affairs Department of the South African Nursing Council consists of a staff compliment of seven staff members. The Professional Conduct hearings do form a large part of the Legal Affairs Department's work, however it is by no means all that the Legal Affairs Department is responsible for.

The Legal Affairs Department is responsible for assisting in various targets on the SANC Annual Performance Plan (APP) but is solely responsible for Program four on the APP which relates to Strategic Objective 8: Regulate Nursing Practice, in which Professional Practice Hearings by the Professional Conduct Committee falls. This performance indicator was achieved and below follows a breakdown of hearings held:

PCC MATTERS

CRITICAL MILESTONES:

In adhering to this function in terms of the Nursing Act, 2005 (Act No. 33 of 2005), the Legal Affairs Department also rendered services to the following Committees of Council:

1. Professional Conduct Committee

The function of the Committee is to conduct inquiries or formal hearings into any complaint or allegation of unprofessional conduct or misconduct, referred to it by the Preliminary Investigation Committee in terms of Section 46 of the Nursing Act, 2005. The Committee will then make a finding and decide on an appropriate sanction based on the evidence before the Committee in terms of Section 47(1) of the Act.

During the period under review, the Committee had six sittings:

First in KwaZulu-Natal province, where five cases were considered, three were finalised, one postponed, and one administratively removed from the SANC register.

Second was Gauteng province, where the SANC had eight cases: three was finalised, one withdrawn, three dismissed, and one administratively removed from the SANC register.

Third was Limpopo province, with four cases: one finalised, one administratively removed from the SANC register, and two postponed.

Fourth was Western Cape province, where the SANC had eight cases: three cases were finalised, one withdrawn, three dismissed and one administratively removed from the SANC register.

Fifth was Eastern Cape province, where the SANC had four cases of which two were finalised and two postponed.

Sixth was Gauteng province, where the SANC had seven cases of which three were finalised, one withdrawn, one administratively removed from the SANC register and two dismissed.

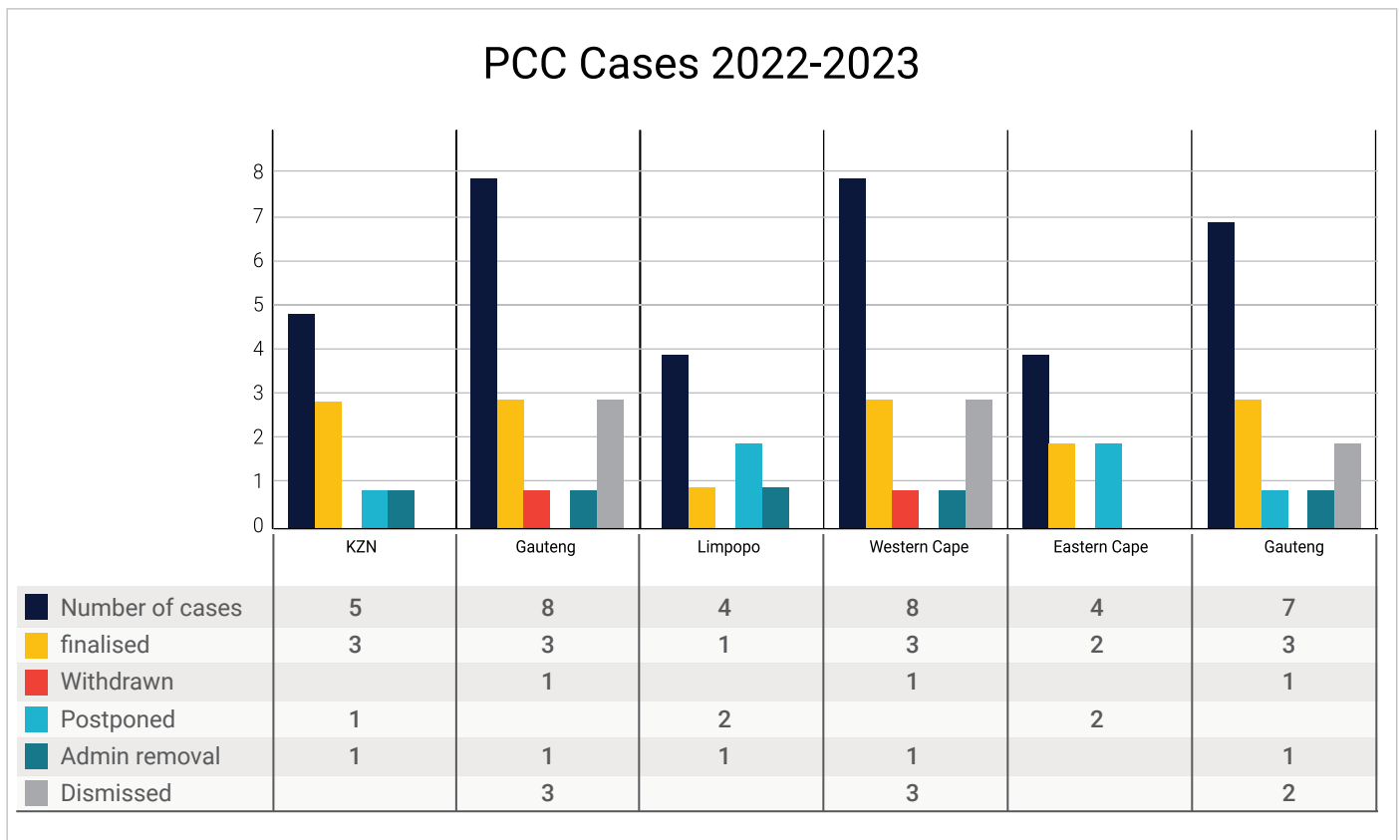


Figure 5: PCC cases 2022-2023

Poor Nursing Care	14
Medical Error	07
Fraud	02
Maternity	10
Sexual Assault	01
Poor control of drugs	01

Table 32: The types of matters attended to under a period in review

LITIGATION MATTERS

During the period under review the SANC attended to various legal matters, all of which were successfully defended by the SANC. These ranged from urgent applications to various other forms of applications, mainly Nursing Education Institutions and bodies representing same brought against the SANC. Very few matters were brought against the SANC by individuals and usually if an individual is the applicant, they are represented by either a trade union or other form of organisation.

The SANC wins most of the cases with costs, however recouping such costs is usually a very difficult if not impossible task. One matter that warrants noting is an aging matter that is once again before the Labour Court for review after it was heard a second time in the CCMA.

APPEALS

1. Appeals in terms of Section 15(4) Appeals of the Nursing Act, 2005

The SANC had received seven appeals in terms of Section 15 (4) of the Nursing Act, 2005 (Act No. 33 of 2005) against the decision of the Professional Conduct Committee. Some of these appeals were heard and finalised, some sanctions were appealed, and the cases transferred to appeal in terms of Section 57 of the Nursing Act, 2005 (Act No. 33 of 2005). In Eastern Cape the SANC had two cases, three cases in KwaZulu-Natal, and two cases in Gauteng.

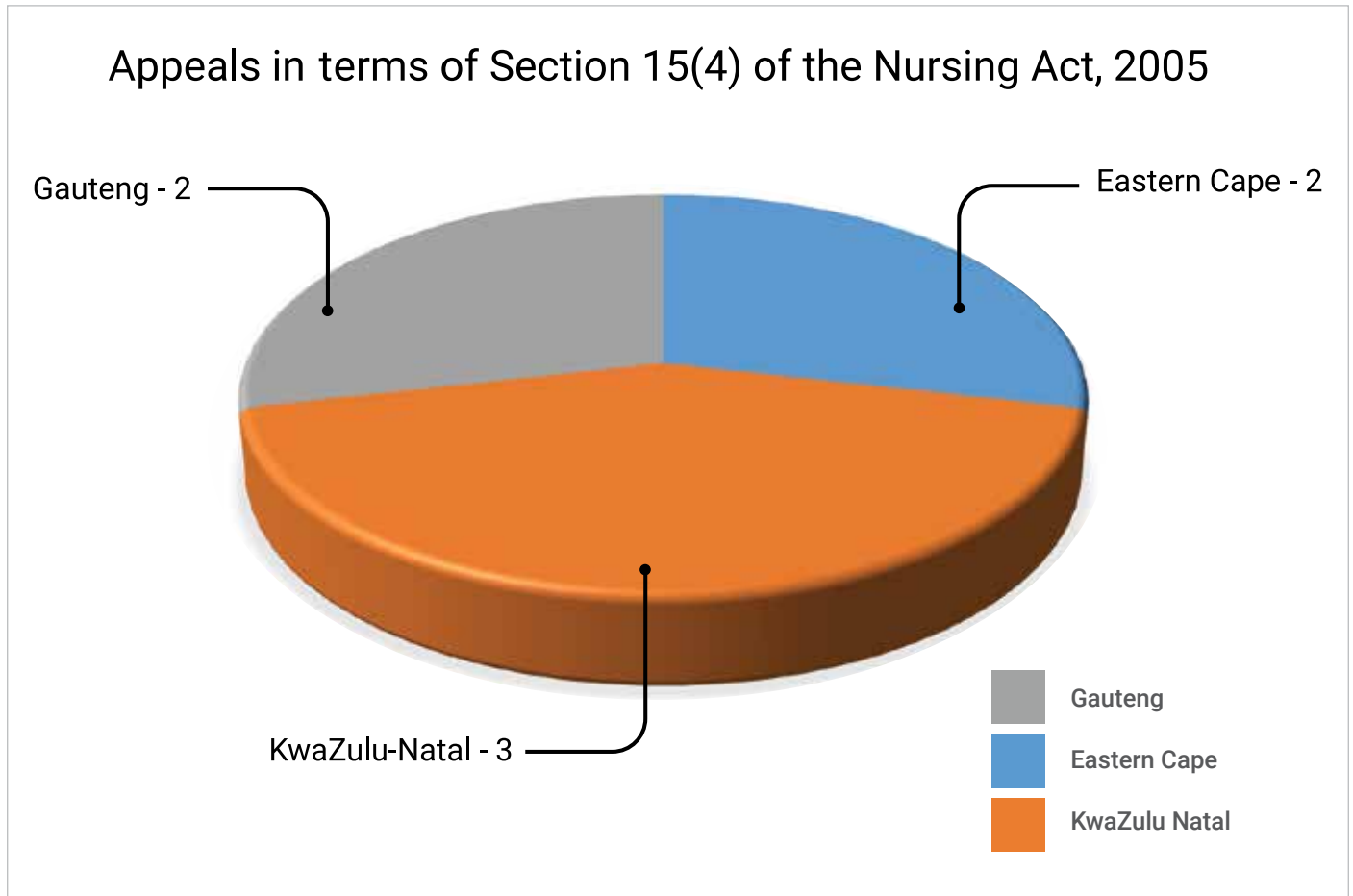


Figure 6: Appeals in terms of Section 15(4) of the Nursing Act, 2005

2. Appeals in terms of Section 57 of the Nursing Act

For the period 2022-2023, the South African Nursing Council had received 15 appeals in terms of Section 57 of the Nursing Act, 2005 which are appeals to the Appeals Committee appointment by the Minister of Health in terms of Section 57 of the Nursing Act.

There are seven Professional Conduct cases in which sanctions were overturned by the Council of the SANC, all of these cases are now under appeal in terms of Section 57 of the Nursing Act, 2005. Defendants and their Representatives have been notified about the Council's decision. The Minister of Health has been notified about the decision of the SANC's Council, and an Appeals Committee in terms of Section 57 of the Nursing Act, 2005 has been appointed.

The Legal Affairs Department was dealing with additional matters under Section 57 of the Nursing Act, 2005, that have been attended to as follows: two) cases have been finalised, one postponed, one put in abeyance and three cases are awaiting a hearing date.

Appeals in terms of Section 57 of the Nursing Act, 2005

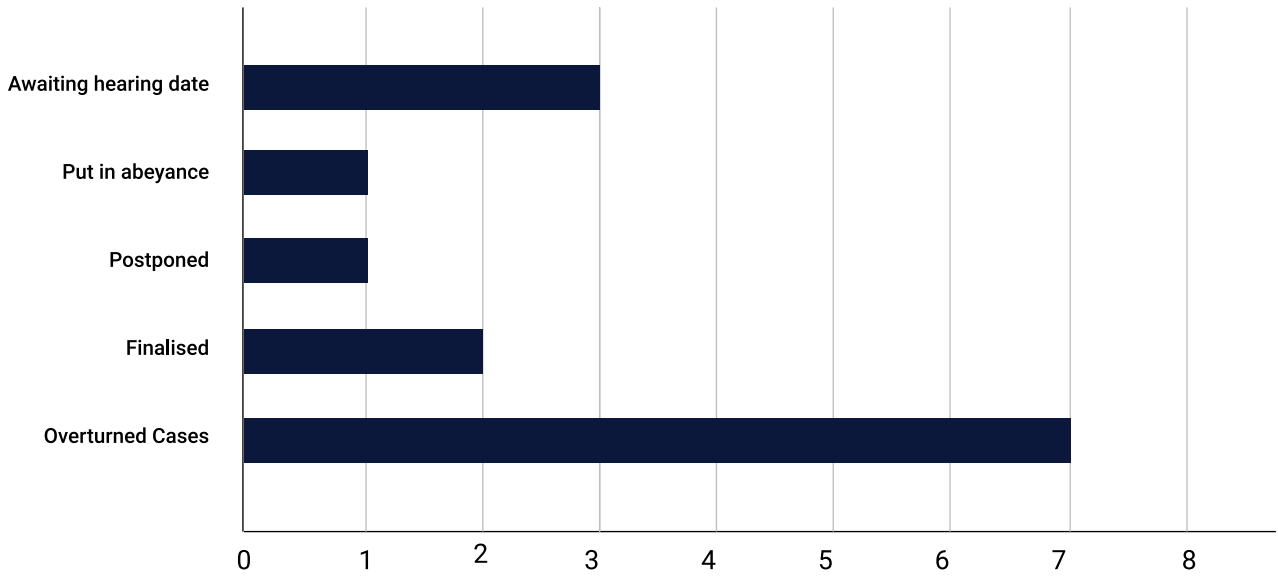


Figure 7: Appeals in terms of Section 57 of the Nursing Act, 2005





The 2022/2023 financial year presented opportunities to introduce new interventions, minimise audit queries, improve internal controls, strengthen governance, and address and resolve long outstanding historical Corporate Services related matters in the SANC.

1. The post of the Deputy Registrar was filled from 1 July 2022. The position of the Registrar and CEO was filled by Prof. NG Mtshali with effect from 1 March 2023 following the retirement of the former Registrar and CEO, Ms SA Mchunu.
2. The approval by Council in 2022/2023 FY of 29 policies emanating from the Human Resources Department, Information and Communication Technology Department, Communication and Marketing Department, Records and Registry Section and Facilities Management Section, is an accurate indication of the mammoth task that was undertaken and achieved in the Division by the Corporate Services team. The work that was invested in this area was primarily to introduce new Policies and Standard Operating Procedures where none existed in the SANC or to review existing policies to strengthen audit controls and improve governance of related matters.
3. The implementation of the Leave Management Project Plan, to address leave data integrity and system related leave issues, was conducted for the first time in the history of the SANC and was closed with a successful User Acceptance Test Report on 15 March 2023 and no audit findings.
4. The implementation of the Remuneration Strategy and Payscale Design Project will also elevate the SANC to a new level in so far as job profiles and a competitive salary structure are concerned.
5. The unveiling of the Wall of Remembrance during 2022/2023 FY was a significant and emotional event for the SANC as tribute was paid to the Nurses who passed away in the line of duty during the COVID-19 pandemic. The event did justice to the true unsung heroes i.e. our Nurses, who placed the lives of their patients ahead of their own well-being.
6. The SANC is committed to the upliftment of its standard of service, and thus serve its internal and external customers to a standard of excellence. The approval by Council of the Service Standards Charter and the implementation thereof, will go a long way to maintaining the image of the SANC.

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

1. OVERVIEW

Information and Communication Technology (ICT) is a Department within the Corporate Services Division and comprises of three Sections namely: ICT Operations, Business Applications, and the Project Management Office (PMO). The Department is mandated to automate and optimise the SANC business processes in a secured ICT environment. To achieve this outcome, the Department has one Strategic Objective, SO4: Enhance Information and Communication Technology Management (ICT/IMS) which is broken down into three strategic sub-objectives, namely:

- Enhance Information Management systems, processes, and people;
- Enhance secured SANC information assets; and
- Provide an enabling and empowering ICT environment.

As part of the SANC ICT Strategy, the aim is not only to automate the SANC business processes and the adoption of value-add solutions that will improve the image of the Council, service delivery, data integrity, and operational effectiveness but also to play a part in environmental sustainability.

The eBusiness Transformation Projects, ICT Cloud Journey and the Office Automation Project are aimed at both efficiency and contributing towards a Go-Green ICT-enabled environment.

2. ICT BUSINESS PROCESS IMPROVEMENT

To achieve these ICT strategic objectives, the PMO is mandated to improve SANC business processes by automating the SANC business processes and adopting the value-add solutions which will improve the image of the Council, enhance service delivery, data integrity and operational effectiveness. The status summary relating to the ICT projects is provided below:

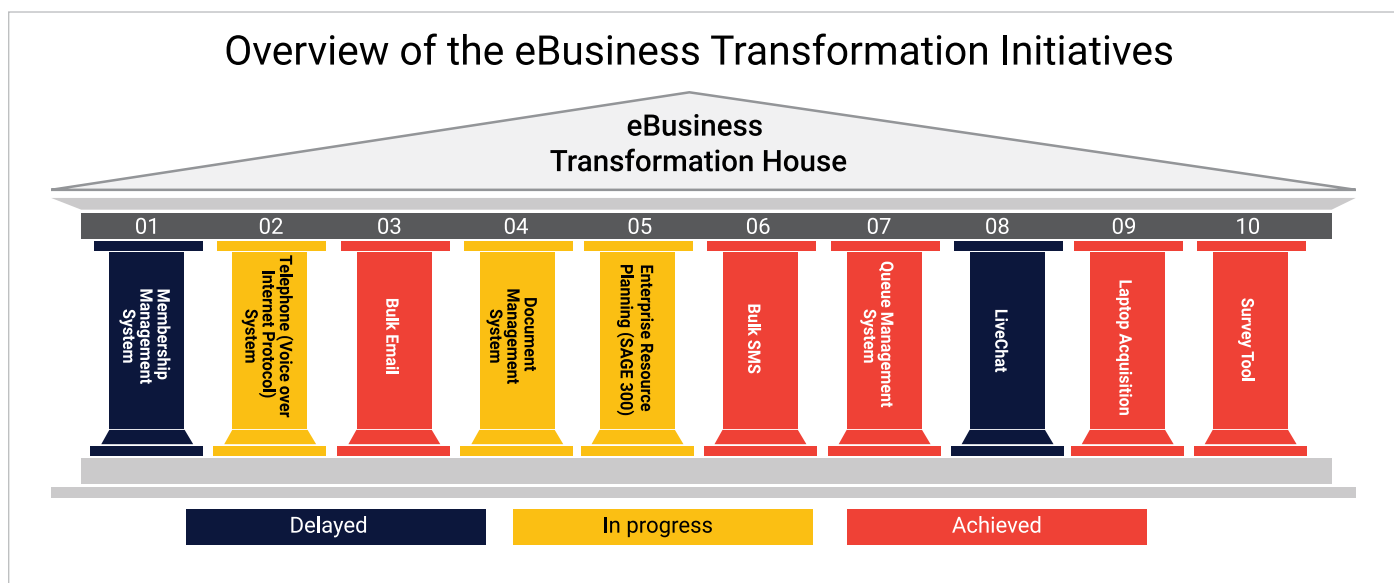


Figure 8: Overview of eBusiness Transformation Initiatives

3. ICT CLOUD JOURNEY AND DATA CENTRE IMPROVEMENT

In order to provide an enabling and empowering ICT environment, the Department initiated the Cloud Hybrid Journey during the 2020/2021 financial year. The programme to achieve the said strategic objective is planned to be completed during the 2023/2024 financial year. The status summary relating to the Cloud Hybrid Journey and its value-add solutions is provided below:

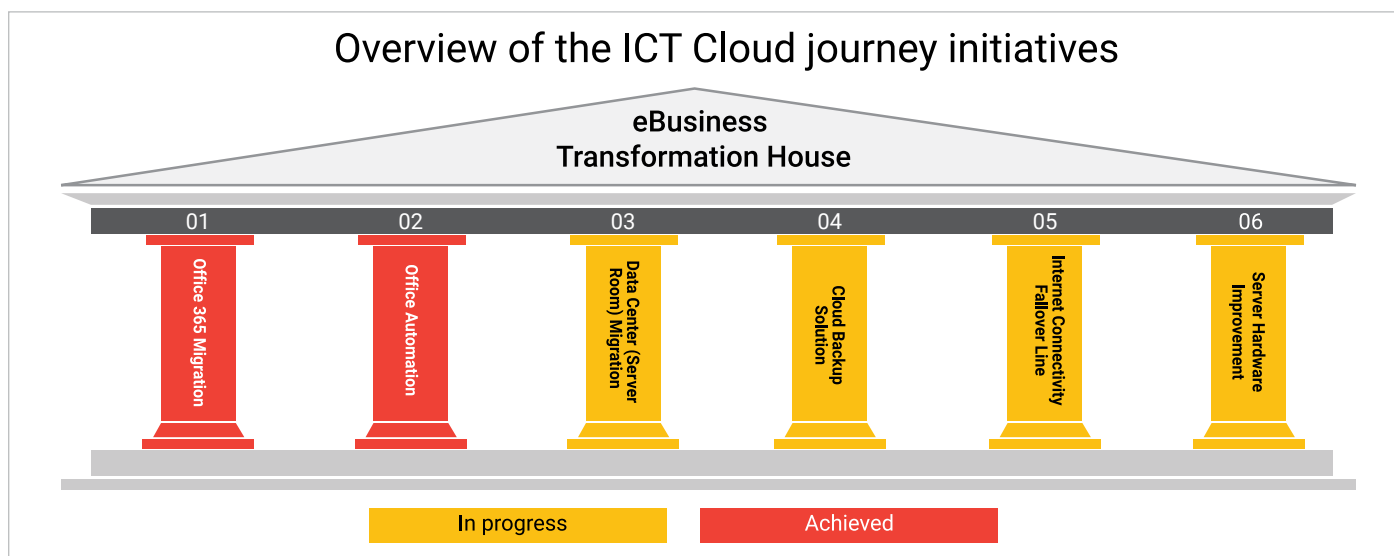


Figure 9: Overview of ICT Cloud Journey Initiatives

COMMUNICATION AND MARKETING

1. OVERVIEW

The Communication and Marketing Department focused on the following operational targets during the past Financial Year, as included in the SANC Council's five-year strategy:

- S02** - Position the SANC to become an employer of choice - Ensure Organisational Values Drive;
- S06** - Improve Service Delivery; and
- S014** - Promote the image of the Nursing profession within the context of being a Regulator.

2. POSITION THE SANC TO BECOME AN EMPLOYER OF CHOICE - ENSURE ORGANISATIONAL VALUES DRIVE

The SANC Organisational Values Campaign for employees was implemented successfully by utilising a variety of channels and events. An acronym, ACPRIQ was designed for the values to support the values of:

- Advocacy
- Caring
- Professionalism
- Relevance
- Innovation, and
- Quality.



Figure 10: SANC Values

3. IMPROVE SERVICE DELIVERY

The SANC as an organisation committed in its 2018-2023 strategy to focus on improving service delivery, and in the most cost-effective way. In striving to keep to this commitment, in 2022/2023 FY the Communication and Marketing Department continued with the implementation of nine service delivery initiatives. Specifically, the Department introduced a Change Management Campaign for service delivery under the slogan *#buildingabetterSANC*. The campaign focused on the improvement of service delivery across a range of platforms with special focus on the service standards as captured in the Service Standards Charter.

Service Delivery Initiatives

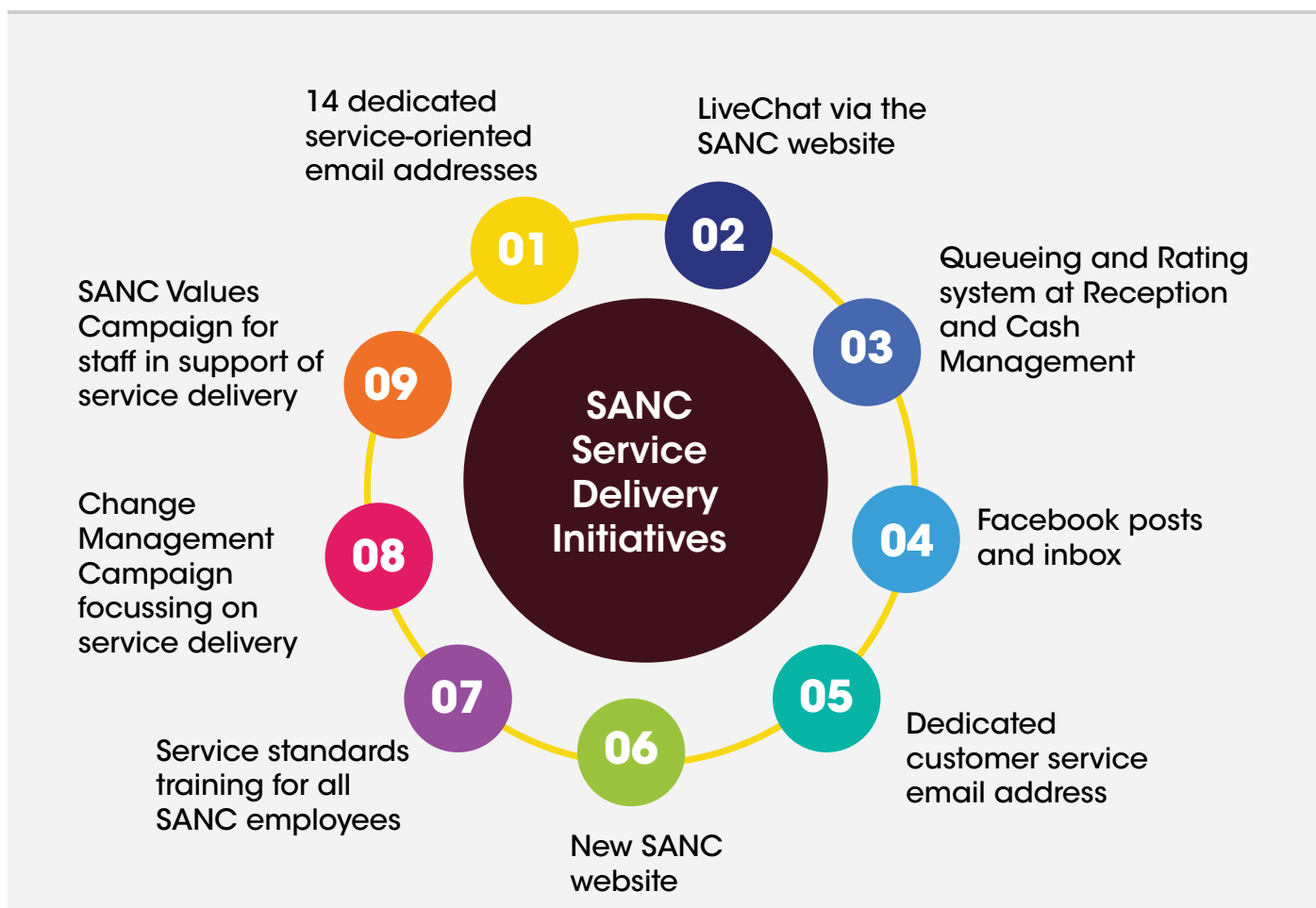


Figure 11: SANC Service Delivery Initiatives

In monitoring the provision of services to clients, the SANC maintained statistics on client services and engagement in the year under review. The services were provided using a range of platforms as depicted in Figure below.



Figure 12: Client Services and Engagement Statistics 2022/23 FY

4. PROMOTING THE IMAGE OF THE NURSING PROFESSION WITHIN THE CONTEXT OF BEING A REGULATOR: STAKEHOLDER ENGAGEMENT

The following activities were executed in support of stakeholder engagement and to promote the image of both the SANC as well as the Nursing profession:

External Communication to stakeholders

The Department developed and executed an External Communication Strategy that focused on consistent communication with stakeholders via Facebook, emails, the SANC website, Circulars, YouTube, videos, etc.

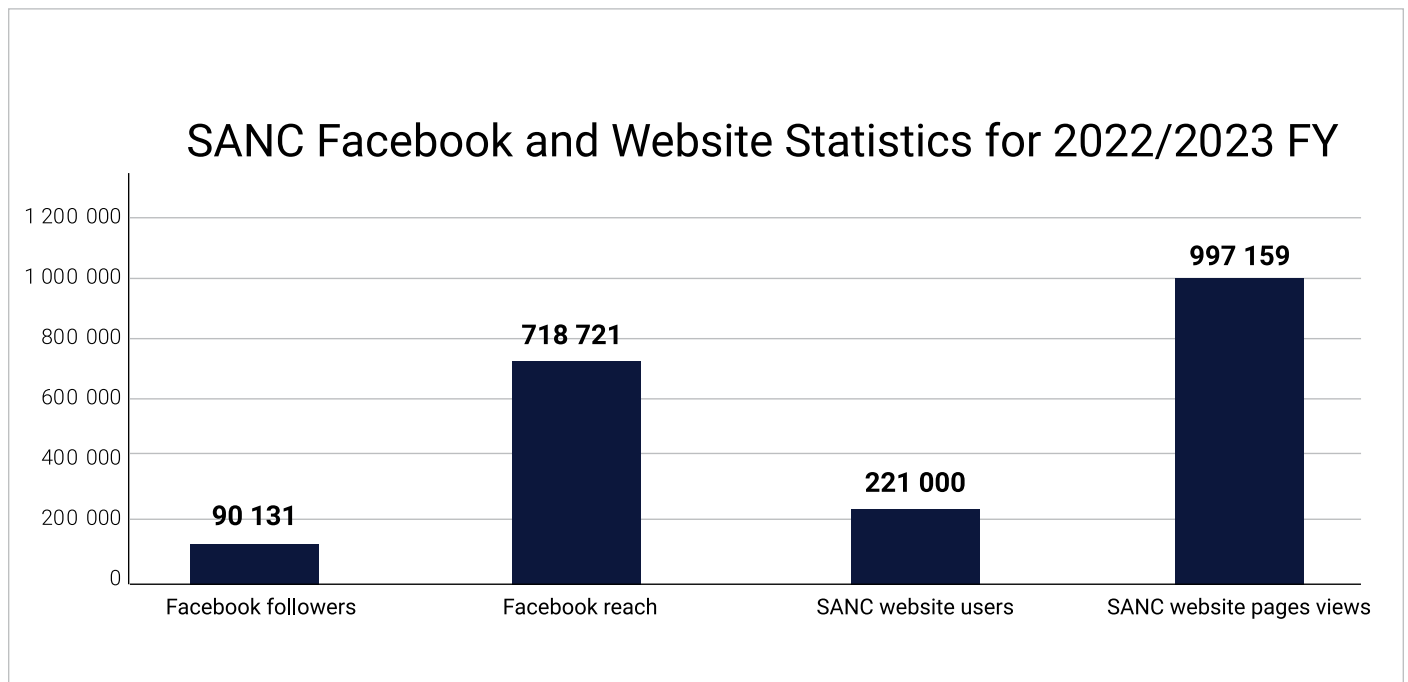


Figure 13: Statistics regarding engagement with stakeholders using social media platforms

Facebook: The Facebook page recorded 90 131 followers since the start of the page in 2020. Facebook reach is 718 721 and 216 945 Facebook page visits were recorded from 01 April 2022 – 31 March 2023.

SANC website: The SANC website (www.sanc.co.za) statistics show 221 000 users and 997 159 page views, with the average engagement time of 2 minutes 02 seconds per person. The SANC’s Nurse eRegister attracted the most views: 15.2% of all page views. The website is updated consistently and communication to stakeholders is shared on the website. Monthly analytical reports are distributed to management to monitor usage patterns and track the efficiency of the website.

YouTube: The SANC YouTube channel, called **SANCTV** recorded 500+ subscribers in 2022/23. The SANC posts videos on this channel and viewership of the posted videos recorded is as follows:

YOUTUBE VIDEOS	POSTING DATE	NUMBER OF VIEWERS
COVID-19 Thank You Video	13 April 2022	84 views
SANC Values	15 July 2022	113 views
SANC Service Delivery Video	22 September 2022	256 views

Table 33: SANC YouTube videos posted in 2022/23 FY

Note:

The SANC videos are also flighted on the SANC’s Facebook page as it has the highest number of followers from the social media channels used by the SANC’s clients. Key videos are also posted on the SANC website e.g. History of the SANC; The SANC Values.

Newsletter

As part of ongoing efforts to keep the SANC stakeholders informed about its initiatives, the SANC's electronic newsletter, the **#SANCnews** is distributed every two months to stakeholders via email, the SANC website and Facebook. In the 2022/23 Financial Year six newsletters have been distributed.



Figure 14: The #SANCnews

Media Engagement

The SANC daily tracks and monitors news coverage about the SANC and Nursing, and reports media coverage to members of Council and Management. The SANC also responds to media enquiries. The SANC received 30 Media Enquiries from 01 April 2022 to 31 March 2023 from various media houses - see Figure 6. Media enquiries were received from the Mail and Guardian, SABC, Carte Blanche, ENCA, Business Day, Sunday Times, Sunday Independent, Spotlight, Weekend Argus, Umhlobo Wenene FM, Pretoria News, MedBrief Africa, Network 24, IMA Medical Files, The Post, New Frame, Daily Thetha, and New France.

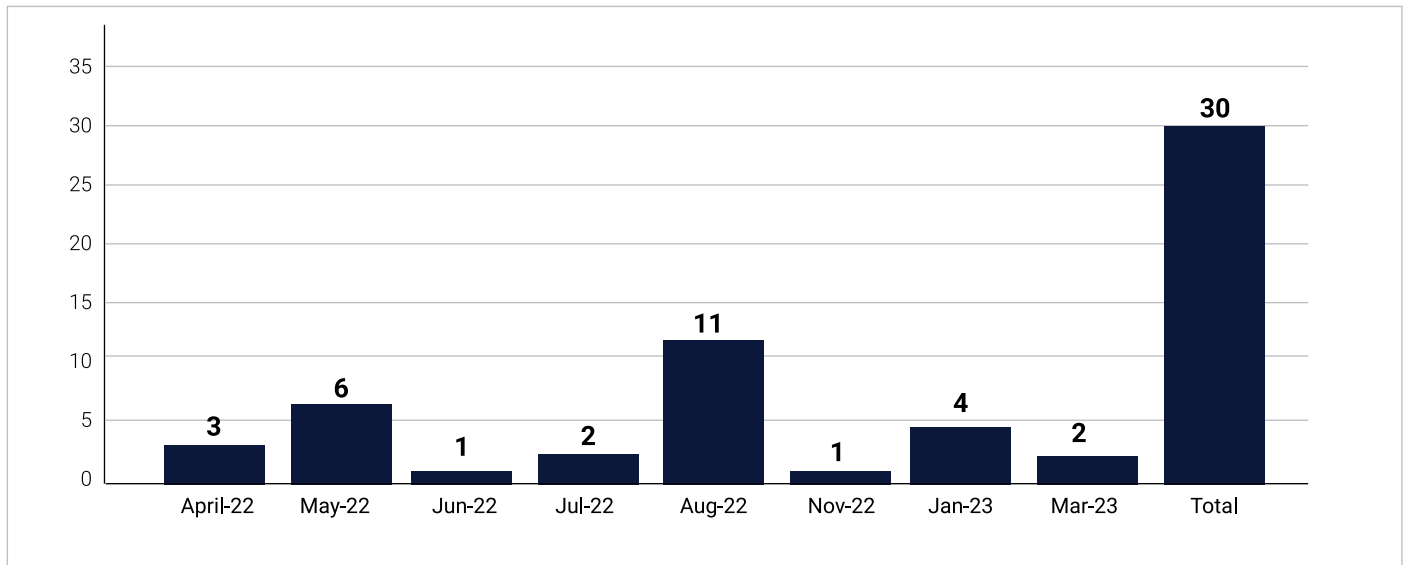


Figure 15: 2022/2023 Media Enquiries statistics

Media Releases in 2022/23 FY

The SANC in 2022/23 FY issued six media releases on Nursing related matters. Media releases issued included:

- Training of Nurses;
- SANC mourns the passing of Nurses at OR Tambo Memorial Hospital;
- SANC response regarding training of Nurse and Midwife Specialists and recruitment of foreign trained Nurses;
- Nurses partaking in industrial action;
- SANC appoints new Registrar and Chief Executive Officer (CEO); and
- Wall of Remembrance Unveiling.

STAKEHOLDER COMMUNICATION

SANC Circulars

The SANC issued 13 Circulars to stakeholders during the past Financial Year:

SUBJECT	DATE ISSUED
Circular 5/2022: SANC Easter Closure	07/04/2022
Circular 6/2022: Interim measure regarding distinguishing devices for Auxiliary Nurses	04/05/2022
Circular 7/2022: Community service for Nurse who have completed Bachelor of Nursing Programme	24/05/2022
Circular 8/2022: Fees and Fines for 2023	03/06/2022
Circular 9/2022: Unidentified deposits for 2022 Annual Fees payments	11/08/2022
Circular 10/2022: Appointment of the Acting Registrar and CEO of the SANC	01/10/2022
Circular 11/2022: Examination Schedule for 2023	18/10/2022
Circular 12/2022: Position of SANC on articulation from Legacy to the HEQSF-aligned Nursing qualifications	27/10/2022
Circular 13/2022: SANC Year-End Closure	01/11/2022
Circular 14/2022: Professional Entrance Examinations	08/11/2022
Circular 15/2022: Payments made by NEIs	13/12/2022
Addendum to Circular 14/2022: Professional Entrance Examination	08/02/2023
Circular 1/2023: Appointment of the SANC Registrar	13/03/2023

Table 34: SANC Circulars issued

Surveys

The following external surveys were done via the SANC website, with the survey links first sent to stakeholders via email, and further awareness created via social media:

- Queuing and Rating system for walk-in clients Survey November 2022: 187 entries; and
- **#SANCnews** survey February 2023: 118 entries.

INTERNAL COMMUNICATION

SANC Intranet: SANC Pulse

The **SANC Pulse** was relaunched on 27 June 2022 and the following posts have been made since June 2022 for the past Financial Year:

- SANC policies published: 44
- **#buildingabetterSANC**-campaign: 28
- The **SANC Pulse** consists of 57 site pages and contains more than 3000 uploaded photos and site assets.
- The **SANC Pulse** is utilised as the main driver for internal surveys, with the following surveys completed in the past Financial Year:
 - a. Evaluation of staff perception regarding Change Management Plan Implementation: 23 responses
 - b. SANC staff values campaign anonymous survey: 13 responses
 - c. Staff values campaign survey: 12 responses
- The **SANC Pulse** has a permanent **Staff Suggestion Box** providing staff with the opportunity to provide their input about the organisation and employee matters.

Take Note (email communication to staff)

The SANC issued 122 Take Note messages to staff from April 2022 to March 2023.

WALL OF REMEMBRANCE

The SANC Wall of Remembrance was unveiled on 29 March 2023. The Wall of Remembrance is a memorial to those Nurses who have succumbed to the COVID-19 pandemic - a constant reminder about the daily sacrifices that Nurses make, often at the cost of themselves and their families and often under difficult conditions. The Wall is and will always be a constant reminder of the value of Nurses and the Nursing Profession that become paramount especially when we are in a fight for survival.

The SANC, at the Unveiling Ceremony, also noted and applauded the efforts by Government and in particular the Ministry of Health in the fight against the coronavirus, and the dedication to the health of all South Africans.



Figure 16: The SANC Wall of Remembrance

HUMAN RESOURCES

1. OVERVIEW

The Human Resources function in the SANC is aligned to the Strategic Plan 2018-2023:

- Strategic Objective 1 - Ensure effective governance; and
- Strategic Objective 2 - Position the SANC to become an employer of choice.

2. CRITICAL MILESTONES

Aligned to the targets in the Human Resources Strategy 2022-2023, the HR Department provided relevant quarterly progress reports to the Human Resources and Remuneration Committee (HRRC) and Council.

LEADERSHIP STABILITY

The SANC filled all vacant executive posts. The personnel cost per salary band and Programme is provided in the Tables below:

LEVEL	PERSONAL EXPENDITURE (R'000)	% OF PERSONNEL EXPENDITURE TO TOTAL PERSONNEL COST (R'000)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Unskilled	588	1%	3	196
Semi-Skilled	45 880	45%	117	392
Junior Management	16 529	16%	27	612
Middle Management	18 276	18%	21	870
Senior Management	12 356	12%	9	1 373
Executive Management	7 397	7%	4	1 849

Table 35: Personnel cost per salary band

PROGRAMME/ACTIVITY/OBJECTIVE	TOTAL EXPENDITURE FOR THE ENTITY (R'000)	PERSONNEL EXPENDITURE (R'000)	PERSONNEL EXPENDITURE AS A % OF TOTAL EXPENDITURE (R'000)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Administration	149 052	63 723	42.8%	113	563.92
Learner Affairs	149 052	19 130	12.8%	40	478.26
Professional Practice	149 052	9 556	6.4%	12	796.36
Provider Affairs	149 052	8 616	5.8%	16	538.51

Table 36: Personnel cost by Programme/activity/objective

CONDITIONS OF SERVICE AND EMPLOYEE CODE OF CONDUCT AND ETHICS

The SANC conducted an overall organisational audit with respect to compliance to organisational ethical policy provisions.

EMPLOYEE HEALTH AND WELLNESS

The SANC is committed to the wellness of employees through the implementation of the Employee Health and Wellness Policy, the appointment of *Independent Counselling and Advisory Services (ICAS)* as service provider and an Organisational Wellness Day on 23 March 2023.

LEARNING AND DEVELOPMENT**Implementation of the Bursary Policy**

The implementation of the reviewed Bursary Policy resulted in eight employees being awarded with bursaries.

Affiliation to Professional Bodies

In line with the SANC Learning and Development Policy, the SANC processed the payment of professional membership fees to various professional bodies for employees of the SANC.

REMUNERATION AND PAYSCALE DESIGN

The service provider, *Emergence Human Capital Consulting*, was appointed to manage the Remuneration and Pay-Scale Design Project with key deliverables including the development/review of job profiles, job grading, remuneration benchmarking, pay scale design and the review of applicable organisational Policies and Procedures.

EMPLOYEE VALUE PROPOSITION (EVP)

The Council approved a Total Rewards Policy which articulates the principles of the SANC's Employee Value Proposition.

3.HR GOVERNANCE MATTERS**Workplace Skills Plan (WSP) and Annual Training Report (ATR)**

In the 2022/23 financial year, the SANC submitted the WSP and ATR reports to the relevant SETA for job specific training that was undertaken.

PROGRAMME/ ACTIVITY/ OBJECTIVE	PERSONNEL EXPENDITURE (R'000)	TRAINING EXPENDITURE (R'000)	TRAINING EXPENDITURE AS A % OF PERSONNEL COST (R'000)	NO. OF EMPLOYEES	AVERAGE TRAINING COST PER EMPLOYEE (R'000)
All Staff	101 026	436	0.4%	38	11

Table 37: Training costs

EMPLOYEE RELATIONS MANAGEMENT**Collective Bargaining**

The SANC maintained labour peace and good employer/employee relations while consulting on matters of mutual interest. The SANC successfully concluded the 2022/2023 FY Cost of Living Adjustment (COLA) agreement with the labour unions and implemented the signed Collective Agreement on 28 October 2022 with effect from 1 April 2022.

Grievances

The grievances received during the year under review ranged from matters relating to the filling of a vacant post, unpaid salary, leave without pay and unfair treatment in the workplace. Four of the grievances were closed by the end of 2022/2023 FY.

Misconduct

Misconduct cases related to insubordination, misrepresentation through making a false statement, and contravention of the SANC Code of Conduct thus bringing the organisation into disrepute. The nature of disputes at the CCMA ranged from matters relating to unfair dismissal, unfair suspension, unpaid overtime, leave without pay, the filling of a vacant post and bursary challenges. Cases at the Labour Court during 2022/2023 FY related to unfair dismissal.

4. OTHER HUMAN RESOURCES MATTERS

TALENT MANAGEMENT

The attraction and retention of talented employees to support the mandate of the SANC remains a priority through the implementation of relevant policies and employment equity imperatives.

	MALE				FEMALE			
	African	Coloured	Indian	White	African	Coloured	Indian	White
UNSKILLED	2	0	0	0	1	0	0	0
SEMI-SKILLED	34	0	0	0	70	1	0	5
JUNIOR MANAGEMENT	5	0	0	0	17	0	1	0
MIDDLE MANAGEMENT	9	0	0	1	12	0	0	0
SENIOR MANAGEMENT	2	0	0	1	3	0	0	1
EXECUTIVE MANAGEMENT	1	0	0	0	2	0	1	0

Table 38: Employment equity statistics per employee grouping

LEVELS	01 APRIL 2022	APPOINTMENTS	TERMINATIONS	31 MARCH 2023
UNSKILLED	3	1	1	3
SEMI-SKILLED	112	4	6	110
JUNIOR MANAGEMENT	18	6	2	22
MIDDLE MANAGEMENT	21	1	1	21
SENIOR MANAGEMENT	7	0	0	7
EXECUTIVE MANAGEMENT	4	1	1	4

Table 39: Employment changes

ORGANISATIONAL DEVELOPMENT

Organisational Structure

The implementation of the approved organisational structure in phases supports service delivery by the SANC.

Change Management

The Change Management Task Team oversaw change management for the Membership Management System (MMS) Project.

REMUNERATION PRACTICES

Management implemented the signed Collective Agreement 2022/2023 FY in line with the provisions of the Remuneration Policy.

PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM (PMDS)

Quarterly progress reports on the implementation of the PMDS Policy were submitted to the HRRC and Council.

HUMAN RESOURCES INFORMATION SYSTEMS (HRIS) AND PERSONNEL RECORDS

Data integrity remains a priority for the SANC. The acquisition of the integrated SAGE 300 system will support the highest level of data integrity in the SANC.

HR RISK AND AUDIT MANAGEMENT

Significant progress has been made towards closing all HR audit findings around personnel records, leave management, the implementation of the PMDS Policy and non-compliance to HR Policies.

SANC
South African Nursing Council
Regulating nursing, midwifery and public health

WALL OF REMEMBRANCE

tribute to our Nurses who have sacrificed
the line of duty while caring for their
against the COVID-19 virus in

You fought the
immeasurable
ved the nation
medication



PART D

CORPORATE GOVERNANCE

1. CORPORATE GOVERNANCE – THE SANC COUNCIL

1.1 Governance Framework

The SANC adheres to a governance framework as informed by, but not limited to the Nursing Act, 2005 (Act No. 33 of 2005), and the King IV Report on Corporate Governance, 2016.

1.2 Executive Authority

The Council is accountable to the Minister of Health as its Executive Authority who, in turn, accounts to Parliament and the Parliamentary Portfolio Committee on Health. Section 4(1)(p) of the Nursing Act, 2005 (Act No. 33 of 2005) stipulates that the Council submits to the Minister the following:

- i. A five-year Strategic Plan within six months of the Council coming into office which includes details as to how the Council plans to achieve its objectives under this Act;
- ii. A report every six months on the status of Nursing and on matters of public importance compiled by the Council in the course of the performance of its functions under this Act; and
- iii. An Annual Report within six months of the end of the financial year.

1.3 Company Secretary

The Company Secretary is a central source of information and advice on matters of good governance to the Council and the SANC, and is responsible for coordinating meetings of the Council and its Sub-Committees. The Company Secretary is accountable to the Council for ensuring that governance procedures are followed and reviewed regularly and are in compliance with applicable laws and regulations. The Company Secretary is ultimately responsible for corporate governance issues, setting annual plans for the Council and related Committees and keeping the governance body abreast of new applicable legislation and governance prescripts.

1.4 Council Composition

The Council consists of 25 members, of whom 14 must be registered in terms of Section 31(1)(a) and (b) of the Nursing Act, 2005 (Act No. 33 of 2005), appointed by the Minister of Health taking into account their expertise in Nursing education, Nursing, community health, primary health care, occupational health and mental health.

Following from a process of nomination by fellow practitioners, qualifying members are appointed by the Minister of Health in terms of Section 5 of the Nursing Act, 2005 (Act No. 33 of 2005) as follows:

- **Section 5 (1) (a)**
Fourteen members who are registered in terms of Section 31(1)(a) and (b).
- **Section 5 (1) (b)**
 - iv. One person must be an officer of the National Department of Health;
 - v. One person must have special knowledge of the law;
 - vi. One person must have special knowledge of financial matters;
 - vii. One person must have special knowledge of pharmacy;
 - viii. One person must have special knowledge of education;
 - ix. One person must have knowledge of consumer affairs;
 - x. Three persons must represent communities; and
 - xi. One person must be registered in terms of Section 31(1)(c) and 31(1)(d).

The Chairperson of Council is appointed by the Minister of Health after consultation with the Council. At the first meeting of the Council the members must elect a Vice-Chairperson from the categories mentioned in Section 31(1)(a) and (b). The term of office for the Council is five years.

The 16th Council of the SANC: 2018 – 2023

The current (16th) Council has a five-year tenure which started on 23 August 2018 and ends on 22 August 2023. Four members of the 16th Council could not complete their term of office for a range of reasons. These members include Ms C Mapotse, Ms SF Malokoane-Machika, Ms V Taschl and the late Ms N Gumede. Ms V Taschl was replaced by Ms C Mbuyane in 2022 as a NDoH representative.

The members of Council during this year under review were:

Table 40: Council members appointed in terms of Section 5(1)(a) of the Act

NO	NAME	TERM OF OFFICE
1.	Dr MC Molepo: Chairperson of the Council	23 August 2018 – 22 August 2023
2.	Dr SM Zuma: Vice-Chairperson of the Council	23 August 2018 – 22 August 2023
3.	Dr H Ally	23 August 2018 – 22 August 2023
4.	Prof A Makhene	23 August 2018 – 22 August 2023
5.	Dr SZ Mthembu	23 August 2018 – 22 August 2023
6.	Dr HC de Swardt	23 August 2018 – 22 August 2023
7.	Dr L Nkongo-Mtembu	23 August 2018 – 22 August 2023
8.	Mr JT Ntshabele	23 August 2018 – 22 August 2023
9.	Ms TM Magoro	23 August 2018 – 22 August 2023
10.	Dr NM Geyer	23 August 2018 – 22 August 2023
11.	Dr PM Orton	23 August 2018 – 22 August 2023
12.	Prof SE Duma	23 August 2018 – 22 August 2023
13.	Dr E Kaye-Petersen	23 January 2020 – 22 August 2023
14.	Vacant ²	

² Vacant since the resignation of Ms P Mapotse with effect from 30 December 2021.

Table 41: Council member appointed in terms of Section 5(1)(b)(i) of the Act

NO	NAME	TERM OF OFFICE
15.	Ms C Mbuyane	21 February 2022 – 22 August 2023

Table 42: Council member appointed in terms of Section 5(1)(b)(ii) of the Act

NO	NAME	TERM OF OFFICE
16.	Ms TA Kaseke	23 August 2018 – 22 August 2023

Table 43: Council member appointed in terms of Section 5(1)(b)(iii) of the Act

NO	NAME	TERM OF OFFICE
17.	Mr R Tshimomola	16 April 2019 – 22 August 2023

Table 44: Council member appointed in terms of Section 5(1)(b)(iv) of the Act

NO	NAME	TERM OF OFFICE
18.	Mr MS Choma	23 August 2018 – 22 August 2023

Table 45: Council member appointed in terms of Section 5(1)(b)(v) of the Act

NO	NAME	TERM OF OFFICE
19.	Prof DI Gihwala	23 August 2018 – 22 August 2023

Table 46: Council member appointed in terms of Section 5(1)(b)(vi) of the Act

NO	NAME	TERM OF OFFICE
20.	Mr L Rabotapi	23 August 2018 – 22 August 2023

Table 47: Council member appointed in terms of Section 5(1)(b)(vii) of the Act

NO	NAME	TERM OF OFFICE
21.	Mr MJ Matsomela	23 August 2018 – 22 August 2023
22.	Ms SF Molokoane-Machika	23 August 2018 – 25 July 2023
23.	Ms DQ Ngidi	23 August 2018 – 22 August 2023

Table 48: Council member appointed in terms of Section 5(1)(b)(viii) of the Act

NO	NAME	TERM OF OFFICE
24.	Ms ZM Ramaila	23 August 2018 – 22 August 2023

Table 49: Council member appointed in terms of Section 5(1)(b)(viii) of the Act

NO	NAME	TERM OF OFFICE
25.	Ms F Newton	23 August 2018 – 22 August 2023

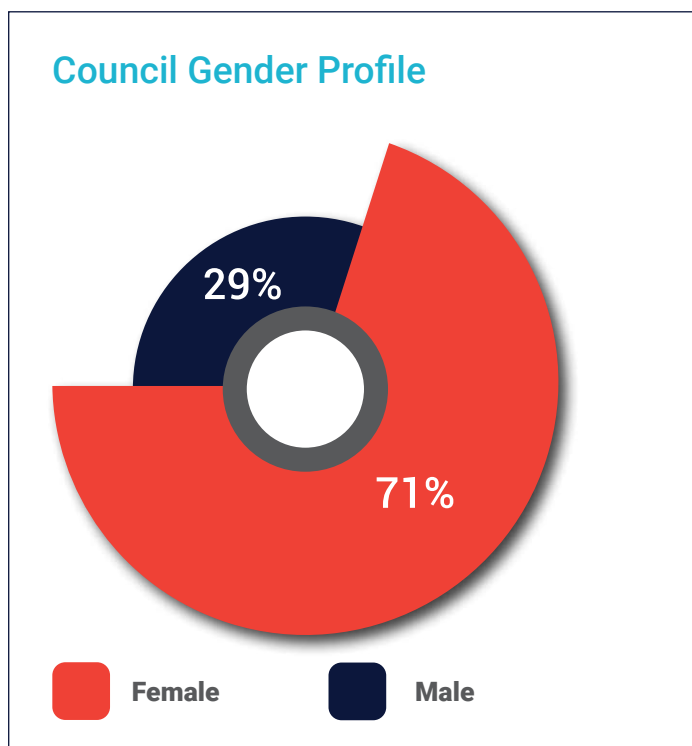


Figure 17: Gender profile of Council members

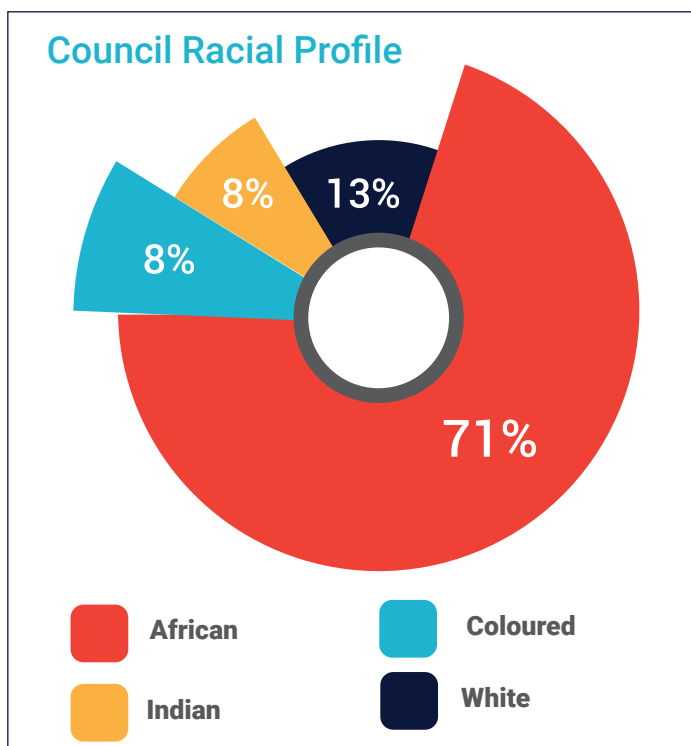


Figure 18: Racial profile of Council members

The Council Structure

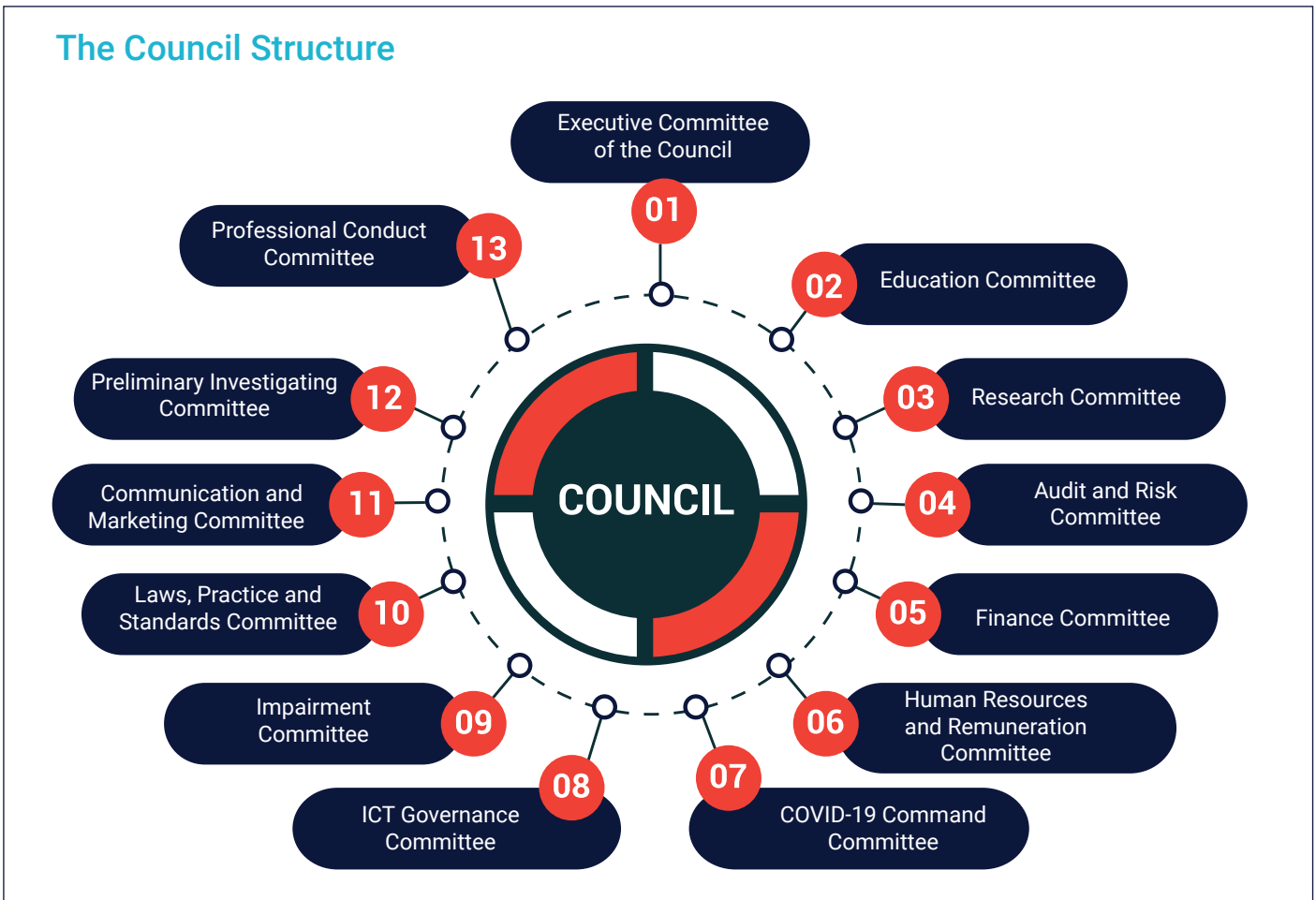


Figure 19: The Council Structure

The Council Charter

The Council has approved the Council Charter which regulates how the Council and individual members discharge their responsibilities according to the principles of good governance. The Charter aims to ensure that all the Council Members understand their duties and responsibilities, as well as the laws, regulations and best practices governing their conduct. It also details the division of responsibilities at the Council level and between the Council and Management.

The Charter of Good Conduct for Councillors

The members of the Council sign a Charter of Good Conduct for Councillors, binding them to fulfil their fiduciary responsibility to act only in the interest of the Council. To ensure decorum, members of Council also have to adhere to the approved Rules of Conduct of Business during the course of running Council meetings.



Dr Matlou Molepo
Chairperson



Dr Sibusiso Zuma
Vice-Chairperson;
Chairperson of Preliminary
Investigating Committee



Dr Hester De Swardt
Chairperson of Communication
and Marketing Committee



Prof Sinegugu Duma
Chairperson of Education
Committee



Mr Tshidiso Ntshabele
Chairperson of Impairment
Committee



Dr Penelope Orton
Chairperson of Research
Committee



Mr Lehlohonolo Rabotapi
Chairperson of Audit and
Risk Committee



Mr Rabelani Tshimomola
Chairperson of
Finance Committee



**Dr Elizabeth
Kaye-Petersen**



Dr Sindisiwe Mthembu



**Ms Sophy Molokoane-
Machika**



Ms Catherine Mbuyane

2018 - 2023 ...



Ms Trudy Kaseke
Chairperson of Laws,
Practice and
Standards Committee



Ms Thukane Magoro
Chairperson of Human Resources
and Remuneration Committee;
Chairperson of COVID-19
Command Committee



Prof Agnes Makhene
Chairperson of Professional
Conduct Committee;
Chairperson of Nursing Excellence
Awards (NEA) *ad hoc* Committee



Mr Molefe Matsomela
Chairperson of Information
and Communication
Technology
Governance Committee



Dr Hafisa Ally



Mr Simon Choma



Dr Nelouise Geyer



Prof Dherendra Gihwala



Ms Florrie Newton



Ms Duduzile Ngidi



Dr Lulama Nkonzo-Mtembu



Ms Ziphora Ramaila

Council meeting attendance

Council year-to-date attendance schedule for period 1 April 2022 to 31 March 2023

The Nursing Act, 2005 (Act No. 33 of 2005) stipulates that meetings of the Council must be held at least four times a year at such times and places as the Council may determine. Meetings of the Council and its Committees are scheduled annually in advance. The Council is also permitted, in terms of the Nursing Act, 2005 (Act No. 33 of 2005) to hold special meetings, which are convened as specific circumstances dictate.

Council held nine meetings in the 2022/23 FY, of which the June 2022, September 2022, January 2023 and March 2023 meetings were ordinary meetings. From the nine meetings hosted, three were hosted virtually (all special meetings) and the remainder were physical meetings.

TOTAL NUMBER OF MEETINGS	NUMBER OF ORDINARY MEETINGS	NUMBER OF SPECIAL MEETINGS	TOTAL NUMBER OF MEETING DAYS
10	4 (8 days)	6	14

Table 50: Council meetings held in 2022/23 FY

Total number of Council members	25
Required attendance of quorum	13
Average number of attendees per meeting per day	22
Council's overall attendance percentage	88%

Table 51: Council member attendance

Meeting Dates	29/06/2022	30/06/2022	29/07/2022	22/09/2022	23/09/2022	04/11/2022	30/11/2022	06/01/2023	26/01/2023	27/01/2023	28/02/2023	30/03/2023	31/03/2023
Meeting Type	Ordinary	Ordinary	Special	Ordinary	Ordinary	Special	Special	Special	Ordinary	Special	Special	Ordinary	Ordinary
Total No. in Attendance	24	24	23	22	22	22	21	18	22	22	22	22	22

Council Committees, their role and mandate

Section 15 of the Nursing Act, 2005 (Act No. 33 of 2005) stipulates that the Council may from time to time establish such Committees as it may think necessary to investigate and report to the Council on any matter falling within the scope of its functions. The Chairperson and Vice-Chairperson of the Council serve as *ex officio* members of the Committees of the Council.

Each Committee of the Council is constituted with formal Terms of Reference or Charter which will determine, amongst other things, the membership, purpose, powers and authority of the Committee, the scope of its mandate and its relationship to the Council. The Council has established the following Council Committees:

Statutory Committees

- Executive Committee of the Council;
- Professional Conduct Committee;
- Impairment Committee;
- Laws, Practice and Standards Committee;
- Education Committee;
- Information and Communication Technology Governance Committee;
- Human Resources and Remuneration Committee;
- Audit and Risk Committee;
- Finance Committee;
- Communication and Marketing Committee; and
- Preliminary Investigating Committee.

1.5 Executive Committee of the Council (EXCO)

Mandate of the Committee

The Committee may perform all the functions of the Council between Council meetings except for rescinding or amending decisions of Council. This implies that it may determine and execute policy subject to subsequent ratification by the Council.

Membership

The membership of the Committee during the year under review consisted of:

- Dr MC Molepo: Chairperson
- Dr SM Zuma: Vice-Chairperson
- Dr E Kaye-Petersen
- Mr MJ Matsomela
- Mr JT Ntshabele
- Dr PM Orton
- Mr R Tshimomola.

The EXCO only had one meeting on 31 May 2022 which was attended by six of the eight Committee members.

1.6 Professional Conduct Committee

Mandate of the Committee

The Committee is responsible for:

- Holding inquiries in terms of the Nursing Act, 2005 (Act No. 33 of 2005);
- Considering all matters in the best interest of the public and the profession;
- Establishing a legislative framework for professional conduct;
- Ensuring compliance with the legislative framework;
- Reporting and referring any non-compliance or any other matter to the relevant bodies;
- Ensuring that findings of the Professional Conduct Committee are published in a Government Gazette; and
- Appointing experts or Assessors in terms of Section 47(11) of the Act.

Membership

The membership of the Committee during the year under review consisted of:

- Prof A Makhene: Chairperson
- Dr H Ally: Vice-Chairperson
- Mr MS Choma
- Dr LL Nkonzo-Mtembu
- Ms P Mapotse
- Dr N Geyer.

TOTAL NUMBER OF MEETINGS	NUMBER OF ORDINARY MEETINGS	NUMBER OF SPECIAL MEETINGS	TOTAL NUMBER OF MEETING DAYS
5	4	1	16

Table 53: Professional Conduct Committee meetings

Total number of Committee members	5
Required attendance of quorum	3
Average number of attendees per meeting day	4
Committee overall attendance percentage	80%

Table 54: Professional Conduct Committee member attendance

Professional Conduct Committee Meeting Dates																
Meeting Type	Ordinary			Ordinary				Special		Ordinary				Ordinary		
Meeting Dates	20/06/2022	21/06/2022	22/06/2022	05/09/2022	06/09/2022	07/09/2022	08/09/2022	06/10/2022	07/10/2022	31/10/2022	01/11/2022	02/11/2022	03/11/2022	07/03/2023	08/03/2023	09/03/2023
Total No. in Attendance	5	5	5	4	4	5	5	3	3	3	4	4	4	4	4	4

Table 55: Attendance of Professional Conduct Committee meetings in the 2022/23 FY

1.7 Impairment Committee (IC)

Mandate of the Committee

The Committee is mandated in terms of Section 51 of the Nursing Act, 2005 (Act No. 33 of 2005) to conduct inquiries into alleged impairment or unfitness to practice for persons registered in terms of the Act.

Membership

The membership of the Committee during the year under review consisted of:

- Mr JT Ntshabele: Chairperson
- Prof SE Duma
- Dr PM Orton
- Ms F Newton.

TOTAL NUMBER OF MEETINGS	NUMBER OF ORDINARY MEETINGS	NUMBER OF SPECIAL MEETINGS	TOTAL NUMBER OF MEETING DAYS
4	4	0	4

Table 56: Impairment Committee meetings

Total number of Committee members	4
Required attendance of quorum	3
Average number of attendees per meeting day	4
Committee overall attendance percentage	100%

Table 57: Impairment Committee member attendance

	Impairment Committee Meetings			
Meeting Type	Ordinary	Ordinary	Ordinary	Ordinary
Meeting Dates	03/05/2022	15/08/2022	21/10/2022	13/02/2023
Total No. in Attendance	4	4	4	4

Table 58: Attendance of Impairment Committee Meetings in the 2022/23 FY

1.8 Laws, Practice and Standards Committee

Mandate of the Committee

The Committee is established in terms of Section 15 of the Nursing Act, 2005 (Act No. 33 of 2005) to deal with all matters of professional/Nursing practice for the Council, including but not limited to the following:

- Developing a regulatory framework for Nursing practice;
- Reviewing all draft regulations developed by other functional areas of the Council;
- Determining, reviewing, and developing the scope of practice for all categories of Nurse practitioners;
- Developing standards, rules and ethical codes for Nursing practice;
- Providing comments on draft legislation that has an impact on the Nursing profession;
- Phased-in establishment of the Inspectorate Section of the SANC;
- Establishing a mechanism for implementing the transition of practitioners from current to new categories of Nurses in terms of the Nursing Act, 2005 (Act No. 33 of 2005) and relevant regulatory frameworks; and
- Developing and implementing a Continuing Professional Development (CPD) system for Nurses and Midwives.

Membership

The membership of the Committee during the year under review consisted of:

- Ms TA Kaseke: Chairperson
- Dr E Kaye-Petersen: Vice-Chairperson
- Dr SM Zuma
- Dr N Geyer
- Dr PM Orton
- Ms C Mbuyane.

TOTAL NUMBER OF MEETINGS	NUMBER OF ORDINARY MEETINGS	NUMBER OF SPECIAL MEETINGS	TOTAL NUMBER OF MEETING DAYS
4	4	0	7

Table 59: Laws, Practice and Standards Committee meetings

Total number of Committee members	6
Required attendance of quorum	4
Average number of attendees per meeting day	5.5
Committee overall attendance percentage	92%

Table 60: Laws, Practice and Standards Committee member attendance

	Laws, Practice and Standards Committee Meetings Dates							
Meeting Type	Ordinary		Ordinary		Ordinary		Ordinary	
Meeting Dates	05/05/2022	06/05/2022	11/08/2022	12/08/2022	10/11/2022	23/02/2023	24/02/2023	
Total No. in Attendance	6	6	6	6	6	5	5	

Table 61: Attendance of Laws, Practice and Standards Committee meetings in the 2022/23 FY

CONTINUING PROFESSIONAL DEVELOPMENT (CPD) COMMITTEE

This is a sub-committee of the Laws, Practice and Standards Committee. The Committee had three members, and held four meetings on 25/04/2022, 25/07/2022, 25/10/2022 and 09/02/2023.

1.9 Education Committee

Mandate of the Education Committee

The Committee is responsible for:

- Developing and reviewing regulations and policies for Nursing education and training;
- Determining, developing and reviewing standards for Nursing education and training;
- Developing and reviewing the assessment and moderation system for Nursing education and training;
- Developing and reviewing qualification frameworks for Nursing Programmes;
- Investigating and managing complaints and non-compliances in respect of Nursing Education Institutions;
- Monitoring and evaluating the implementation of regulations and policies in Nursing education;
- Communicating to Nursing Education Institutions and relevant stakeholders with regards to information pertaining to Nursing education and training;
- Providing support to Nursing Education Institutions to facilitate delivery of quality Nursing education; and
- Identify research priorities and needs and collaborate with relevant stakeholders.

Membership

The membership of the Committee during the year under review consisted of:

- Prof SE Duma: Chairperson
- Prof A Makhene: Vice-Chairperson
- Prof DI Gihwala
- Dr E Kaye-Petersen (from 23 January 2020)
- Dr SZ Mthembu
- Ms C Mbuyane.

TOTAL NUMBER OF MEETINGS	NUMBER OF ORDINARY MEETINGS	NUMBER OF SPECIAL MEETINGS	TOTAL NUMBER OF MEETING DAYS
4	4	0	8

Table 62: Education Committee meetings

Total number of Committee members	6
Required attendance of quorum	4
Average number of attendees per meeting day	5
Committee overall attendance percentage	83%

Table 63: Education Committee member attendance

Meeting Type	Education Committee Meetings Dates								
	Ordinary		Ordinary		Special	Ordinary		Ordinary	
Meeting Dates	19/05/2022	20/05/2022	25/08/2022	26/08/2022	19/09/2022	17/11/2022	18/11/2022	14/03/2023	15/03/2023
Total No. in Attendance	6	5	5	5	4	5	5	4	5

Table 64: Attendance of Education Committee meetings in the 2022/23 FY

1.10 Information and Communication Technology (ICT) Governance Committee

Mandate of the Committee

The Committee advises the Council and Management on all matters relating to the ICT and is responsible for:

- Investigating, considering and steering of high level/impact ICT projects;
- Prioritising of proposed high-level projects;
- Constant reviewing of approved projects;
- Facilitating the achievement of optimal ICT management;
- Enhancing the understanding and satisfaction with the value of ICT investments; and
- Fusing the ICT and business strategies, goals, and resources, and achieving competitive advantage through ICT.

Membership

The membership of the Committee during the year under review consisted of:

- Mr MJ Matsomela: Chairperson
- Ms TM Magoro: Vice-Chairperson
- Prof DI Gihwala
- Ms M Ramaila
- Dr C Motau: External Independent member
- Mr L Ndaba: External Independent member.

TOTAL NUMBER OF MEETINGS	NUMBER OF ORDINARY MEETINGS	NUMBER OF SPECIAL MEETINGS	TOTAL NUMBER OF MEETING DAYS
4	4	0	4

Table 65: ICT Governance Committee meetings

Total number of Committee members	5
Required attendance of quorum	3
Average number of attendees per meeting day	3
Committee overall attendance percentage	60%

Table 66: ICT Governance Committee member attendance

Meeting Type	ICT Governance Committee Meetings			
	Ordinary	Ordinary	Ordinary	Ordinary
Meeting Dates	13/05/2022	23/08/2022	22/11/2022	21/02/2023
Total No. in Attendance	5	6	3	3

Table 67: Attendance of ICT Governance Committee meetings in the 2022/23 FY

1.11 Human Resources and Remuneration Committee (HRRC)

Mandate of the Committee

The Human Resources and Remuneration Committee is responsible for:

- Reviewing and making recommendations to the Council regarding the SANC's Human Resources Strategy, in respect to the alignment of that Strategy to the:
 - SANC's strategic and operational plans; and
 - SANC's organisational structure;
- Reviewing and making recommendations to the Council regarding the SANC's Human Resources Policies and practices, including in respect of the effectiveness of policies and practices to support the Human Resources Strategy;
- Reviewing and making recommendations to the Council regarding the SANC's Remuneration Policies and practices; and
- Developing a Performance Management and Development System (PMDS) for the SANC.

Membership

The membership of the Committee during the year under review consisted of:

- Ms TM Magoro: Chairperson
- Mr MJ Matsomela: Vice-Chairperson
- Ms SF Molokoane-Machika
- Dr SZ Mthembu
- Mr C Marais: Remuneration Specialist
- Prof S Singh: External Independent member.

TOTAL NUMBER OF MEETINGS	NUMBER OF ORDINARY MEETINGS	NUMBER OF SPECIAL MEETINGS	TOTAL NUMBER OF MEETING DAYS
4	4	0	4

Table 68: HRRC Committee meetings

Total number of Committee members	5
Required attendance of quorum	3
Average number of attendees per meeting day	4
Committee overall attendance percentage	80%

Table 69: HRRC member attendance

Meeting Type	HRRC Committee Meetings Dates			
	Ordinary	Ordinary	Ordinary	Ordinary
Meeting Dates	25/05/2022	09/09/2022	23/11/2022	16/03/2023
Total No. in Attendance	4	4	4	4

Table 70: Attendance of the HRRC meetings in the 2022/23 FY

1.12 Audit and Risk Committee

Mandate of the Committee

The Committee provides an independent oversight of the:

- Effectiveness of the SANC's assurance functions and services, with particular focus on combined assurance arrangements, including internal audit services and external audit assurance services;
- Integrity of the annual financial statements and, to the extent delegated by the Council, other external reports issued by the SANC;
- Compliance with legislative requirements;
- Effectiveness of risk management and ethics; and
- The Council has delegated full responsibility for risk monitoring and oversight to the Audit and Risk Committee until a separate Risk Committee (established by Council on 31 March 2021) is fully functional.

Membership

The membership of the Committee during the year under review consisted of:

- Ms LL Rabotapi: Chairperson
- Mr K Sello: External independent member
- Ms ZL Ngwepe: External independent member
- Ms TA Kaseke
- Dr SM Zuma.

TOTAL NUMBER OF MEETINGS	NUMBER OF ORDINARY MEETINGS	NUMBER OF SPECIAL MEETINGS	TOTAL NUMBER OF MEETING DAYS
7	4	3	7

Table 71: Audit and Risk Committee meetings

Total number of Committee members	5
Required attendance of quorum	3
Average number of attendees per meeting day	4
Committee overall attendance percentage	80%

Table 72: Audit and Risk Committee member attendance

Meeting Type	Audit and Risk Committee Meetings Dates						
	Special	Ordinary	Special	Ordinary	Special	Ordinary	Ordinary
Meeting Dates	18/05/2022	23/05/2022	22/07/2022	22/08/2022	21/11/2022	17/02/2023	17/03/2023
Total No. in Attendance	4	4	3	3	5	5	4

Table 73: Attendance of Audit and Risk Committee meetings in the 2022/23 FY

1.13 Finance Committee

Mandate of the Committee

The Finance Committee is a Committee of Council that is responsible for the oversight over the Finance functions of the Council. The Committee is currently made up of four Council members and one external independent member. There is currently a vacancy for one external member. The Committee meets at least once per quarter, and submits a report to the Council on its activities for the quarter. The Finance Committee operates in terms of the written Finance Committee Charter which is approved by Council. In terms of the Charter, the Finance Committee is responsible for the following:

- Monitor and review the overall financial strategy and ensure that it is aligned with the SANC's strategy and business requirements;
- Ensure ongoing effectiveness and efficiency in management of the organisation financial resources;
- That the SANC remains sustainable through development of appropriate budgets that are approved by the Council;
- Accuracy and efficiency of financial management in line with best practice; and
- Ensure that financial risks are identified, properly assessed and adequately managed in order to reduce the SANC's exposure thereto, to an acceptable level.

Membership

The membership of the Committee during the year under review consisted of:

- Mr R Tshimomola: Chairperson
- Dr H Ally
- Mr MS Choma
- Ms SF Molokoane-Machika
- Mr S Maharaj: External Independent Member.

TOTAL NUMBER OF MEETINGS	NUMBER OF ORDINARY MEETINGS	NUMBER OF SPECIAL MEETINGS	TOTAL NUMBER OF MEETING DAYS
5	4	1	5

Table 74: Finance Committee meetings

Total number of Committee members	5
Required attendance of quorum	3
Average number of attendees per meeting day	4
Committee overall attendance percentage	80%

Table 75: Finance Committee Member attendance

Meeting Type	FINANCE COMMITTEE MEETINGS				
	Ordinary	Ordinary	Special	Ordinary	Ordinary
Meeting Dates	27/05/2022	19/08/2022	14/09/2022	15/11/2022	13/03/2023
Total No. in Attendance	3	4	4	4	4

Table 76: Attendance of Finance Committee meetings in the 2022/23 FY

1.14 Communication and Marketing Committee

Mandate of the Committee

The purpose of the Committee is to:

- Ensure effective and auditable governance of communication and marketing matters at the SANC in line with relevant provisions of the Act;
- Ensure effective, accurate and timeous communication with all the relevant SANC stakeholders; and
- Promote a positive image of the SANC.

Membership

The membership of the Committee during the year under review consisted of:

- Dr HC de Swardt: Chairperson
- Mr JT Ntshabele: Vice-Chairperson
- Prof DI Gihwala
- Ms F Newton
- Ms DQ Ngidi
- Ms ZM Ramaila.

TOTAL NUMBER OF MEETINGS	NUMBER OF ORDINARY MEETINGS	NUMBER OF SPECIAL MEETINGS	TOTAL NUMBER OF MEETING DAYS
4	4	0	4

Table 77: Communication and Marketing Committee meetings

Total number of Committee members	6
Required attendance of quorum	4
Average number of attendees per meeting day	4
Committee overall attendance percentage	67%

Table 78: Communication and Marketing Committee membership Attendance

Meeting Type	Communication and Marketing Committee Meetings			
	Ordinary	Ordinary	Ordinary	Ordinary
Meeting Dates	30/05/2022	10/08/2022	25/11/2022	27/02/2023
Total No. in Attendance	4	5	5	5

Table 79: Attendance of Communication and Marketing Committee meetings

1.15 Preliminary Investigating Committee (PIC)

Mandate of the Committee

The Committee is mandated in terms of Sections 46, 47, 50 and 52 of the Nursing Act, 2005 (Act No. 33 of 2005) to investigate all reported cases of alleged unprofessional conduct against Nurse Practitioners who are registered in terms of the Act.

Membership

The membership of the Committee during the year under review consisted of:

- Dr SM Zuma: Chairperson
- Mr LL Rabotapi
- Ms ZM Ramaila
- Dr HC de Swardt
- Ms TA Kaseke.

TOTAL NUMBER OF MEETINGS	NUMBER OF ORDINARY MEETINGS	NUMBER OF SPECIAL MEETINGS	TOTAL NUMBER OF MEETING DAYS
3	3	0	5

Table 80: Preliminary Investigating Committee Meetings

Total number of Committee members	5
Required attendance of quorum	3
Average number of attendees per meeting day	4.5
Committee overall attendance percentage	90%

Table 81: Preliminary Investigating Committee Member attendance

Meeting Type	FINANCE COMMITTEE MEETINGS				
	Ordinary	Ordinary	Special	Ordinary	Ordinary
Meeting Dates	15/06/2022	01/08/2022	02/08/2022	02/03/2023	03/03/2023
Total No. in Attendance	5	4	4	4	5

Table 82: Attendance of Preliminary Investigating Committee meetings in the 2022/23 FY

1.16 Nursing Excellence Awards Ad Hoc Committee

Mandate of the Committee

The Council took a resolution, at its ordinary meeting held on 30 June 2022, to establish the Nursing Excellence Awards Committee to assist the Council in exercising its functions in relation to the awarding of the annual Nursing Excellence Awards by:

- Developing an annual schedule of awards and making a recommendation to the Council;
- Assisting the Council in finalising the award categories, description of categories, award guidelines, and method of adjudication on nominations received;
- Evaluating; considering and making recommendations to Council with respect to the award criteria for each award;
- Evaluating applicants and nominees based on the Council approved criteria;
- Selecting a preferred nominee based on the award criteria and the documentation provided in the nomination guidelines;
- Providing confidential written recommendations to the Council, outlining the Committee's preferred recipients and rationale for recommendations against the approved guidelines; and
- Coordinating disbursement and presentation of the awards.

Membership

The membership of the Committee during the year under review consisted of:

- Prof A Makhene: Chairperson
- Dr E Kaye-Petersen
- Mr TJ Ntshabele
- Mr LL Rabotapi
- Dr SM Zuma.

TOTAL NUMBER OF MEETINGS	NUMBER OF ORDINARY MEETINGS	NUMBER OF SPECIAL MEETINGS	TOTAL NUMBER OF MEETING DAYS
2	0	2	2

Table 83: Nursing Excellence Awards Ad Hoc Committee Meetings

Total number of Committee members	5
Required attendance of quorum	3
Average number of attendees per meeting day	4
Committee overall attendance percentage	80%

Table 84: Nursing Excellence Awards Ad Hoc Committee Member attendance

Meeting Type	Nursing Excellence Awards Ad Hoc Committee Meetings	
	Ordinary	Ordinary
Meeting Dates	08/08/2022	17/01/2023
Total No. in Attendance	5	4

Table 85: Nursing Excellence Awards Ad Hoc Committee meetings in the 2022/23 FY

1.17 Research Committee

Mandate of the Committee

The Committee is responsible for the SANC's research priorities and the development and support of the research initiatives from stakeholders. This includes:

- Supporting the Council in line with Section 41 of the Nursing Act, 2005 (Act No. 33 of 2005) in ensuring that the prescribed ethical conduct pertaining to research related to the practice of Nursing is adhered to;
- Overseeing the scientific review of research proposals in order to ensure that only well-designed and scientifically sound research is submitted and approved;
- Guiding the development of the SANC's strategic research priorities and objectives and monitor research performance within the framework of the SANC's Strategic Planning process;
- Considering and make recommendations on matters of policy relating to research, including matters referred to it by the Council;
- Reviewing and oversee the implementation on the SANC's Policy on Research Ethics;
- Advising the Council on research and research training matters as they arise;
- Enabling effective management of research and research requests at SANC; and
- Identifying research priorities and needs and collaborate with relevant stakeholders.

Membership

The membership of the Committee during the year under review consisted of:

- Dr PM Orton: Chairperson
- Prof A Makhene
- Dr SZ Mthembu.



INTERNAL AUDIT AND RISK MANAGEMENT

*Ms M Matlala – Senior Manager:
Internal Audit and Risk Management*

2.1 OVERVIEW

Included in the SANC Council's five-year strategic plan 2018-2023 is the Strategic Objective: Effective Governance, which bears reference to the Internal Audit and Risk Management Department's operations for the 2022/23 financial year.

The Internal Audit and Risk Department is responsible for providing independent, objective assurance and consulting services designed to add value and improve the SANC's operations. It assists the SANC to accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.

The Risk Management unit within the Department is responsible for rendering risk management support to the SANC to ensure that key risks of the SANC are identified, assessed and mitigated. It is further responsible for the coordination of the combined assurance, Business Continuity Management (BCM) and fraud management strategies within the SANC.

2.2 INTERNAL AUDIT

The purpose, authority and responsibilities of the internal audit function are defined in the Internal Audit Charter as approved by the Audit and Risk Committee. The scope of work of Internal Audit is to evaluate and report on the adequacy and effectiveness of the SANC's risk management, control and governance processes as designed and represented by management to ensure that:

- Risks are appropriately identified and managed;
- Significant financial, managerial and operating information is accurate, reliable and timeous;
- Employees' actions are in compliance with the policies, standards, procedures, instructions, code of ethics and applicable laws, regulations and contractual obligations;
- Resources are acquired economically, used efficiently, and adequately protected;
- Objectives are achieved;
- Quality and continuous improvement are fostered in the SANC's control processes; and
- Significant legislative or regulatory issues impacting the SANC are recognised and addressed appropriately.

The Internal Audit Activity

- Developed a risk-based Internal Audit Strategic Plan and Annual Plan which was approved by the ARC. The internal audit scope of work comprised of the following audit projects:
 1. Annual Financial Statements;
 2. Quarterly Organisational Performance Information;
 3. Annual Performance Plan Review;
 4. Biannual Supply Chain Management Audit;
 5. Occupational Health and Safety and Security Management;
 6. Membership Management System (MMS);
 7. Registry and Records Management;
 8. Examinations;
 9. Accreditation of Nursing Education Institutions and Programmes; and
 10. Annual Leave Consulting Review.
- Conducted quarterly follow-up audits on the implementation of action plans by management to address findings highlighted in the internal and external audit reports.
- Presented internal audit reports to management, which included recommendations to strengthen and improve internal controls.
- Reported progress on the execution of the approved internal audit annual plan and implementation of action plans by management to the Audit and Risk Committees on a quarterly basis.

2.3 RISK MANAGEMENT

The SANC has adopted an enterprise-wide approach to its management of risk. The Risk Management Policy is aligned to the requirements of the King Report on Corporate Governance for South Africa (King IV) and the ISO 31000:2018 Risk Management Standards. The Policy provides the risk management methodology which directs how risk is identified, evaluated, managed, monitored and reported across the organisation. The SANC ensures continuous improvement to risk governance processes by reviewing the Enterprise Risk Management to respond to changes in the internal and external environment and ascertain the effective management of risk.

Strategic, operational and project risk assessments are conducted on a regular basis to identify and analyse risks that impact on the overall achievement of the Council's strategic objectives. Risk response strategies are developed and monitored to ensure that key risks are mitigated within acceptable levels and are reported to the Audit and Risk Committee on a quarterly basis. Emerging risks are regularly identified, monitored and reported through the appropriate channels.

The SANC has developed a Combined Assurance Framework in line with King IV report and adopted an assurance model which promotes collaboration between management, internal and external assurance providers. The Combined Assurance Model aims to:

- Provide an integrated approach to adequately manage organisational risks;
- Optimise assurance coverage by coordinating the efforts of management, internal and external assurance providers;
- Deliver systematic assessment of key risks associated with strategic objectives and the responses thereto;
- Support the ARC in assessing the effectiveness of internal financial control; and
- Provide a context of the impact of inadequate and ineffective control, on the overall control environment.

The SANC established a Combined Assurance Forum for the implementation of the Combined Assurance Plan during the 2022/23 financial year and reported progress on the implementation of the Plan to the ARC.

A risk maturity assessment was conducted during quarter one of the 2022/23 financial year by the service provider using the Attribute Based Maturity Index. The SANC attained a score of 54.38% (level 3 score – developing). A Risk Maturity Improvement Plan was developed to address the findings emanating from the assessment and is being implemented to improve the risk maturity level of the SANC.

2.4 FRAUD MANAGEMENT

The SANC has a zero-tolerance approach to fraud and corruption. The Council has approved a Fraud Management Framework and Fraud Management Policy and Procedure which encompass controls aimed at the prevention, detection and response to fraud and corruption incidents. The focus is on creating staff and stakeholder fraud and ethics awareness to ensure that all stakeholders are cognisant of the impact of fraud and corruption and the processes to follow to report such occurrences.

The SANC's whistle-blowing Hotline, **0800 20 12 16**, is in place for reporting suspected fraudulent or unethical behaviour through an outsourced toll-free hotline managed by an independent service provider. The Hotline is promoted as one of the SANC's initiatives of encouraging the reporting of any form of fraudulent and/or corrupt activity. All the fraud cases received through the fraud hotline and other reporting channels are investigated and reported quarterly to the Audit and Risk Committee (ARC) and to the Council.

Cases reported through the Fraud Hotline during the 2022/23 Financial Year were as follows:

CATEGORY	STATUS				Total Cases
	Awaiting additional Information	Under Investigation	Resolved	Closed *	
Fraud	5	6	6	1	18
Unprofessional Conduct	2	2	2	7	13
Service Complaints	0	0	4	0	4
Total	7	8	12	8	35

Table 86: Cases reported through the Fraud Hotline during 2022/23 Financial Year

* Cases whereby the whistle-blower was reluctant to provide sufficient information for the investigation, or which do not fall within the jurisdiction or mandate of the SANC.

Category of Cases

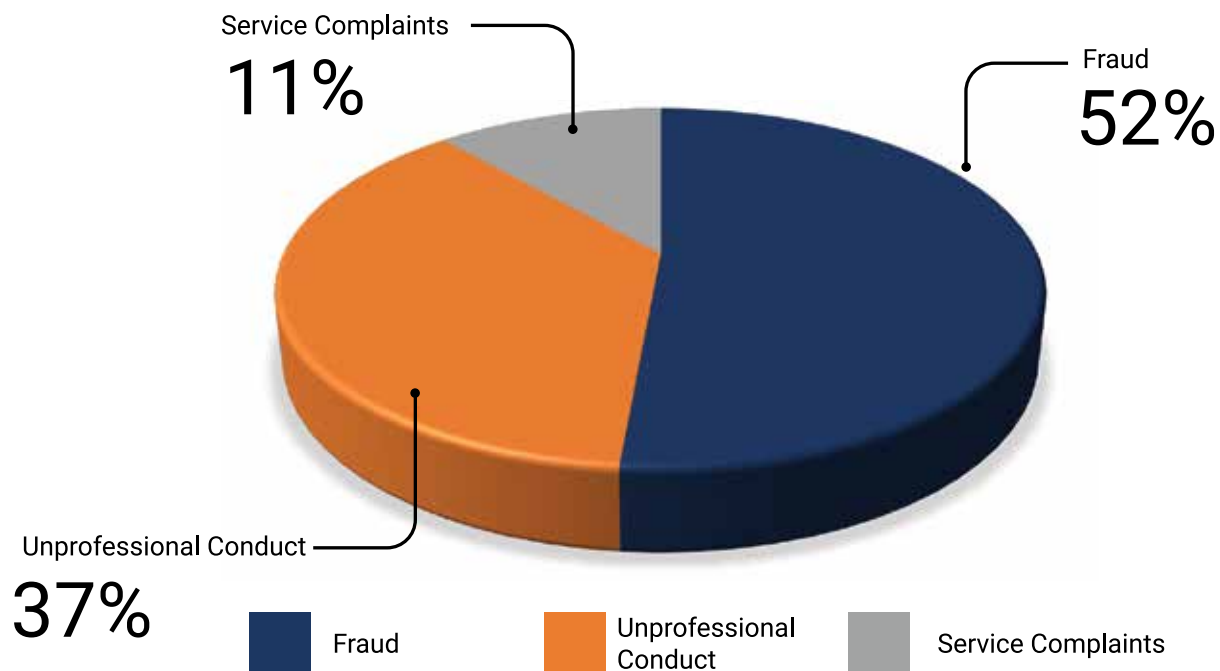


Figure 20: Category of cases reported during 2022/23 Financial Year

Status of Cases

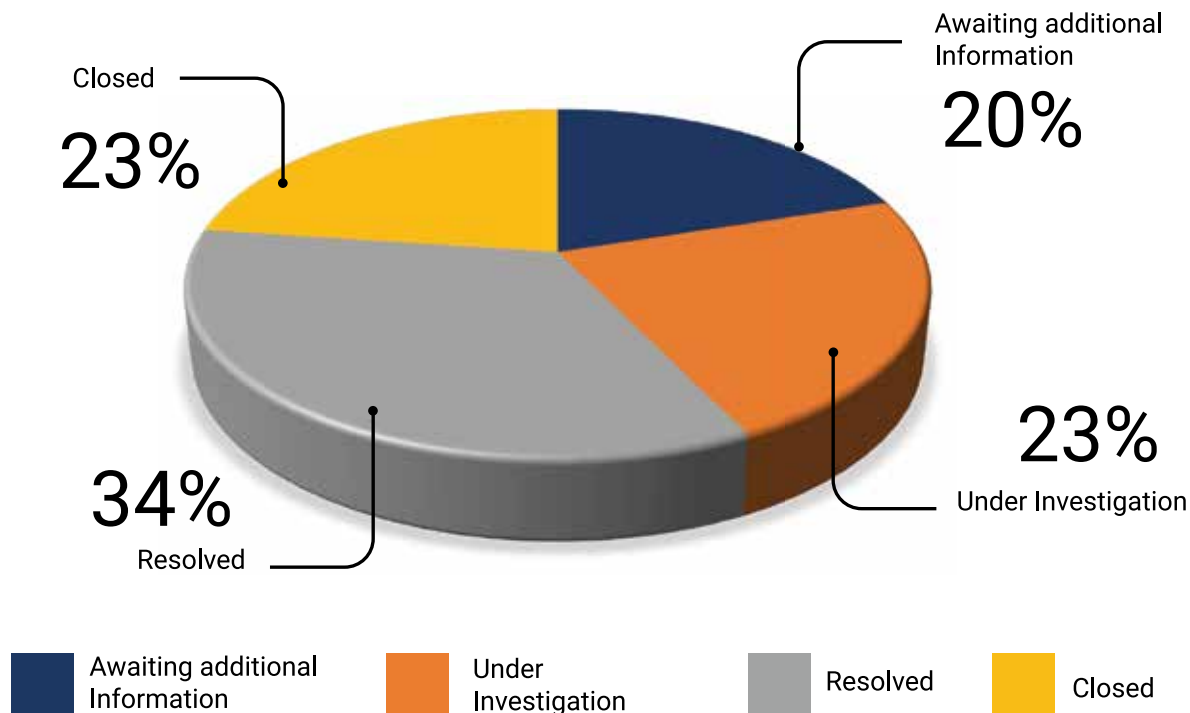


Figure 21: Status of cases reported during 2022/23 Financial Year

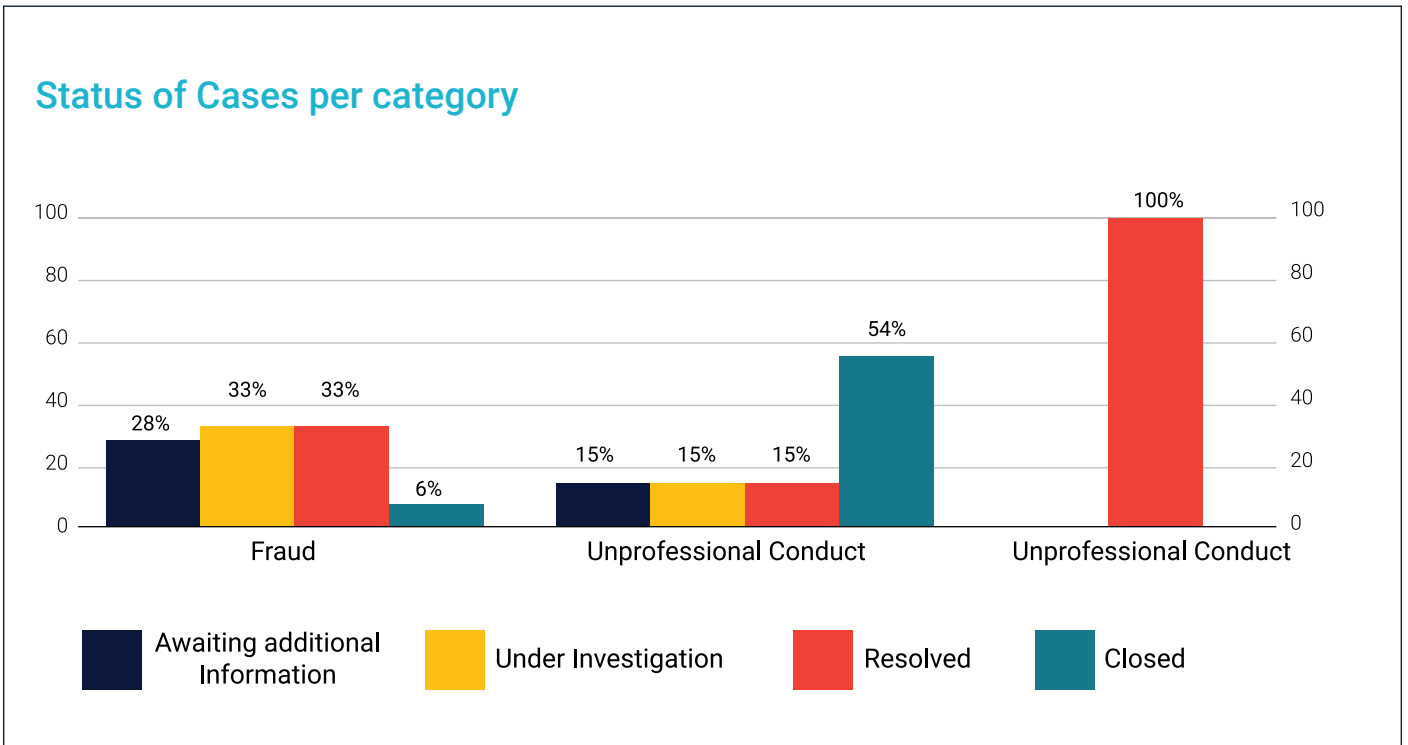


Figure 22: Status of cases per category reported during 2022/23 Financial Year





PART E

FINANCIAL INFORMATION





South African Nursing Council General Information

for the year ended 31 March 2023

Country of incorporation and domicile	Republic of South Africa
Nature of business and principal activities	Regulatory body that sets, maintains and regulates standards of Nursing education and Nursing practice in the Republic of South Africa.
Registered office	602 Pretorius Street Arcadia Pretoria 0083
Postal address	P. O. Box X132 Pretoria 0001
Auditors	Nexia SAB&T Incorporated Registered Auditors
Company Secretary	Mr Mokete Penane
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Nursing Act, 2005 (Act No. 33 of 2005).
Preparer/Compiler	The annual financial statements were internally compiled by the Acting Senior Manager: Finance, Mr Thulani Shabane.
Supervised by	The annual financial statements were prepared under the direction and supervision of the Chief Financial Officer, Mr Thamsanqa Ndadana.



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The Councillors have pleasure in submitting their report on the annual financial statements of the South African Nursing Council (SANC) for the year ended 31 March 2023.

1. Nature of business

The South African Nursing Council (Council) is engaged in setting, maintaining and regulating standards of Nursing education and Nursing practice in the Republic of South Africa. The Council was established by Section 2 of the Nursing Act, 1978 (Act No. 50 of 1978) and continues to exist as a juristic person, notwithstanding the repeal of that Act by the current Nursing Act, 2005 (Act No. 33 of 2005).

There have been no material changes to the nature of the Council's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Nursing Act, 2005 (Act No.33 of 2005). The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the Council are set out in these annual financial statements.

3. Councillors

16th Council Members

1. Dr MC Molepo (Chairperson)
2. Dr SM Zuma (Vice-Chairperson)
3. Prof A Makhene
4. Dr SZ Mthembu
5. Dr HC De Swardt
6. Dr LL Nkondo-Mtembu
7. Prof DI Gihwala
8. Mr JT Ntshabele
9. Ms TM Magoro
10. Dr Nelouise-Marie Geyer
11. Dr PM Orton
12. Prof SE Duma
13. Ms TA Kaseke
14. Mr MS Choma
15. Mr LL Rabotapi
16. Ms DQ Ngidi
17. Mr MJ Matsomela
18. Ms SF Molokoane-Machika
19. Ms ZM Ramaila
20. Ms F Newton
21. Dr E Kaye-Petersen
22. Dr H Ally
23. Mr R Tshimomola
24. Ms C Mbuyane

4. 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 Councillors believe that the Council has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The Councillors have satisfied themselves that the Council is in a sound financial position to meet its foreseeable cash requirements. The Councillors are not aware of any new material changes that may adversely impact the Council. The Councillors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Council.

5. External auditors

Nexia SAB&T are the appointed auditors for a five year term that began in the 2019 financial year and this is their last year of the five year contract.

We are pleased to present our report for the financial year ended 31 March 2023.

The Audit and Risk Committee is an independent committee appointed by Council. The committee operates in terms of an approved Charter to discharge its delegated duties.

COMPOSITION AND ATTENDANCE OF COMMITTEE MEETINGS

The Audit and Risk Committee comprised of three independent non-Council members and three Council members appointed in terms of the Nursing Act, 2005 (Act No.33 of 2005).

The Audit and Risk Committee meetings are attended by the Registrar and Chief Executive Officer, the Chief Financial Officer, Senior Manager Internal Audit and Risk Management, the Manager Risk, and management representatives of the various departments of the SANC. The external auditors attend the Audit and Risk Committee meetings by invitation and may independently meet with the Audit and Risk Committee as and when required.

The Audit and Risk Committee Charter provides for the Committee to meet at least four times per annum. The Committee held four ordinary meetings and three special meetings during the financial year.

The table below outlines the Audit and Risk Committee members and the number of meetings attended by each member during the financial year:

NAME OF MEMBER	MEMBERSHIP	NUMBER OF MEETINGS ATTENDED	TERM OF OFFICE EXPIRY
Mr LL Rabotapi	Council member (Chairperson)	5	22 August 2023
Ms ME Sikhosana	Independent member (Former Chairperson)	3	Resigned on 01 August 2022
Ms TZ Kaseke	Council member	3	22 August 2023
Dr S Zuma (appointed on 22 September 2022)	Council member	3	22 August 2023
Ms Z Ngwepe	Independent member	6	10 December 2023
Mr KJ Sello	Independent member	7	18 March 2025

RESPONSIBILITIES OF THE AUDIT AND RISK COMMITTEE

The Audit and Risk Committee's Charter outlines the following governance responsibilities of the committee:

- Council-wide risk management governance.
- Efficacy of the internal audit function.
- External audit governance responsibilities.
- Efficacy of the financial management and financial reporting systems, particularly relating to internal and/or external audit responsibilities.
- Oversight over the efficacy of the ethics and compliance management of the organisation.
- Oversight over the application and effectiveness of combined assurance model.

EXTERNAL AUDIT

Nexia SAB&T is the external audit firm responsible for performing the external Regulatory audit function for the 2022/23 financial year. The Audit and Risk Committee has satisfied itself that the audit firm and the designated auditor are in good standing with the Independent Regulatory Board for Auditors.

The Audit and Risk Committee is satisfied with the independence and objectivity of the external auditors, including the consideration of the auditor's previous appointments, the extent of other work undertaken, and compliance with criteria relating to independence or conflict of interest as prescribed by the Independent Regulatory Board for Auditors. The external auditors did not undertake any other work except external audit work during the financial year.

The Audit and Risk Committee liaised with the external auditors during the year and has reviewed the implementation plan to address the external audit findings raised in previous years. As a result, the Audit and Risk Committee is satisfied that the matters previously raised by the external auditors are being dealt with by management. This is the auditors' last year of the five year contract.

INTERNAL AUDIT

The Audit and Risk Committee is responsible for ensuring that the Internal Audit function is independent and has the necessary resources, standing and authority within the organisation to enable it to fulfil its duties. The internal audit activities have been outsourced to Pholela Business Advisory and managed by the Senior Manager Internal Auditing and Risk Management.

The Internal Audit Unit operated in terms of the approved Internal Audit Charter, developed a risk-based internal audit plan, and reported quarterly to the Audit and Risk Committee. The Internal Audit Unit has reviewed the system of internal control, performance information and risk management during the financial year. The Internal Audit Unit operated efficiently and addressed some pertinent risk areas in its audits.

The Committee is satisfied that the Internal Audit function was independent and objective and has discharged its functions and responsibilities, in terms of prevailing internal audit standards, the Internal Audit Charter and the Internal Audit Plan.

COUNCIL-WIDE RISK MANAGEMENT

The Audit and Risk Committee supports the Council with its governance responsibility for the effective implementation of risk management within the organisation. Management is accountable to the Audit and Risk Committee for designing, implementing and monitoring the Council-wide risk management process and for integrating it into the day-to-day activities of the SANC.

The SANC has adopted an enterprise-wide approach to manage risk, which is defined in its Enterprise Risk Management Framework (ERM). The framework provides a consistent approach to which risks are identified, evaluated, managed and reported in the organisation.

Management has committed to continuous improvement of the organisation's risk maturity through the implementation of various strategies to manage the risk exposure of the SANC. The effectiveness of such strategies are monitored and reported on in the quarterly risk and combined assurance reports to the Audit and Risk Committee.

THE EFFECTIVENESS OF INTERNAL CONTROLS

The Audit and Risk Committee has reviewed the external auditors' reports on the audited annual financial statements and the internal auditor's reports on the adequacy and effectiveness of internal controls. The Committee noted the control deficiencies arising from both the internal and external audit reports and has considered the appropriateness of management's responses.

An assessment of internal and external audit findings indicates that while controls are in place, some weaknesses were identified in other areas of the business and the control environment requires improvement. Management has committed to taking the necessary measures to address the control weaknesses identified by both the internal and external auditors. The implementation of the management action plans is monitored on a quarterly basis and reported as such to the Council.

EVALUATION OF AUDITED ANNUAL FINANCIAL STATEMENTS

The Audit and Risk Committee has:

- Reviewed and discussed the audited annual financial statements included in the annual report, with the external auditors and the Registrar and CEO;
- Reviewed the external auditor's management letter and management's response thereto; and
- Reviewed adjustments resulting from the audit after the 2022/23 audit was finalised.

The Audit and Risk Committee accepts the external auditor's conclusions on the annual financial statements as well as the audit opinion and that the audited annual financial statements be read together with the report of the external auditors.

Special appreciation also goes to the internal audit team and external auditors for their support and professionalism in the performance of their mandate.



Mr LL Rabotapi
Chairperson of the Audit and Risk Committee



INDEPENDENT AUDITOR'S REPORT

To the Councillors of South African Nursing Council

Opinion

We have audited the financial statements of South African Nursing Council set out on pages 100 to 126, which comprise the statement of financial position as at 31 March 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of South African Nursing Council as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Nursing Act (Act No. 33 of 2005).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the council in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The councillors are responsible for the other information. The other information comprises the information included in the document titled "South African Nursing Council Annual Report – 2022 - 2023", which includes the Councillors' Report and the Audit and Risk Committee Report, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we do receive and read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, we may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Audit. Tax. Advisory.

Responsibilities of the Councillors for the Financial Statements

The councillors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Nursing Act (Act No. 33 of 2005), and for such internal control as the councillors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the councillors either intend to liquidate the council or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the councillors.
- Conclude on the appropriateness of the councillors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nexia SAB&T

Nexia SAB&T
Per Caroline Chigora
Director
Registered Auditor
31 July 2023



Statement of Financial Position as at 31 March 2023

		2023	2022	2021
	Note(s)	R	*Restated R	*Restated R
ASSETS				
Non-Current Assets				
Property, plant and equipment	2	56 882 292	59 041 784	62 355 097
Right-of-use assets	27	784 249	-	-
Intangible assets	3	1 117 647	5 305 294	2 246 358
Other financial assets	4	930 382	1 182 241	982 980
		59 714 570	65 529 319	65 584 435
Current Assets				
Inventories	5	505 374	496 403	1 060 877
Trade and other receivables	6	13 462 869	10 345 004	6 663 116
Cash and cash equivalents	7	749 070 581	689 992 683	660 639 334
		763 038 824	700 834 090	668 363 327
Total Assets		822 753 394	766 363 409	733 947 762
EQUITY AND LIABILITIES				
EQUITY				
Reserves	9	74 253 300	74 484 820	74 285 559
Retained income		668 201 640	606 511 396	569 603 839
		742 454 940	680 996 216	643 889 398
LIABILITIES				
Non-Current Liabilities				
Lease liabilities	28	830 361	-	-
Retirement benefit obligation	10	22 542 000	25 279 000	25 309 000
		23 372 361	25 279 000	25 309 000
Current Liabilities				
Trade and other payables	11	11 518 122	7 634 540	12 268 833
Deferred income	12	44 565 945	51 597 307	51 681 306
Employee benefit obligation	13	842 026	856 346	799 225
		56 926 093	60 088 193	64 749 364
Total Liabilities		80 298 454	85 367 193	90 058 364
Total Equity and Liabilities		822 753 394	766 363 409	733 947 762

Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 March 2023

	Note(s)	2023 R	2022 R
Revenue	14	165 040 633	149 317 016
Other operating income	15	1 348 643	231 203
Operating expenses		(149 052 495)	(137 181 398)
Net surplus from operations	16	17 336 781	12 366 821
Investment income	17	44 649 597	27 469 565
Interest expense	18	(2 535 695)	(2 044 000)
Net Surplus for the year		59 450 683	37 792 386
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurements on net defined benefit liability	10	2 247 339	(884 829)
Fair Value Through Other Comprehensive Income of Other Financial Assets	9	(231 520)	199 261
Total items that will not be reclassified to profit or loss		2 015 819	(685 568)
Total comprehensive income for the year		61 466 502	37 106 818



Statement of Changes in Equity for the year ended 31 March 2023

	Revaluation reserve	Reserve for valuation of investments	Total reserves	Retained income	Total equity
	R	R	R	R	R
Opening balance as previously reported	73 633 749	651 810	74 285 559	567 275 583	641 561 142
Adjustments					
Prior period errors-deferred income cleared to revenue	-	-	-	2 328 256	2 328 256
Balance at 01 April 2021 as restated	73 633 749	651 810	74 285 559	569 603 839	643 889 398
Surplus for the year	-	-	-	37 792 386	37 792 386
Other comprehensive income	-	199 261	199 261	(884 829)	(685 568)
Total comprehensive income for the year	-	199 261	199 261	36 907 557	37 106 818
Balance at 01 April 2022	73 633 749	851 071	74 484 820	606 511 396	680 996 216
Surplus for the year	-	-	-	59 450 683	59 450 683
Other comprehensive income (included is cumulative losses of R7 778 reclassified to retained earnings due to share consolidation of Quilter B Shares)	-	(231 520)	(231 520)	2 247 339	2 015 819
Total comprehensive income for the year	-	(231 520)	(231 520)	61 698 022	61 466 502
Transfer between reserves (cumulative losses reclassified due to share consolidation of Quilter B shares)	-	-	-	(7 778)	(7 778)
Balance at 31 March 2023	73 633 749	619 551	74 253 300	668 201 640	742 454 940

Note(s)

Retained income has been restated, refer to note 26.3. for details.

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Statement of Cash Flows for the year ended 31 March 2023

	Note(s)	2023 R	2022 R
Cash flows from operating activities			
Cash receipts from customers		161 922 768	145 635 128
Cash paid to suppliers and employees		(140 269 622)	(133 718 527)
Cash generated from operations	19	21 653 146	11 916 601
Interest income	17	44 353 490	27 364 268
Dividends received	17	62 682	52 702
Net cash from operating activities		66 069 318	39 333 571
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(4 005 391)	(3 781 827)
Proceeds from disposal of property, plant and equipment		17 633	-
Purchases of intangible assets	3	-	(3 239 566)
Net cash utilised by investing activities		(3 987 758)	(7 021 393)
Cash flows from financing activities			
Net payments on defined benefit obligations	10	(3 003 662)	(2 958 829)
Total cash movement for the year		59 077 898	29 353 349
Cash and cash equivalent at the beginning of the year		689 992 683	660 639 334
Cash and cash equivalents at the end of the year	7	749 070 581	689 992 683



Summary of Significant Account Policies

1. Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these annual financial statements and the Nursing Act, 2005 (Act No.33 of 2005) as amended.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Rands, which is the Council's functional currency.

1.1 Significant judgements and key sources of estimation uncertainty

In preparing the annual financial statements in accordance with IFRS, management is required to make judgements, estimates and assumptions that affect the application of policies and the reported amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates which could be material to the annual financial statements.

The estimates and underlying assumptions are reviewed on an on-going basis and where applicable, adjustments 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 further periods if the revision affects both current and future periods. Significant judgements and assumptions include:

Prior year comparatives

When there is an amendment to the classification and presentation of items in the annual financial statements, prior year comparatives are also reclassified and restated in line with the amendment. The nature and reason for reclassification and amendment are also disclosed.

Where there has been a change in accounting policy in the current year, a retrospective adjustment is made as far as practicable and the prior year comparatives are restated accordingly. Similarly, when accounting errors have been identified in the current year which relate to the prior year, the correction is made retrospectively as far as practicable and the prior year comparatives are restated accordingly, refer to note 26.

Calculation of expected credit loss (ECL)

When measuring expected credit loss (ECL), the Council uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Defined benefit obligations

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the Financial Statements is included in note 10.

1.2 Financial instruments

Financial instruments held by the Council are classified in accordance with the provisions of IFRS 9 Financial Instruments.

A financial instrument is any contract that gives rise to a financial asset of one entity, and a financial liability or equity instrument of another entity.

Equity instrument is defined as any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Broadly, the classification possibilities, which are adopted by the Council, as applicable, are as follows:

Financial assets which are equity instruments:

- Designated as at fair value through other comprehensive income.

Financial assets which are debt instruments:

- Amortised cost.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or when it is transferred, and the transfer qualifies for derecognition.

Financial liabilities:

- Amortised cost

Financial instruments and risk management presents the financial instruments held by the Council based on their specific classifications refer note to 8 for details.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Council are presented below:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This is described, as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 6).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Council's business model is to collect the contractual cash flows on trade and other receivables.

1.2 Financial instruments (continued)

Recognition and measurement

Trade and other receivables are recognised when the Council becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment

The Council recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The Council measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Measurement and recognition of expected credit losses

The Council makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

Write off policy

The Council writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the Council recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in surplus or deficit.

Credit risk

Details of credit risk are included in the trade and other receivables note (note 6) and the financial instruments and risk management note (note 8).

Investments in equity instruments

Classification

Investments in equity instruments are presented in note 4. They are classified as mandatorily at fair value through other comprehensive income.

The designation as at fair value through other comprehensive income is never made on investments which are either held for trading or contingent consideration in a business combination.

1.2 Financial instruments (continued)

Recognition and measurement

Investments in equity instruments are recognised when the Council becomes a party to the contractual provisions of the instrument. The investments are measured, at initial recognition, at fair value. Transaction costs are added to the initial carrying amount for those investments which have been designated as at fair value through other comprehensive income. All other transaction costs are recognised in surplus or deficit.

Investments in equity instruments are subsequently measured at fair value with changes in fair value recognised in other comprehensive income (and accumulated in equity in the reserve for valuation of investments). Details of the valuation policies and processes are presented in note 1.2.

Dividends received on equity investments are recognised in surplus or deficit when the Council's right to received the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in investment income (note 17).

Impairment

Investments in equity instruments are not subject to impairment provisions.

Trade and other payables

Classification

Trade and other payables (note 11), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the Council becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest 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 (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in surplus or deficit in interest paid (note 18).

Trade and other payables expose the Council to liquidity risk and possibly to interest rate risk. Refer to note 8 for details of risk exposure and management thereof.

Offsetting

Financial assets and financial liabilities are not offset unless the Council has a legally enforceable right to offset the amounts recognised and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.2 Financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently measured at fair value.

Cash and cash equivalents comprise of cash held at the bank. The carrying amount of these assets approximates their fair value.

1.3. New Standards and Interpretations

1.3.1 Standards and interpretations effective and adopted in the current year

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

STANDARD/ INTERPRETATION:	EFFECTIVE DATE: YEARS BEGINNING ON OR AFTER	EXPECTED IMPACT
Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023	No material impact
Definition of accounting estimates: Amendments to IAS 8	01 January 2023	No material impact
Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2023	No material impact

Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.

IAS 1 was amended to require that only material accounting policy information shall be disclosed in the annual financial statements. The amendment will not result in changes to measurement or recognition of financial statement items, but management will undergo a review of accounting policies to ensure that only material accounting policy information is disclosed.

The effective date of the is for years beginning on or after 01 January 2023.

The Council expects to adopt the for the first time in the 2024 annual financial statements.

Definition of accounting estimates: Amendments to IAS 8

The definition of accounting estimates was amended so that accounting estimates are now defined as *“monetary amounts in annual financial statements that are subject to measurement uncertainty.”*

The effective date of the is for years beginning on or after 01 January 2023.

The Council has adopted the for the first time in the 2023 annual financial statements.

Classification of Liabilities as Current or Non-Current - Amendment to IAS 1

The amendment changes the requirements to classify a liability as current or non-current. If an entity has the right at the end of the reporting period, to defer settlement of a liability for at least twelve months after the reporting period, then the liability is classified as non-current.

If this right is subject to conditions imposed on the entity, then the right only exists, if, at the end of the reporting period, the entity has complied with those conditions.

In addition, the classification is not affected by the likelihood that the entity will exercise its right to defer settlement. Therefore, if the right exists, the liability is classified as non-current even if management intends or expects to settle the liability within twelve months of the reporting period. Additional disclosures would be required in such circumstances.

The effective date of the is for years beginning on or after 01 January 2023.

1.4 Revenue

Revenue comprises the consideration received or receivable on contracts entered into with customers in the ordinary course of the Council's activities. Revenue is shown net of taxes and discounts. Revenue is recognised at the amount of the transaction price that is allocated to each performance obligation and this is determined at an amount that depicts the consideration to which the Council expects to be entitled in exchange for transferring the good and services promised to the customer. The transaction prices recognised by the Council are published in the Government Gazette in terms of the Nursing Act, 2005 (Act No. 33 of 2005).

Revenue is recognised when control is transferred to the customer. The appropriate time when control is transferred has been determined as follows:

Verification fees, Confirmation fees, Enrollment and application fees	When verification letter is issued, confirmation letter is issued, learner certificate is issued and on receipt of application.
Annual fees	When the Annual Practising Certificate (APC) is issued
Restoration fees	When the relevant Nurse practitioner has been reinstated into the register of Nurses
Registration fees	When registration has been confirmed to the Nurse practitioner
Examination fees	When the results of the examination have been released
Distinguishing devices	When the devices are dispatched/collected by the Nurse practitioner
Application fees for accreditation	Acknowledgement of receipt of application documents
Other fees (Annual fees-Nursing Education Institutions, other income - unidentified deposits realised and other income)	Point-in-time

1.5 Property, plant and equipment

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

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

Property, plant and equipment is initially measured at cost. Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses except for land and buildings which are carried at revalued amounts.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value. The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Land and buildings are carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Any increase in the carrying amount of land and buildings, as a result of a revaluation, is recognised in other comprehensive income and accumulated in the revaluation surplus in equity. The increase is recognised in profit to the extent that it reverses a revaluation decrease of the same asset previously recognised in losses.

1.5 Property, plant and equipment (continued)

Any decrease in the carrying amount of land and buildings, as a result of a revaluation, is recognised in losses in the current period. The decrease is debited in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The revaluation surplus in equity related to a specific item of land and buildings is transferred directly to retained earnings when the asset is derecognised.

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

Item	Average useful life
Land	Indefinite
Motor vehicles	5 years
Office equipment	5-6 years
IT equipment	3 years
Building	50 years

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

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

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

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in surplus or deficit to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in surplus or deficit when the item is derecognised.

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

1.6 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the Council; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred. An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

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

Intangible assets comprise of computer software and are initially recognised at cost. Intangible assets are subsequently carried at cost less any accumulated amortisation and any impairment losses.

1.6 Intangible assets (continued)

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

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

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

Item	Useful life
Computer software	10 years

1.7 Inventories

Inventories comprise distinguishing devices and are valued at the lower of cost and net realisable value. Cost is determined using the first-in-first out basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

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

When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised.

1.8 Impairment of non-financial assets

The Council assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Council estimates the recoverable amount of the asset.

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

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

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

The Council assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

An impairment loss of an asset or reversal of an impairment loss of an asset is recognised immediately in profit or loss except in a case of revalued assets where any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.9 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave, bonuses, and non-monetary benefits such as medical care), is recognised in the period in which the service is rendered and are not discounted.

The cost of employee entitlements to salaries, annual leave, etc., which the Council has a present obligation to pay as a result of employees' services provided to the reporting date is recognised as a liability.

1.9 Employee benefits (continued)

Defined contribution plans

Payments to the defined contribution plans are recognised as an expense when employees have rendered the service entitling them to the contributions.

Defined benefit plans

The Council provides post-employment medical aid benefits to some of their retirees. The total value of the contractual liability is recognised at year-end.

For defined benefit plans the cost of providing the benefits is determined using the projected unit credit method. Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. Consideration is given to any event that could impact the funds up to the end of the reporting period where the interim valuation is performed at an earlier date.

Actuarial gains and losses are recognised in the year in which they arise, in other comprehensive income. Gains or losses on the curtailment or settlement of a defined benefit plan is recognised when the council is demonstrably committed to curtailment or settlement.

The amount recognised in the Statement of Financial Position represents the present value of defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs, and reduces the fair value of plan assets.

Any asset is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan.

The Council recognises all actuarial gains and losses arising from the defined medical aid benefit plan in other comprehensive income.

1.10 Leases

The Council assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the Council has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

1.11 Provisions and contingencies

Provisions are recognised when:

- the Council has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

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

Provisions are not recognised for future operating losses.

Contingent liabilities are not recognised. Contingencies are disclosed in note 20.

2023
R

2022
R

2. Property, plant and equipment

	2023			2022		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Land	15 710 000	-	15 710 000	15 710 000	-	15 710 000
Buildings	36 625 000	(4 308 823)	32 316 177	36 625 000	(2 154 412)	34 470 588
Office equipment and furniture	20 840 315	(15 839 092)	5 001 223	17 766 961	(12 977 728)	4 789 233
Motor vehicles	973 594	(592 862)	380 732	973 594	(398 143)	575 451
Computer equipment	10 543 236	(7 069 076)	3 474 160	9 611 202	(6 114 690)	3 496 512
Total	84 692 145	(27 809 853)	56 882 292	80 686 757	(21 644 973)	59 041 784

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Change in useful life	Depreciation	Total
Land	15 710 000	-	-	-	15 710 000
Buildings	34 470 588	-	-	(2 154 411)	32 316 177
Office equipment and furniture	4 789 233	3 365 620	(130 884)	(3 022 746)	5 001 223
Motor vehicles	575 451	-	-	(194 719)	380 732
IT equipment	3 496 512	639 771	421 246	(1 083 369)	3 474 160
	59 041 784	4 005 391	290 362	(6 455 245)	56 882 292

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Change in useful life	Depreciation	Total
Land	15 710 000	-	-	-	-	15 710 000
Buildings	36 625 000	-	-	-	(2 154 412)	34 470 588
Office equipment and furniture	7 705 750	749 766	(517 314)	296 267	(3 445 236)	4 789 233
Motor vehicles	770 169	-	-	-	(194 718)	575 451
IT equipment	1 544 178	3 032 061	(28 261)	-	(1 051 466)	3 496 512
	62 355 097	3 781 827	(545 575)	296 267	(6 845 832)	59 041 784

Land and buildings are carried at revalued amounts while all the other assets are carried at cost.

Properties are revalued every 3 years and the last revaluation was done on 31 March 2021 based on valuation performed by Mr D.R. Riley, an independent valuator from Property Partnership CC using the Income Capitalisation Method of valuation for land and building and comparable sales method of valuation for vacant land and the last valuation did not result in material change in the value of the asset.

During the current financial year, the Council disposed furniture with a carrying amount of R nil for R17 633 to employees of the Council.

Notes to the Annual Financial Statements for the year ended 31 March 2023

Figures in Rand

2023 2022

3. Intangible assets

	2023		2022	
	Cost / Valuation	Accumulated amortisation and impairment	Cost / Valuation	Accumulated Carrying value amortisation
Asset under construction	3 992 268	(3 992 268)	-	-
Application Systems	2 421 369	(1 303 722)	1 117 647	(1 108 343)
Total	6 413 637	(5 295 990)	1 117 647	(1 108 343)
				5 305 294

Reconciliation of intangible assets - 2023

	Opening balance	Amortisation and impairment	Impairment loss	Total
Asset under construction	3 992 268	-	(3 992 268)	-
Application Systems	1 313 026	(195 379)	-	1 117 647
	5 305 294	(195 379)	(3 992 268)	1 117 647

Reconciliation of intangible assets - 2022

	Opening balance	Additions	Amortisation	Total
Asset under construction	1 088 702	2 903 566	-	3 992 268
Application Systems	1 157 656	336 000	(180 630)	1 313 026
	2 246 358	3 239 566	(180 630)	5 305 294

	2023 R	2022 R
3. Intangible assets (continued)		
Note on intangible assets		
Intangible assets relate to purchased applications software such as Canon Document Management System, Sage 300 ERP, Assetware and Caseware amongst others.		
Membership Management System (MMS)		
The Council received a cancellation letter during January 2023 dated 28 December 2022 from the Attorneys of the service provider that was assisting the Council with the development of the Membership Management System. The Management Membership System has since then been fully impaired as it is highly unlikely that the project will be completed and asset cannot be used in its current form.		
4. Other financial assets		
Designated at fair value through Other Comprehensive Income		
Sanlam Limited	631 682	809 073
Level 1 listed on the Johannesburg Stock Exchange-11 206 shares in Sanlam Limited trading at R56.37		
Old Mutual PLC	131 122	155 790
Level 1 listed on the Johannesburg Stock Exchange-11 112 shares in Old Mutual PLC trading at R11.80		
Old Mutual bonus shares Quilter	58 719	-
Level 1 Listed on the Johannesburg Stock Exchange-3 174 ordinary Quilter PLC shares trading at R18.50		
3 704 Quilter B Shares trading at R26.72	-	98 971
Nedbank bonus shares	108 859	118 407
Level 1 listed on the Johannesburg Stock Exchange-502 shares in Nedbank trading at R216.857		
	930 382	1 182 241
© Listed shares traded on a stock exchange		
Financial assets at fair value through OCI consist of listed shares and are recognised at fair value, which is the quoted market value of the shares on the JSE and is equal to the carrying amount. The Council received an amount of R14 865 from share consolidation of Quilter B shares.		
Reconciliation of Fair value adjustment-other financial assets		
Sanlam Limited (631 682 - 809 073)	(177 391)	141 980
Old Mutual PLC (131 122-155 790)	(24 668)	13 334
Nedbank bonus shares (108 859 - 118 407)	(9 548)	67 467
Quilter B Shares before consolidation	(11 186)	(23 520)
Cumulative losses of Quilter B Shares reclassified to retained earnings	7 778	-
Quilter shares (new shares)	(16 505)	-
	(231 520)	199 261
5. Inventories		
Distinguishing devices	553 673	543 956
Provision for slow moving inventory	(48 299)	(47 553)
	505 374	496 403

Inventories are valued at the lower of cost, on a first-in-first-out basis, and net realisable value.

Inventory comprises of badges, brooches ,bars and epaulettes for practitioners.

	2023 R	2022 R
5. Inventories (continued)		
During the current financial year, R2 532 242 (2022: R2 243 713) was incurred as an expense relating to the procurement of inventory items.		
Inventories were tested for impairment for possible write down to their net realisable value. During the current financial year, R746 of inventory was written down to its recoverable amount.		
6. Trade and other receivables		
Trade receivables	285 896	478 693
Other receivables	856 055	159 685
Prepayments	4 923 682	3 078 926
Deposits	7 924	7 924
VAT asset	2 390 873	1 755 699
Advances on credit cards	374 501	432 936
Escrow Payment*	4 909 834	4 909 834
Less expected credit loss allowance	(285 896)	(478 693)
Trade receivables at amortised cost	13 462 869	10 345 004
Total trade and other receivables	13 462 869	10 345 004

The lifetime expected loss provision for trade receivables is as follows:

	Current	30 days past due	60 days past due	+90 days past due	Total
31 March 2023					
Expected loss rate	0 %	0 %	0 %	100 %	-
Gross carrying amount	-	-	-	424 676	424 676
Loss provision	-	-	-	(424 676)	(424 676)
31 March 2022					
Expected loss rate	0 %	0 %	0 %	100 %	-
Gross carrying amount	-	-	-	478 693	478 693
Loss provision	-	-	-	(478 693)	(478 693)

*

An amount of R4 909 834 was previously disclosed as a prepayment in the 2021/ 2022 financial year for the development of the Membership Management System (MMS) by SpesNet Pty Ltd. During the current year that contract was cancelled and therefore the Council no longer expects to receive the service for which the prepayment had been made. Due to the change in nature of the transaction, the Council now expects to receive the payment made back from the Attorneys which held this amount in an Escrow account as per the contract terms with SpesNet Pty Ltd. The amount has thus been re- classified from prepayment to other receivables.

The SANC raises lifetime expected credit losses for all trade receivables. No trade and other receivables were pledged as security for liabilities.

Trade receivables impaired

As of 31 March 2023, trade and receivables of R85 437 (2022: R478 693) were impaired.

Reconciliation of provision for impairment of trade and other receivables

	2023 R	2022 R
Expected credit loss allowance at beginning of the year	478 693	572 973
Impairment loss reversed	(393 256)	(94 280)
Impairment loss	339 239	-
Expected credit loss allowance at end of the year	424 676	478 693

	2023 R	2022 R
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6. Trade and other receivables (continued)

Exposure to credit risk

Trade receivables inherently expose the Council to credit risk, being the risk that the Council will incur financial loss if customers fail to make payments as they fall due.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

The Council's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance provision is determined as follows:

2023	2023	2022	2022
Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
424 676	(424 676)	478 693	(478 693)

Expected credit loss rate:

More than 120 days past due: (2023 17%) (2022: 100%)

7. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	15 064	1 972
Bank balances	1 091 356	1 215 360
Short-term deposits	747 964 161	688 775 351
	749 070 581	689 992 683

8. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets-at amortised cost

2023	Note(s)	Fair value through other comprehensive income - equity instruments	Amortised cost	Total	Fair value
Listed investment -at fair value through other comprehensive income (FVTOCI)	4	930 382	-	930 382	930 382
Trade and other receivables	6	-	424 676	424 676	424 676
Cash and cash equivalents	7	-	749 070 581	749 070 581	749 070 581
		930 382	749 495 257	750 425 639	750 425 639

		2023 R	2022 R		
8. Financial instruments and risk management (continued)					
2022					
	Note(s)	Fair value through other comprehensive income - equity instruments	Amortised cost	Total	Fair value
Listed investment-at fair value through other comprehensive income (FVTOCI)	4	1 182 241	-	1 182 241	1 182 241
Trade and other receivables	6	-	478 693	478 693	478 693
Cash and cash equivalents	7	-	689 992 683	689 992 683	689 992 683
		1 182 241	690 471 376	691 653 617	691 653 617

Categories of financial liabilities-at amortised cost

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	11	3 341 029	3 341 029	-

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	11	1 084 393	1 084 393	-

Financial risk management

Overview

The Council is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

Credit risk

Credit risk is the risk of financial loss to the Council if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The maximum exposure to credit risk is presented in the table below:

Liquidity risk

The Council is exposed to liquidity risk, which is the risk that the Council will encounter difficulties in meeting its obligations as they become due.

The Council manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through cash generated from operations.

There have been no significant changes in the liquidity risk management policies and processes since the prior reporting period.

Interest rate risk

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

The Council's policy with regards to financial assets, is to invest cash at floating rates of interest and to maintain cash reserves in short-term investments in order to maintain liquidity, while also achieving a satisfactory return for the Council.

	2023 R	2022 R
8. Financial instruments and risk management (continued)		
There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.		
9. Reserves		
Revaluation reserve		
• Closing balance	73 633 749	73 633 749
Fair value adjustment		
• Opening balance	851 071	651 810
• Fair value adjustment through OCI	(231 520)	199 261
	619 551	851 071
Total Reserves	74 253 300	74 484 820
10. Retirement benefits		
Defined benefit plan		
The Council provides post-retirement medical aid benefits to former employees and widow(er) members who participated in the Bestmed, Bonitas and Medshield Schemes.		
The actuarial valuation of the post-employment medical aid liability performed as at 31 March 2023 reported a contractual liability amounting to R22 542 000 (2022: R25 279 000).		
Present value of the defined benefit obligation-wholly unfunded	22 542 000	25 279 000
Changes in the present value of the defined benefit obligation are as follows:		
Present value of the defined benefit obligation-wholly unfunded	25 279 000	25 309 000
Expected benefit payments	(3 043 000)	(2 921 000)
Interest cost	2 514 000	2 044 000
Actuarial (gain)/loss	(2 208 000)	847 000
	22 542 000	25 279 000
Actual payments made on retirement benefits amount to R3 003 662 (2022: R2 958 829) and not R3 043 000 (2022: R2 921 000) and as such remeasurements on net defined benefit liability was readjusted by R39 339 (2022: (R37 829)) to R2 247 339 (2022: (884 829))		
Amount recognised in profit or loss		
Interest cost	2 514 000	2 044 000
Amount recognised in other comprehensive income		
Actuarial (gains)/losses	(2 208 000)	847 000
	306 000	2 891 000
Key assumptions used		
Assumptions used on last valuation on date, 31 March 2023 were as follows:		
Health care cost inflation rate	6.37 %	6.34 %
Discount rates used	9.76 %	7.84 %

	2023 R	2022 R
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10. Retirement benefits (continued)

Sensitivity analysis

The sensitivity analyses indicated in the below table have been determined based on the exposure to medical aid inflation rate for defined benefit obligation at the statement of financial position date. The analysis is prepared assuming the amount of liability outstanding at the statement of financial position date was outstanding for the whole period under review. A 1% increase or decrease is used, since this represents the normal change, if any, per interest rate review period by the Reserve Bank of South Africa. There were no changes in the methods and assumptions used during the period under review. A positive number below indicates an increase in profit. For a 1% increase there would be an equal and opposite impact on the profit or loss.

Sensitivity Analysis on the Accrued Liability (R Millions)

Assumption	Change	Total	% Change
Central assumptions		22 542	
	1 %	23 866	6 %
Health care inflation	(1)%	21 331	(5)%
	1 %	21 328	(5)%
Discount rate	(1)%	23 891	6 %
Post-retirement mortality	1yr	21 455	(5)%
Post-retirement mortality	(1yr)	23 653	5 %

Sensitivity Analysis on Interest Cost for the year ending 31 March 2024

Assumption	Change	Interest Cost (R)	% Change
Central assumptions		2 058 000	
	1 %	2 187 000	6 %
Health care inflation	(1)%	1 941 000	(6)%
	1 %	2 139 000	4 %
Discount rate	(1)%	1 965 000	(5)%
	1yr	1 953 000	(5)%
Post-retirement mortality	(1yr)	2 166 000	5 %

Valuation

The effective date of the valuation was 31 March 2023. The valuation was performed by Chanan Weiss from ARCH Actuarial Consulting, he is a member of the Actuarial Society of South Africa with more than 20 years of experience. ARCH Actuarial Consulting is not connected to the Council.

11. Trade and other payables

Trade payables	3 341 029	1 084 393
PAYE Control account	64 579	38 880
Leave accrual	5 008 636	5 568 662
Accruals	2 833 993	812 408
Sundry payables	269 885	130 197
Total trade and other payables	11 518 122	7 634 540

Note

Exposure to liquidity risk

	2023 R	2022 R
12. Deferred income		
Income received in advance	23 062 589	32 253 721
Examination fees and accreditation fees	1 067 114	1 596 843
Restoration fees	603 997	1 461 953
Registration fees	8 311 808	5 344 721
Annual practising certificate	6 727 662	6 017 099
Other deferred income	2 805 911	2 094 366
Donor funds	1 986 864	2 828 604
	44 565 945	51 597 307

The opening balance of income received in advance has been restated, refer to note 26.1 for details.

13. Employee benefit obligations

13th cheque payable to employees	842 026	856 346
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14. Revenue

Revenue		
Annual fees	126 457 367	122 035 442
Restoration fees	10 441 303	11 715 213
Examination fees	1 770 537	4 335 499
Registration fees	5 432 502	5 104 173
Accreditation fees	3 172 329	1 863 715
Verification fees	2 338 707	1 421 285
Annual fees-Nursing Education Institution	1 743 218	-
Sale of distinguishable devices	3 724 906	2 676 332
Other income-unidentified deposits realised	9 841 559	-
Enrollment and Application fees	118 205	165 357
	165 040 633	149 317 016

15. Other income

Admission of guilt fee	5 000	-
Refunds admin fees	18 331	19 794
Sale of waste paper	3 116	3 312
Parking fees	19 870	20 891
Insurance claims and other minor income	67 314	32 753
Donor fund income	841 739	60 173
Impairment loss reversal	393 273	94 280
	1 348 643	231 203

16. Net surplus from operations

Net surplus from operations is stated after accounting for the following:

Auditor's remuneration - external

Audit fees	340 258	324 056
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Auditor's remuneration - internal

	361 216	638 398
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Employee costs

Salaries, wages, bonuses and other benefits	94 892 962	90 888 933
Provident costs- contribution plans	6 132 951	6 070 051

	2023 R	2022 R
16. Net surplus from operations (continued) Total employee costs	101 025 913	96 958 984
<p>Provident fund administration costs relating to 31 March 2022 were incorrectly disclosed as R5 248 806, the comparative figure has been corrected in the current year, refer to note 26.2 for details.</p>		
Depreciation and amortisation		
Depreciation of property, plant and equipment	6 164 883	6 549 565
Depreciation of right-of-use assets	24 417	-
Amortisation of intangible assets	195 379	180 630
Impairment loss on intangible assets	3 992 268	-
Total depreciation and amortisation	10 376 947	6 730 195
Other		
Transport and freight	934 931	3 142 360
Legal fees	2 095 072	1 873 437
Utilities	3 634 733	3 125 338
Software expenses	2 603 186	1 890 702
Consulting fees	1 087 381	130 255
17. Investment income		
Dividend income		
Equity instruments at fair value through other comprehensive income:		
Listed investments - Local	62 682	52 702
Total dividend income	62 682	52 702
Interest income		
Investments in financial assets:		
Bank and other cash	44 353 490	27 364 268
Interest income on Escrow Agreement	233 425	52 595
Total interest income	44 586 915	27 416 863
Total investment income	44 649 597	27 469 565
18. Interest paid		
Retirement benefits	2 514 000	2 044 000
Lease liabilities	21 695	-
Total finance costs	2 535 695	2 044 000
19. Cash generated from operations		
Net surplus for the period	59 450 683	37 792 386
Adjustments for non-cash items:		
Depreciation, amortisation and impairments	10 376 947	6 730 195
Loss allowances recovered	(393 273)	(94 280)
Expected credit loss allowance	200 459	-
Interest income on Escrow Agreement	(233 465)	(52 595)
Loss on share consolidations	12 561	-
(Profit) /Loss disposal of property,plant and equipment	(17 633)	545 575
Interest on lease liability	21 695	-
Adjust for items which are presented separately:		
Interest income	(44 353 490)	(27 364 268)
Dividends received	(62 682)	(52 702)
Interest accrued on retirement benefit	2 514 000	2 044 000
Changes in working capital:		
(Increase) / decrease in inventories	(8 971)	564 474

	2023 R	2022 R
19. Cash generated from operations (continued)		
(Increase) in trade and other receivables	(2 691 586)	(3 535 013)
Increase / (decrease) trade and other payables and employee benefit obligation	3 869 263	(4 577 172)
(decrease) in deferred income	(7 031 362)	(83 999)
	21 653 146	11 916 601

20. Contingent liabilities

MATTER 1

SpesNet (Pty) Ltd in a letter dated 28 December 2022 cancelled the contract with the South African Nursing Council for the development of a Membership Management System, after cancellation discussions took place between the parties to find an amicable way to end the relationship but common ground could not be found. At this stage either party may attempt to sue the other for damages suffered but no party has taken action. Furthermore, as at year end SpesNet has issued a letter notifying the Council of its intention to sue for remaining contract cost of R30 163 097.

MATTER 2

Seven employees who were dismissed in January and May 2013 respectively after completion of internal disciplinary hearings being conducted because of improper conduct during a protected strike during November 2011. The CCMA dismissed their application. The employees took the matter on review to the Labour Court, and the matter was referred back to the CCMA and the following ruling was given: four employees dismissed fairly and three to be re-employed. The outcome, possible depending on whether settlement is reached on payment rather than reinstatement due to breach of trust relationship between employees and employer. Legal costs could amount to R250 000.

MATTER 3

A union leader issued summons against the Council, and its then Security (the SANC former security service provider) and the Minister of Police for alleged injuries suffered during the illegal entry to the building in 2017. Damages claimed are to the amount of R400 000. The SANC liability in this matter is to be determined by Court, but the unlawful arrest lies with the Minister of Police.

MATTER 4

A foreign student is suing the Council for an amount of R5 500 000 for refusing to register him. The appeal is unmeritorious, ill-founded, unsubstantiated, and based on incorrect and false allegations. The appellant was never registered as a learner Nurse with the South African Nursing Council and could not have enrolled for any Nursing studies or training.

Based on legal advice, the Council does not expect the outcome of the above matters to have a material effect on its financial position.

21. Commitments

Authorised expenditure

Expenditure contracted for, but not recognised in the financial statements because the goods and services have not yet been rendered, is as follows:

• e-Business transformation project	-	30 163 097
• Operating services	22 759 784	49 633 669
• Open Purchase Orders	900 143	997 850
• Capital expenditure	2 018 303	120 013
• Distinguishable devices	21 080 823	-
Total	46 759 053	80 914 629

Contracted expenditure relates to contracts entered into with service providers for a period ranging from 3 to 5 years to provide goods and services which include maintenance and support contracts for equipment, internal audit services and transport of examination papers amongst others.

	2023 R	2022 R
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21. Commitments (continued)

Expenditure not yet contracted for but approved for future expenditure:

Capital expenditure	21 159 286	6 703 757
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Expenditure not yet contracted relates to capital expenditure approved by Council

22. Current tax

The Council is exempt from taxation in terms of Section 10(1) (cA)(i) of the Income Tax Act.

23. Related parties

Key management remuneration

	Annual salary	Cell phone allowance	Contribution to medical aid and pension funds	Acting allowance	Merit Bonus	Total
Registrar & Chief Executive Officer (retired on 30 September 2022)	1 172 242	21 918	84 823	-	-	1 278 983
Registrar & Chief Executive Officer (started 01 March 2023)	170 722	2 600	13 543	-	-	186 865
Deputy Registrar	1 609 219	26 400	136 986	263 614	-	2 036 219
Chief Financial Officer	1 768 271	19 800	170 327	-	-	1 958 398
Corporate Services Executive	1 824 385	26 400	169 080	-	-	2 019 865
Senior Manager: Legal Affairs	1 236 344	22 050	98 080	-	-	1 356 474
Senior Manager: Human Resources	1 464 402	21 600	146 221	-	15 487	1 647 710
Senior Manager: Professional Practice	1 227 704	21 600	106 720	-	-	1 356 024
Senior Manager: Communication and Marketing	1 273 807	21 600	101 052	-	-	1 396 459
Senior Manager: Learner Affairs	1 215 463	21 600	105 749	-	-	1 342 812
Company Secretary	1 215 463	21 600	105 749	-	-	1 342 812
Senior Manager: Internal audit	1 224 103	21 600	97 109	-	12 704	1 355 516
Senior Manager: Information & Communication Technology	1 206 823	21 600	114 389	-	-	1 342 812
Senior Manager: Provider Affairs	-	-	-	201 787	-	201 787
	16 608 948	270 368	1 449 828	465 401	28 191	18 822 736

	2023 R	2022 R
23. Related parties (continued)		
2022		
	Annual salary	Cell phone allowance
		Contribution to medical aid and pension funds
		Acting allowance
		Total
Registrar & Chief Executive Officer	2 035 345	20 200
Chief Financial Officer	1 706 022	-
Corporate Services Executive (started 01 May 2021)	1 607 236	13 200
Senior Manager: Legal Affairs	1 189 094	11 850
Senior Manager: Human Resources Senior	1 427 295	10 800
Manager: Professional Practice Senior	1 193 285	16 500
Manager: Communication and Marketing	1 237 682	10 800
Senior Manager: Education & Training		
Company Secretary	1 223 281	13 200
Senior Manager: Internal Audit	1 168 382	10 200
Senior Manager: Information Technology	1 158 371	14 950
Senior Manager: Learner Affairs (started 01 June 2021)	1 159 742	14 000
	973 243	8 800
	16 078 978	144 500
		1 404 996
		311 863
		17 940 337

Non-executive (16th Council)

2023		
Makhene A		129 902
Nkongo-Mtembu LL		161 436
Zuma SM (Vice-Chairperson)		105 339
De Swardt HC		113 739
Gihwala DI		151 631
Ntshabele JT		128 415
Magoro TM		102 505
Geyer NM		95 394
Orton PM		108 174
Duma SE		128 415
Rabotapi LL		94 475
Matsomela MJ		113 842
Ramaila ZM		117 406
Newton F		158 245
Tshimomola R		183 450
Ally H		104 395
Kaye-Petersen E		143 091
Molepo M (Chairperson)		64 243
Ngidi D		126 959
Dr SZ Mthembu		106 401
Ms TA Kaseke		60 464
		117 621
		89 279
		99 063
		106 284
		73 380
		94 947
		91 725
		143 129
		150 429
		123 214
		88 274
		74 163
		66 042
		7 558
		-
		3 779
		-
	2 080 148	2 227 299

24. 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.

2023
R **2022**
R

24. Going concern (continued)

The Councillors believe that the Council has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The Councillors are satisfied that the Council is in a sound financial position and it has sufficient cash resources to meet its foreseeable cash requirements. The Councillors are not aware of any new material changes that may adversely impact the Council. The Councillors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Council.

25. Events after the reporting period

The Councillors are not aware of any material event which occurred after reporting date and up to the date of this report.

26. Prior period error

26.1. Deferred income

The Council embarked on an exercise to identify and clear the transactions that made up the deferred income account balance. The amounts below relate to the amounts that were identified and corrected during the year under review as well as the revenue categories to which they belong.

Balance previously reported at 31 March 2021	54 009 562
Adjustments to accreditation fees	(1 977 247)
Adjustments to application fees	(351 009)
Balance at 31 March 2021 restated	<u>51 681 306</u>

26.2. Net surplus from operations

Provident fund administrative costs relating to the financial year ended 31 March 2022 was incorrectly disclosed in a note as R5 248 806 instead of R6 070 051, the comparative figure has been corrected in the current financial year, refer to note 17 for details.

26.3. Retained income

The errors that were identified during the clearing of the deferred income account affected the retained income balance. The errors have been corrected retrospectively by restating comparative figures in the current year's financial statements.

Balance previously reported at 31 March 2021	567 275 583
Accreditation fees	1 977 247
Application fees	351 009
Balance at 31 March 2021 restated	<u>569 603 839</u>

27. Right-of-use assets

The Council entered into two lease contracts with two service providers during the current financial year to lease eleven printing machines. The average lease term is 3 years.

The Council does not have the option to purchase the printing machines on completion of the lease term.

Details pertaining to leasing arrangements, where the Council is lessee are presented below:

	2023			2022		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Office equipment	808 666	(24 417)	784 249	-	-	-

28. Lease liabilities

Office equipment	<u>830 361</u>	-
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Details pertaining to leasing arrangements, where the Council is lessee are presented in note 27 above.

Detailed Income Statement for the year ended 31 March 2023

	Note(s)	2023 R	2022 R
Revenue			
Sale of distinguishable devices		3 724 906	2 676 332
Annual fees-registered and enrolled Nurses		126 457 367	122 035 442
Restoration fees		10 441 303	11 715 213
Examination fees		1 770 537	4 335 499
Annual fees-nursing education institutions		1 743 218	-
Enrollment and Application fees		118 205	165 357
Verification fees		2 338 707	1 421 285
Accreditation fees		3 172 329	1 863 715
Registration fees		5 432 502	5 104 173
Other income-unidentified deposits realised		9 841 559	-
	14	165 040 633	149 317 016
Other income			
Admission of guilt fine		5 000	-
Insurance claims and other minor income		67 314	32 753
Donor fund income		841 739	60 173
Sale of waste paper		3 116	3 312
Parking fees		19 870	20 891
Impairment loss reversal		393 273	94 280
Refunds admin fees		18 331	19 794
	15	1 348 643	231 203
Expenses (Refer to page 128)		(149 052 495)	(137 181 398)
Operating surplus			
Investment income	16	17 336 781	12 366 821
Interest paid	17	44 649 597	27 469 565
	18	(2 535 695)	(2 044 000)
Surplus for the year		59 450 683	37 792 386

The supplementary information presented does not form part of the annual financial statements and is unaudited



Detailed Income Statement for the year ended 31 March 2023

	Note(s)	2023 R	2022 R
Operating expenses			
Staff bursaries		(220 677)	-
Advertising		(463 961)	(644 224)
Amortisation and impairment losses		(4 187 647)	(180 630)
Auditor's remuneration - external audit	16	(340 258)	(324 056)
Auditor's remuneration - internal audit	16	(361 216)	(638 398)
Expected credit loss allowance		(200 459)	-
Bank charges		(570 116)	(845 874)
Cleaning		(757 754)	(918 407)
Consulting fees		(2 328 157)	(130 255)
Computer expenses		(2 298 239)	(1 936 536)
Meeting expenses - Members' allowances and reimbursive expenses		(2 384 532)	(2 572 388)
Provident fund administrative costs		(6 132 951)	(6 070 051)
Depreciation		(6 189 300)	(6 549 565)
Transport and freight		(934 931)	(3 142 360)
Employee costs		(94 892 962)	(90 888 933)
Catering and refreshments		(964 115)	(662 401)
Profit/(Loss) on disposal of property, plant and equipment		17 633	(545 573)
Loss on share consolidation		(12 561)	-
Hire of equipment and venue		(169 910)	(84 260)
Recruitment costs and employee assistance		(969 336)	(768 149)
Insurance		(213 020)	(222 046)
Software expenses		(2 603 186)	(1 890 702)
General expenses		(583 831)	(1 143 070)
Gifts and promotional items		(78 394)	(223 064)
Motor vehicle expenses		(43 977)	(36 161)
Utility charges		(3 634 733)	(3 125 338)
Meeting expenses - accommodation		(1 311 670)	(840 109)
Meeting expenses - translation and transcribing services		(728 677)	(411 430)
Legal expenses		(2 277 025)	(1 873 437)
Postage		(1 024 509)	(1 147 172)
Printing and stationery		(1 154 456)	(1 237 291)
Functions, seminars and workshops		(224 450)	(196 939)
Repairs and maintenance		(1 526 641)	(1 295 236)
Publications		(13 158)	(8 772)
CPD development expenses		(841 739)	(60 173)
Security		(1 270 616)	(1 258 945)
Meeting expenses - transport allowances		(438 997)	(386 171)
Subscriptions		(99 112)	(64 256)
Meeting expenses - examiners and invigilators		(513 299)	(1 095 721)
Telephone and fax		(842 231)	(499 225)
Training		(215 279)	(17 370)
Purchase of materials		(2 532 242)	(2 243 713)
Travel - local		(2 519 804)	(1 002 997)
		(149 052 495)	(137 181 398)

The supplementary information presented does not form part of the annual financial statements and is unaudited

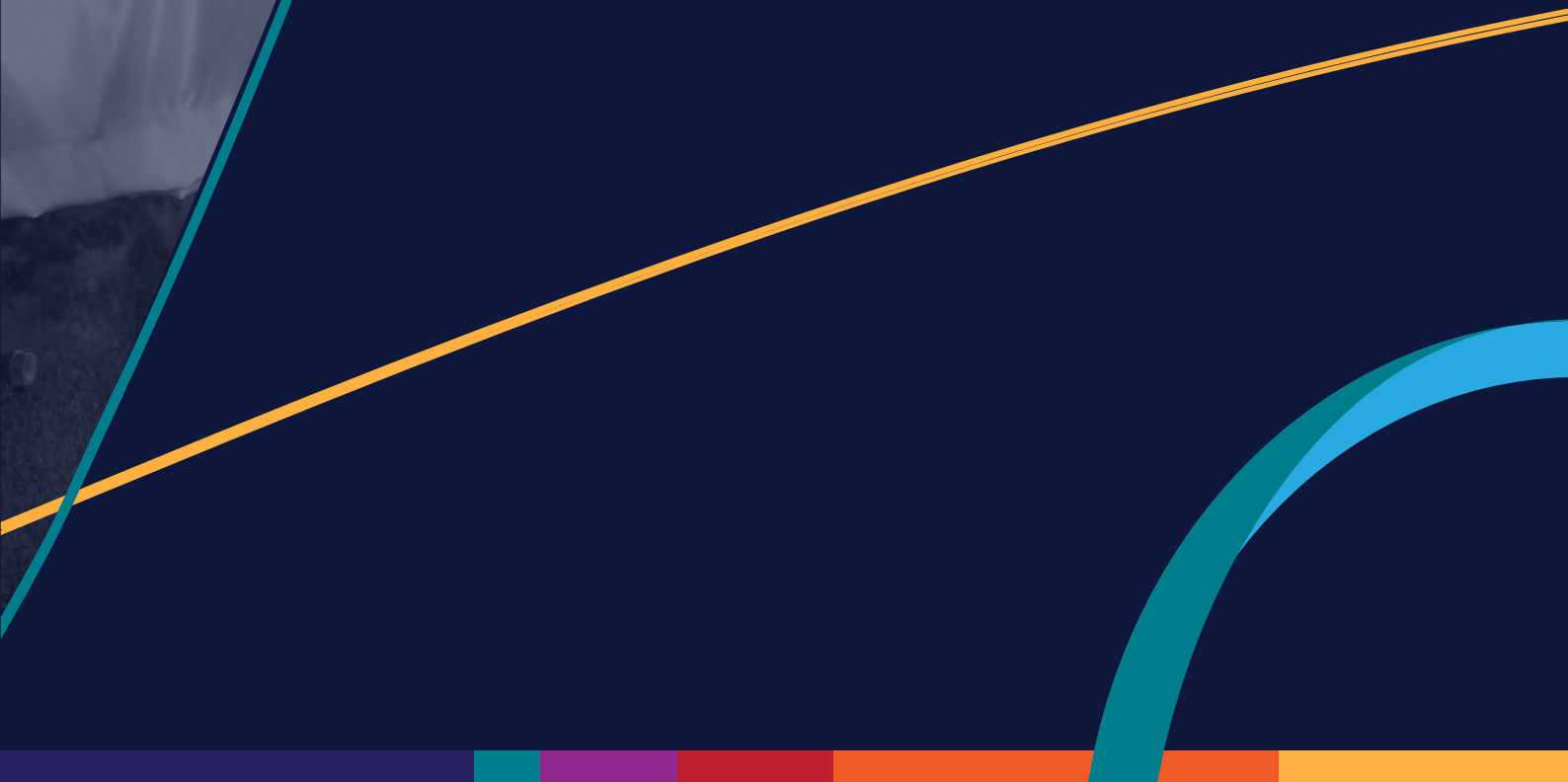
SANC

South African Nursing Council
Regulating nursing, midwifery and public health

WALL OF REMEMBRANCE

Contribute to our Nurses who have sacrificed
the line of duty while caring for their
patients against the COVID-19 virus

You fought the
immense
served the nation
medication





South African Nursing Council

Regulating nursing, advocating for the public



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