

PORTFOLIO COMMITTEE BRIEFING

Adv Rory Voller
Acting Commissioner
14 October 2015



Purpose

To brief the Portfolio Committee on the :

- 2014-15 Annual Report, and
- 2015-16 Quarter 1 Financial and Non-financial Performance.

Non-financial performance (Performance Information)

PROGRAMME 1: BUSINESS REGULATION AND REPUTATION

Output	Measure/Indicator	Actual achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned targets to actual achievement for 2014/2015	Reason for Variance
STRATEGIC GOAL 1: To improve the competitiveness of the South African economy by enhancing the reputation of South African businesses and the South African environment						
STRATEGIC OBJECTIVE 1.1 To encourage the formalisation of South African businesses and their identity						
Companies registered that were filed manually within the published service standard of 25 working days from the date of tracking of an application	% of companies registered that were filed manually within the published service standard of 25 working days from the date of tracking an application	92%	85%	71%	-14%	There were delays in processing due to the implementation of e-mail indexing solution; building renovations; new system implementation; problems with images on scanned documents; high volumes of applications received; continuous "Computron Abort Error" reflecting when capturing manual applications; daily; slow system response time;
Companies registered that were filed electronically within the published service standard of 5 working days from receipt of documentation	% of companies registered that were filed electronically within the published service standard of 3 working days from receipt of documentation	98%	85%	55%	-30%	The delays were due to high volumes of transactions as a result of the introduction of the new e-services on the website in the middle of September 2014.

Non-financial performance (Performance Information)

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Changes in company director details processed that were filed manually within the published service standard of 30 working days from the date of tracking	% changes in company director details processed manually within the published service standard of 30 working days from the date of tracking	Not reported	85%	78%	-7%	The delays in processing were due to the introduction of indexing and scanning of images; poor images received from the mail room; high volumes of e-services transactions (when faced with huge demands for eservices then resources are channelled to eservices). There were system challenges which impacted on the performance level reflected such as: that the dispatch date changes every time a registration certificate is printed. Some applications are not traceable and only processed until the applicant provides a copy, by this time there is delay. Some of the applications do not have images which makes it impossible to process it until images are restored.

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Changes in company director details processed electronically within the published service standard of 5 working days	% changes in company director details processed electronically within the published service standard of 5 working days	Not reported	85%	74%	-11%	The delays in processing were due to the introduction of new processes - indexing and scanning of images; images not saved after indexing; delays in the receipt of emailed documents; Similar (as those filed manually) system challenges and more impacted on the performance level.
Co-operatives registered that were filed manually within the published service standard of 21 working days from date of tracking of an application (received date)	% of co-operatives registered that were filed manually within the published service standard of 21 working days from date of tracking of an application (received date)	92%	60%	79%	19%	During the 1 st Quarter Performance Review Session issues that could result in underperformance were identified, such as backlogs that would result from delayed mail as a result of the post office strike. The target was revised as well as an incentive programme was put in place to ensure that the turnaround times were met.

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STRATEGIC OBJECTIVE 1.1 To encourage the formalisation of South African businesses and their identity						
Manual and electronic trade mark applications allocated an official application number within the published service standard of 5 working days of having received an application	% of manual and electronic trade mark applications allocated an official application number within the published service standard of 5 working days of having received an application	96%	90%	99%	9%	The resources were managed effectively and efficiently to ensure that performance targets are met. Through the monthly and quarterly performance monitoring and reporting, CIPC management was able to put in place measures to ensure that performance levels were maintained.
STRATEGIC OBJECTIVE 1.2 To encourage the maintenance of high standards of corporate governance, transparency and brand protection						
Companies with an “active business” status that have filed annual returns by the reporting period (year to date)	% of companies with an active business status that have filed annual returns by the reporting period (year to date)	52%	60%	50%	-10%	Although reminders were issued, it does not seem that this had a desired impact on the volume of filings. An analysis needs to be conducted to understand the dynamics relating to annual returns and to create more dedicated strategies regarding customer education and awareness.

Non-financial performance (Performance Information)

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STRATEGIC OBJECTIVE 1.1 To encourage the formalisation of South African businesses and their identity						
Complaints received of which a determination to close or refer the matter to another regulatory authority or to be directed in terms of the Act to investigate the matter is made within the published service standard of 30 working days	% of complaints received of which a determination to close or refer the matter to another regulatory authority or to be directed in terms of the Act to investigate the matter is made within the published service standard of 30 working days	Not measured	80%	85%	5%	Proper allocation of resources ensured that as much as possible complaints were attended to within 30 working days. Through the monthly and quarterly performance monitoring and reporting, CIPC management was able to put in place measures to ensure that performance levels were maintained.

Non-financial performance (Performance Information)

PROGRAMME 2: INNOVATION AND CREATIVITY PROMOTION

Output	Measure/Indicator	Actual achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned targets to actual achievement for 2014/2015	Reason for Variance
STRATEGIC GOAL 2: To contribute to a knowledge-based economy and competitive local industries by promoting innovation, creativity and indigenous cultural expression and knowledge						
STRATEGIC OBJECTIVE 2.1: To promote the protection and commercial exploitation of innovations in key sectors						
Manual and electronic patent applications allocated an official application number within the published service standard of 5 working days of having received an application	% of manual and electronic patent applications allocated an official application number within the published service standard of 5 working days having received an application	98%	90%	98%	8%	Electronic filing tool resulted in even more improvement in the speed processing of applications. Through the monthly and quarterly performance monitoring and reporting, CIPC management was able to put in place measures to ensure that performance levels were maintained.
Manual and electronic design applications allocated an official application number within the published service standard of 5 working days of having received an application	% of manual and electronic design applications allocated an official application number within the published service standard of 5 working days having received an application	97%	90%	98%	8%	Electronic filing tool resulted in even more improvement in the speed processing of applications. Through the monthly and quarterly performance monitoring and reporting, CIPC management was able to put in place measures to ensure that performance levels were maintained.

Non-financial performance (Performance Information)

PROGRAMME 2: INNOVATION AND CREATIVITY PROMOTION

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STRATEGIC GOAL 2: To contribute to a knowledge-based economy and competitive local industries by promoting innovation, creativity and indigenous cultural expression and knowledge						
STRATEGIC OBJECTIVE 2.2: To protect our cultural heritage and support a strong competitive South African creative industry that provides benefit to local artist						
Manual and electronic copyright in film applications allocated an official application number within the published service standard of 5 working days of having received an application	% of manual and electronic copyright in film applications allocated an official application number within the published service standard of 5 working days of having received an application	57%	90%	98%	8%	Copyright in film applications volumes are low. The introduction of e-filing therefore ensured improved speed in processing applications. Through the monthly and quarterly performance monitoring, CIPC management was able to proactively in put in place measures to ensure that performance levels were maintained.

Non-financial performance (Performance Information)

PROGRAMME 3: SERVICE DELIVERY AND ACCESS

Output	Measure/Indicator	Actual achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned targets to actual achievement for 2014/2015	Reason for Variance
STRATEGIC GOAL 3: To promote broader economic participation						
STRATEGIC OBJECTIVE 3.1: To promote broader formal economic participation by enhancing service delivery and extending the reach of CIPC						
Companies (private type COR 15.1A) registered electronically	% of companies (private type COR 15.1A) registered electronically.	81%	90%	91%	1%	The introduction of self-help terminals, improvement of the CIPC website as well as filing through FNB might have resulted in increase on electronic transactions.
Changes in company director details processed electronically	% of changes in company director details processed electronically	54%	50%	80%	30%	The introduction of self-help terminals, improvement of the CIPC website as well as filing through FNB might have resulted in increase on electronic transactions.
Electronic trade mark applications allocated an application number	% of electronic trade mark applications allocated an application number	49%	90%	93%	3%	Trade marks e-filing seemed to be most welcomed by customers lodging trade marks applications.
Electronic patent applications allocated an application number	% of electronic patent applications allocated an application number	9%	50%	48%	-2%	One of the two big law firms - Spoor and Fisher has not come on board to use patents e-filing.

Non-financial performance (Performance Information)

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STRATEGIC GOAL 3: To promote broader economic participation						
STRATEGIC OBJECTIVE 3.1: To promote broader formal economic participation by enhancing service delivery and extending the reach of CIPC						
Electronic design applications allocated an application number	% of electronic design applications allocated an application number	8%	50%	28%	-22%	The two big law firms i.e. Spoor & Fisher and Adams & Adams did not come on board in time to realise the required increase in design applications filed on-line. Adams and Adams implemented designs e-filing on 07 April 2015.
Electronic copyright in film applications allocated an application number	% of electronic copyright in film applications allocated an application number	14%	90%	97%	7%	Through the monthly and quarterly performance monitoring, CIPC management was able to proactively in put in place measures to ensure that performance levels were maintained.
Website availability for on-line filings 24/7	% website availability for on-line filings 24/7	92%	95%	96%	1%	Through the monthly and quarterly performance monitoring, CIPC management was able to proactively in put in place measures to ensure that performance levels were maintained.
Self-help terminals installed and operational	Number of self-service terminals installed and operational	7	45	41	-4	The wireless device for one SST located in the reception area of the JSE was not connected. The DHA connectivity for three SSTs located at the IDC in Sandton had not been finalised.

Non-financial performance (Performance Information)

PROGRAMME 3: SERVICE DELIVERY AND ACCESS

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STRATEGIC GOAL 3: To promote broader economic participation						
STRATEGIC OBJECTIVE 3.1: To promote broader formal economic participation by enhancing service delivery and extending the reach of CIPC						
STRATEGIC OBJECTIVE 3.2: To build an enabling and intelligent work environment anchored in a governed and sustainable organisation						
Operating expenditure covered by operating revenue year to date (Year to date (YTD))	% of operating expenditure covered by operating revenue (Year to date (YTD))	100%	100%	100%	0	The CIPC received revenue totalling R512,8 million, and expenditure at R304,9 million resulting in a surplus of R203,3 million.
Positions of the approved structure filled	% of positions of the approved structure filled	70%	75%	70%	-5%	A moratorium was placed on recruitment on 08 August 2014 and on 15 January 2015.
STRATEGIC OBJECTIVE 3.3: To improve the reputation and organisational performance of CIPC						
APP targets met	% of APP targets met	67%	80%	57%	-23%	As indicated in areas highlighted in red.

On-line transactions

Service	% of on-line transactions in 2013/14	% of on-line transactions in 2014/15	% of on-line transactions in 2015/16 Q1
Company Registration	81%	91%	94%
Director changes	Not measured	80%	83%
Trade marks applications	49%	93%	95%
Patent applications	9%	48%	79%
Designs applications	8%	28%	41%
Copyright in film applications	14%	97%	97%

Additional Channels

1. **Self-Service Terminals** (using biometric identity verification tools) now available in:

- Pretoria
- Johannesburg
- Cape Town
- Saldanha

2. **Banks**

- FNB continued to register about 8,800 companies through its global online footprint.
- Standard Bank implemented a company registration functionality which combines business account opening.
- Nedbank is at an advanced phase of its development.

3. **JSE**

CIPC caters for the unique requirements of listed companies as well as a self-service terminal

Company Registrations



The table reflects that the number of companies registered have increased since the inception of the CIPC in 2011 to 121 768 in 2011/12, to 222 146 in 2012/13, and 240 781 in 2013/14 but slightly declined to 236 673 in 2014/15.

Co-operatives

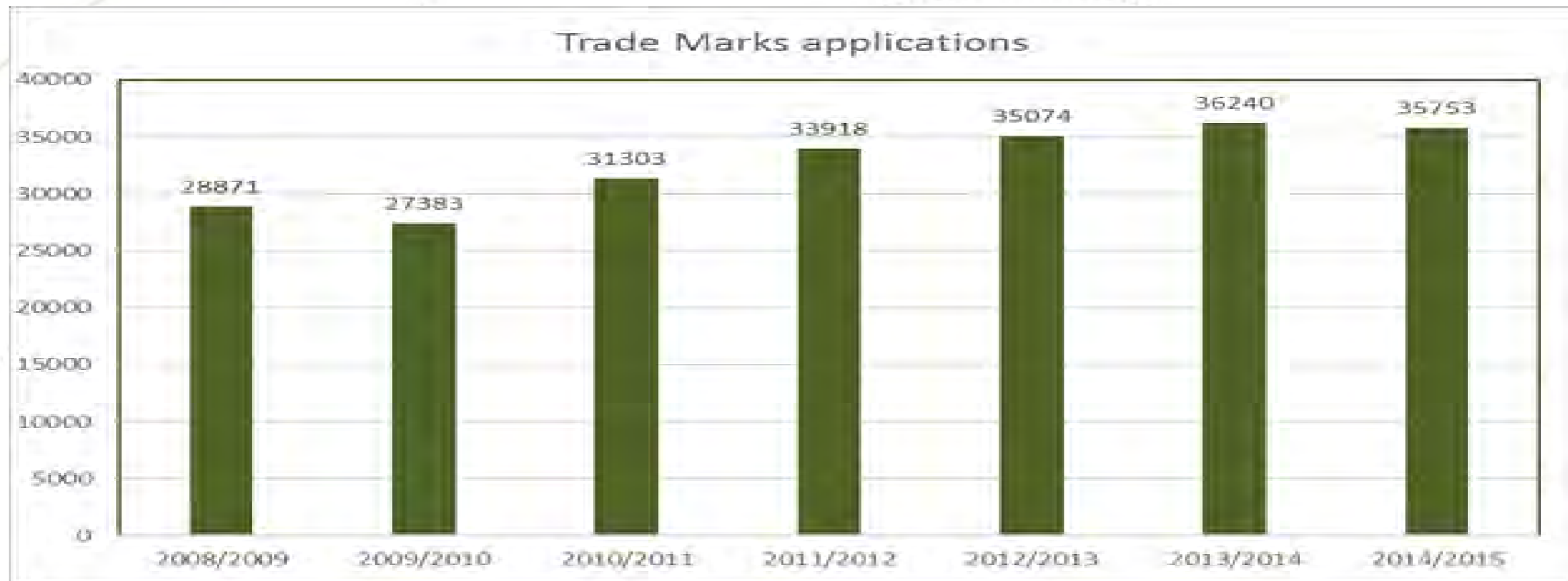


This table shows that the number of co-operatives registered increased drastically since 2011, continued in this trend to 15 340 in 2011/12, to 21 330 in 2013/14, but declined slightly to 20 396 in 2014/15. The discontinuation of close corporations may have sparked a renewed interest in the co-operatives. The perceived strategic role of co-operatives in the empowerment of communities may have also contributed to this renewed interest.

Business Rescue

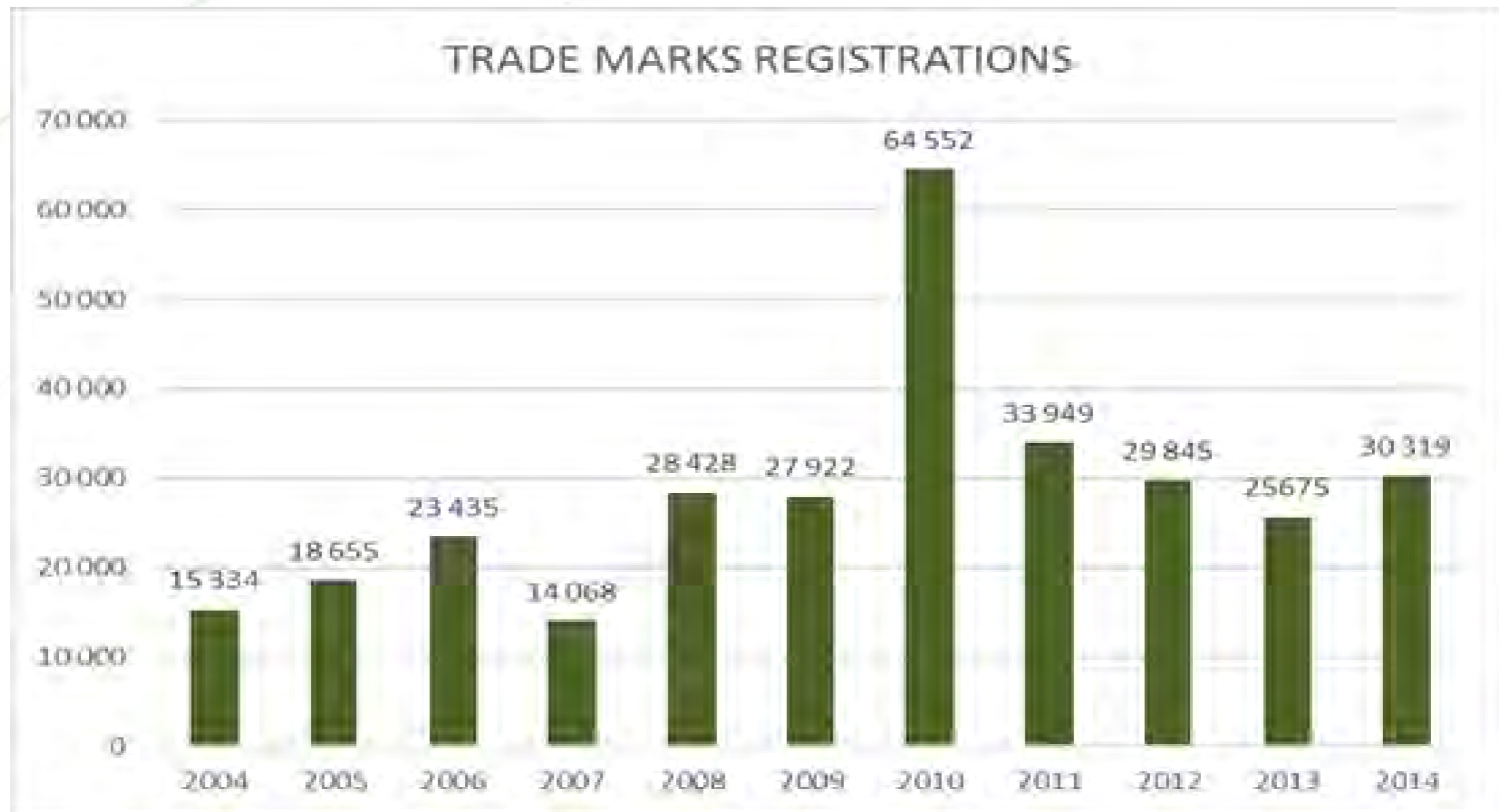
Operational BR Proceeding Applications	2011/ 12	2012/13	2013/14	2014/15	total
Business Rescue Proceedings Started	384	446	411	413	1654
Invalid filings	59	22	21	40	142
Business Rescue Proceedings Ended	282	239	181	69	771
CoR125.2 (Terminated)	65	81	58	22	226
CoR125.3 (Substantially implemented)	61	83	61	6	211
Liquidation	49	44	41	21	155
CO_Set Aside BR	2	8	2	0	12
Nullities (Proceedings started but was declared a nullity)	105	23	19	20	167
Active as at 31 March 2015	102	207	230	344	883

Trade Marks Applications



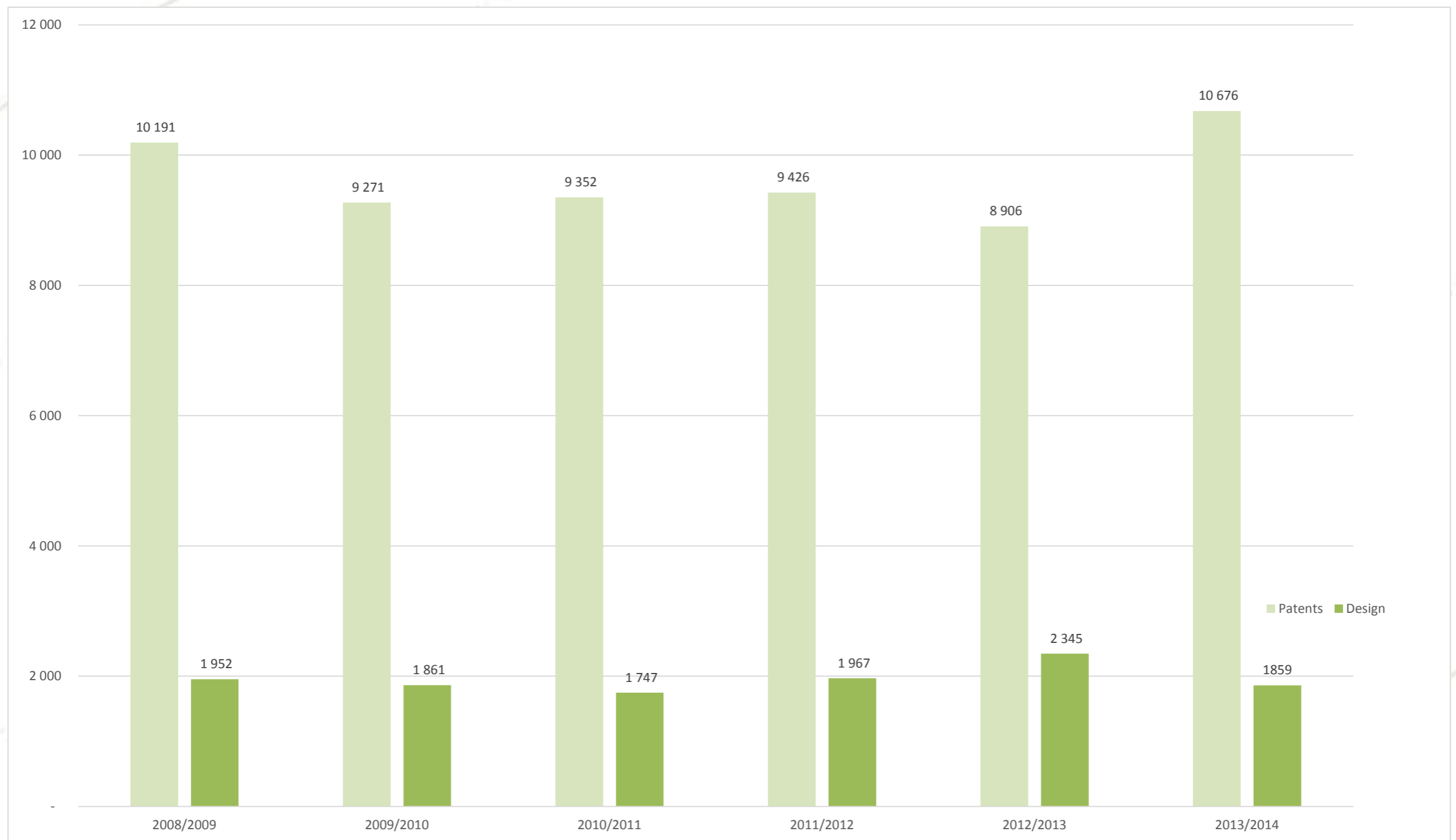
The table shows that trade mark applications have been steadily increasing with a slight decrease in 2014/2015.

Trade Marks Registrations

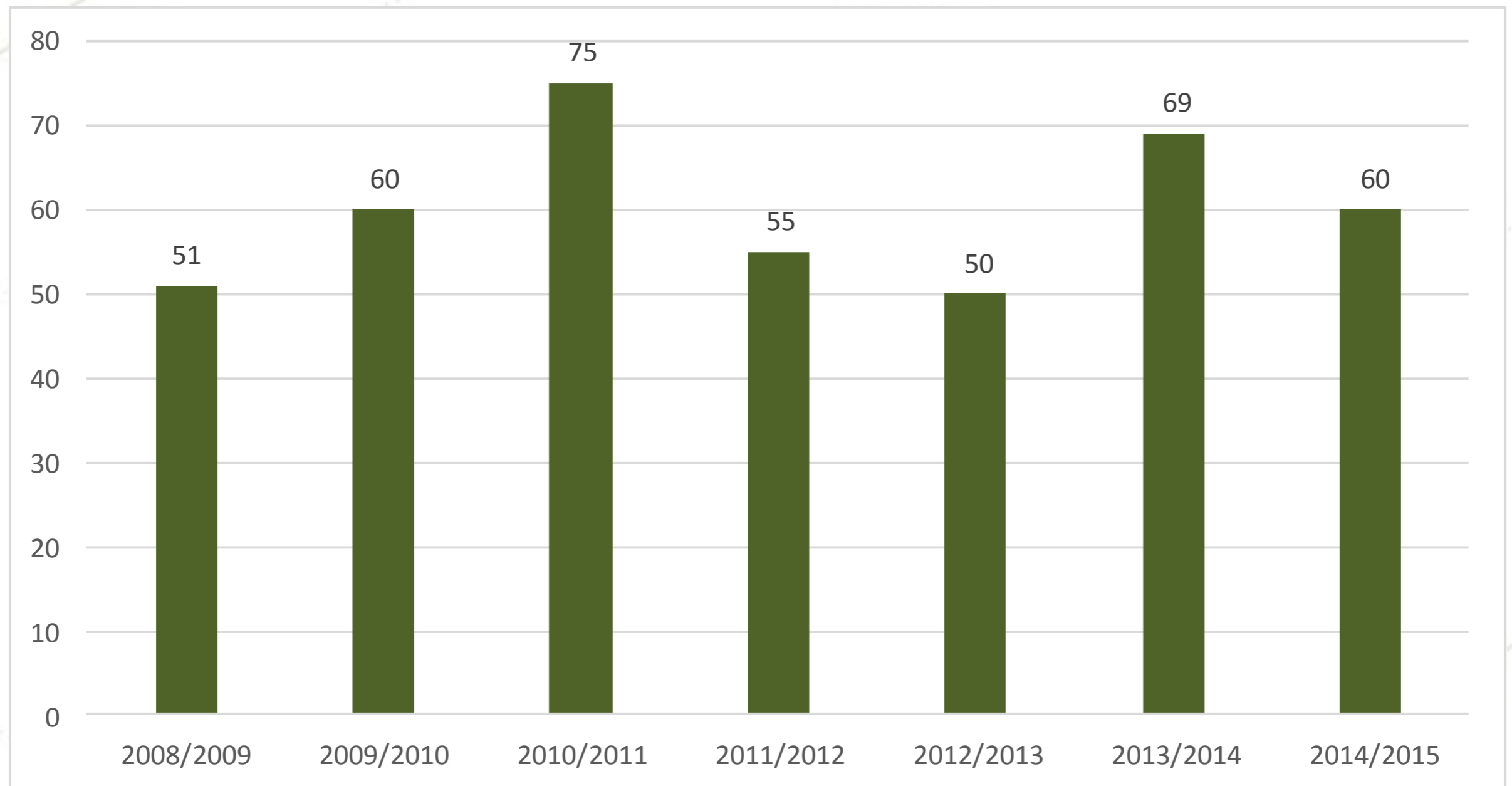


The table shows the trend of Trade Marks registrations.

Patents and Design Applications



Copyright in Films Applications



Reportable irregularities

	April-June	Jul- Sept	Oct - Dec	Jan - Mar
Opening Balance	49	98	143	193
Cases Received	77	96	88	108
Closed Cases	28	51	38	116
Closing Balance	98	143	193	185

Types of complaints received

Types of complaints received	Companies Act contravened	April-June	Jul-Sept	Oct-Dec	Jan-Mar	Total
Failure to give access to company records	Sec 26	3	1	5	0	9
Failure to prepare Annual Financial Statements	Sec 30	56	70	68	102	296
Failure to convene Annual General Meeting	Sec 61	0	0	0	0	0
Loans or financial assistance to directors	Sec 45	2	10	3	0	15
Misstatement of Annual financial statements	Sec 29(6)	0	0	0	0	0
Non Compliance with IFRS	Sec 29 (4)	0	0	0	0	0
Trading recklessly - liabilities exceed assets	Sec 22	6	2	0	3	11
Failure to keep Accounting records	Sec 28	0	1	2	0	3
Trading Recklessly and Financial Assistance	Sec 22, Sec 45 & Sec 46	7	3	4	0	14
	Other	3	9	6	11	29
Total		77	96	88	116	377

Compliance notices

- In 2013/14 160 Compliance Notices were issued to companies where reasonable grounds existed that the companies have contravened Sections 28, 30 and 61(7) of the Companies Act.
- In March 2015,
 - Compliance Certificates were issued to 38 (thirty eight) companies
 - In respect of 25 (twenty five) companies authorization was given to forward their non-compliance with the Compliance Notices to the National Prosecuting Authority for possible prosecution.

Compliance of State Owned Companies

- A market test of cross section of Schedule 2 of State Owned Companies (SOCs) was undertaken to determine their level of compliance with the Companies Act No. 71 of 2008 (as amended).
 - An indirect result appears to be greater shareholder activism from the shareholder representatives of these SOCs.

Social and Ethics Committees

- CIPC also conducted a test on a segment (listed public companies) of the market that is required to have a Social and Ethics Committees, to determine the level of compliance.
- 96% (252 out of 263) listed public companies confirmed compliance with the establishment of a Social and Ethics Committee. This indicates substantial compliance by listed public companies in establishing Social and Ethics Committees.
- 4% (11 out of 263) indicated that they were registered as external companies and therefore were of the view that regulation 43 is not applicable to them. CIPC will seek a legal opinion on whether an external company listed on the JSE is required to have a Social and Ethics Committee.

Collecting Societies

- Local artists, for the first time since the promulgation of Regulations for Collecting Societies in 2006 received royalties collected from users of sound recordings.
- Distribution of these royalties amounted to more than R117mil. It amounted to a significant contribution towards building the creative industry sector and the economy in general.

2014-15 Financial Performance



Report of the Auditor-General

Mar-15	Mar-14	Movement
Financial statements		↑
* Unqualified audit opinion	* Unqualified audit opinion	
* None	* Matter of emphasis due to restatement of prior year figures	
Compliance with laws and regulations		↑
* No significant matters identified	* Inadequate steps for prevention of irregular expenditure	

Annual Financial Statements

Financial Position

Financial Position					
Description	Mar-15	Mar-14	Variance	Variance	
	R'000	R'000	R'000	%	
Assets					
Non-current assets	43 236	41 767	1 469	3%	↑
Current assets	1 574 397	1 394 055	180 342	11%	↑
Total Assets	1 617 633	1 435 822	181 811	11%	↑
Total liabilities	117 141	137 144	(20 003)	-17%	↓
Net assets	1 500 492	1 298 678	201 814	13%	↑

Annual Financial Statements

Financial Performance

Financial Performance

Description	Mar-15	Mar-14	Variance	Variance	
	R'000	R'000	R'000	%	
Total income	508 330	455 611	52 719	10%	↑
Total expenditure	306 516	309 868	(3 352)	-1%	↓
Surplus for the year	201 814	145 743	56 071	11%	

Operational Financial Performance

Description	Total Annual budget	Actual	Variance	Variance	Unspent budget
	R'000	R'000	R'000	%	R'000
Income					
Revenue	426 200	413 334	(12 866)	-3%	12 866
Other	5 700	9 147	3 447	60%	-3 447
Interest	71 860	85 839	13 979	19%	-13 979
Total Income	503 760	508 320	4 560	1%	(4 560)
Expenditure					
Employee costs *	238 163	198 903	39 260	16%	39 260
Operating expenditure **	119 965	75 945	44 020	37%	44 020
Administrative expenditure **	45 891	22 181	23 710	52%	23 710
Depreciation&Impairment losses	7 500	9 487	(1 987)	-26%	(1 987)
Expenditure	411 519	306 516	105 003	26%	105 003
Surplus for the period	92 241	201 804	(100 443)	-25%	(109 563)

Highlights

* Exceeded revenue target by 1% ie R4.5 mil for the year.

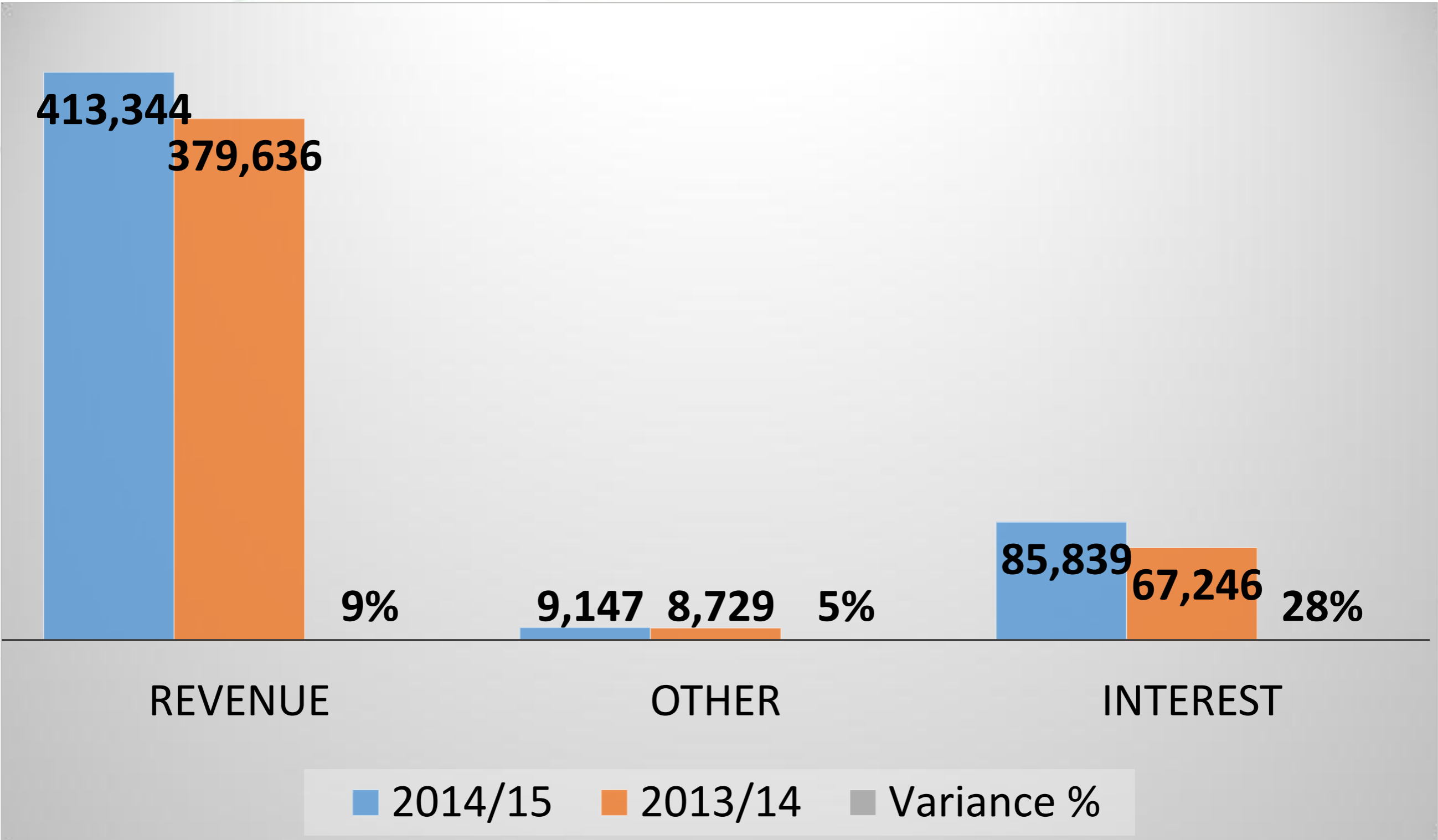
Progress

* High vacancy rate - in process of filling

** Implementation and improvement of ICT network infrastructure and applications, public awareness campaigns and setting up new SST' outside Gauteng province

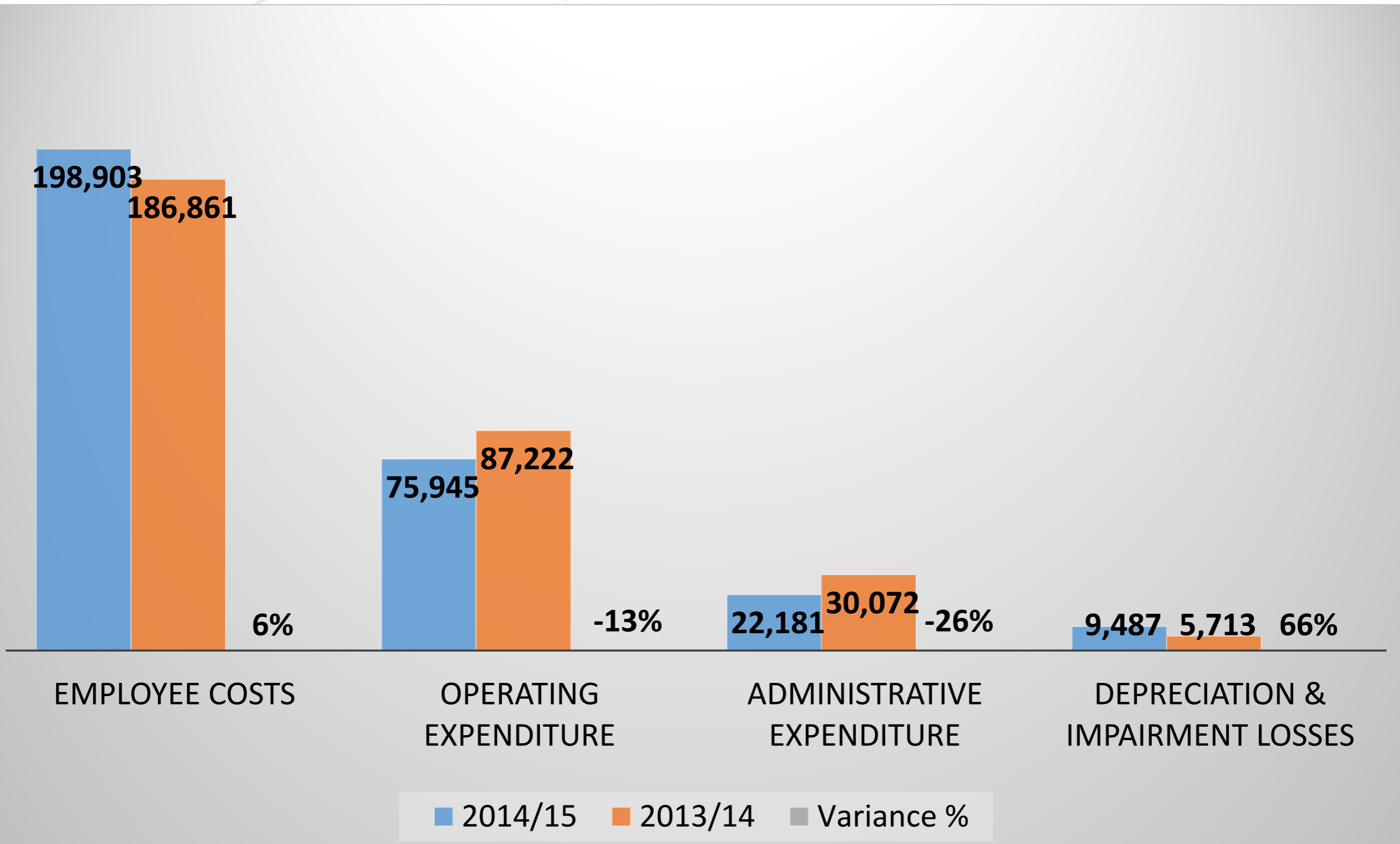
Revenue Analysis

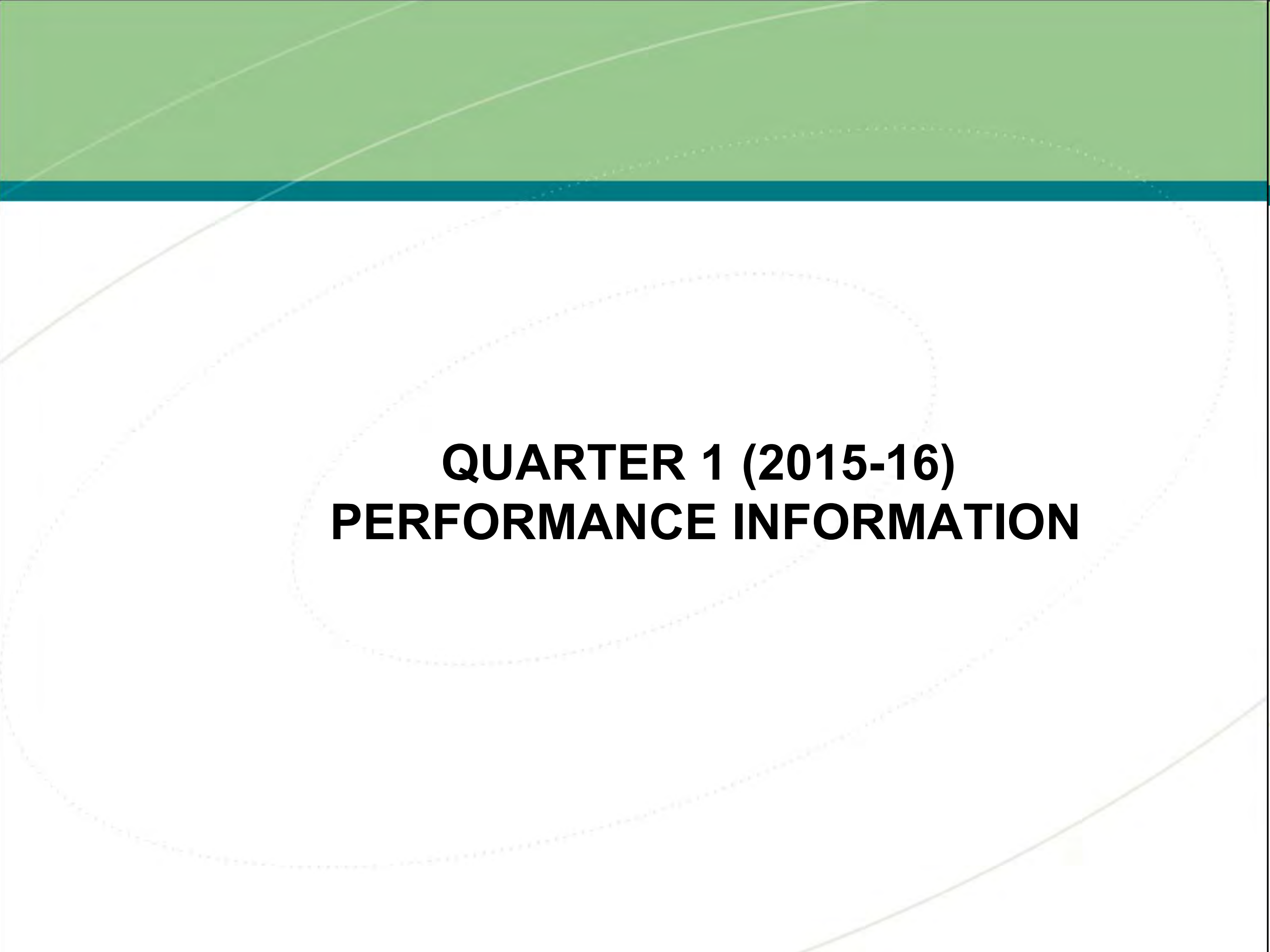
March 2015 vs March 2014



Operational Expenditure Analysis

March 2015 vs March 2014





**QUARTER 1 (2015-16)
PERFORMANCE INFORMATION**

QUARTER 1 (2015-16) PERFORMANCE INFORMATION

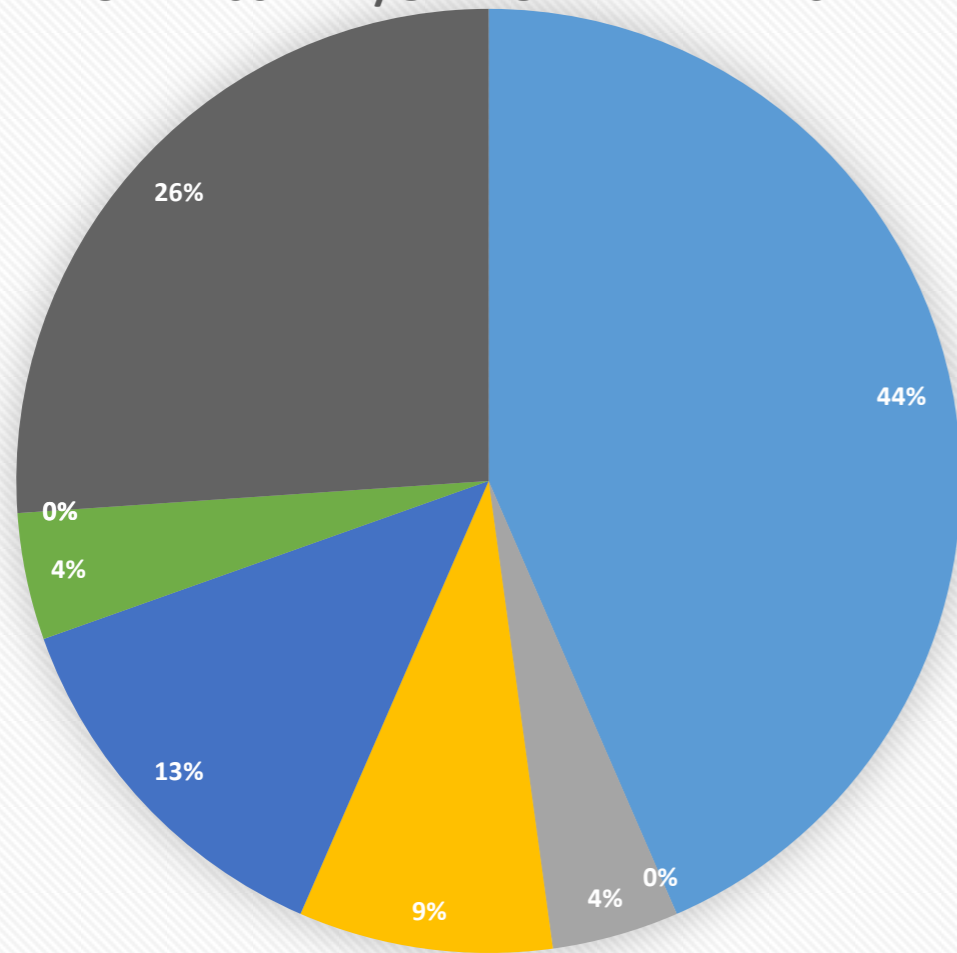
1. 88% (14 out of 16) of the set targets were met.
2. There was underperformance in the following KPIs:
 - a) Less than 90% of transactions processed within the set turnaround time in on-the areas of “on-line company registration” and “on-line director changes” due to system challenges.
 - b) 70% of positions are filled (72% Q1 target) due to the moratorium on recruitment.

Achievements Q1

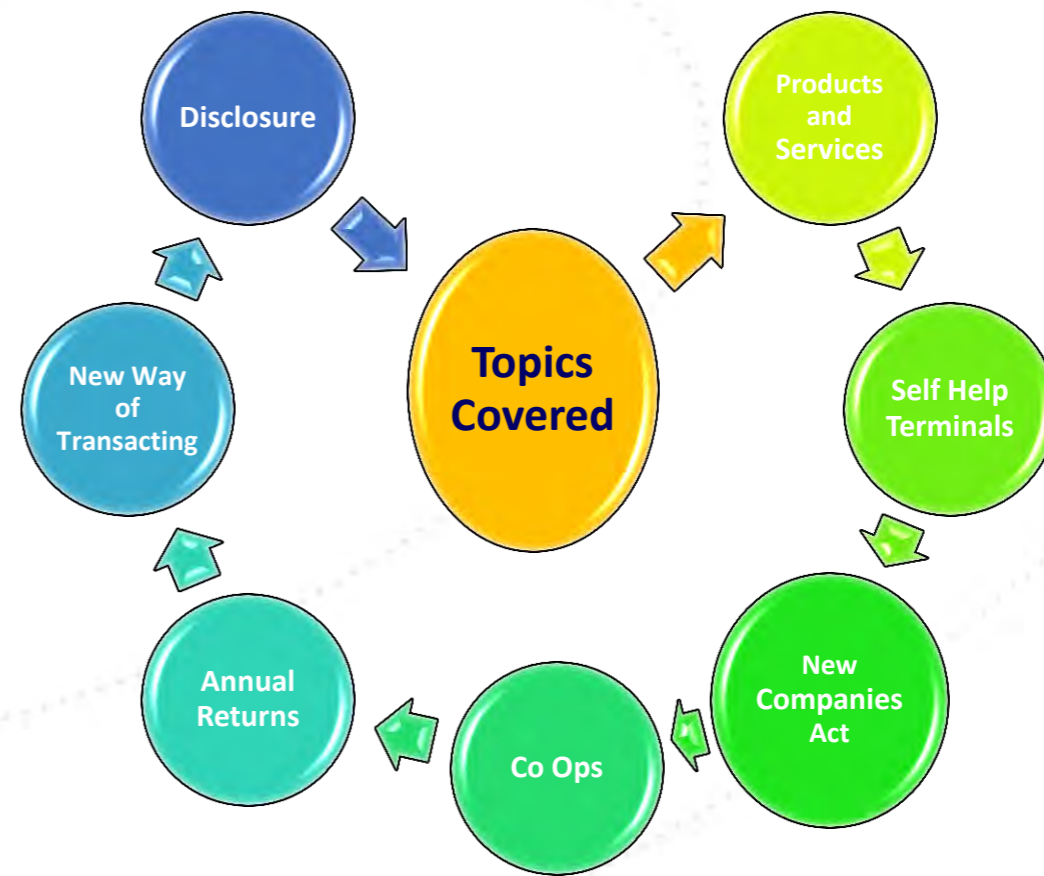
1. Reintroduction of the **call centre**.
2. **Education and awareness** on deregistration and company statuses.
3. Stabilisation of the **labour environment**
4. **Critical positions** have been identified and advertised .
5. Introduction of **USSD services** to alleviate the call centre and query resolution system traffic.
*Customers dial *120*2472#*
6. **On line transactions** continuously increasing.
7. **ICT systems** stability
8. CIPC has a **direct link with SARS** which enables the issuing of a tax reference number instantly upon company registration.
9. CIPC is the sole issuing authority of **BEE certificates for Exempted Micro-Enterprises**
10. Automation of the **Name Reservation function**
11. Automation of the **Auditor and Company Secretary changes (COR 44)**

CORPORATE EDUCATION AND AWARENESS

EVENTS ATTENDED IN ALL 9 PROVINCES FOR A 100 AND/OR MORE ATTENDEES



- Gauteng ■ Mpumalanga ■ North West
- Free State ■ KZN ■ Eastern Cape
- Western Cape ■ Northern Cape ■ Limpopo



USSD Statistics

Menu:	22- Jun	29- Jun	06- Jul	13- Jul	20- Jul	27- Jul	03- Aug	10- Aug	17- Aug	31- Aug	07- Sep	14- Sep
Registration Enquiry:	1511	1191	753	457	803	666	807	743	774	603	645	513
Banking Details:	189	198	84	35	79	75	60	68	90	66	56	43
Name Reservation:	433	345	273	160	265	193	267	335	277	199	252	179
Balance Enquiry:	508	406	326	138	297	240	281	229	323	223	241	203
Reset Password:	255	312	226	120	140	91	166	142	187	118	169	117
Financial Year End:	159	89	0	12	32	16	21	20	34	32	17	19
Annual Returns Due Date			71	54	135	116	168	117	165	159	102	116

BEE Statistics

Month	Company Registration	Annual Returns	Total
September 2014	100	0	100
October 2014	209	4	213
November 2014	65	0	65
December 2014	0	0	0
January 2015	1052	105	1157
February 2015	863	191	1054
March 2015	1515	306	1821
April 2015	980	300	1280
May 2015	1832	399	2231
June 2015	1443	464	1907
July 2015	1928	623	2551
August 2015	1690	530	2220
September 2015			0
October 2015			0
November 2015			0
December 2015			0
		TOTAL	14599

New Services

1. Third Party Model

A project is underway to make self-service technology (including the fingerprint technology uses at SSTs) available to interested third parties. The pilot phase of the project will be implemented in October 2015

2. Central Suppliers Database

- CIPC and National Treasury has partnered to develop a Central Suppliers database which is aimed at reducing red tape in the supplier registration process.
- A real-time verification between National Treasury and CIPC allows for enterprise status and directorship to be verified every time that a supplier logs onto this system that will become compulsory for use by all government departments in 2016/17.

Enforcement and Investigations

Between April and June 2015, 35 new complaints / requests for investigations were received.

Inspectors were designated to:

- investigate 6 cases, and
- 28 cases were closed and /or referred to more appropriate authorities to deal with.

Closure of complaints

General reasons for closure of complaints:

- Allegations were not within CIPC mandate;
- Complaints submitted more than three years after act or omission that caused the complaints;
- CIPC procedures were correctly followed;
- Referred to more appropriate regulatory authorities, court or Companies Tribunal

Next Steps....

1. Roll out SST's to other provinces :
 - a) Northern Cape (Transnet Enterprise Development Hub De Aar November 2015)
 - b) Eastern Cape (Transnet Enterprise Development Hub Mdantsane December 2015)
 - c) Limpopo (Transnet Enterprise Development Hub Tubatse February 2016)
 - d) Kwazulu Natal (Durban Chamber Of Commerce October 2015)
2. Expanding BEE certificates through other channels.
3. Automation and digitisation of services (including staff capacitation).
4. The Appointment of staff to do Substantive Patent Examination .

Next Steps....

5. Indigenous Knowledge Recordal system is in process of being developed. National IKS register to be developed and implemented
6. Implementation of XBRL (reporting tool for financial reporting) –multi year project

2015-16 Quarter 1 Financial Performance

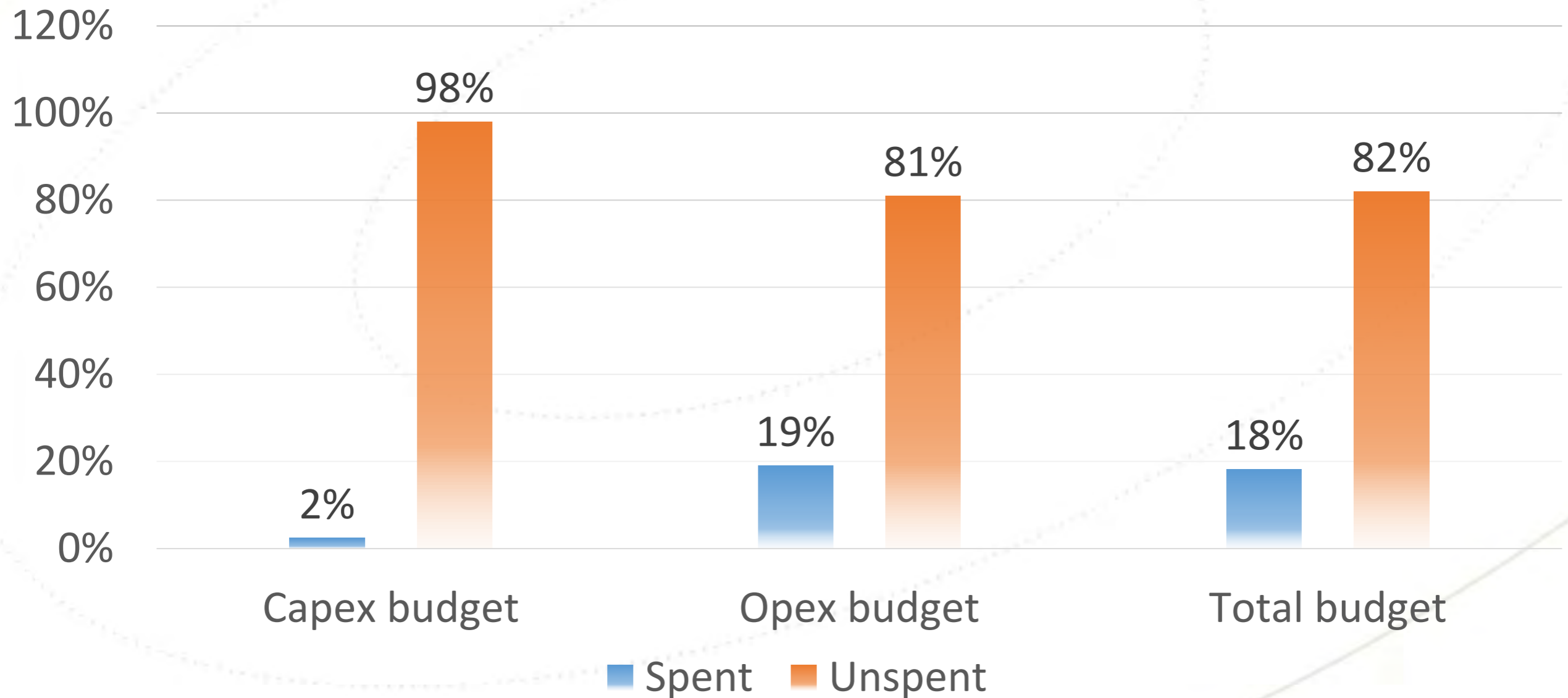


Overview of the Annual Budget for Quarter 1 April – June 2015

Details	Annual budget (Apr '15 - Mar '16)	Pro-rata budget (Apr - Jun '15)	Actual to date (Apr - June '15)	Variance (Apr - Jun '15)	Variance (April - Jun '14)	Remaining budget (Jul '15 - March '16)
	R'000	R'000	R'000	%	%	R'000
Revenue and interest	466 463	116 616	132 794	14%	11%	333 206
Other income	23 128	11 564	463	-96%	0%	9 537
Operational expenditure	(461 211)	(113 947)	(87 767)	-23%	-32%	(282 485)
Capital expenditure	(23 129)	(5 782)	(555)	-90%	-46%	(22 574)
Surplus	5 251	8 451	44 935	-	-	(305 059)

Annual Budget spent for Quarter 1 April – June 2015

ANNUAL BUDGET SPENT TO DATE (APRIL - JUNE '15)



Operational Performance for Quarter 1

April – June 2015

Description	Total Annual Budget	Pro-rated Budget (Apr - Jun '15)	Actual (April - Jun '15)	Variance	Variance	Available Budget (Jul '15 – Mar '16)
	R'000	R'000	R'000	R'000	%	R'000
Income						
Revenue	423 963	105 991	110 073	4 082	4%	313 890
Other	-	-	463	(463)	(0%)	(463)
Interest	42 500	10 625	22 721	12 096	114%	19 779
Total Income	466 463	116 616	133 257	15 715	3%	333 206
Expenditure						
Employee costs *	243 646	60 912	55 311	5 601	10%	188 335
Operating expenditure **	186 831	45 351	28 932	16 419	57%	157 899
Administrative expenditure	21 934	5 484	1 071	4 413	412%	20 863
Depreciation & Impairment losses	8 800	2 200	2 453	(253)	(11%)	6 347
Expenditure	461 211	113 947	87 767	26 180	30%	373 444
Surplus for the period	5 252	2 669	45 490	(10 465)	(27%)	(40 238)

Capital Exp. Performance for Quarter 1 April – June 2015

Description	Annual budget (Apr '15 - Mar '16)	Pro-rata budget (Apr - June '15)	Actual to date (Apr - Jun '15)	Variance (Apr - Jun '15)	Variance	Remaining budget (Jul '15 - Mar '16)
	R'000		R'000	R'000	%	R'000
Computer Hardware	12 319	3 782	441	3 341	-88%	11 878
Computer Software	5 010	1 000	-	1 000	-100%	5 010
Furniture and Equipment	2 000	500	114	386	-77%	1 886
Vehicles	500	-	-	-	0%	-
Leasehold Improvement- cabling	3 300	500	-	500	-100%	3 300
Total capital expenditure	23 129	5 782	555	5 227	-90%	22 074



Thank you