



ROYAL HOUSEHOLD TRUST

# 4<sup>TH</sup> QUARTER REPORT 2019/20



ROYAL HOUSEHOLD TRUST

## 2019/20 Revenue estimates

REVENUE	MAIN BUDGET	4TH QUARTER ACTUAL	% COLLECTED
REVENUE COLLECTED	R'000	R'000	R'000
TRANSFERS	19 086	19 086	100
RENT ON LAND	150	150	100
INTEREST	56	37	66
<b>Total</b>	<b>19 292</b>	<b>19 273</b>	<b>99,90</b>

- The Trust collected revenue totalling to R19,273 million against the projection of R19,292 million by end of the 4<sup>th</sup> quarter of 2019/20 financial year . The sources of revenue are as follows:
  - Transfers received from the Office of the Premier (OTP) was R19,086 million.
  - R150 000 was collected as rental income from a long term lease of farm land.
  - Interest collected R36,587, as interest earned on the positive cash balances in the Trust bank account.



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## Programme Structure as per APP

PROGRAMME	MAIN BUDGET	4TH QUARTER ACTUAL	% SPENT
	R'000	R'000	R'000
1. ADMINISTRATION	5 068	4 768	94
2. OPERATIONS MANAGEMENT	11 181	12 163	109
3. FUND RAISING	3 043	3 066	101
<b>Total</b>	<b>19 292</b>	<b>19 997</b>	<b>104</b>

- R19,997 million had been spent by end of the 4<sup>th</sup> quarter, which is equivalent to 104 percent of the main budget.
  - Administration spent 94% of the revised budget of R5,068 million.
  - Operations Management was at 109 per cent of the main budget of R11,181 million.
  - Fund Raising had fully spent its budget by end of the 4<sup>th</sup> quarter.



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## Programme 1: Administration

- To provide support to the RHT Board;
- To provide strategic management;
- To provide events management services;
- To provide HRM services;
- To provide Financial Management services;



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## Summary of Payments - Programme 1

<b>PROGRAMME 1</b>	<b>MAIN BUDGET</b>	<b>4TH QUARTER ACTUAL</b>	<b>% SPENT</b>
<b>Economic Classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>CURRENT PAYMENTS</b>	<b>5 047</b>	<b>4 753</b>	<b>94</b>
Compensation of Employees	3 022	2 675	89
Goods & Services - Current	2 025	2 078	103
Interest and rent on land	-	-	-
Financial transactions in assets and liabilities	-	-	-
<b>TRANSFERS AND SUBSIDIES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PAYMENT FOR CAPITAL ASSETS</b>	<b>22</b>	<b>15</b>	<b>69</b>
Buildings & Other Fixed Structures	-	-	-
Machinery & Equipment	-	-	-
Software & Other Intangible Assets	22	15	69
<b>Total</b>	<b>5 068</b>	<b>4 768</b>	<b>94</b>



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## Summary of payments : Programme 1

- This programme has an overall spent of 94 per cent of the main budget.
- Employee compensation spent 89 per cent of the main budget. This is lower than a norm of 100 per cent at this time of the year. This is mainly because of vacant post of the Chief Financial Officer.
- Goods and services reflects 103 per cent expenditure against the main budget.
- An expenditure of R14,782 incurred relates to software renewals.



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# Performance Information: Programme 1

STRATEGIC OBJECTIVE		PERFORMANCE MEASURE INDICATOR	ANNUAL PERFORMANCE TARGET	ESTIMATED PERFORMANCE TARGET Q4	PERFORMANCE TARGET ACHIEVED	REASON FOR DEVIATION
SO 1.1	To ensure effective and efficient management and administrative systems of the Trust	Number of performance reports	4	1	1	
		Number of structure reviews	1 Review	1 carried over from previous quarter	1	
		Number of Performance Management Reviews	1 Review	2 reviews carried over from previous quarter	0	The new Act created confusion and uncertainty with regards to functions and reporting lines and as a result, performance reviews were put on hold pending finalization and approval of the policy framework regarding functions, staffing and reporting arrangement between the Trust and OTP as per the new act.
		Percentage of undisputed invoices paid within 30 days of receipt	100%	100%	35%	March payments could only be made in April due to shortage of funds,

Green = achieved, Red = not achieved, Yellow = not due, Blue = In progress



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## Summary of Payments - Programme 2

<b>PROGRAMME 2</b>	<b>MAIN BUDGET</b>	<b>4TH QUARTER ACTUAL</b>	<b>% SPENT</b>
<b>Economic Classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>CURRENT PAYMENTS</b>	<b>11 181</b>	<b>12 163</b>	<b>109</b>
Compensation of Employees	704	703	100
Goods & Services - Current	10 477	11 461	109
Interest and rent on land	-	-	-
Financial transactions in assets and liabilities	-	-	-
<b>TRANSFERS AND SUBSIDIES</b>	-	-	-
<b>PAYMENT FOR CAPITAL ASSETS</b>	-	-	-
Buildings & Other Fixed Structures	-	-	-
Machinery & Equipment	-	-	-
Software & Other Intangible Assets	-	-	-
<b>Total</b>	<b>11 181</b>	<b>12 163</b>	<b>109</b>





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## Programme 2: Operations Management

- Programme two spent 105 per cent of the main budget.
- Employee compensation spent 100 per cent.
- Goods and services reflect a high expenditure of R11.461 million, which is equivalent to 109 per cent of the main budget. An over-expenditure was mainly as a result of the hiring of vehicles due to regular mechanical breakdown of the Queens' vehicles.
- There were no staff changes in the period under review in this programme.



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## Programme 2: Operations Management

- To provide drivers to the Queens
- Provide education support in respect of Princes and Princesses
- To provide for Queen's personal expenses such as medical expenses, cellular phones, transport costs etc.
- To provide consumables for the Queens (groceries, water, electricity, and fuel, etc.)
- Provide domestic services (e.g. cooking, washing, house cleaning, gardening)
- Maintenance and repairs of buildings, and other infrastructure such as water and electricity supply, stand-by generators etc.
- Provide new and replacement of household assets.
- Provide security personnel, fencing and insurance in respect of household assets.



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## Programme 2: Operations Management (Cont.)

- Provide cattle herders
- Provide veterinary supplies
- Provide livestock feeds
- Provide grazing places, and fencing
- Provide agricultural inputs



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## Performance Information: Programme 2

STRATEGIC OBJECTIVE		PERFORMANCE MEASURE INDICATOR	ANNUAL PERFORMANCE TARGET	ESTIMATED PERFORMANCE TARGET Q4	PERFORMANCE TARGET ACHIEVED	REASON FOR DEVIATION
SO 2.1	To ensure effective management of Royal Residences infrastructure.	Number of maintenance reports.	4	1	1	
		Number of visits and maintenance inspection	1 palace inspection	1	1	

Green = achieved

Red = not achieved

Yellow = not due



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## Programme 3: Fund Raising

- Fund raising;
- Business Investments;
- Business development;
- Marketing.



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## Summary of Payments - Programme 3

<b>PROGRAMME 3</b>	<b>MAIN BUDGET</b>	<b>4TH QUARTER ACTUAL</b>	<b>% SPENT</b>
<b>Economic Classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>CURRENT PAYMENTS</b>	<b>3 043</b>	<b>3 066</b>	<b>101</b>
Compensation of Employees	-	-	-
Goods & Services - Current	3 043	3 066	101
Interest and rent on land	-	-	-
Financial transactions in assets and liabilities	-	-	-
<b>TRANSFERS AND SUBSIDIES</b>	-	-	-
<b>PAYMENT FOR CAPITAL ASSETS</b>	-	-	-
Buildings & Other Fixed Structures	-	-	-
Machinery & Equipment	-	-	-
Software & Other Intangible Assets	-	-	-
<b>Total</b>	<b>3 043</b>	<b>3 066</b>	<b>101</b>



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## Programme 3: Fund raising

- Programme three had a budget of R3.043million.
- Goods and services fully spent its budget in developing a revenue generating strategy and in preparation for the fund raising event rescheduled to take place on the 28th March 2020, however, due to the covid 19 pandemic the event is postponed for an unknown date .



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## Performance Information: Programme 3

STRATEGIC OBJECTIVE		PERFORMANCE MEASURE INDICATOR	ANNUAL PERFORMANCE TARGET	ESTIMATED PERFORMANCE TARGET Q4	PERFORMANCE TARGET ACHIEVED	REASON FOR DEVIATION
SO 3.1	Establish beneficial strategic partnerships	Approved Revenue Generating Plan	1 Plan	1 - carried over from previous quarter	1	A Revenue Generating Strategy has been finalised and approved by the Board
		Number of stakeholder engagement strategy document reviews	1 Review	1 - carried over from previous quarter	0	The main purpose of the review of stakeholder engagement and marketing/branding strategy documents was to update these documents and also ensure alignment to the revenue generating strategy. Because the revenue generating strategy was only adopted later in the 4th quarter and these documents could only be reviewed once the revenue strategy is adopted, it was then decided that the review of the two documents be postponed to the 1st quarter of 2020/21 financial year.
		Number of marketing\branding strategy document reviews	1 Review	1	0	

Green = achieved, Red = not achieved, Yellow = not due





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## Summary of Payments

<b>CONSOLIDATED</b>	<b>MAIN BUDGET</b>	<b>4TH QUARTER ACTUAL</b>	<b>% SPENT</b>
<b>Economic Classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>CURRENT PAYMENTS</b>	<b>19 270</b>	<b>19 982</b>	<b>104</b>
Compensation of Employees	3 725	3 378	91
Goods & Services - Current	15 545	16 605	107
Interest and rent on land	-	-	-
Financial transactions in assets and liabilities	-	-	-
<b>TRANSFERS AND SUBSIDIES</b>	-	-	-
<b>PAYMENT FOR CAPITAL ASSETS</b>	<b>22</b>	<b>15</b>	<b>69</b>
Buildings & Other Fixed Structures	-	-	-
Machinery & Equipment	-	-	-
Software & Other Intangible Assets	22	15	69
<b>Total</b>	<b>19 292</b>	<b>19 997</b>	<b>104</b>

  
PROF. S NGUBANE  
CHAIRMAN OF BOARD OF TRUSTEES



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# Thank you...