



SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL
ANNUAL REPORT

2019/20

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LIST OF ABBREVIATIONS/ ACRONYMS

ACT	Dental Technicians Act No. 19 of 1979
ARC	Audit and Risk Committee
CPD	Continuing Professional Development
ERMF	Enterprise Risk Management Framework
FY	Financial Year
GRAP	Generally Accepted Recognised Accounting Practice
IFRS	International Financial Reporting Standards
NHI	National Health Insurance
NDoH	National Department of Health
NDP	National Development Plan
PESTEL	Political, Economic, Social, Technological, Environmental and Legal factors analysis
SLA	Service Level Agreement/s
PFMA	Public Finance Management Act
SME's	Small and Medium-Sized Entities
SO	Strategic Objective
ToRs	Terms of Reference

PART A

GENERAL INFORMATION



1. SADTC GENERAL INFORMATION

REGISTERED NAME:	THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL
PHYSICAL ADDRESS:	954 ARCADIA STREET ARCADIA PRETORIA 0083
POSTAL ADDRESS:	P.O. BOX 14617 HATFIELD 0028
TELEPHONE NUMBER:	012 342 4134 / 012 342 4230
FAX NUMBER:	012 342 4469
EMAIL ADDRESS:	info@sadtc.org.za
WEBSITE ADDRESS:	www.sadtc.org.za
EXTERNAL AUDITORS:	SNIJDER & ASSOCIATES
POSTAL ADDRESS:	P.O. BOX 31061 TOTIUSDAL 0134
BANKERS:	ABSA
COUNCIL PRESIDENT	MRS. CATHERINE MAKWAKWA
COUNCIL REGISTRAR	MRS. PERTUNIA T. NKUNA
POSTAL ADDRESS:	P.O. BOX 7263 PRETORIA 0001
BOARD/ COUNCIL SECRETARY	None. Secretariat duties are performed by Administration

2. INTRODUCTION

About this Report

We are delighted to present our annual report for the year ended 29 February 2020 (FY 2019/2020). The report essentially covers the key activities and the performance of the SA Dental Technicians Council (SADTC) for the period 1 March 2019 up to 29 February 2020.

The scope of this report covers both the financial and non-financial reporting performance information. It further embodies / contains Council's outlook, priorities and objectives for the short-term (2019/2020) aligned with the country's National Development Plan (NDP) and the sustainable development goals (SDGs) as envisaged by Vision 2030 in the NDP.

Council is making a conscious and deliberate intent for its progression towards integrated thinking. This is reflected in our performance indicators in respect of both the financial and non-financial performance, targets, strategy and risks as embodied in its strategic and business plan.

Targeted Readers

This report is targeted at Council's broad-based stakeholder community, which comprises both internal and external stakeholders as well as existing and potential / future stakeholders.

Strategic context and thrust

With effect from September 2013, the Minister of Health, as empowered by the Dental Technicians Act no. 19 of 1979("the Act"), appointed a new Council for a period of five (5) years. The term of Council was extended by the Minister for a further eighteen (18) months so as to allow the new Council nomination and election process to be concluded.

Reporting Guidelines

Although Council is not a creature of the PFMA (i.e. it is not a public entity as defined in the PFMA), as an entity reporting to the National Department of Health (NDoH), Council has made every attempt to align itself with Government reporting guidelines. In addition, with the advent of King IV Code on Corporate Governance, its content has been infused into our reporting.

The financial reporting contained herein has been prepared in accordance with the GRAP system of financial reporting.

Assurance and Independent Assessment

This Council has adopted a combined assurance model to ensure that a coordinated approach is applied in receiving assurance on whether key risks are being appropriately managed. In this regard, Council has a mature and robust risk management strategy in place. These assurances are obtained from Council, its Committees, Council management/ Administration as well as from the external auditors.

Embedded in Council's combined assurance model are institutional "lines of defence" in managing risk, which ensures that a holistic approach to assessing risk management is adopted. These lines of defence are:

- Management: The Registrar is appointed to manage and own Council risks;
- External assurance providers in the form external auditors who provide objective assurance management of key risks. They have given Council independent assistance in respect of the annual financial statements;
- Audit and Risk Committee, which is responsible for risk oversight; and
- Council as the ultimate custodian of risk management.

In view of Council's structural organisational limitations such as its relatively small size, limited budget and an external audit function that is already in place, there is no internal audit function within Council. Therefore, the Registrar supported by the external auditors have a pivotal role in also assessing the effectiveness of Council's system of internal controls.

We are pleased to announce that the SADTC has once again obtained an unqualified audit opinion, and remains fully committed to, in future financial years, maintain its unqualified audit track record.

Responsibility for this Report

As Council, we accept our full responsibility for ensuring the integrity of the 2019/20 annual report. We verily believe that this report addresses all matters that have, or could have, material effects on Council's ability to execute its statutory and other mandates, create value and therefore justify its continued relevance, and existence. With the assistance and support of Council Committees and Management/Administration, we have collectively applied our minds in ensuring that this report is a fair representation of the affairs of this Council.

3. WHO WE ARE

The South African Dental Technicians Council (SADTC) is a statute in terms of Section 2 of the Dental Technicians Act, No. 19 of 1979, as amended.

Council was established with the sole objective of regulating the Dental Technician and Technology profession by setting educational and professional standards as well as monitoring the professional conduct of the members of the Profession. As time evolved, the regulation was extended to also include continuing professional education (CPD).

Council has over the years remained relevant in the execution of its duties through regular reviews and updating of its regulatory instruments, including the recent review of the Act, as well as Regulations passed in terms of the Act.

3.1 Legislative Mandate

As outlined in Section 3 of the Act, the objectives of the SADTC are as follows:

- a. Assist in the promotion of dentistry in the Republic;
- b. Control all matters relating to the education and training of dental technicians and dental technologists, and the exercising of the practices in the supplying, making, repairing of artificial dentures or other dental appliances or any other work pertaining to such dentures or appliances;
- c. Promote liaison of the education and training and the manner of the exercise of the practices referred to in (b) above, both in the Republic and elsewhere, and to promote the standards of such education and training and the manner of the exercise of such practices in the Republic;
- d. Promote good relations between dentists, clinical dental technologists, dental technicians and dental technologists and other supplementary dental health services personnel;
- e. Advise the Minister on any matter falling within the scope of the Act; and
- f. Communicate to the Minister information on matters of public importance acquired by the Council in the course of the performance of its functions under this Act.

3.2 Constitutional Mandate

Section 22 of the South African Constitution Act No. 108 of 1996 (the Constitution) states that *every citizen has the right to choose their occupation, trade or profession freely. It states further that any occupation, trade or profession may be regulated.* Therefore Council, although established prior to coming into effect of the Constitution, aligns with the country's constitutional imperative, and regulates the dental technician and technology profession.

Section 27 of the Constitution further states that everyone has the right to have access to, *inter alia*, healthcare services. Access to services provided by the natural and juristic persons that practice in terms of the Dental Technicians Act of 1979, undertake what the Constitution of the country refers to as healthcare services.

Section 27 of the Constitution further states that the *State must develop legislation and other measures to achieve progressive realisation of the rights stated in that section (i.e. Section 27)*, which includes the right of access to healthcare. The Act duly forms part of the country's constitutional and legislative framework, and seeks to ensure access to healthcare service which, in the case of the SADTC, is Dental Technology services.

3.3 Policy Mandate

The Act legislatively enjoins the National Department of Health (NDoH) to regulate Council. Council therefore executes its legislative/statutory mandate in a manner that is aligned and consistent with national policy, priority areas in the Government's Program of Action, the strategic goals of the National Department of Health, and Vision 2030 as enunciated by the National Development Plan (the NDP).

Government's Programme of Action (electoral mandate priorities) for 2014 up to 2019 lists the following key thrusts:

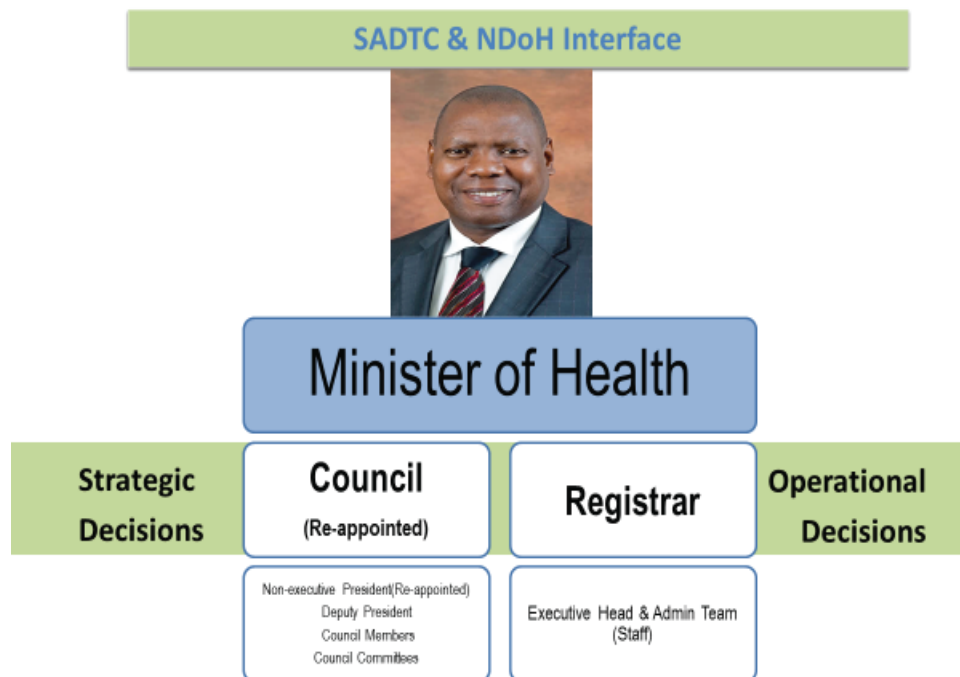
- Radical economic transformation, rapid economic growth and job-creation;
- Rural development, land and agrarian reform and food security;
- Ensuring access to adequate human settlements and quality basic services;
- Improving the quality of and expanding access to education and training;
- Ensuring quality healthcare and social security for all citizens;
- Fight corruption and crime;
- Contributing to a better Africa and a better world; and
- Social cohesion and nation-building.

The NDoH's strategic goals are listed as follows:

- Prevent disease and reduce its burden, and promote health;
- Make progress towards universal health coverage through the development of the National Health Insurance Scheme, and improve the readiness of health facilities for its implementation;
- Re-engineer primary healthcare by increasing the number of ward-based outreach teams, contracting general practitioners and district specialist teams, and expanding school health services;
- Improve health facility planning by implementing norms and standards;
- Improve financial management by improving capacity, contract management, revenue collection and supply chain management reforms;
- Develop an efficient health management information system for improved decision-making;
- Improve the quality of care by setting and monitoring national norms and standards, improving systems for user feedback, increasing safety in healthcare, and by improving clinical governance; and
- Improve human resources for health by ensuring adequate training and accountability measures.



Below is a high-level précis of the relationship arrangement between Council and the NDoH:



3.4 Vision

To be a leading, world-class, just and dynamic regulatory body for the Dental Technology Profession and for all South Africans

3.5 Mission

To provide effective and efficient guidance and monitoring of the Profession in a transparent manner.

3.6 Values

- **Professionalism** –undertake to always execute our mandate in a professional manner;
- **Accountability** –taking accountability in all decisions that we make in the interests of the organisation and the profession;
- **Honesty** –undertake to remain honest in all decisions and activities that we perform;
- **Transparency** – openness will always be at the centre of every activity and decision that we make;
- **Ethics** – conducting and maintaining ethical code of practices and behaving ethically is our way of doing our business.

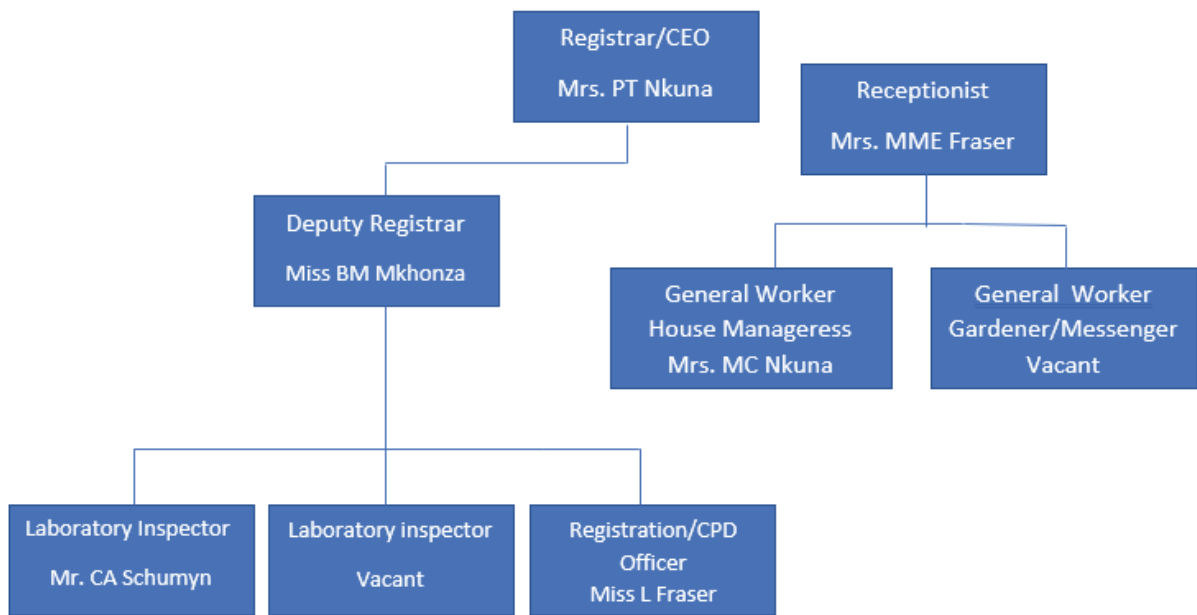
3.7 Council Leadership

Name	Designation in terms of Council's Structure	Date appointed	Date Resigned
COUNCIL			
Mrs C Mokgatle-Makwakwa	President – Community representative	01/09/2013	N/A
Mr I Noorshib	Laboratory Contractor nominated by other Laboratory Contractors	28/07/2017	N/A
Mrs F Vally	Community Representative	18/03/2017	10 May 2019
Mr G Gunnell	Dental Technicians nominated by other Technicians	28/07/2017	N/A
Prof. CP Owen	Dentist attached to a training institute	14/12/2017	N/A
Adv. T Lupuwana	Legal Advisor- Community representative	14/12/2017	N/A
Dr M M古巴	Acting Director – Oral Health	14/12/2017	N/A
Dr A Vahed	Dental Technician attached to a training institution	14/12/2017	N/A
MANAGEMENT			
Ms. PT Nkuna	Registrar	01/11/2014	N/A
Ms Mkhonza	Head of Inspectorate & Administration	11/10/2018	N/A



3.8 Organisational Structure

Below is the structure that supports the SADTC's strategy.



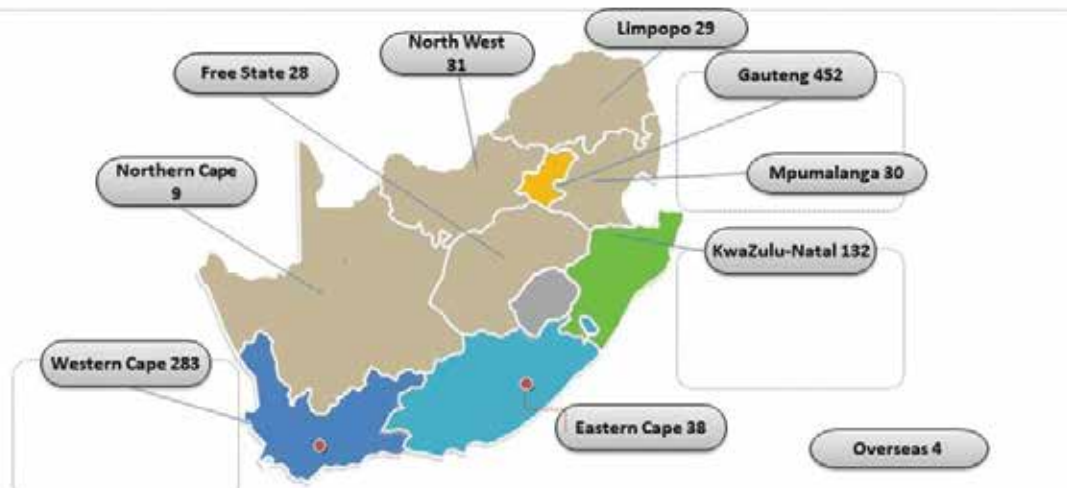
3.9 SADTC Operations

SADTC's operations are by law restricted to the borders of the Republic of South Africa. In this regard, Dental Technology practitioners who practice in the Republic have to be registered with Council. Those who opt to emigrate or practice outside the Republic no longer fall under the jurisdiction of Council.

Members of the profession who practice within the country are mainly concentrated in urban areas, and less in rural areas. Of the total number of 1036 Dental technology practitioners registered with Council, 99% are concentrated in urban areas, whilst 1% are in rural areas. This is depicted below:

GEOGRAPHICAL CONCENTRATION OF DENTAL LABORATORIES AND PRACTITIONERS REGISTERED WITH COUNCIL

Geographical Location



The breakdown of the racial and gender profile of registered practitioners and students within this Profession remains largely skewed. This is depicted by the table below:

	2018/19	2019/20	Population groups as previously designated	Gender	Geographical Location
Dental Technicians	1082	1036	Black: 131 Coloured: 70 Indian: 73 White: 759 Other: 3	Female: 226 Male: 810	Eastern Cape: 38 Free State: 28 Gauteng: 452 Kwa-Zulu Natal: 132 Limpopo: 29 Mpumalanga: 30 North West: 31 Northern Cape: 9 Western Cape: 283 Overseas: 4
Lab Owners (Dental Technicians/ Technologists)	664	586	Black: 11 Coloured: 18 Indian: 44 White: 506 Other: 7	Female: 54 Male: 532	Eastern Cape: 22 Free State: 19 Gauteng: 251 Kwa-Zulu Natal: 76 Limpopo: 23 Mpumalanga: 22 North West: 28 Northern Cape: 4 Western Cape: 141 Overseas: 0
Lab Owners (Dentists)	46	74	Black: 3 Coloured: 3 Indian: 14 White: 54 Other: 0	Female: 9 Male: 65	Eastern Cape: 7 Free State: 7 Gauteng: 27 Kwa-Zulu Natal: 8 Limpopo: 0 Mpumalanga: 2 North West: 7 Northern Cape: 4 Western Cape: 12 Overseas: 0
Dental Traders	7	3	Black: 0 Coloured: 0 Indian: 1 White: 1 Other: 1	Female: 1 Male: 2	Eastern Cape: 0 Free State: 0 Gauteng: 1 Kwa-Zulu Natal: 1 Limpopo: 0 Mpumalanga: 0 North West: 0 Northern Cape: 0 Western Cape: 1
University Lecturers	15	15	Black: 8 Coloured: 4 Indian: 1 White: 2 Other: 0	Female: 7 Male: 8	CPUT: 5 DUT: 6 TUT: 4
CPD Providers	24	24			

	2018/19	2019/20	Population groups as previously designated	Gender	Geographical Location
Graduates (Technicians and Technologists)	88	55	Black: 20 Coloured: 16 Indian: 5 White: 14 Other: 0	Female: 29 Male: 26	CPUT: 34 DUT: 11 TUT: 10
Erasures (all categories of Registered Entities)	52	37	Black: 3 Coloured: 6 Indian: 4 White: 23 Other: 1	Female: 3 Male: 34	Eastern Cape: 2 Free State: 0 Gauteng: 13 Kwa-Zulu Natal: 4 Limpopo: 0 Mpumalanga: 2 North West: Northern Cape: 2 Western Cape: 14
Erasures (all categories of Registered Persons)	52	80	Black: 22 Coloured: 6 Indian: 3 White: 48 Other: 1	Female: 15 Male: 65	Eastern Cape: 7 Free State: 1 Gauteng: 33 Kwa-Zulu Natal: 12 Limpopo: 1 Mpumalanga: 5 North West: 6 Northern Cape: 15 Western Cape: 0
Restorations (all categories of Registered Persons)	42	7	Black: 2 Coloured: 0 Indian: 1 White: 4 Other: 0	Female: 3 Male: 4	Eastern Cape: 2 Free State: 0 Gauteng: 3 Kwa-Zulu Natal: 0 Limpopo: 0 Mpumalanga: 0 North West: 0 Northern Cape: 0 Western Cape: 2
Restorations (all categories of Registered Entities)	16	5	Black: Coloured: Indian: White: Other:	Female: 0 Male: 5	Eastern Cape: 0 Free State: 0 Gauteng: 3 Kwa-Zulu Natal: 0 Limpopo: 0 Mpumalanga: 1 North West: 0 Northern Cape: 0 Western Cape: 1

4. THE PRESIDENT'S STATEMENT



It is my pleasure to pen the final commentary on the annual performance of the SADTC for the financial year ended 29 February 2020 and doing so for the final time in view of the imminence of the expiry of the term of the incumbent Council which I lead. This year marks the 40th anniversary of the SADTC. We are indeed privileged and honoured as the outgoing Council for having been part of the life and journey of this small but yet highly strategic institution.

I must state, without hesitation, that Council as the Governing Body of the SADTC, attempted to steer the entity through treacherous waters since its appointment in 2013 and most notably so over the past 12 months ending 29 February 2020. Since this Council's appointment in September 2013, it has relentlessly sought to instil a deeply rooted culture of good corporate governance, at the centre of which is the separation of enterprise-level matters, shareholder (Government-level) matters, and matters of the profession which this Council regulates (i.e. the interest of the profession). Council took a deliberate decision to do so in view of the blurred distinction between these roles when we started our tenure as Council back in 2013.

During the tenure of the outgoing Council, which dates back to 1 September 2013, Council has successfully built a proud culture of protecting the public by discharging its regulatory responsibilities without fear or favour, by enforcing the provisions of the Dental Technicians Act No. 19 of 1979 and collaboration with the profession. This not only involved crackdowns against illegally operating dental laboratories and/ or dental technology practitioners, but also involved awareness campaigns, and national roadshows.

As I and the Council which I led are preparing to bow out and hand the baton over to the new Council in the new financial year, we reflect and look back at our period of selfless service to the profession from 2013 to date, and a number of highlights readily come to mind, for example:

- **Professionalism:** The outgoing Council was fully committed to utmost professionalism, as evidenced by its full commitment by the attendance of Council and Committee meetings, operating on the basis of institutional policy frameworks, full adherence to the spirit and content of the Act and its Regulations, and providing oversight direction and monitoring to the Administrative wing of Council.
- **Accountability:** We took full accountability in all decisions that we make in the interests of the profession; were fully accountable to the Minister of Health, and regularly updated the profession on the work of Council (through newsletters, annual reports and roadshows).
- **Legislative Review:** Council undertook and completed a comprehensive legislative review exercise with a view to repositioning Council so as to be responsive to the challenges, and opportunities being faced by the profession in the current environment in the healthcare sector. That process is now with the Ministry of Health.
- **International benchmark:** Council embarked on a comprehensive international benchmark abroad, where cogent lessons were drawn, and which will come in handy in the repositioning of this Council going forward.

- **Future of Council:** The discourse continues to unfold, and is inextricably linked to the legislative review process, the future location of Council (i.e. retention of the status quo or relocation to a mega health regulatory council, review of the Council’s funding model) and the future of denturism.

I note, and acknowledge that the SADTC’s engagement with relevant stakeholders, especially with the sole voluntary association for the profession, has at times been challenging for a number of reasons which will not be stated herein. There is an apt saying in one of the South African languages, that goes “*izandla ziyagezana*”, which loosely means that the hands of one support the other, and *vice versa*. Another related apt South Africa saying goes “*umuntu ngumuntu ngabantu*”, which, loosely translated, means that people need each other in order to move forward. In this regard, the profession needs the SADTC, and the SADTC also needs the profession. Working together, and not against each other, is non-negotiable, and will go a long way in repositioning the profession for the better. It is therefore on this basis that the organisation will endeavour to, going forward, address these challenges by improving its communication through the creation of a communication strategy which will enable sound communication and dialogue with all the relevant stakeholders.

Corporate Governance

This Council was appointed for a five-year term which ended on 31 August 2018. The Honourable Minister of Health then decided to extend the term of this Council, by a further year and eighteen (18) months ending 29 February 2020. In extending the term of the Council, the Minister further strengthened it by filling some key vacancies arising from resignations of some of the Council members.

The Council was during the financial year under review, responsible for providing strategic leadership through ensuring that the mission, policies, financial resources and stability and legal integrity of the organisation were exercised and implemented in an effective manner. The Council approved the strategic direction; annual plans and budgets; an annual independent audit; a performance management system which supported overall compensation and personnel benefits, and the re-appointment of the Registrar. Council Committees met outside of Council meetings and reported to the full Council during its ordinary and special meetings. The Audit and Risk Committee reviewed the annual audit of the entity and ensured the entity’s adherence to the institutional prescripts.

There was, on the Council’s part, a deliberate divide and separation between operational matters which are the realm of the Registrar and her team, and the oversight role which is the realm of the Council and its Committees.

Conclusion

It is important, now more than ever, that the SADTC ensures that it remains a going concern, remains relevant, and remains effective and efficient going forward.



Ms C Makwakwa
President (SADTC)
On behalf of Council

5. REGISTRAR'S OVERVIEW



This Annual Report is a feedback to our stakeholders on the work done by the SADTC in the 2019/20 financial year in pursuing its mandate of regulating the dental technology profession for future generations. It is an appraisal of the extent to which the organization has succeeded in performing against its strategic plan.

The SADTC is one of the many national professional regulators / entities under the auspices and oversight of the Department of Health (NDoH). It exists to complement the work of the Department, and primarily support the Minister as the shareholder, in regulating the Dental Technology Profession. It discharges its mandate by placing the public ahead of the service delivery agenda. It has a long history of service delivery since its establishment in 1979. At all material times Council's drive is to exceed expectations in the execution of its mandate.

Work done during the period under review took place against the backdrop of increased stakeholder expectations amid a constrained financial environment. Operationally, the SADTC has a huge potential to grow as an entity. However, that requires financial resources and the correct skill set to take it forward. Growth of the entity has not been significant over the past three financial years. Despite Council's continuous and relentless commitment to the improvement of its service delivery record, it has during the financial year under review, noted the challenges that beset Council. The growth of the entity has been severely hampered by a number of externalities, such as the severe economic conditions in the country, illegally-operating practitioners and laboratories, lack of a shared vision with DENTASA, and the inability to attract and retain talented and skilled personnel due to constraints in the Council's balance sheet.

South Africa is currently going through a protracted period of economic distress that has impacted adversely on the profession. The effect of this situation has severely impacted on the ability of the profession to grow, and thus increase the Council's register of professionals. Council's only source of income is registration fees. Accordingly, the growth of the profession translates into the growth of Council and its ability, through increased funding, to effectively execute its mandate. The converse is equally true.

The entity recognises that growing and turning it around requires time, patience and resources. Continuous improvements through new interventions and initiatives, i.e. reducing inefficiencies in the operations, has allowed the entity to achieve the operational performance targets and furthermore grow steadily and achieve its strategic goals. It is trusted that the future outlook will be better than the current one.

There is a reason to believe that the organisation shall remain an important and strategic player in the health sector as the profession continues to exist, and to play a pivotal role in the South African healthcare landscape. This is largely evident when one considers the level of commitment of the Council, the staff and the Department of Health's support to the entity in these uncomfortable times.

Among other priorities for the Council in the short to medium term is the strengthening of the resource base of the SADTC, to ensure long term sustainability. This will be done by exploring various options and opportunities including a review of its funding model.

Concluding Remarks

In conclusion, with the current economic and environmental conditions within which the entity operates, the entity is confident that it will remain sustainable and continue to execute its mandate within the constraints alluded to herein and continue to achieve good institutional performance and results.

Acknowledgements and Appreciation

The success of this Council is a product of collective effort from Council and its Committees, Administration as well as all the stakeholders of Council. I wish to acknowledge their contribution, large, and small and thank all of them.

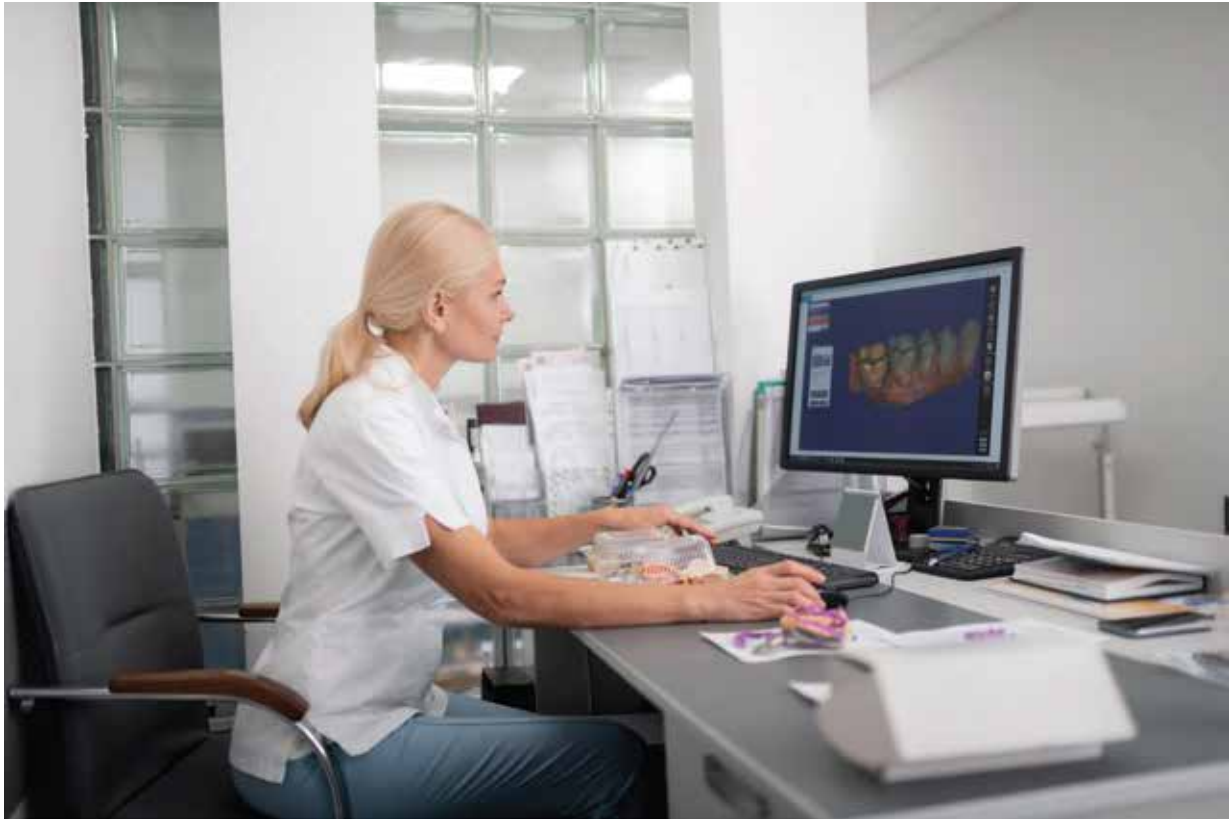
I also wish to thank the current Council specifically for supporting and guiding me and providing decisive leadership, and I wish all of them well for the future as they bid us goodbye.



Mrs. PT Nkuna
Council Registrar

PART B

PERFORMANCE INFORMATION



6. STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of our knowledge and belief, we hereby wish to confirm the following:

- All the information and amounts disclosed in the annual report are consistent with the annual financial statements audited by our External Auditors: Snijder and Associates;
- The external Auditors are engaged to express an independent opinion on the annual financial statements;
- The accounting authority (Council) is responsible for the preparation of the annual financial statements and for the judgements made in this information;
- The annual financial statements have been prepared in accordance with the SA standards of Generally Accepted Recognised Accounting Practice (GRAP) applicable to a statutory council;
- The accounting authority (Council) is ultimately responsible for establishing and implementing a system of internal controls which is designed to provide reasonable assurance as to the integrity and reliability of performance information, human resources information and the annual financial statements;
- The annual report is complete, accurate and free from any omissions;
- The annual report has been prepared in accordance with best practice guidelines on the annual report; and
- In our opinion as Registrar and President, this annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the entity for the financial year ended 29 February 2020.



Name: PT Nkuna
Council Registrar
Date:



Name: C Makwakwa
Council President
Date:

7. OVERVIEW OF PERFORMANCE INFORMATION

7.1 Service Delivery Environment

The SADTC, per its legislative mandate and injunction, primarily exists to render a service to the public first and foremost, and secondary to that, to the profession. Once the SADTC is effective in combating conduct unbecoming of registered persons and dental laboratories and related illegal operations, then it will be adjudged as having succeeded in fulfilling its statutory mandate. Equally, the SADTC will be adjudged as having fulfilled its service delivery mandate to the profession once it succeeds in having cogent and implementable strategies in place towards “protecting the turf” of registered persons and dental laboratories, against illegal operations by those that purport to be members of the profession when they are not.

During the financial year under review, the SADTC’s footprint towards the communities that it seeks to protect, was severely hampered by budgetary constraints. Examples are the inability of the SADTC, due to its human and financial resource limitations (Inspectors), to conduct more inspections nationally, and to reach far-flung places in the Northern Cape, Limpopo, Mpumalanga, the North West, the Eastern Cape and Kwa-Zulu Natal. While it was desirable to support and be responsive to tip-offs of illegal operators and requests to intervene, it was not always possible to respond positively to all requests. This, we concede, was a setback, given the limited options for funding outside funding of Council by the profession. Raising funds from the private sector is an option which has not been tried before, and which might be more challenging.

There is therefore no doubt that the incoming Council should have a thorough and deep rethink of the funding strategy. The Council has been in discussions with the NDoH to find a way to unlock and secure funding for the sector.

7.2 Overview of the Organisational Environment

In terms of the SADTC’s approved organisational structure, a Department that primarily drives the Council’s mandate is the Inspectorate. These are the foot soldiers that inspect dental laboratories to check full compliance with the standards set by Council as well as with the Act and its Regulations, and who alert Council of activities that are in violation of the Act. During the final year under review, there were only three funded positions in the Inspectorate, of which only two were filled. Of those two, there was one resignation, meaning that, as at the end of the financial year under review, there was only one Inspector in the employ of Council.

In order for Council to be effective in executing its Inspectorate function nationwide, and to reach every corner of the length and breadth of the land where dental laboratories are located, there should, at a minimum, be one Inspector assigned to three Provinces. This means that Council should employ at least three Inspectors. In addition, these Inspectors should have the budget to travel the length and breadth of the land in order to conduct inspections, and to also speedily respond to alerts and tip-offs. That, we submit, will result in increased compliance, and increased revenue to Council. However, the current reality is

that, even filling the existing two Inspectorate positions continues to be a challenge due to funding constraints. These appointments are necessary in the core business to address the capacity constraints.

Despite these constraints, Council managed to successfully institute disciplinary action against three members of the profession for contravention of the Act and its Regulations. Council can certainly do more, should there be more resources to enable such, going forward.

Council should, going forward, strive to sustain its presence and interaction with stakeholders across the three tiers of government as well as internationally. Engagement with stakeholders had to be balanced and weighed against the austerity measures implemented to contain expenditure.

In the 2019/20 financial year, the SADTC continued to enjoy goodwill among stakeholders and acknowledgement as the first point of call on dental technology matters. It continued to sustain its responsiveness and support to stakeholders, particularly Government, Universities and registered persons and laboratory owners individually. Challenges persist between the Council and DENTASA, the sole recognised voluntary association for the profession primarily due to persistent misunderstanding of the Council's autonomy and responsibilities. This area has been identified as one requiring attention in the new financial year.

The organisation enjoys a sound and stable labour relations environment, with employees regularly engaged and consulted on developments affecting their conditions of service. Consequently, there has been no unrest or recorded disharmony between management and staff. Where issues of ill-discipline have arisen, management has been swift to act and instil an organisational culture of discipline within the SADTC.

7.3 Key policy and legislative changes

One of the key milestones achieved by the Council during the two financial years preceding the current one, was to engage in an extensive legislative review exercise with a view to modernising the Council's legislation. The process remains to be finalised by the NDoH. Therefore, there were no legislative changes during the year under review.

Council Regulations, just like the Act, remain extremely outdated and in dire need of a review and revamp going forward. They remain an impediment and not an enabler to Council's execution of its mandate (e.g. the Regulations on discipline). However, that exercise will also require budgetary provision which, under the current climate, will not be possible. Therefore, there were no changes to Council Regulations during the year under review.

7.4 Council's Strategic Goals, Objectives and Priorities

SADTC's performance is predicated on three strategic goals and concomitant strategic objectives alongside each goal. They are as follows:

- A. Professional Pillar: Regulation of the Profession;
- B. Public Pillar: Protection of the Public; and
- C. Organisational Pillar: Building a sustainable Organisation.

The five strategic priorities for the SADTC for the 2019/20 financial year by and large remain unchanged. They are recorded in Council's strategic and business plan as follows:


- A. The Review of the Act;
- B. Inspections;
- C. Registration;
- D. Effective disciplinary system; and
- E. Improved communication with all stakeholders.

A comprehensive breakdown of Council's strategy is contained in a Council-approved strategic and business plan. Below is a high-level exposition of the linkage between SADTC's strategic goals and its strategic objectives:

A. PROFESSIONAL PILLAR




Strategic Goals & Objectives

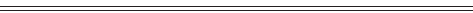
Goal 1: Professional Pillar:	
 Purpose statement: The SADTC enjoy the benefit of world class registration and education	Overarching Strategic Objective Regulation of the Profession

B. PUBLIC PILLAR



Strategic Goals & Objectives

Goal 2: Public Pillar	
 Purpose statement: Public awareness of the profession and its standards and regulation to ensure the implementation of those standards in the public interest.	Overarching Strategic Objective Protection of the Public



C. ORGANISATIONAL PILLAR



Strategic Goals & Objectives

Goal 3: Organisational Pillar	
 Purpose statement: A sustainable, transformed and coherent organisation that is capable of delivering the impact desired by its stakeholders and society.	Overarching Strategic Objective Building a sustainable organisation

7.5 Performance Information by Programme

7.5.1 Registration (SO 1): The registration mandate is highlighted in Council's strategic plan as a priority area for the financial year 2018/19, and 2019/20.

SADTC's registration mandate is derived from the Dental Technicians Act. In relation to institutions of higher learning, it states thus: **"Keeping of Registers (Section 20 (1))** *The Council shall keep separate registers in respect of dental technicians, dental technologists, student dental technicians and student dental technologists, and shall enter in the appropriate register the prescribed particulars of every person whose application is granted under section 18 or 19".*

Below are the key statistical data in respect of the above narrative (per institution of higher learning offering dental technology programmes)

CAPE PENINSULA UNIVERSITY OF TECHNOLOGY 2019/2020													
Qualification	Male					Male Total	Female					Female Total	Grand Total
	African	"Coloured"	Indian	White	Other		African	"Coloured"	Indian	White	Other		
Foundation	5-2	3-1	0-0	0-0	0-0	8-3	12-14	5-3	0-0	0-0	0-0	17-17	25-20
National Dip	10-3	3-0	0-0	0-0	0-0	13-3	8-0	6-0	0-0	0-0	0-0	14-0	27-3
BTech	3-0	4-0	0-0	3-0	0-0	10-0	3-0	5-0	0-0	3-0	0-0	11-0	21-0
MTech	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0
Grand Total	15-5	10-1	0-0	3-0	0-0	31-6	23-14	16-3	0-0	3-0	0-0	42-17	73-23
DURBAN UNIVERSITY OF TECHNOLOGY 2019/2020													
Qualification	Male					Male Total	Female					Female Total	Grand Total
	African	"Coloured"	Indian	White	Other		African	"Coloured"	Indian	White	Other		
Foundation	21-11	0-0	1-0	1-1	0-0	23-12	24-19	1-0	3-2	0-0	0-0	28-21	51-33
National Dip	13-11	0-0	1-1	1-1	0-0	15-13	17-9	0-0	3-2	0-0	0-0	20-11	35-24
BTech	2-0	0-0	1-0	0-0	0-0	3-0	5-0	0-0	0-0	0-0	0-0	5-0	8-0
MTech	0-1	0-0	1-1	0-0	0-0	1-2	2-1	0-0	0-1	0-0	0-0	2-2	3-4
Grand Total	36-23	0-0	4-2	1-2	0-0	42-27	48-29	1-0	6-5	0-0	0-0	55-34	97-61
TSHWANE UNIVERSITY OF TECHNOLOGY 2019/2020													
Qualification	Male					Male Total	Female					Female Total	Grand Total
	African	"Coloured"	Indian	White	Other		African	"Coloured"	Indian	White	Other		
Foundation	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0
National Dip	10-1	0-0	0-0	1-4	0-0	11-5	13-15	0-0	0-0	1-1	0-0	14-16	25-21
BTech	4-0	1-0	0-0	1-0	0-0	6-0	10-0	0-0	0-0	9-0	0-0	19-0	25-0
MTech	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0	0-0
Grand Total	14-1	1-0	0-0	2-4	0-0	17-5	23-15	0-0	0-0	10-1	0-0	33-16	50-21

7.5.1.1 Registration of Dental Technicians/Dental Technologists

The Act stipulates the following in so far as the registration of Dental Technicians/Dental Technologists is concerned: **“Registration of Dental Technicians and Dental Technologists (section 18(1)):** “Any person who intends to be registered as a dental technician or a dental technologist in terms of this Act shall apply to the Council in writing and shall submit the qualification which, in his or her submission, entitles him or her to registration, together with such proof of his or her identity and of the authenticity and validity of the qualification submitted, as may be required by the Council. (2) If the Council is satisfied that the qualification and the other documents submitted in support of the application comply with the requirements of this Act, it shall, upon payment of the prescribed fee, cause the necessary entry to be made in the register and the Registrar shall thereupon issue a registration certificate authorising the applicant, subject to the provisions of this Act or any other law, to practise the profession of dental technician or dental technologist, as the case may be”.

Below are the key statistical data in respect of the registration by Council of Dental Technicians/Dental Technologists during the financial year under review.

Registration of Dental Technicians/Dental Technologists

Dental Technicians/Dental Technologists					
Total Register		New Registrations		Deregistered	
2019	2020	2019	2020	2019	2020
1082	1036	40	7	52	80

Registration of Dental Laboratories

Dental Laboratories					
Total Registered		New Registrations		Deregistered	
2019	2020	2019	2020	2019	2020
644	606	24	4	33	37

Registration of Dental Laboratories owned by Dentists

Dentist Owned Laboratories		
Year	2019	2020
Total Registered	5	0

Registration of Dental Traders (New)

Dental Traders		
Year	2019	2020
Total Registered	1	0

7.5.2 Total number of registered persons and entities during the year under review:
 [CHANGE THE NUMBERS IN THE TABLE BELOW]

CATEGORY	NUMBER OF REGISTERED PERSONS	
	2019	2020
Dental Contractors/Lab Owners	676	524
Dental Technicians	406	512
Dental Traders	7	3
CPD Providers	24	24

7.5.1.2 Registration of Dental Laboratory Assistants

Whilst this category of registration is provided for in Section 28 of the Act, no register was established at the end of the reporting period. The regulations are still with the legal services at the department of Health

7.5.1.3 Registration of Informally Trained Persons as Dental Technician Assistants

No register is in place yet. The regulations are still with the legal services at the department of Health, which is experiencing considerable delays. The non-existence of registers in respect of the above-stated two categories in effect means that Council has not fully executed its registration mandate, as enjoined by the Act, and as committed in the strategic and business plan. This omission requires urgent attention going forward. This includes the development of Regulations embodying clear standards to be applied/ relied upon by Council as a basis of determining the registrability or otherwise of these categories. Once the registers are in place, such would pave a way for the much-needed revenue streams for Council.

7.5.2 Education and Training (SO 1):

As previously reported, Council has taken a decision to, in order to ensure that the Dental Technology training at Universities of Technology aligns with the educational practices of the Department of Higher Education and Training (DHET), as well as the Council for Higher Education (CHE), institute an accreditation process for the recognition of the qualifications for registration purposes.

The new process is as follows: following an accepted accreditation model of medical and dental degrees, Dental Technology training institutions of higher learning first complete and submit a comprehensive self-evaluation report to Council. Subsequently, an accreditation panel then visits the institution and conducts an intense accreditation process over 3-4 days. This is in line with what other professional regulators do.

At the completion of the visit, the accreditation panel prepares a report, which will contain recommendations for a full accreditation for a given number of years, or conditional / provisional accreditation for a limited period before the panel re-evaluates, or, in extreme cases, withdrawal of accreditation for a particular institution. It must be noted that the accreditation report comprises a list of commendations and recommendations for improvement, and the institution is then required to submit annual reports on the progress made in fulfilling the recommendations / conditions.

Essentially, these accreditations will help Council as well as the institutions to better understand the process in preparation of the accreditation of all the new courses and degrees to be introduced from 2020 onwards. The Council-approved accreditation programme is unfortunately not financial-year based and therefore not aligned to Council's financial year. This is so not only in respect with the SADTC, but with all professional regulators in the country. This is simply because institutions of higher learning operate academic programmes on a calendar year basis.



Below is the Council- approved accreditation programme for the year 2019:

NUMBER	NAME OF UNIVERSITY	ACCREDITATION DATES	ACCREDITATION STATUS (i.e. WHETHER IT TOOK PLACE & OUTCOME (WHERE APPLICABLE	ACCREDITATION PANEL
1.	Durban University of Technology	2019	Provincial accreditation	Chair/Convener: Prof P Owen Education Inspector: Mr. Steyn Profession: Ms S Swart & Mr. Naidoo Council Observer: Mrs PT Nkuna
2.	Cape Town University of Technology	2019	Full accreditation	Chair/Convener: Prof P Owen Education Inspector: Mr. Steyn Profession: Mr. G Bass, Mr G Peak Council Observer: Mrs PT Nkuna
3.	Tshwane University of Technology	2019	Provincial accreditation	Chair: Prof P Owen Education Inspector: Mr. Steyn Profession: Mr. P Pretorius Council Observer: Mrs PT Nkuna

As previously reported, it must be noted that the accreditation process does not replace the inspection procedures, which are still required under the current Act. Equally, this process is not a substitute for the scrutiny of the final examination procedures.

7.5.2.1 Council's Professional Registration Examinations

As previously reported, Council was considering reinstating a National Professional Registration Examination (NPRE). This type of 'board exam', is familiar to some of Council's more senior and established registered members. **A task team was set to start with the consultation process. The profession showed some interest, and the next phase will be to draw up a business plan.**

We also previously reported that the Regulations on Education and Training of Dental Technicians/Technologists were out for public comment. **The regulations have now been signed by the Minister and will be implemented in the 2020/2021 financial year.**

7.5.3 **Legislative Review (SO 1):**

This was extensively reported on previously. The matter is now out of the Council's hands and control, and with the Department of Health. There is therefore nothing to report on in respect of this performance thrust.

Whilst Council fully understands and appreciates the fact that the NDoH's key priority during the financial year under review, including currently, has, and continues to be the National Health Insurance(NHI) project, the lack of progress in processing SADTC's legislative process to its finality is a cause for concern. Council continuing to operate on the basis of an outdated Act dating back to 1979 is untenable.

7.5.4 Continuing Professional Education (SO2): Council's Continuing Professional Development (CPD) mandate is derived from Regulation No. R353 issued by the Minister of Health on 12 May 2014. As previously reported, the underlying driver for the CPD regime, is linked to public interest. A professional who does not continuously develop their professional knowledge in a structured manner that is monitored and measured by Council, is deemed to be a threat to public safety. In the SADTC there are high levels of CPD non-compliance with little or no consequences. **Council will be encouraging webinars and other electronic means to its service providers to encourage participation.**

7.5.5 Inspections (SO 2): This is one of the key Council mandates. As previously reported, inspections ensure that all dental laboratories comply with the Regulations as set out in the Dental Technicians Act 19 of 1979, per the provisions of Government Notice R. 308 of 26 February 1982.

The unsuspecting public is being protected by Council against illegal and non-compliant operators, using the Inspectorate function as a tool. A functional, capacitated and effective Inspectorate could go a long way in strengthening Council's hand against illegal and non-compliant operators. Regrettably, the converse is also true: the weaker/ ineffective the Inspectorate, then the less effective and less successful Council will be in combating illegal and non-compliant operators. Furthermore, the standing, trust and confidence by Council's stakeholders on Council's effectiveness and relevance is directly linked to its effectiveness or otherwise in its combating illegal and non-compliant operators.

This report has dealt with the constraints that were experienced by the Council during the financial year under review, regarding the Inspectorate function, under the organisational environmental analysis above. Council reported previously that it will look into possibly identifying retired practitioners who could assist with inspections on a part-time basis and thus clear the backlog. On account of budgetary constraints already detailed above, this aspiration has not been realised, and will not be realised in the immediate future.

Key statistical data in respect of the above narrative:

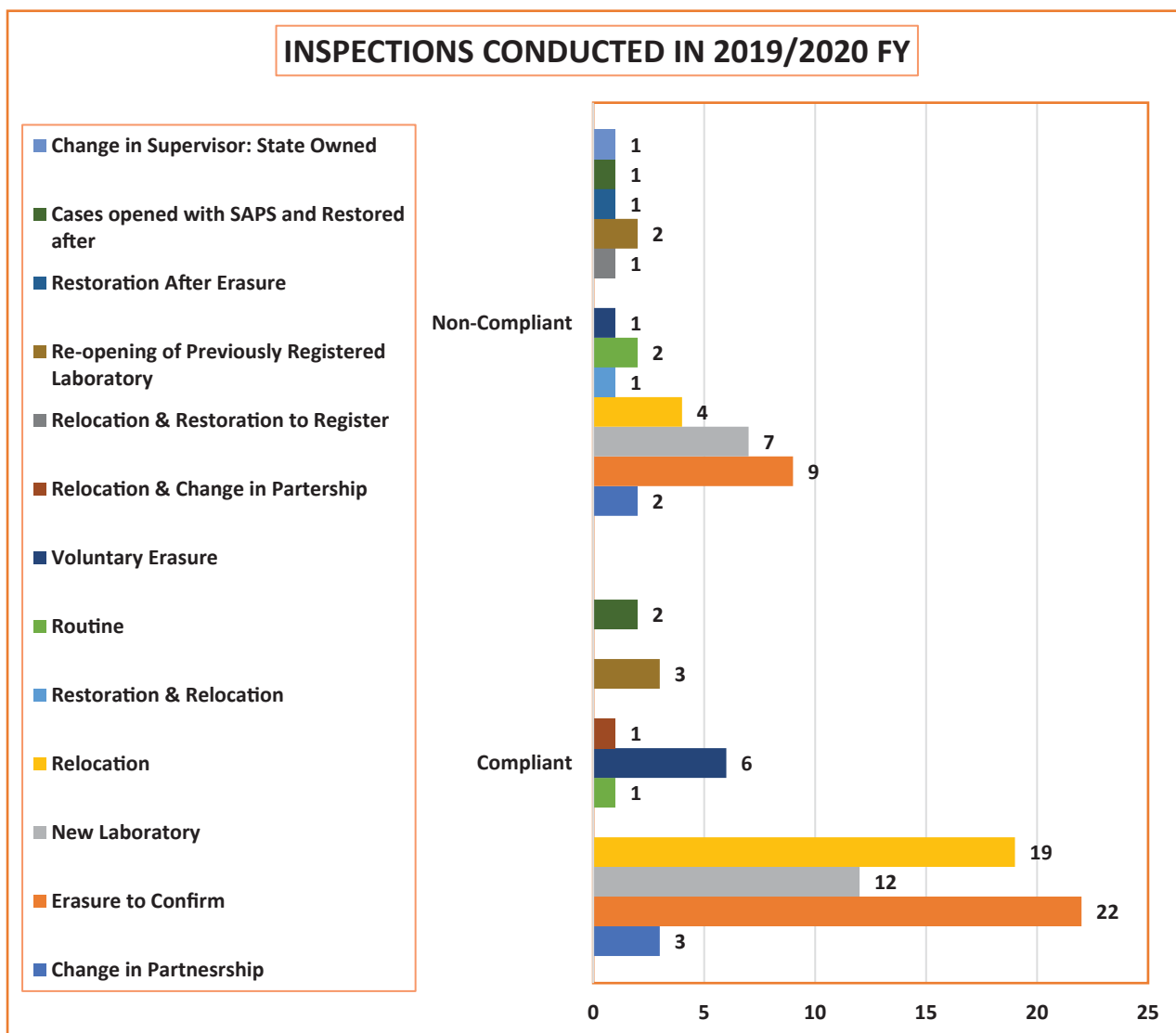
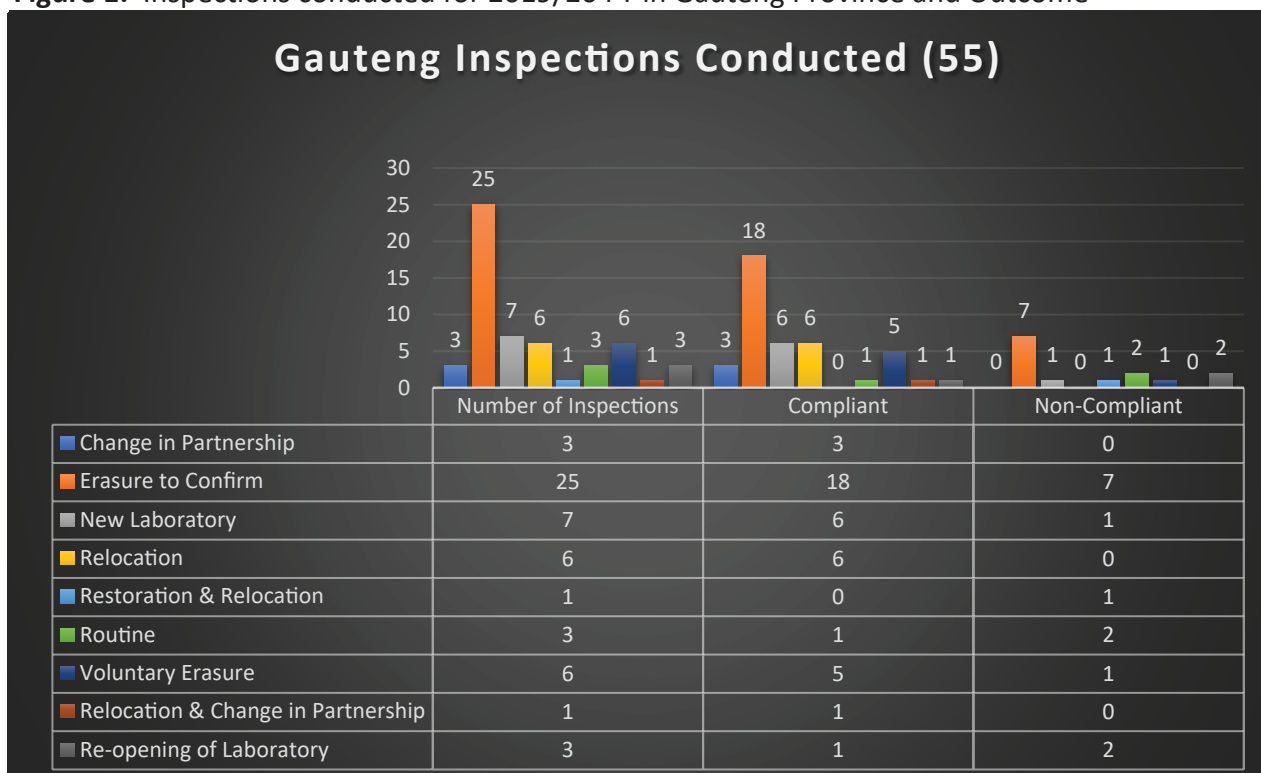


Table 1: Main ratios regarding inspections of the financial year under review, are as follows:

Province	Laboratory Inspections Conducted	
	2018/2019	2019/2020
Eastern Cape	0	0
Free State	19	1
Gauteng	42	72
Kwa-Zulu Natal	7	9
Limpopo	3	1
Mpumalanga	18	1
Northern Cape	1	0
North west	5	0
Western Cape	36	31
Total	131	115

Figure 1: Inspections conducted for 2019/20 FY in Gauteng Province and Outcome

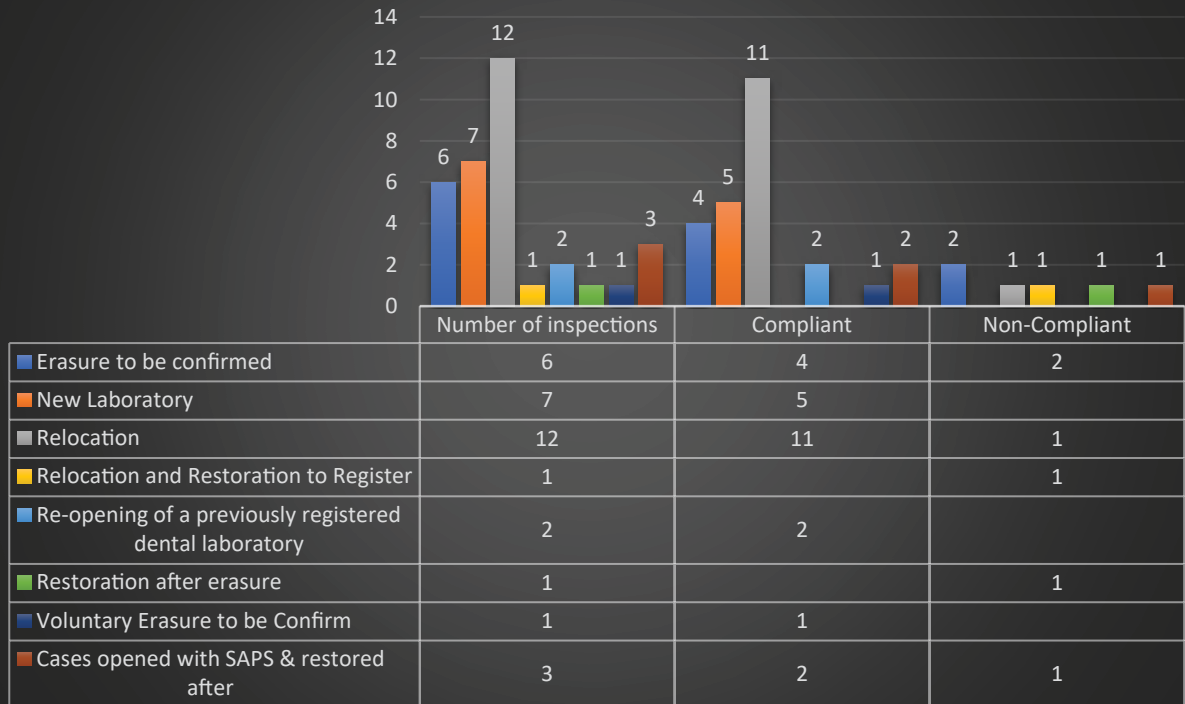


Inspection Summary:

Labs Inspected:	55	
Compliant	43	78%
Non-Compliant	13	22%

The Gauteng Province has a total of 251 registered dental laboratories with a compliancy rate of 78% of the inspections conducted. Twenty-five (25) dental laboratories that had been erased in the province formed part of the inspections. Eighteen (18) of these were found not to be practicing and therefore confirmed to be closed but seven (7) were still operating. Three (3) cases were opened with the South African Police Services (SAPS) and R100, 796.00 was recovered as restoration amounts to the register. The remaining erasures to be confirmed were unconfirmed as the inspectors could not gain access to the properties to confirm the erasure. One case however is still being investigated by the police and the office is awaiting to hear the outcome thereof.

FS, GP, KZN & Limpopo Province Inspections

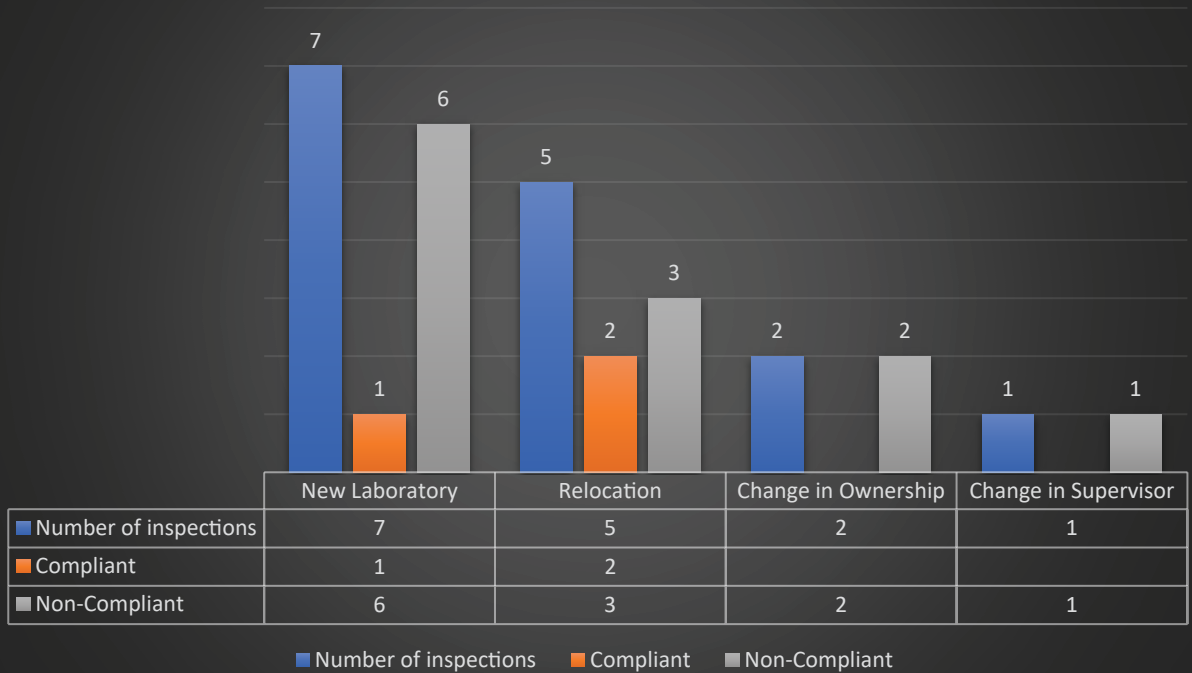


Inspection Summary:

Labs Inspected:	30	
Compliant	25	83%
Non-Compliant	5	17%

The Free State Province has 19 registered laboratories, in Kwa-Zulu Natal there are 79 and the Limpopo Province has 23. Combined, the inspections conducted had a compliancy rate of 83%. During the inspection, a compliance notice is issued to the laboratory owner who has a month in which to comply to the outstanding issues. If an extension is required, the laboratory owner is expected to submit a letter requesting the extension with a reasonable explanation in support thereof. Depending on the weight of the compliance matters, they are granted a total of three months in which to comply. If the laboratory was operating on a temporary registration certificate, the expired temporary registration certificate is then cancelled and another one is applied for.

Western Cape Province Inspections



Inspection Summary:

Labs Inspected:	15	
Compliant	3	20%
Non-Compliant	12	80%

In the Western Cape Province there are 141 registered dental laboratories. The compliancy rate of those inspected is very low, at 20%. The compliance issues identified during these inspections are structural and will require a sizable capital expense by some of the laboratory owners and may require more than three months to complete. The other issues have a great impact on the health and safety of employees and therefore cannot be overlooked as minor issues. There is also a high non-compliance rate of employees not having employment contracts and employees not registered for pension. Again, a month's term of compliance was granted in all the non-compliant circumstances and the laboratory owners will be required to submit a written request for an extension for compliance.

Criminal cases opened by the South African Dental Technicians Council.

Criminal cases with SAPS	Date Opened	Category of Offence	Outcome
Ermelo (MP)	14/06/2019	Unregistered but qualified dental technician operating illegal lab.	Ongoing
Centurion (GP)	02/08/2019	Unregistered but qualified dental technician operating illegal lab.	Recovered R42 850-00 restored to register but case ongoing with SAPS
Bromhof (GP)	06/08/2019	Unregistered but qualified dental technician operating illegal lab. Also employing qualified but unregistered dental technician.	Recovered R11 471-00 for unregistered technician and restored. Recovered R21 470-00 for lab and restored. Case ongoing with SAPS
Highlands North (GP)	06/08/2019	Unregistered but qualified dental technician operating illegal lab.	Ongoing
Cases Concluded			
Grahamstown (EC)	06/06/2011	Non-qualified person doing work related to dental technology and operating a dental laboratory illegally.	19/11/2019 found guilty on all 6 counts. All items seized at premises forfeited to state.
DISCIPLINARY CASES BY COUNCIL			
LA1230/TE2653 (CT)	26/06/2019	Guilty of contravention of Regulation 2(1)(n)(ii), (iii), (iv), (v) and (q) of Acts or Omissions of a dental technician made in terms of section 42 of the Dental Technicians Act, 19 of 1979 ("the act") and Section 29(4) and (5) of the act.	A fine of R10,000.00, R8,000.00 of which was suspended for a period of three years on condition that the accused is not found guilty of the same offence during that period. R2,000.00 will be payable within fourteen days after the publication of the government gazette.
LA1239/TE2679	26/06/2019	Guilty of contravention of section 20(3) read with sections 42 and 47 of the Dental Technicians Act, 19 of 1979.	A fine of R3000.00 the payment is suspended for a period of three years, on condition that the accused is not found guilty of a similar contravention.

Criminal cases with SAPS	Date Opened	Category of Offence	Outcome
LA0817/TE1778	26/06/2019	Guilty of contravention of Section 27(1) and (2) of the Dental Technicians Act, 19 of 1979.	Mr. Govindsamy's practice as a Dental technologist, including the performing of acts pertaining to the profession of Dental Technology is suspended for a period of ten years, nine years of which is suspended for a period of five years on condition that he is not found guilty of the same offence during that period. Should he be found guilty of the same improper or disgraceful conduct during the period of suspension, which is five years, then the full ten-year period of suspension will become effective.
LA1407/TE2601	22/07/2019	Guilty of contravention of Regulation 2(1)(m) of the Acts and Omissions of a dental technician in respect of which the Council may take disciplinary steps ("the regulations") in accordance with Chapter IV of the Dental Technicians Act No. 19 of 1979 ("the act") And regulation 2(1)(n)(i) of the	The accused was not found guilty and discharged of all the charges.

The opening of criminal cases with the South African Police Services (SAPS) and the police maintaining their focus on the investigation until its conclusion, remains a challenge. Several of our cases have been allocated to different investigating officers in a short space of time which makes it a challenge to keep the focus and to follow up on the case at hand. As a result, there are long periods before a case appears before the courts for prosecution. SAPS is also not familiar with the Dental Technicians Act, 19 of 1979 as amended and hence the apparent lack of focus on the cases we open. We have made ourselves available to give them all the support they would need to avoid any confusion resulting in mistrials or having our cases dismissed. This is demonstrated by the case that was opened in 2011 in Grahamstown that was only successfully convicted eight years later. The inspectorate division remains fully committed to investigating all the cases reported by the profession.

7.5.6 Stakeholder Relations (SO1, SO2, SO3):

Unlike previous years, Council did not engage in roadshows during this financial year under review due to budgetary constraints.

PART C

GOVERNANCE



8. CORPORATE GOVERNANCE REPORT

8.1 Overview

The SADTC is committed to the principles of accountability, openness and integrity as prescribed by the King IV Code on Corporate Governance and its policies and charters formalise this commitment. This gives the shareholder and other stakeholders, the assurance that the SADTC is ethically managed according to prudently determined risk parameters in compliance with best practice.

The South African Dental Technicians Council is a creature of statute, established in terms of section 2 of the Dental Technicians Act No. 19 of 1979. The Hon. Minister of Health appoints Council, which may consist of up to eleven (11) members, who exercise oversight over the SADTC. The term of Council is five years, and the term of the incumbent Council expired at the end of September 2018. The Minister of Health on recommendation by the council resolved to extend the term of council until the 29th of February 2020.

In line with the Act, governance best practice, and as enjoined by King IV:

- All members of Council are non-executive and independent;
- Council strictly plays an active oversight role as well as giving strategic direction. In this regard, there a clear delineation/ divide between Council's oversight role, and Administration's operational and implementation role;
- Council operates in line with the dictates/ provisions of the Dental Technicians Act, and its Committees operate in line with the dictates of the Act plus the respective Committee Charters/ ToRs. Council is yet to develop a Charter. It is a matter that Council will look into in the 2020/2021 financial year.
- There is a balance and diversity within Council and its Committees in terms of skills set, gender, demographics and geographic spread.

8.2 Meeting procedures

Council meets once every quarter. The frequency of Committee meetings varies from the type of committee and the business they transact.

8.3 Constitution and Composition of the Council

Section 5 (1) of the Act prescribes the Constitution of the Council. The Act provides that the Council shall consist of the following members:

- a. Director of Oral Health of the Department of Health;
- b. Five persons appointed by the Minister of whom: -
 - one shall be a dentist attached to a university having a dental faculty;
 - one shall be a dental technician/technologist attached to an institution at which dental technicians/technologists are educated and trained; and
 - three shall be members of the public who shall be appointed after calling through the media for nominations by the public, of whom at least one shall be appointed on account of his or her knowledge of the law.

- c. Two dental technician contractors nominated and elected by dental technician contractors in the prescribed manner;
- d. Two dental technicians/technologists who practice the profession of dental technician/technologist as employees and who are nominated and elected in the prescribed manner by dental technicians/technologists and
- e. One dentist nominated and elected by dentists

Council Members

Name	Designation in terms of Council's Structure	No. of Meetings attended during 2018/2019 FY
Mrs C Mokgatle-Makwakwa	President – Community representative	4
Dr N Baloyi	Dentist nominated by other Dentists	4
Mr I Noorshib	Lab Contractor nominated by other Lab Contractors	4
Mr G Gunnell	Dental Technicians nominated by other Technicians	3
Prof. CP Owen	Dentist attached to a university having a dental faculty	4
Adv. T Lupuwana	Legal Advisor- Community representative	3
Dr M Mcuba	Director – Oral Health	3
Dr A Vahed	Dental Technician attached to a training institution	4

As at 29/02/2020 Council had three vacancies. Council did not receive any nominations from the profession when a call was made for nominations to fill in the vacancies. Also, the department of Health did not fill the vacancy of a community representative caused by the resignation of Mrs F Vally.

8.4 Council Committees

With a view of effectively carrying out its functions as prescribed by the Dental Technicians Act of 1979, Council has various Committees in place, as prescribed by the Act:

- Executive Committee (EXCO) - as prescribed and mandated in the Act;
- Education Committee - as prescribed and mandated in the Act;
- Disciplinary committee - as prescribed and mandated in the Act;
- Audit and Risk Committee (ARC) - as prescribed and mandated by King IV;
- Continuous Professional Development (CPD) – as prescribed by the regulations; and
- Service Conditions Committee- as prescribed and mandated in the Act.

Current Council Committees

Committee	No. of meetings held	No. of members	Name of members
Executive Committee	1	6	Mrs Catherine Mokgatle-Makwakwa Mr. I Noorshib Dr NA Baloyi Prof CP Owen Adv. T Lupuwana Dr. M Mcuba
Audit & Risk Committee	3	3	Mr. N Goosen Dr NA Baloyi Adv. T Lupuwana
Education Committee	4	7	Dr A Vahed Prof CP Owen Mr. G Gunnel Mr TL Gumbi Mr LG Maguga Mr A Latief Mr LA Steyn
Continuous Professional Development	1	4	Mr. I Noorshib Prof CP Owen Mr. LA Steyn Mr EV Gebhardt
Disciplinary Committee	1	3	Adv. T Lupuwana Prof CP Owen Mr. BM Loxton

8.5 Remuneration of Council Members and other Committee Members for the FY under review:

Council members	Remuneration	Other allowance (travel, accommodation)	Total
Mrs C Mokgatle-Makwakwa	59,400.00	-	59,400.00
Dr N Baloyi	17,500.00	-	17,500.00
Mr I Noorshib	18,500.00	992.00	19,492.00
Mr G Gunnell	20,000.00	24,572.10	44,572.10
Prof. CP Owen	85,500.00	8,169.20	93,669.20
Adv. T Lupuwana	26,200.00	-	26,200.00
Dr M Mcuba	-	-	-
Dr A Vahed	31,500.00	2,694.00	34,194.00

Committee members	Remuneration	Other allowance (travel, accommodation)	Total
Mr N Goosen	35,200.00	2,054.40	37,254.40
Mr Steyn (EDCO Inspector)	77,500.00	28,119.72	105,619.72
Mr EV Gebhardt	2,500.00	176.00	2,676.00
Mr LG Maguga	5,000.00	448.00	5,448.00
Mr T Gumbi	-	-	-
Mr. Latief	5,000.00	-	5,000.00
Mr. P Pretorius	20,000.00	2,982.00	22,982.00
Mr. BM Loxton	2,500.00	-	2,500.00
Mr. Hoosein	-	-	-
Mr. G Bass	12,500.00	1,210.00	13,710.00
Mr. JP Herbst	5,000.00	-	5,000.00
Mrs S Schwartz	-	-	-
TOTAL	423,800.00	71,417.42	495,217.42

8.6 Internal Control

The Office of the Registrar is tasked with the responsibility for a system of internal control, and to ensure the efficient management of Council resources.

8.7 Financial Management

Council Management implements and maintains a system of internal control that ensures the attainment of principal control objectives such as:

- Effectiveness and efficiency of operations;
- Reliability of financial and management reports;
- Compliance with applicable laws, Regulations and policies; and
- Adequacy of procedures to safeguard Council assets.

8.8 Risk Management

There exists within Council a risk management framework, which is in line with best practices, and a combined assurance model. Risk management is embedded in the strategy and operations of the SADTC.

Ultimately, Council is responsible for risk management within the SADTC, supported by the ARC and Management.

8.9 Health, safety and environmental issues

Council complies with health and safety matters and municipal by-laws. Reasonable precautions are taken to ensure a safe working environment. Employees are constantly informed about health and safety issues and measures at the workplace.

There is compliance by Council Occupational with the Health and Safety Act of 1995 and other relevant legislation.

Members of the profession are requested to provide a municipal permission letter when they apply for laboratory registrations.

8.10 Council Code of Conduct

All members of Council signed the code of conduct at the beginning of their term, and the document is reviewed annually

8.11 Fraud and Corruption

The current mechanisms of reporting fraud and corruption are through affidavits submitted to Council, as well as by telephone calls to Council.

Council is committed to protecting its funds and other assets, and in this regard, has adopted a zero-tolerance stance to fraudulent activities. Council has also established a solid relationship with law enforcement agencies in the Republic, to whom fraudulent activities are reported once detected. Resources permitting, Council plans to open a secure fraud hotline in future.

8.12 Managing Conflict of Interest

Members of Council and Council personnel are expected to sign the declarations of interest at the beginning of the year and at every meeting attended.

8.13 Social Responsibility

There are currently no socio-economic or outreach projects in the SADTC on account of budgetary constraints. It is envisaged that this will remain the case for short to medium term.

8.14 Council Secretariat

Council does not employ the services of a Company Secretary. For all intents and purposes the Registrar acts in that capacity, assisted by her support staff.

To an extent that specialist governance services are required, these are, subject to budgetary possibilities, outsourced.

8.15 Report of the Audit and Risk Committee (ARC)

The ARC reports that it has adopted formal terms of reference as its ARC Charter, has regulated its affairs in compliance with that Charter, and has discharged all its responsibilities contained therein, except where changes in accounting policies and practices have not been reviewed.

Audit and Risk Committee Responsibility

The ARC consists of one external member and two Council members. The ARC Chairperson is an external member. The ARC assesses SADTC's risks, with reference to the council's available resources, expertise, and experience of financial management. The ARC has a policy that outlines its terms of reference.

The role of the ARC is to assist Council to ensure that:

- The SADTC has implemented an effective policy and plan for Risk Management that will enhance the SADTC's ability to achieve its strategic objectives;
- The disclosure regarding risk is comprehensive, timely, and relevant;
- Review the annual financial statements, summarised integrated information, any other intended release of price-sensitive information and prospectuses.
- Comment on the annual financial statements, the accounting practices and the effectiveness of the internal financial controls;
- Review the disclosure of sustainability issues in the annual report to ensure that it is reliable and does not conflict with the financial information;
- Recommend to Council the engagement of an external assurance provider on material sustainability issues;
- Consider whether the external auditor should perform assurance procedures on the interim results;
- Review the content of the summarised information for whether it provides a balanced view; and
- Engage the external auditors to provide assurance on the summarized financial information.
- The ARC has satisfied itself that its objectivity and independence remain intact, and the continued relevance of the internal audit charter on which it operates.

External Audit Plan

The ARC has reviewed the external audit plan as presented by the external auditors. That plan is in line with best practice and audit standards and takes into account the Council's risk register for the financial year under review.

The ARC has reviewed the annual financial statements and the annual report for the financial year ended 29 February 2020, and is satisfied that, in all material respects, those reports comply with International Financial Reporting Standards for Small and Medium-Sized Entities (IFRS for SME's), and therefore fairly present the financial position and performance of the SADTC. The Committee reviewed and discussed the annual financial statements and annual report with management.

Accordingly, the Audit and Risk Committee recommended the financial statements and performance report for the year ended 29 February 2020, to Council for approval.



**Chairperson of ARC obo the ARC
SADTC**

PART D

HUMAN RESOURCES MANAGEMENT



9. HUMAN CAPITAL MANAGEMENT

9.1 *Overview:*

Human capital is key in ensuring that any organisation is able to effectively deliver on its mandate and strategic objectives. Although the SADTC, on account of its relatively small size and workforce does not have a stand-alone Human Resources Department, the Office of the Registrar is responsible for the human resources philosophy function within the SADTC.

The primary objective of the Human Resources function within the SADTC is to ensure that the Council has the right people in the right roles.

The work environment within Council is generally ethical and positive. The SADTC's workforce is generally young. Having a young workforce means that there are new ideas and opportunities for innovation that enhance operations.

The SADTC employs eight people full-time and recognises that its employees are its greatest asset. Of the eight funded/ budgeted positions, only four were filled as at the end of the financial year under review.

Strategies to attract, retain and develop employees are severely truncated by SADTC's budgetary constraints. Likewise, with career development and succession policies.

Due to the relatively small size of the SADTC currently, strategic Human Resources strategies which larger institutions employ in the Human Resources space (such as: talent management, employee relations, learning & development, talent management and retention, compensation and benefits management, organisational design and development), are being implemented within an integrated Human Resources administration/ regime at a small scale, aimed at ensuring that the small SADTC staff complement remains motivated, and it functions within a secure and predictable Human Resources environment.

9.2 *Staff turnover profile*

Reason	Number
Death	0
Resignation	3
Dismissal	0
Retirement	0
Ill Health	0
Expiry of Contract	1

9.3 Labour relations: Misconduct and disciplinary action

Nature of Disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written Warning	1
Dismissal	0
Dispute Resolution	0

9.4 Performance bonuses paid to staff

Positions	Salary Band	Amount

9.5 Leavers Programme

Given Council's relatively small size and budgetary constraints, it has been and continues to be, unable to participate in a key Government initiative aimed at social upliftment by the employment of young, previously disadvantaged graduates, especially those from Dental Technology, as interns. There is therefore no internship programme within the SADTC.

The SADTC is considering to, in future, submit its workplace skills plan (WSP) to the Health and Welfare Sector Education and Training Authority (HWSETA) so as to unlock funding for interns that will assist with the workload within Council.

9.6 Employee Wellness

There is no employee wellness programme within the SADTC. This as well is due to a relatively small size of the SADTC workforce.

9.7 Social Activities

On account of budgetary constraints during the year under review, there were no planned social activities for the workforce.

Going forward, and subject to budgetary sufficiency, Management will consider activities such as wellness day, Mandela Day, and a year-end function.

9.8 The Future:

There is hope that, once the incoming Council has steered the SADTC into a new trajectory through a review of, *inter alia*, the funding model and other strategic interventions aimed at repositioning and growing the Council, there will be a need to re-look at the Human Resources Management regime. Aspirationally, and in order to align with the strategic objectives of sound human capital management (organisational effectiveness) going forward, the key priorities of SADTC's HR will in future entail key interventions such as:

- Job profiling and evaluation (in line with market-related pay trends): Once the Council reaches a stage where it reviews the organisation structure, the role profiles will be redefined to ensure alignment between organisational and employee objectives. This process will include the development of new role profiles that are in line with the redefined organisational structure. All jobs will have to be re-evaluated, and this will inform the job architecture framework, career paths, reward management and the talent management framework.
- Competency management: A competency framework for the organisation will have to be reviewed and adopted. The purpose of the competency framework will be to highlight strategic organisational and functional competencies that will be required from current and future employees. Change management and communication on the competency framework will then follow, as it is critical in ensuring employee buy-in and adoption.
- Skills and competency assessments: All roles will be mapped to the adopted organisational competency framework. Following this, all employees will be matched to various assessment batteries normed in accordance with the levels and nature of the roles. Skills and competency assessments will be completed for all employees to specifically highlight key areas of development that the SADTC needs to invest in.
- Training and development: A sustained, proactive learning process for staff that ensures that the SADTC of the future is positioned to meet external demands is non-negotiable. The organisational review process will be utilised as an opportunity to expand the knowledge base of all employees. Identified training gaps of each employee will assist the employees to understand their job roles by strengthening their skills and knowledge. The organisation requires employees to be innovative and be strategic thinkers, which in turn will make the SADTC dynamic and stronger.
- Change management: At a point here the SADTC's organisational review kicks in, there will be staff engagement sessions that will unfold, focusing on employee awareness on the organisational changes that are to be rolled out, ensuring employee readiness and employee participation in designing the future SADTC.
- Competitive reward/ incentive management: Once the job evaluation exercise is completed, all roles were benchmarked against the market. The intention of the reward management exercise and framework will be to ensure that employees are compensated fairly in line with market peers in their respective fields and that overall compensation costs are managed within acceptable staff costs ratios. All this will be possible in the future SADTC.

This is an aspirational objective of the SADTC going forward, the implementation of which will hinge on future prospects of growth of Council.

PART E

FINANCIAL INFORMATION



10. 2019/2020 AUDITED FINANCIAL STATEMENTS

10.1 Financial highlights and challenges

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the 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. Nothing has come to the attention of the SADTC to indicate that the organisation would not remain a going concern for the foreseeable future, based on forecasts and its liquidity.

The going concern assumption is valid in the light of the funding from the profession, and current and future fundraising initiatives by Council. It should however be noted that the funding made available by the registered members of the profession is insufficient for the SADTC to fulfil its full mandate.

Furthermore, the council receives no funding from the Department of Health, the fiscus and government grants. This council is totally reliant on the funding it receives from member subscriptions to fund its monthly running costs and liabilities and any material reduction thereof could adversely affect the councils ability to continue operating as a going concern post the foreseeable future.

Post the financial year end the COVID-19 pandemic has placed the council in a financially precarious position as many of its members face a challenging financial future of survival uncertainty until the return to business normality.

Any further material reduction in the already reducing number of the council's paying members will result in lower revenue collections, placing the council with the untenable position of its expenses exceeding its income thereby further reducing available cash.

Going concern

These financial statements have been prepared on the basis of accounting policies applicable to a going concern for the next twelve months. This basis presumes that sufficient funds will be available to finance future Council operations. Furthermore, there will be no material changes that may adversely impact the Council during the next twelve months that will prevent or limit the realization of assets and the settlement of liabilities, contingent obligations, as well as commitments that will occur in the ordinary course of Council's business

As at 29 February 2020, the SADTC reported a surplus of R 121,687 (2019: a deficit of R 272,443) and the total assets exceeded its liabilities by R 3,847,265 (2019: 3,725,578).

Events after reporting date

Except for the above, the council members are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the council.



THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Annual Financial Statements for the year ended 29 February 2020

Audited Financial Statements

in compliance with Dental Technicians Act, 1979 (Act No 19 of 1979) Prepared
by: WH Viljoen

Professional designation: Professional Accountant (SA) CIR

Audited by: C Engelbrecht

Professional designation: Chartered Accountant (SA)

GENERAL INFORMATION

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	The South African Dental Technicians Council is established in terms of the Dental Technicians Act, 1979 (Act No 19 of 1979), as amended, to regulate the professions of dental technicians and dental technologists, and to protect the interests of the public.
COUNCIL MEMBERS	Mrs. C Mokgatle-Makwakwa Mr. G Gunnell Dr. N Baloyi Mr. I Noorshib Dr. M Mcuba Dr. A Vahed Adv. TP Lupuwana Prof. CP Owen
REGISTERED OFFICE	954 Cnr Hill & Arcadia Streets Arcadia Pretoria 0028
POSTAL ADDRESS	P.O. Box 14617 Hatfield 0028
BANKERS	ABSA
LEVEL OF ASSURANCE	These financial statements have been audited in compliance with the applicable requirements of the Dental Technicians Act, 1979 (Act No 19 of 1979).
CHARTERED ACCOUNTANTS CA(SA)	Snijder & Associates Inc 699 Pierneef Street Deerness Pretoria 0084
PREPARER	The financial statements were independently compiled by: Intégro Accounting (Pty) Ltd

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COUNCIL MEMBERS' RESPONSIBILITIES AND APPROVAL

The council members are required by the Dental Technicians Act, 1979 (Act No 19 of 1979) to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the council, and explain the transactions and financial position of the business of the council at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the council and supported by reasonable and prudent judgements and estimates.

The council members acknowledge that they are ultimately responsible for the system of internal financial control established by the council and place considerable importance on maintaining a strong control environment. To enable the council members to meet these responsibilities, the council members set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the council and all employees are required to maintain the highest ethical standards in ensuring the council's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the council is on identifying, assessing, managing and monitoring all known forms of risk across the council. While operating risk cannot be fully eliminated, the council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The council members are of the opinion, based on the information and explanations given by management and the external auditors, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the council members have no reason to believe that the council will not be a going concern in the foreseeable future. The financial statements support the viability of the council.

The annual financial statements have been audited by the independent auditing firm, Snijder & Associates Inc, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the council member, the council members and committees of the council members. The council members believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 4 to 5.

The annual financial statements set out on pages 8 to 19, and the supplementary information set out on pages 20 to 21 which have been prepared on the going concern basis, were approved by the council members and were signed on 11 September 2020 on their behalf by:

Prof. CP Owen

Responsibilities of the Council Members for the Financial Statements

The council members are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Dental Technicians Act, 1979 (Act No 19 of 1979), and for such internal control as the council members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the council members 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 council members 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 council members.
- Conclude on the appropriateness of the council members' 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 council members 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.



Snijder & Associates Inc.
TC van Wyk CA (SA)
Chartered Accountant (SA)
Registered Auditor

11 September 2020
Pretoria

COUNCIL MEMBERS' REPORT

The council members present their report for the year ended 29 February 2020.

1. Nature of business

The South African Dental Technicians Council was incorporated in South Africa, and is responsible to regulate the professions of dental technicians and dental technologists, and to protect the interests of the public, in terms of the Dental Technicians Act 1979 (Act No. 19 of 1979).

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

2. Going concern

The financial statements have been prepared on a going concern basis for the next twelve months. The council members believe that the council has limited financial resources to continue in operation for the foreseeable future and are not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the council. The SADTC receives no funding from the Department of Health, the fiscus and government grants. The council is totally reliant on the funding it receives from member subscriptions to fund its monthly running costs and liabilities and any material reduction thereof could adversely affect the council's ability to operate as a going concern.

Post the financial year end the COVID-19 pandemic has placed the council in a financially precarious position as many of its members face a challenging financial future of survival uncertainty until the return to business normality.

Any material reduction in the already reducing number of the council's paying members will result in lower revenue collections, placing the council with the untenable position of its expenses exceeding its income thereby further reducing available cash.

3. Events after reporting date

Except for the above, the council members are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the council.

4. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Dental Technicians Act 1979 (Act No. 19 of 1979). 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 company are set out in these financial statements.

THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Annual Financial Statements for the year ended 29 February 2020

COUNCIL MEMBERS' REPORT

5. Council Members

The council members council during this financial year were as follows: Mrs. C Mokgatle-Makwakwa

Mr. G Gunnell
Dr. N Baloyi
Mr. I Noorshib
Dr. M Mcuba
Dr. A Vahed
Adv. TP Lupuwana
Prof. CP Owen

Subsequent to the financial year end of 29 February 2020, new council members were elected on 25 March 2020 as follows:

Prof. CP Owen
Ms. N Madiba
Mr. L Nematswerani
Prof. PD Moipolai
Dr. A Vahed
Ms. K Govender
Ms. N Madiba
Mr. I Noorshib
Mr. L Steenkamp
Mr. G Gunnell
Mr. N Ntshikilana

6. Property, plant and equipment

There was no change in the nature of property, plant and equipment of the council or in the policy regarding their use.

As at 28 February 2020 the council's investment in property, plant and equipment amounted to R3 211 300 (2019: R3 178 966), of which R109 872 (2019: R246 203) was added in the current year through additions. During the 2018 financial year, the property was revalued at R2 800 000, however no adjustment had been made as the current valuation is in line with market prices.

7. Date of authorisation for the issue of financial statements

The financial statements have been authorised for issue by the Council members on 11 September 2020. No authority was given to anyone to amend the financial statements after the date of issue.

8. Independent Auditors

Snijder & Associates Inc were the independent auditors for the year under review.

THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Financial Statements for the year ended 29 February 2020

STATEMENT OF FINANCIAL POSITION

Figures in R	Notes	2020	2019
ASSETS			
Non-current assets			
Property, plant and equipment	2	3,133,408	3,178,996
Total non-current assets		3,133,408	3,178,996
Current assets			
Trade and other receivables	3	188,757	280,496
Cash and cash equivalents	4	1,610,759	1,288,905
Total current assets		1,799,516	1,569,401
Total assets		4,932,924	4,748,397
EQUITY AND LIABILITIES			
Equity			
Accumulated surplus		1,438,643	1,314,531
Other non-distributable reserves	5	2,411,047	2,411,047
Total equity		3,849,690	3,725,578
Liabilities			
Non-current liabilities			
Other financial liabilities	8	32	32
Current liabilities			
Provisions	6	300,000	200,000
Trade and other payables	7	783,202	822,787
Total current liabilities		1,083,202	1,022,787
Total liabilities		1,083,234	1,022,819
Total equity and liabilities		4,932,924	4,748,397

THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Financial Statements for the year ended 29 February 2020

COMPREHENSIVE INCOME

Figures in R	Notes	2020	2019
Revenue	9	5,506,923	4,896,159
Administrative expenses	10	(366,358)	(301,802)
Other expenses		(5,136,244)	(4,825,038)
Loss on theft and disposal of PPE		-	(115,858)
Surplus / (deficit) from operating activities		4,321	(346,539)
Finance income		119,791	74,096
Surplus / (deficit) for the year	11	124,112	(272,443)

THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Financial Statements for the year ended 29 February 2020

STATEMENT OF CHANGES IN EQUITY

Figures in R	Other non-distributable reserve	Accumulated surplus	Total
Balance at 1 March 2018	2,411,047	1,586,974	3,998,021
Changes in equity			
Deficit for the year	-	(272,443)	(272,443)
Total comprehensive income	-	(272,443)	(272,443)
Balance at 28 February 2019	2,411,047	1,314,531	3,725,578
Balance at 1 March 2019	2,411,047	1,314,531	3,725,578
Changes in equity			
Surplus for the year	-	124,112	124,112
Total comprehensive income	-	124,112	124,112
Balance at 29 February 2020	2,411,047	1,438,643	3,849,690

THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Financial Statements for the year ended 29 February 2020

STATEMENT OF CASHFLOWS

Figures in R	Notes	2020	2019
Net cash flows from operations	12	207,716	162,423
Interest received		119,791	74,096
Net cash flows from operating activities		327,507	236,519
Cash flows used in investing activities			
Purchase of property, plant and equipment		(5,653)	(246,203)
Cash flows used in investing activities		(5,653)	(246,203)
Net increase / (decrease) in cash and cash equivalents		321,854	(9,684)
Cash and cash equivalents at beginning of the year		1,288,905	1,298,589
Cash and cash equivalents at end of the year	4	1,610,759	1,288,905

THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Financial Statements for the year ended 29 February 2020

ACCOUNTING POLICIES

1. Basis of preparation and summary of significant accounting policies

The financial statements of The South African Dental Technicians Council have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Dental Technicians Act, 1979 (Act No 19 of 1979). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property, certain property, plant and equipment, biological assets and derivative financial instruments at fair value. They are presented in South African Rand.

The preparation of financial statements in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the council's accounting policies.

The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the council members.

The council adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the council. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to surplus or deficit during the period in which they are incurred.

Land is not depreciated. Land and buildings are revaluated every 3 years as required by Council regulations. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as well as the measurement base for each class of asset is as follows:

Asset class	Measurement base	Useful life / depreciation rate
Fixtures and fittings	Straight line	6 years
Office equipment	Straight line	5 years
Computer equipment	Straight line	3 years
Computer software	Straight line	2 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

1.2 Financial instruments

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard (IFRS for SME's), are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Financial Statements for the year ended 29 February 2020

ACCOUNTING POLICIES

Basis of preparation and summary of significant accounting policies continued...

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through surplus or deficit) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

1.3 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

Interest income is recognised using the effective interest method.

1.4 Employee benefits

Short-term employee benefits

Compensation paid to employees for the rendering of services are recognised at the undiscounted amount paid or expected to be paid in the accounting period in which the services were rendered.

1.4 Grants

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Grants are measured at the fair value of the asset received or receivable.

1.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Financial Statements for the year ended 29 February 2020

ACCOUNTING POLICIES

Basis of preparation and summary of significant accounting policies continued...

1.6 Impairment of non-financial assets other than inventories

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Financial Statements for the year ended 29 February 2020

NOTES TO THE FINANCIAL STATEMENTS

Figures in R

2. Property, plant and equipment

2.1 Balances at year end and movements for the year

Reconciliation for the year ended 29 February 2020

Balance at 1 March 2019

	Land	Fixtures and fittings	Office equipment	Computer equipment	Computer software	Total
At cost	3,079,865	65,382	39,889	112,348	155,230	3,452,714
Accumulated depreciation	-	(51,908)	(39,882)	(46,154)	(135,774)	(273,718)
Net book value	3,079,865	13,474	7	66,194	19,456	3,178,996

Movements for the year ended 29 February 2020

Additions other than through business combinations

	-	-	-	5,653	-	5,653
Depreciation	-	(3,822)	-	(30,398)	(17,021)	(51,241)

Property, plant and equipment at end of year

	3,079,865	9,652	7	41,449	2,435	3,133,408
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Closing balance at 29 February 2020

At cost

	3,079,865	65,382	39,889	118,000	155,230	3,458,366
Accumulated depreciation	-	(55,730)	(39,882)	(76,551)	(152,795)	(324,958)

Net book value

	3,079,865	9,652	7	41,449	2,435	3,133,408
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THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Financial Statements for the year ended 29 February 2020

NOTES TO THE FINANCIAL STATEMENTS

Figures in R

Property, plant and equipment continued...

Reconciliation for the year ended 28 February 2019

Balance at 1 March 201

At cost	3,079,865	65,382	46,589	133,298	882,242	4,207,376
Accumulated depreciation						
Net book value	3,079,865	17,295	9	7,756	119,876	3,224,801

Movements for the year ended 28 February 2019

Additions other than through business combinations	-	-	-	80,253	165,950	246,203
Depreciation	-	(3,821)	-	(17,123)	(155,206)	(176,150)
Disposals	-	-	-	-	(111,164)	(111,164)
Loss on theft of PPE	-	-	(2)	(4,692)	-	(4,694)
Property, plant and equipment at end of year	3,079,865	13,474	7	66,194	19,456	3,178,996

Closing balance at 28 February 2019

At cost	3,079,865	65,382	39,889	112,348	155,230	3,452,714
Accumulated depreciation	-	(51,908)	(39,882)	(46,154)	(135,774)	(273,718)
Net book value	3,079,865	13,474	7	66,194	19,456	3,178,996

THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Financial Statements for the year ended 29 February 2020

NOTES TO THE FINANCIAL STATEMENTS

Figures in R

2020

2019

Property, plant and equipment continued...

2.2 Details of property

Land and Buildings consist of the office building situated on Stand 481/R, Cnr Hill & Arcadia Streets. The property was revalued in the 2016 financial year from R2 200 000 (2011 valuation) to R3 079 856. During the 2018 financial year the property was revalued at R2 800 000 however no adjustment had been made as the current valuation is in line with market prices.

3. Trade and other receivables

Trade and other receivables comprise:

Trade receivables	86,710	240,715
Value added tax	102,047	39,781
Total trade and other receivables	188,757	280,496

4. Cash and cash equivalents

Cash and cash equivalents comprise:

Cash

Cash on hand	434	456
Balances with banks	83,560	126,475
Total cash	83,994	126,931

Cash equivalents

Short term deposits	1,526,765	1,161,974
Total cash equivalents	1,526,765	1,161,974

Total cash and cash equivalents included in current assets

1,610,759

1,288,905

Net cash and cash equivalents

1,610,759

1,288,905

5. Reserves

Non-distributable reserve

Revaluation reserve - Fixed property	2,411,047	2,411,047
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6. Provisions

6.1 Provisions comprise:

Act renewal	300,000	200,000
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THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Financial Statements for the year ended 29 February 2020

NOTES TO THE FINANCIAL STATEMENTS

Figures in R

2020

2019

Provisions continued...

6.2 Details of provisions

Provision

In the 2019 financial year, the Council redrafted the Dental Technicians Act. Therefore, a provision was made during that financial year for legal cost pertaining to the implementation of this act. A further provision of R100,000 was raised for this purpose in the 2020 financial year.

7. Trade and other payables

7.1 Trade and other payables comprise:

Income received in advance	552,770	679,934
Accrued liabilities - Council Claims	89,755	-
Accrued liabilities - SARS payroll taxes	40,677	42,853
Grants received in advance - International benchmarking	100,000	100,000
Total trade and other payables	783,202	822,787

7.2 Grants received

Grants received are allocated towards specific projects and are disclosed as current liabilities until fully utilised.

8. Other financial liabilities

Other financial liabilities comprise:

Absa Bond 80-4581-93711 (At fair value)	32	32
The home loan is settled in full, and there are currently no monthly repayments.		
	32	32
Non-current portion of other financial liabilities	32	32
Current portion of other financial liabilities	-	-
	32	32

9. Revenue

Revenue comprises:

Rendering of services	5,506,923	4,896,159
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THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Financial Statements for the year ended 29 February 2020

NOTES TO THE FINANCIAL STATEMENTS

Figures in R

	2020	2019
10. Auditors remuneration		
Auditors remuneration - fees	33,374	32,000
11. Finance Income		
Interest received	119,791	74,096
12. Cash flows from operating activities		
Surplus / (deficit) for the year	124,112	(272,443)
Adjustments for:		
Finance income	(119,791)	(74,096)
Depreciation, amortisation and impairment expenses	51,241	176,150
Losses on theft and scrapping of non-current assets	-	115,858
Change in operating assets and liabilities:		
Adjustments for increase in trade and other receivable accounts	91,739	(126,611)
Adjustments for (decrease) / increase in trade and other operating payables	(39,585)	253,915
Adjustments for provisions	100,000	89,650
Net cash flows from operations	207,716	162,423

THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Annual Financial Statements for the year ended 29 February 2020

DETAILED INCOME STATEMENT

Figures in R		2020	2019
Revenue	9		
Rendering of services		5,506,923	4,896,159
Total revenue		5,506,923	4,896,159
Administrative expenses	10		
Accounting fees		(241,035)	(173,804)
Auditors remuneration - fees	11	(33,374)	(32,000)
Bank charges		(28,784)	(27,576)
Computer expenses		(739)	(5,444)
Subscriptions		(2,755)	-
Telephone and fax		(59,671)	(62,978)
Total administrative expenses		(366,358)	(301,802)
Other expenses			
Bad debts		(405,120)	(85,766)
Capital expenditure		(899)	(15,867)
Council Claims		(329,797)	(468,188)
Depreciation, amortisation and impairments		(51,241)	(176,150)
Election expenses		(10,263)	-
Employee costs		(2,837,112)	(2,821,545)
Gifts		(3,278)	-
Honorariums		(423,800)	(171,700)
Inspectorate		(117,236)	(169,838)
Insurance		(31,909)	(40,822)
International Benchmarking		(4,418)	(151,353)
Lease rental on operating lease		(31,045)	(44,372)
Legal expense		(399,326)	(229,242)
Municipal charges		(50,875)	(50,484)
Office Expenses		(47,232)	(63,465)
Postage		(20,059)	(14,110)
Printing and stationery		(139,293)	(64,816)
Registrar fund, Entertainment & Road show		(16,155)	(134,341)
Repairs and maintenance		(34,266)	(65,966)
Security		(18,617)	(8,240)
Software expenses		(146,758)	(31,802)
Training		(17,545)	(16,971)
Total other expenses		(5,136,244)	(4,825,038)
Other gains and losses			
Loss on disposal of property, plant & equipment		-	(111,164)
Loss on theft of property, plant & equipment		-	(4,694)
Total other gains and losses		-	(115,858)
Surplus / (deficit) from operating activities		4,321	(346,539)

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

THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL

Annual Financial Statements for the year ended 29 February 2020

DETAILED INCOME STATEMENT

Figures in R

		2020	2019
Finance income	11		
Interest received		119,791	74,096
Total finance income		<u>119,791</u>	<u>74,096</u>
Surplus / (deficit) for the year		<u>124,112</u>	<u>(272,443)</u>

