

PROVINCIAL
TREASURY
MPUMALANGA
PROVINCE
VOTE 3

2024/25

ANNUAL
REPORT



provincial treasury
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA





A full-page background image showing a sunset over a savanna. The sun is low on the horizon, creating a bright orange and yellow glow. A large, dark silhouette of an acacia tree stands on the right side of the frame. The foreground is dark and silhouetted.

“

*Progress is not only counted in
numbers, but in the lives improved
and futures made possible.
A resilient economy is one that
leaves no one behind.*

”

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GENERAL INFORMATION

PART A

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

AFS	Annual Financial Statements	HIRA	Hazard Identification and Risk Assessment
AGSA	Auditor General of South Africa	HIV	Human Immunodeficiency Virus
AIDS	Acquired Immunodeficiency Syndrome	HPT	Head: Provincial Treasury
AO	Accounting Officer	HR	Human Resource
BAS	Basic Accounting System	IAISP	Integrated Audit Improvement Support Plan
BBBEE	Broad Based Black Economic Empowerment	ICT	Information Communication Technology
BBBEEA	Broad Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)	IDMS	Infrastructure Delivery Management System
BCM	Business Continuity Management	IT	Information Technology
BCP	Business Continuity Plan	IYM	In-Year Monitoring
CFO	Chief Financial Officer	LED	Local Economic Development
CIPC	Companies and Intellectual Property Commission	LOGIS	Logistical Information System
COGTA	Department of Cooperative Governance and Traditional Affairs	MAA	Mpumalanga Appropriation Act
CSD	Central Supplier Database	M&E	Monitoring And Evaluation
DORA	Division of Revenue Act	MEC	Member of Executive Council
DPSA	Department of Public Service and Administration	MEGA	Mpumalanga Economic Growth Agency
DPWRT	Department of Public Works, Roads and Transport	MER	Mpumalanga Economic Regulator
DTI	Department of Trade and Industries	MERRP	Mpumalanga Economic Recovery and Reconstruction Plan
EDD	Electronic Document Delivery	MFMA	Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
EHW	Employee Health and Wellness	MPL	Member of Provincial Legislature
ERMF	Enterprise Risk Management Framework	MPT	Mpumalanga Provincial Treasury
EU	European Union	MTEC	Medium Term Expenditure Committee
EXCO	Executive Council Committee	MTEF	Medium Term Expenditure Framework
FRP	Financial Recovery Plan	MTPA	Mpumalanga Tourism and Parks Agency
GDP	Gross Domestic Product	MTSF	Medium Term Strategic Framework
GIAMA	Government Immovable Asset Management Act, 2007 (Act 19 of 2007)	NFAST	National First Aid and Safety Training
		NSG	National School of Government
		NT	National Treasury
		OAG	Office of the Accountant General

2. LIST OF ABBREVIATIONS/ACRONYMS CONTINUED

OHS	Occupational Health and Safety	PSDF	Provincial Spatial Development Framework
ORW	Other Remunerative Work	PSR	Public Service Regulations, 2016
ORW	Outstanding Resource Water	PSRF	Public Sector Risk Management Framework
OTP	Office of the Premier	PSWMW	Public Service Women Management Week
PAIA	Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)	PYEI	President Youth Employment Initiative
PAJA	Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)	REMC	Risk and Ethics Management Committee
PAMA	Public Administration Management Act, 2014 (Act No. 11 of 2014)	SAIPA	South African Institute of Professional Accountant
PERSAL	Personnel Salary System	SALGA	South African Local Government Association
PFMA	Public Finance Management Act, 1999 (Act No. 1 of 1999)	SARB	South African Reserve Bank
PGDP	Provincial Growth and Development Plan	SARS	South African Revenue Service
PILIR	Policy on Incapacity and Ill Health Retirement	SCM	Supply Chain Management
PINK	Procurement Infrastructure Knowledge Management	SCOPA	Select Committee on Public Accounts
PMDS	Performance Management and Development System	SDIP	Service Delivery Improvement Plan
PMTCT	Prevention of Mother to Child Transmission	SEDA	Small Enterprise Development Agency
POPIA	Protection of Personal Information Act, 2013 (Act No. 4 of 2013)	SHEQ	Safety Healthy and Environment Quality
PPP	Public Private Partnership	SITA	State Information Technology Agency
PPPFA	Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)	SLA	Service Level Agreement
PPPIR	Preferential Procurement Policy Framework Regulations, 2022	SMME	Small Medium and Micro Enterprises
PRMF	Provincial Risk Management Framework	SMS	Senior Management Services
PSA	Public Service Act, 1994 (Proclamation No. 107 of 1994)	TR	Treasury Regulations, 2005
PSA	Public Service Association	TVET	Technical vocational education and training
PSCBC	Public Service Commission's Bargaining Council		

3. FOREWORD BY THE MEC

MEC BONAKELE
MAJUBA
MEC for Finance



This report provides an overview of the work undertaken by the Mpumalanga Provincial Treasury in fulfilling its constitutional mandate. It encapsulates the result of the collective efforts to ensure practical application of both the Public Finance Management and Municipal Finance legislation in the Province.

Policy directives and strategic outcomes

The Provincial Government adopted the Medium-Term Development Plan during the year, which reaffirmed the enduring elements of the financial administration and governance that were ably adopted by the democratic government. Consequently, the department finalised the five-year strategic plan, which broadly anchors all policy priorities of the seventh administration.

The department continued to provide support to institutions in areas such as budget management, revenue collection, public procurement, liability management, and financial accounting, among others.

The Provincial Treasury tabled three appropriations bills to the legislature, which allocated resources for departments and public entities to execute their policy mandates. Notable developments during this period included additional resources allocated to the Province to expedite housing

“ The department continued to provide support to institutions in areas such as budget management, revenue collection, public procurement, liability management, and financial accounting, among others. ”

3. FOREWORD BY THE MEC CONTINUED

projects and related infrastructure, thanks to improved project readiness and consistent grant spending. Additionally, the health and education sectors in the Province qualified for the Performance-Based Incentive Grant (PBIG) for the 2025/26 financial year.

Overall revenue collection improved year-on-year, during the review period. The Provincial Revenue Fund received an unqualified audit outcome, consistent with the previous financial year.

During this period, the department reviewed the Mandatory Financial Recovery Plans for Emalahleni, Govan Mbeki, Msukaligwa, and Thaba Chweu. The department also coordinated support for municipalities by providing resident advisors to enhance financial management within the sector.

Challenges for the financial year under review

While the province has made positive progress in the coordination of infrastructure delivery, more work is required to ensure that all departments are fully on board and handle the transition to the automated Infrastructure Reporting Model.

Medium-term strategic focus areas

The strategic focus for the medium-to-long term is centred on three priority areas:

- Enhancing financial management capabilities at local and provincial governments.
- Driving digital transformation to make government services more accessible and efficient, and
- Promoting accountability through a robust system of internal controls and transparency in public procurement processes.

The Provincial Treasury will continue to work with all institutions to ensure the adequacy of internal controls so that the limited resources result in a demonstrable change in the quality of life of the people of Mpumalanga.

Acknowledgements /Appreciation

I want to acknowledge the leadership shown by the Head Official, Ms Gugu Mashiteng, and the support of the management and staff in ensuring that the department continues to execute its mandate.

A special thanks to the Portfolio Committee on Finance for constructive criticism and guidance, which helped us maintain our trajectory towards effective financial administration and accountable governance.

We are committed to achieving a high level of operational functionality and efficiency within the department, considering the current constrained fiscal environment. I do not doubt that we will succeed.



Mr BA MAJUBA, MPL

MEC FOR FINANCE

Date: 04 August 2025

4. REPORT OF THE ACCOUNTING OFFICER

**MS GUGU
MASHITENG**

Head: Provincial Treasury



Overview of the operations of the department

The Provincial Treasury derives its mandate from the Public Finance Management Act (PFMA) and various provisions in the Municipal Finance Management Act (MFMA). The Provincial Treasury has ensured that these legislative mandates permeate organisational performance planning and reporting as per the governance prescripts.

During the year under review, the department achieved 100 percent of the planned Annual Performance Plan (APP) targets. This was made possible through strategic recruitment and training to ensure that the staff can handle increased demand on the institution.

One of the principal tasks of the department is to prepare and exercise control over the provincial budget. During the year under review, three Appropriations Bills and associated Budget Documents were prepared and tabled to guide public spending in the Province. The department also maintained a consistent expenditure reporting system, thereby enabling oversight of the budget by the executive and legislative branches of the state.

As part of efforts to improve the collection of applicable fees and taxes, the department facilitated training, convened revenue forums, and supported departments in maintaining effective systems of internal controls on revenue management. The provincial receipts for the year ending 31 March 2025 amounted to R3.668 billion.

“ During the year under review, the department achieved 100 percent of the planned Annual Performance Plan (APP) targets. ”

4. REPORT OF THE ACCOUNTING OFFICER CONTINUED

The department exercised its mandate and responsibility in relation to assets and liabilities of provincial departments and public entities. During the year under review, the department monitored the implementation of transformative policies and consolidated reports on the payment of suppliers within the mandated 30 days upon receipt of valid invoices across the administration.

The department also implemented an electronic submission system, with other departments being added to the pilot in phases throughout the 2024/25 financial year. In addition, the department maintained various business automation systems, including invoice tracking and electronic leave management, at an optimal level. Through the Information and Communication Technology (ICT) service, the Provincial Treasury enabled departments to perform their policy administration, including financial transactions related to service delivery.

Support for municipalities continued through the placement of resident advisors to boost capacity and strengthen financial management, accountability and reporting. Municipalities were supported with analysis of tariff structures and reviews of municipal budgets, among others. The Provincial Treasury also facilitated the tabling and adoption of amended Financial Recovery Plans for Msukaligwa, Govan Mbeki, Thaba Chweu and Emalahleni local municipalities.

In the quest to embed financial governance, the department provided support to public sector institutions in accordance with prescribed norms and standards, including on generally recognised accounting practice. The Provincial Treasury coordinated and reviewed the audit remedial plans, monitored their implementation, and provided advice on areas for improvement to departments, public entities, and municipalities.

OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT:**DEPARTMENTAL RECEIPTS**

Departmental receipts	2023/2024			2024/2025		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	2 662	1 375	1 287	2 662	797	1 865
Transfers received	-	-	-	-	-	-
Interest, dividends and rent on land	150 604	506 736	(356 132)	157 333	298 347	(141 014)
Sale of capital assets	-	62	(62)	-	-	-
Financial transactions in assets and liabilities	2	-	2	2	14 832	(14 830)
Total	153 268	508 173	(354 905)	159 997	313 976	(153 979)

4. REPORT OF THE ACCOUNTING OFFICER CONTINUED

The Provincial Treasury collected R313 976 000 which is 196.2 percent of the planned target of R159 997 000. The over collection is mainly on the interest accrued on the PMG and Revenue Fund accounts due to slow spending by the provincial departments.

Programme Expenditure

Departmental receipts	2023/2024			2024/2025		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	141 447	140 117	1 330	145 453	143 777	1 676
Sustainable Resource Management	96 090	95 878	212	72 184	71 647	537
Assets and Liabilities Management	287 550	282 012	5 538	339 788	339 152	636
Financial Governance	25 625	25 615	10	28 953	28 731	222
Total	550 712	543 622	7 090	586 378	583 307	3 071

The Provincial Treasury has spent R583 307 000 which is 99.5 percent of the allocated budget of R586 378 000. The total under spending amounted to R3 071 000 was mainly on goods and services as well as on payments for capital assets due to the actual expenditure for fleet services and property payments being lower than anticipated and due to non-utilisation of the full budget as allocated for the payments for capital assets.

VIREMENTS/ROLL-OVERS

The Provincial Treasury did not request Virements or Roll-Overs at the year-end.

UNAUTHORISED, IRREGULAR, FRUITLESS, AND WASTEFUL EXPENDITURES

The Provincial Treasury did not incur any unauthorised, fruitless and wasteful expenditure during the financial year under review and the irregular expenditure incurred was investigated and condoned.

STRATEGIC FOCUS OVER THE SHORT TO MEDIUM TERM PERIOD

The Provincial Treasury aims to improve its systems to enhance the support to Provincial Departments, Municipalities and Public Entities on sound financial and administrative management. The Provincial Treasury will continue to support Provincial Departments in maximizing collection and generating own revenue through training workshops, the convening of revenue forums, and monitoring of cash offices.

4. REPORT OF THE ACCOUNTING OFFICER CONTINUED

The focus of Provincial Treasury is to support municipalities with improvement in the following areas:

- Development of funded budgets
- Improved revenue management
- Improved role of oversight through training of relevant municipal structures and committees
- Improvement of the control environment

The introduction of Financial Management reforms in government entrusts Provincial Treasuries with the responsibility of ensuring that the Government's physical and financial assets, as well as its liabilities, are well managed.

The Provincial Treasury will contribute to efforts aimed at improving service delivery to the people of the Mpumalanga Province. The implementation of appropriate supply chain management practices, including their governance framework, will contribute to poverty alleviation, job creation and economic development, as well as infrastructure development, which includes proper roads, housing, schools, and hospitals, amongst others.

PUBLIC PRIVATE PARTNERSHIPS

The Provincial Treasury provided advice and support on Public Private Partnerships to Departments, Public Entities and Municipalities. This support is provided in liaison with the National Treasury's Public Private Partnerships unit.

DISCONTINUED KEY ACTIVITIES / ACTIVITIES TO BE DISCONTINUED.

There are no discontinued activities or activities to be discontinued.

NEW OR PROPOSED KEY ACTIVITIES.

There were no new or proposed key activities.

SUPPLY CHAIN MANAGEMENT

The Provincial Treasury has an approved Supply Chain Management Policy that is aligned to the Preferential Procurement Regulations 2022 (PPR 2022) that came into effect on the 16th of January 2023, and all Bid Committees were appointed in line with applicable prescripts and legislation.

Processes and systems are in place to prevent unauthorised, irregular, fruitless and wasteful expenditures. The Provincial Treasury has complied with the Broad-Based Black Economic Empowerment Act, 2003 (Act No 53 of 2003) as amended when awarding bids during the year under review.

We welcome the proclamation of the Public Procurement Act 2024 (Act No. 28 of 2024) on the Government Gazette. This act was assented to by the President on July 18, 2024, and published in the Government Gazette on July 23, 2024. This Act aims to create a single framework for public procurement, to enhance transparency, integrity, and efficiency in the use of public funds while also promoting economic development. Organs of State and other stakeholders are currently participating in reference groups established by the National Treasury to develop regulations to enable the President to bring the provisions of the Act into operation through a proclamation in the gazette.

GIFTS AND DONATIONS RECEIVED IN KIND FROM NON-RELATED PARTIES

The Provincial Treasury received support / sponsorship for the Inaugural Employee Excellence Awards held on 06 December 2024 from the Amalgamated Bank of South Africa (ABSA). The rand value of the sponsorship was R150 000 which was processed via bank's procurement processes.

4. REPORT OF THE ACCOUNTING OFFICER CONTINUED

The Provincial Treasury also received support / sponsorship for the Post Budget Breakfast held on 18 March 2025 from Standard Bank of South Africa (SBSA). The rand value of the sponsorship was R100 000 which was processed via bank's procurement processes.

EXEMPTIONS AND DEVIATIONS RECEIVED FROM THE NATIONAL TREASURY

The Provincial Treasury has not applied for exemptions from National Treasury for the financial year under review.

EVENTS AFTER THE REPORTING DATE

There were no events after the reporting date.

OTHER

There are no material facts or circumstances, which may have an effect on the understanding of the financial state of affairs to report on.

ACKNOWLEDGEMENT/S OR APPRECIATION

I would like to convey my appreciation to the management and staff in the Provincial Treasury, and the assistance of the Audit Committee, Risk and Ethics Management Committee in the compilation of this Annual Report.

CONCLUSION

The Provincial Treasury will always strive to improve on performance to realise the objectives set for this administration.

APPROVAL AND SIGN OFF

I hereby, in my capacity as the Accounting Officer, approve the Annual Report for the 2024/25 financial year.



MS GUGU MASHITENG

Accounting Officer: Provincial Treasury

Date: 31 May 2025

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

- All information and amounts disclosed throughout the annual report are consistent.
- The annual report is complete, accurate and is free from any omissions.
- The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.
- The Annual Financial Statements (Part F) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.
- The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.
- The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.
- The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2025.

Yours faithfully



Ms GUGU MASHITENG

Accounting Officer: Provincial Treasury

Date: 31 May 2025

6. STRATEGIC OVERVIEW

VISION

Leading in innovation and service excellence.



MISSION

Enhance fiscal discipline, accountability and effective governance in PFMA and MFMA institutions through:

- Capable and professional workforce;
- Inter-governmental collaboration; and
- Sustainable funding and Equitable allocation and prudent financial management



VALUES

We are committing ourselves to serve with;

- Integrity;
- Diligence;
- Commitment;
- Collaboration;
- Transparency;
- Leadership



7. LEGISLATIVE AND OTHER MANDATES

Applicable legislation	Description
Constitution of the Republic of South Africa, 1996	The Constitution is the supreme law of the Republic of South Africa. It provides the legal foundation for the existence of the Republic and no other law may be in conflict with it. It further sets out the rights and duties of its citizens, and defines the structure of the Government
Broad Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)	To establish a legislative framework for the promotion of black economic empowerment; to empower the Minister to issue codes of good practice and to publish transformation charters; to establish the Black Economic Empowerment Advisory Council; and to provide for matters connected therewith.
Division of Revenue Act (DORA)	The Act is passed annually to provide for the equitable division of revenue anticipated to be raised nationally among the national, provincial and local spheres of government for that particular financial year; it further makes provision for determination of each province's equitable share; allocations to provinces, local government and municipalities from national government's equitable share; provides for the responsibilities of all three spheres and provide for the reporting requirements for allocations pursuant to such division and allocations
Government Immovable Asset Management Act, 2007 (Act 19 No. of 2009) (GIAMA)	This Act provide for a uniform framework for the management of immovable asset that is held or used by a National or Provincial Department; to ensure the coordination of the use of an immovable asset with the service delivery objectives of a National or Provincial Department; to provide for issuing of guidelines and minimum standards in respect of immovable asset management by a National or Provincial Department; and to provide for matters incidental thereto
Mpumalanga Appropriation Act	The Act is passed annually to · provide for the appropriation of money from the Provincial Revenue Fund for the requirements of the Province for each financial year in question; · prescribe conditions for the spending of funds withdrawn for the following financial year before the commencement of the Act for each financial year in question; and · provide for matters incidental thereto.
Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA)	This Act secures sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government; establishes treasury norms and standards for the local sphere of government; and provides for matters connected therewith.
Mpumalanga Adjustments Appropriation Act	The Act is also passed annually and it effects adjustments to the appropriation of money from the Provincial Revenue Fund for the requirements of the Province in respect of a financial year in question and to provide for matters incidental thereto.

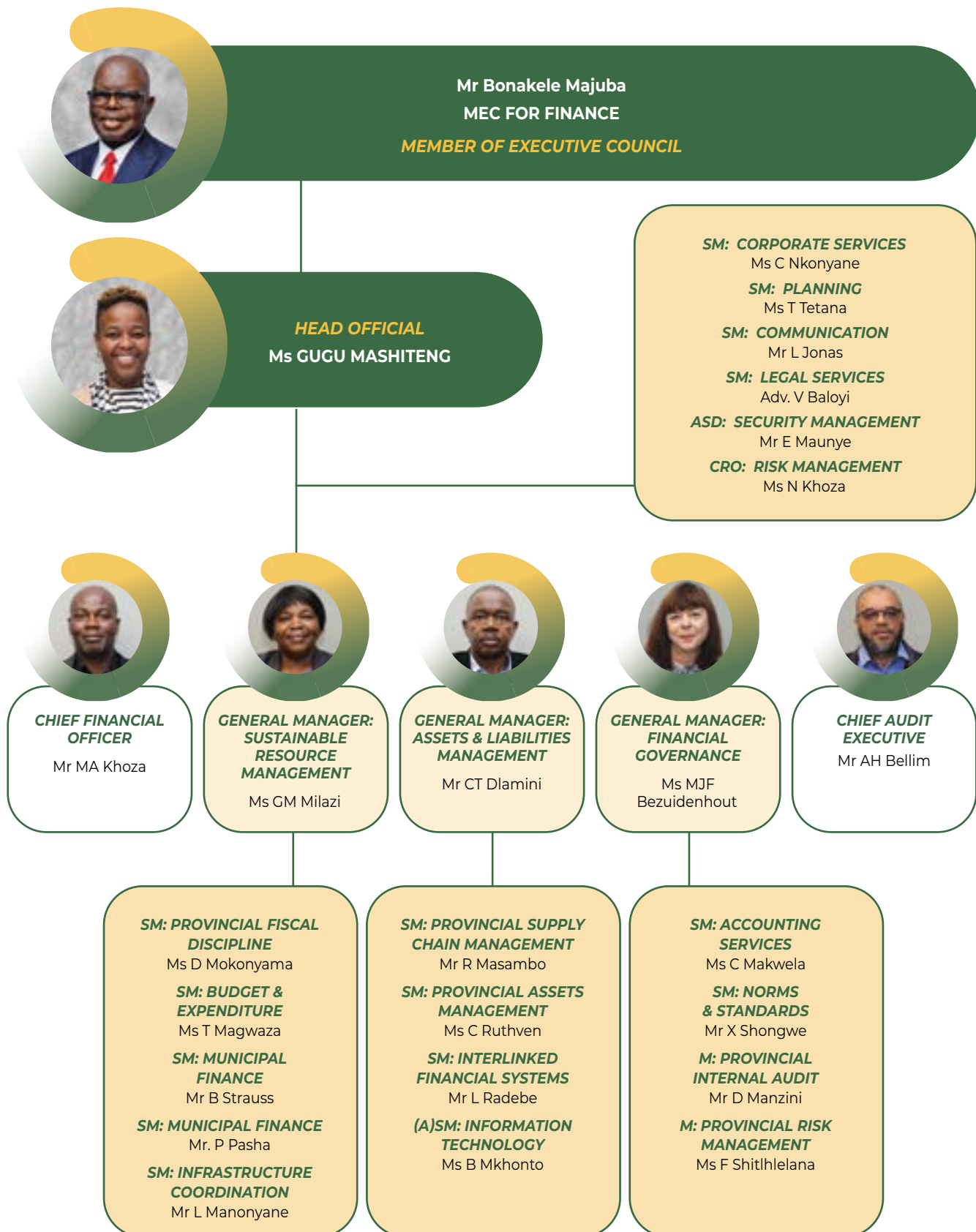
7. LEGISLATIVE AND OTHER MANDATES CONTINUED

Applicable legislation	Description
Preferential Procurement Policy Framework Act, 2000, (Act No.5 of 2000) (PPPFA)	The Act gives effect to section 217(3) of the Constitution by providing a framework for the implementation of the procurement policy contemplated in section 217(2) of the Constitution; and to provide for matters connected therewith.
Preferential Procurement Regulations, 2022	The Preferential Procurement Regulations in terms of the PPPFA were gazetted in November 2022 and repeal the 2017 Regulations. The purpose of the 2022 Regulations is to: • comply with section 217 of the Constitution on the procurement of goods and services by organs of state; • comply with the PPPFA of 2000; and • comply with transitional arrangements in terms of the Constitutional Court judgement of February 2022.
Promotion of Access to Information Act, 2000 (Act No. 2 of 2000) (PAIA)	The Act gives effect to the Constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights; and to provide for matters connected therewith.
Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000) (PAJA)	The Act serves to give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996, and to provide for matters incidental thereto.
Protection of Personnel Information Act, 2013 (Act No. 4 of 2013) (POPIA)	This Act aims to: • Promote the protection of personal information processed by public and private bodies; • Introduce certain conditions to establish minimum requirements for the processing of personal information; • Provide for the establishment of an Information Regulator to exercise certain powers and to perform certain duties and functions in terms of this Act and the Promotion of Access to Information Act, 2000; • Provide for the issuing of codes of conduct; • Provide for the rights of persons regarding unsolicited electronic communications and automated decision making; • Regulate the flow of personal information across the borders of the Republic; and provide for matters connected therewith.
Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA)	This Act regulates financial management in the national and provincial spheres of government; it further ensures that all revenue, expenditure, assets and liabilities of those spheres governments are managed efficiently and effectively; also provides for the responsibilities of persons entrusted with financial management in those governments; the Treasury and to provide for matters connected therewith.

7. LEGISLATIVE AND OTHER MANDATES CONTINUED

Applicable legislation	Description
Public Service Act, 1994 (Act No. 103 of 1994) as amended (PSA)	The Act makes provision for the organisation and administration of the public service of the Republic, the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service, and matters connected therewith
Public Service Regulations, 2016 as amended	The Public Service Regulations, 2016 were issued in terms of and in compliance with section 41 of the Public Service Act, No. 103 of 1994
Public Administration Management Act, 2014 (Act No. 11 of 2014) (PAMA)	The Act seeks to: • Promote the basic values and principles governing the public administration referred to in section 195(1) of the Constitution; • Provide for the transfer and secondment of employees in the public administration; • Regulate conducting business with the State; • Provide for capacity development and training. • Provide for the establishment of the National School of Government; • Provide for the use of information and communication technologies in the public administration; • Establish the Public Administration Ethics, Integrity and Disciplinary Technical Assistance Unit; • Provide for the Minister to set minimum norms and standards for public administration; • Establish the Office of Standards and Compliance to ensure compliance with minimum norms and standards. • Empower the Minister to make regulations, and provide for related matters
State Liability Act, 1957 (Act No. 20 of 1957)	The Act consolidates the law relating to the liability of the State in respect of acts of its servants.
Treasury Regulations, 2005	The Treasury Regulations were issued in compliance and in terms of Section 76 of the Public Finance Management Act, No. 1 of 1999.

8. ORGANISATIONAL STRUCTURE



PROVINCIAL TREASURY MANAGEMENT TEAM



9. ENTITIES REPORTING TO THE MEC

There are no entities reporting to the MEC for Finance

PERFORMANCE INFORMATION



PART B

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 124 of the Report of the Auditor-General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 SERVICE DELIVERY ENVIRONMENT

In the financial year 2024/25, the Administration concentrated on consolidating efforts to enhance public service delivery within Mpumalanga. The Provincial Treasury achieved 100% of its planned targets, demonstrating notable achievements in the provision of support and advisory services to Departments, Public Entities and Municipalities.

Departmental Administration and Governance

The Provincial Treasury serves as a guiding force for promoting good governance among departments, public entities, and municipalities in the province. By providing stewardship on budgetary governance processes, it fosters transparency, accountability, and effective financial management of resources. Ultimately, the Provincial Treasury ensures that provincial strategies are supported by projects and initiatives that align with provincial priorities.

In alignment with the Provincial priorities, as detailed in the Annual Performance Plan and the Provincial Programme of Action, the department has established five key priority outcomes. These priorities are as follows:

- PFMA Audit Outcomes
- MFMA Audit Outcomes
- Monitoring of the debt owed by Departments and Public Entities to Municipalities
- Ensuring municipalities honour their repayment obligations to ESKOM
- Allocating 30% of bids to previously disadvantaged individuals (Cross-Cutting Indicator)

These strategic priorities will guide the department's actions in the forthcoming year, fostering improved accountability and service delivery.

Service Delivery Improvement Plan

There was a gap year granted to departments by the Department of Public Service Administration in line with SDIP's Circular No. 1 of 2020/21. However, the departments had to conclude and implement the SDIP in the final year of the 2023/24 and 2024/25 SDIP Cycle.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE CONTINUED

Provincial Treasury continued to monitor key services identified on the 2018/19-2020/21 approved SDIP which focused on the following key services:

- Monitor and support all Departments, Municipalities and Public Entities in adhering to compliance on payment of suppliers within 30 days after receipt of an invoice
- Monitor and support all departments, municipalities and public entities in adhering to supply chain frameworks on submission of procurement plans and adherence to schedules

However, Provincial Treasury developed an SDIP for the 2025/26: Below are the two key services:

Key services	Beneficiaries
Publication of the bidders list within 10 working days after closure (PFMA SCM Instruction No 9 of 2022/2023)	Provincial Departments Public Entities
Publication of correct bid specifications for Provincial Departments and Public Entities	Provincial Departments Public Entities

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Complaints are efficiently managed and addressed through a dedicated email address. Additionally, a complaints management tool has been developed to streamline the process and enhance response effectiveness.	All complaints received are addressed and responded to in formal writing, ensuring that each issue is acknowledged and properly managed. This approach reinforces accountability and enhances customer satisfaction.	These complaints relate to non-payment of service providers within 30 days of receipt of valid invoices. A total number of complaints received in the 2024/2025 financial year is sixty-two (62). Thirty-one (31) out of the 62 complaints were paid and finalised. 31 complaints were still in progress at the end of the financial year ,one (1) is from a service provider and there is a dispute regarding scope of work, eleven (11) are for travel agency fees and the remaining nineteen (19) are services from AG and PWRT All complaints received have been duly attended to, ensuring that each concern is properly addressed in a timely manner. This demonstrates our commitment to responsiveness and effective complaint management. Email address: payme@mpg.gov.za Telkom toll free number: 0800 00 66 57

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE CONTINUED

2.2 ORGANISATIONAL ENVIRONMENT

The Provincial Treasury has an approved organisational structure with 433 posts and operated with 307 staff compliment and 82 non-permanent employees which comprise of Interns and Learners. In total, the overall workforce for the period under review was 389.

The Provincial Treasury filled eleven (11) permanent/contract posts during the period under review, which significantly enhanced capacity in service delivery. A staff turnover of 6.70% was experienced due to service terminations during the period under review owing to voluntary resignations, retirement, interdepartmental transfers and internal promotions, which necessitated a recruitment process to fill the critical vacant posts. In order to ensure or enhance business continuity within various units where there are vacancies, the Provincial Treasury appointed officials to act in higher positions and acting allowances were paid.

In addition to the above, the Provincial Treasury coordinated twenty-two (22) Skills Development Programmes, which were facilitated by various training providers, namely:

No	Training Programme	Training Service Provider
1.	Compulsory Induction Programmes (SL 1-16)	National School of Government (NSG)
2.	Supply Chain Management for Public Service (SL 7-14)	National School of Government (NSG)
3.	Risk Response and Reporting (SL 7-14)	National School of Government (NSG)
4.	Emotional Intelligence (SL 10-12)	National School of Government (NSG)
5.	Executive Induction Programme (SL 13-16)	National School of Government (NSG)
6.	Khaedu training and deployment to service delivery sites (SL 13-16)	National School of Government (NSG)
7.	Ethics in the Public Service (SL 1-16)- (e Learning)	National School of Government (NSG)
8.	Managing of Performance in the Public Service (SL 7-16) (eLearning)	National School of Government (NSG)
9.	Financial Management Delegations of Authority (SL 13-16)	National School of Government (NSG)
10.	Basic Project Management for the Public Service (SL 7-14)	National School of Government (NSG)
11.	BB2E: Interns/Learners	National School of Government (NSG)
12.	Supply Chain Management (SCM) Learnership NQF5	Transport Education Training Authority (TETA) and DoE
13.	OHS Training	Chemical Industries Education and Training Authority (CHIETA) and DoE

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE CONTINUED

No	Training Programme	Training Service Provider
14.	Managing Unauthorised, Irregular, Fruitless and Wasteful Expenditure	National School of Government (NSG)
15.	Coaching for Leadership Development	National School of Government (NSG)
16.	Citizen Centred Service Delivery	National School of Government (NSG)
17.	Personal Mastery for orientation and support of the graduate recruitment scheme	National School of Government (NSG)
18.	Basic Project Management	National School of Government (NSG)
19.	Evidence-Based Policy Making and Implementation	National School of Government (NSG)
20.	Citizen Centred Service Delivery	National School of Government (NSG)
21.	Evidence-Based Policy Making and Implementation	National School of Government (NSG)
22.	Program and Project Management	National School of Government (NSG)

The core mandate of the Provincial Treasury is to provide financial and governance support towards effective implementation of the Public Finance Management Act (PFMA) in Departments and Public Entities and Municipal Finance Management Act (MFMA) in Municipalities.

The organisational structure currently makes provision for four Programmes. Programme 1 is responsible for the financial and administrative management and support. The other three Programmes focus on treasury functions, which are Sustainable Resource Management, Assets and Liabilities Management and Financial Governance.

The current organisational structure was revised, internal consultation processes were concluded and it was thereafter submitted to Department of Public Service Administration (DPSA) for concurrence and approval by the Minister.

2.3 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

- Key Policy developments: There were no new key policy developments affecting operations of the Provincial Treasury for the period under review.
- Legislative changes: No new legislative changes for the period under review.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Medium Term Development Plan processes are still evolving and set to launch in the 2025/26 fiscal year. To guide the development agenda, the Provincial Treasury operated with the 6th Administration Priority 1 (Building a capable, ethical, and developmental state) as per Medium Term Strategic Framework 2019 – 2024, inclusive of pronouncements of the State of the Nation Address (SONA) as well as the State of the Province Address (SOPA) and Makgotla resolutions.

PROVINCIAL PROGRAMME OF ACTION: PROVINCIAL TREASURY PRIORITIES

PPOA Priority	Progress report
PFMA Audit Outcomes (2023/24)	· Unqualified with no findings (Clean Audit): 4 of 16 (25%) departments and public entities received clean audit outcomes: Provincial Treasury, Cooperative Governance and Traditional Affairs, Mpumalanga Economic Regulator and Mpumalanga Tourism Authority. This has regressed from 5 in 2022/23 Financial Year · Unqualified with findings: 10 of 16 (62.5%) received unqualified audit opinion (with matters) and these are: Office of the Premier, Department of Social Development, Department of Education, Department of Economic Development and Tourism, Department of Agriculture Rural Development Land and Environmental Affairs, Department of Human Settlements, Department of Public Works Roads and Transport, Department of Health, Department of Culture Sport and Recreation and Mpumalanga Economic Growth Agency. · Qualified: 2 of 16 (12.5%) Department Community Safety Security and Liaison and Mpumalanga Regional Training Trust The Province has no disclaimed and adverse audit opinions, thus showing improved financial management within the PFMA institutions.
MFMA Audit Outcomes (2023/24)	· Unqualified with no findings (Clean Audit): 2 of 20 (10%) Municipalities; namely Ehlanzeni and Nkangala DMs, retaining the 2022/23 status · Unqualified with findings: 8 of 20 (40%) Municipalities compared to 7 in 2022/23, and these are: Bushbuckridge, City of Mbombela, Nkomazi, Dr Pixley ka Isaka Seme, Mkhondo, Emalahleni and Thembisile Hani LMs and Gert Sibande DM · Qualified: 10 of 20 (50%) Municipalities which are Thaba Chweu, Chief Albert Luthuli, Dipaleseng, Govan Mbeki, Msukaligwa, Lekwa, Emakhazeni, Steve Tshwete, Victor Khanye and Dr JS Moroka LMs The Province has no disclaimed and adverse audit opinions, thus showing improved financial management within the Local Government sector.
Government Debt (Monies owed by Departments and Public Entities to Municipalities)	· Provincial Departments: The total amount owed by 9 of 12 Provincial Departments was R 1 327 938 896 billion. Office of the Premier, Provincial Treasury and Cooperative Governance and Traditional Affairs, were in good standing, they owed nothing.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES CONTINUED

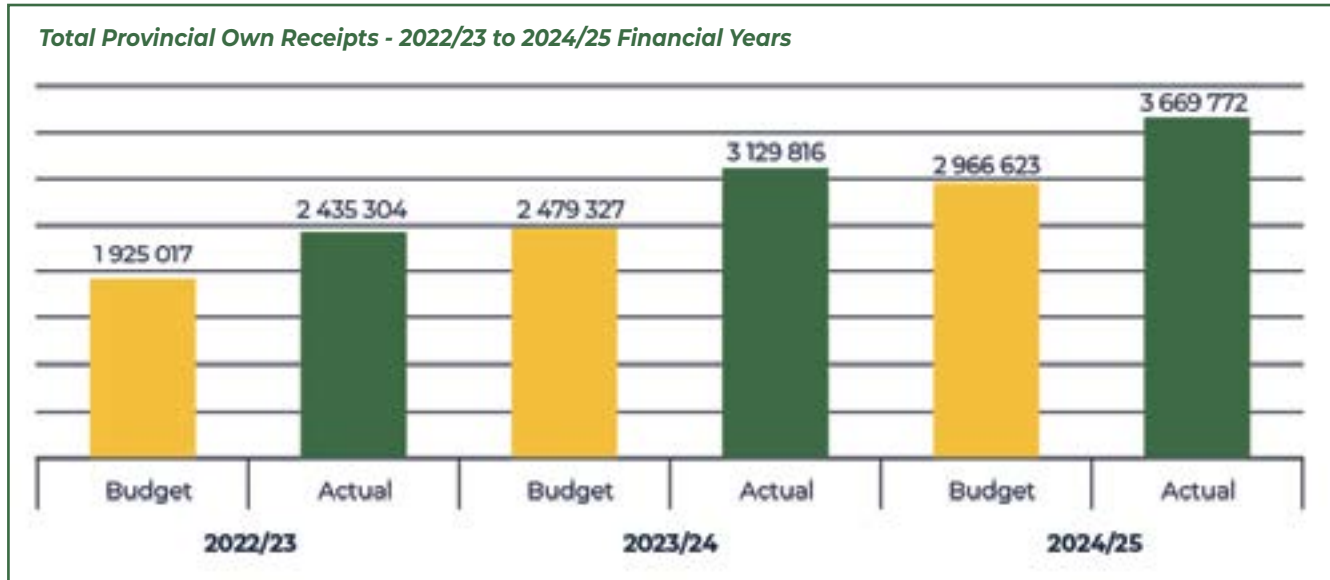
PPOA Priority	Progress report
Government Debt (Monies owed by Departments and Public Entities to Municipalities) continued...	• Department of Public Works Roads and Transport owes the largest amount of R 1 065 816 798 Billion. • National Departments: The total amount owed by 4 National Departments, namely; Department of Public Works, Department Rural Development and Land Reform, South African Social Security Agency and South African Police Service, was R 596 016 810 million. • Department of Public Works Roads and Transport owes the largest amount of R 1 065 816 798 Billion. • National Departments: The total amount owed by 4 National Departments, namely; Department of Public Works, Department Rural Development and Land Reform, South African Social Security Agency and South African Police Service, was R 596 016 810 million. • Department Rural Development and Land Reform, owes the largest amount of R 491 154 746 million. • Public Entities: The total amount owed by 4 Other Organs of State, namely; SANPARKS (Kruger National Park), Mpumalanga Economic Growth Agency, Mpumalanga Tourism Parks Agency and Water Board/Affairs was R 79 193 331 million. SANPARKS owes the largest amount of R 50 075 019 million. • The total amount owed to Municipalities by government and state owned entities was R 2 003 149 038 billion.
Honouring repayment of ESKOM debts by Municipalities	10 Local Municipalities were monitored to honour payment of ESKOM debt, namely; City of Mbombela, Thaba Chweu, Msukaligwa, Mkhondo, Lekwa, Govan Mbeki, Dipaleseng, Victor Khanye, Emalahleni and Emakhazeni. The total amount owed to ESKOM by Municipalities as at end of March 2025 was R 26,173,011,548 Billion • Total short payments of Eskom current accounts accumulated to R6 billion since August 2023 till March 2025. • From the collected electricity revenue of R7,5 Billion only R5,5 Billion were paid to Eskom. • All municipalities have received final non-compliance letters from National Treasury, during December 2024 and were now facing the consequences of being removed from the Debt Relief programme.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES CONTINUED

PPOA Priority	Progress report	
30% bids spend on previously disadvantaged/marginalised groups	Annual Provincial Performance	2024/2025 Over all summary
	The total spend for the province during 2024/25 is R15.47 billion of which R14.41 billion was spent on historically disadvantaged individuals. This account for 99.59 % Of the R14.41 billion spent on historically disadvantaged individuals, 72% (R10.47 billion) was spent on black owned entities, 22% (R3.11 billion) on women owned entities, 14% (R2.1 billion) on youth owned entities and 0.3% (R50 million) of entities owned by people with disabilities The total spend on designated groups is R5.2 billion. This account for 36% of the spent to historically disadvantaged individuals. This is 6% above the provincial target of 30%.	5 228 105 962,50 total spend for designated groups (Women, Youth & disability) 36% of total spend. This is 6% above the provincial target. 30% bids spend on previously disadvantaged/marginalised groups

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES CONTINUED

OWN REVENUE COLLECTION



The Province has collected R3.6 billion at the end March 2025 against the projected collection of R2.9 billion which represents 124 percent collection. The over collection of 24 percent was mainly from the betting and gambling taxes that are collected by the Department of Economic Development and Tourism through Mpumalanga Economic Regulator (MER), interest on bank balances from the Exchequer account and Inter Governmental Cash Coordination account and over collection on the registration and motor vehicle licensing taxes.

PROVINCIAL INFRASTRUCTURE

The envisaged economic growth in the country is pinned on the successful development of infrastructure, provincially and nationally. Provincial Treasury supported infrastructure departments in the planning, delivery and reporting on infrastructure. The reports from departments is inadequate as it borders on malicious compliance. This is evident in the up and down delivery of the infrastructure in the province, leading to a stagnant budgeting on infrastructure. The local government support on infrastructure has slowed down with the pause on PINK program.

PERFORMANCE MANAGEMENT

During the reporting period, all planned output indicators have been successfully achieved. Furthermore, we are pleased to report several notable over-achievements in key areas:

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES CONTINUED

Unit	Key Deliverables
Programme 2: Sustainable Resource Management	
Provincial Administration Fiscal Discipline	Enhanced financial management practices have led to improved provincial own revenue collection
Budget and Expenditure Management	Effective budgetary controls and expenditure monitoring have resulted in optimal resource allocation and utilization.
Programme 3: Assets and Liabilities Management	
Information Technology	Advancements in technology have streamlined operations, increased efficiency, and enhanced service delivery.
Programme 4: Financial Governance	
Provincial Risk Management	Proactive risk management strategies have been implemented, minimizing potential threats to the province's fiscal and operational stability.
Provincial Internal Audit	Strengthened internal audit processes have ensured transparency, compliance, and accountability in financial management.

The Provincial Treasury is pleased to report that there have been no under-achievements during this period (2024/25 financial year). This success reflects the commitment and dedication of our team in meeting and exceeding our targets.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 PROGRAMME 1: ADMINISTRATION

The Programme is responsible for political, financial and administrative management of the Provincial Treasury. The Programme provides effective and efficient administrative support to all line functions in the Provincial Treasury.

The Programme consists of the following Sub-Programmes:

- a) Management Services: Office of the Head: Provincial Treasury
- b) Financial Management: Office of the CFO
- c) Internal Audit

List of institutional outcomes

- a) Improved financial performance and governance in PFMA and MFMA institutions.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 1 is responsible for political, financial, administrative management and support. The programme provides prompt, continuous, effective and efficient administrative support to all line functions in the Provincial Treasury.

Financial Management

In continuing with the spirit of supporting Small Medium Micro Enterprises during the period under review Provincial Treasury was able to pay all valid invoices within the set time lines of 30 days.

Performance Management

During the reporting period under review, Provincial Treasury maintained a 100% achievement on all planned output indicators.

Governance

The Risk and Ethics Management Committee as well as the Audit Committee are in place, these committees convene on a quarterly basis.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Table 4.1.1

Programme 1 : Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Management Services: Office of the Head Provincial Treasury								
Improved financial performance and governance in PFMA and MFMA institutions	Unqualified audit opinion with no findings	Achievement of Departmental financial and performance targets	1	1	1	1	N/A	N/A
	Approved Risk Register	Number of Approved Risk Register	1 Register	1	1	1	N/A	N/A
Financial Management Office of the Chief Financial Officer								
Improved financial performance and governance in PFMA and MFMA institutions	Implementation of the departmental budget	Number of departmental budget implemented	New Indicator	New Indicator	2	3	1	The Province tabled a second adjustment, which provided for departments to re-prioritise
	Financial management practices that support optimal departmental performance	Unqualified audit opinion on financial information	1	1	N/A	N/A	N/A	The indicator has been revised to "Number of departmental budget implemented"

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Programme 1 : Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Improved financial performance and governance in PFMA and MFMA institutions continued...	Suppliers paid within 30 days after receipt of valid invoices	Percentage of suppliers paid within 30 days after receipt of valid invoices	99.9%	100%	100%	100%	N/A	N/A
Internal Audit								
Improved financial performance and governance in PFMA and MFMA institutions	Approved Internal Audit Plan	Number of Internal Audit Plan approved	1	1	1	1	N/A	N/A

Linking performance with budgets

- The Programme has spent R143 777 000 which is 98.8 percent of its total budget.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Sub-programme expenditure

Departmental receipts	2023/2024			2024/2025		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Member of the Executive Council	-	-	-	6 613	6 593	20
Management Services	56 902	56 107	795	62 510	61 979	531
Financial Management	79 064	78 607	457	70 260	69 366	894
Internal Audit	5 481	5 403	78	6 070	5 839	231
Total	141 447	140 117	1 330	145 453	143 777	1 676

Strategy to overcome areas of under performance

- All planned targets were achieved for the period under review.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

- Not Applicable for the Programme

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

4.2. PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

The Programme exists to promote optimal and effective provincial and municipal fiscal policy in line with applicable financial management prescripts.

The programme consists of the following Sub-Programmes:

- a) Provincial Administration Fiscal Discipline
- b) Budget and Expenditure Management
- c) Municipal Finance
- d) Infrastructure Co-ordination

List of institutional outcomes

- a) Improved financial performance and governance in PFMA and MFMA institutions

Outcomes, outputs, output indicators, targets and actual achievements

Budget and Expenditure Management

The Provincial Fiscus improved in the 2024/25 financial year due to the review of the equitable share formula because of the increase in population numbers. The province received funding to sustain the previous year's wage agreement on compensation of employees. The province chose to also cater for the Compensation of Employees for the Department of Social Development. To a smaller extent the Department of Community Safety, Security and Liaison was allocated additional Compensation of Employees, mainly to deal with the challenges at the Lebombo Border. Overall, the province maintained its good performance on its expenditure outcome at 99.2 percent.

The sub programme tabled a second adjustment in March because the Department of Human Settlements received additional funds of R250 million. Three Departments rescheduled funds due to low expenditure outcomes in March 2025.

Provincial Administration Fiscal Discipline

The programme provided support to 12 votes in respect of own revenue collection. The programme achieved all its deliverables as planned. R3, 668 billion was collected against a budget of R2, 966 billion. The Province over collected by R701 million. Department of Community Safety, Security and Liaison will remain a priority for Provincial Treasury as the department has the biggest potential for own revenue generation.

This is more so as more municipal collection services revert to the province. Special attention will be given to the Mpumalanga Economic Regulator as the second biggest collector for the province, because of gambling and betting. The programme produced the Annual Financial Statements for the Revenue fund and received an unqualified audit outcome same as the previous financial years.

Infrastructure Coordination

The unit has made positive progress in the coordination of infrastructure delivery in the province. Despite all the challenges, the subprogramme managed to achieve all its planned targets. The unit used to provide support to six infrastructure departments. Since the addition of Human Settlements as an Infrastructure Department, the unit had challenges as the Department was not ready to report as an infrastructure Department. Because of the merger in 2025, the unit will move from seven infrastructure departments to six infrastructure departments again. The volume of work does not decrease, though; it will even increase.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

There is still a challenge with some departments not fully on board even though National Treasury has automated the Infrastructure Reporting Model and not all departments have been able to handle the transition well. The sub programme is also expected to help municipalities in the PINK programme with infrastructure issues. Training was provided to all seven departments on IDMS delivery and other related matters.

Municipal Finance

The unit continued to support municipalities towards improvement of adopted budgets through continuous assessments and feedbacks with recommendations. In this regard the unit supported 7 municipalities with improvement of the unfunded budget status. (Mkhondo, Dr Pixley Ka Isaka Seme, Lekwa, Steve Tshwete, Victor Khanye, Thaba Chweu and Nkomazi).

The unit reviewed the Mandatory Financial Recovery Plans for the four financial distressed municipalities, (Emalahleni, Govan Mbeki, Msukaligwa and Thaba Chweu) and the MEC handed these amended plans over to the Councils for implementation. The unit further coordinated support to nine municipalities in the form of resident advisors. These advisors were placed to assess and support with the improvement of financial management. These municipalities are Dipaleseng, Lekwa, Msukaligwa, Govan Mbeki, Victor Khanye, Emalahleni, Emakhazeni, Thaba Chweu and Nkomazi.

Table 4.2.1

Programme 2 : Sustainable Resource Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Provincial Administration Fiscal Discipline								
Improved financial performance and governance in PFMA and MFMA institutions	Collected projected Provincial own revenue	Percentage of projected own revenue collection in the Province	127%	126%	100%	124%	24%	Over collected by 24% due to betting taxes by DEDT and interest of bank balance (IGCC and Exchequer account) by Provincial Treasury

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Programme 2 : Sustainable Resource Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
	Unqualified audit opinion on revenue fund financial statements	Number of unqualified audit opinion on revenue fund financial statements	1 Set	1	1	1	N/A	N/A
Budget and Expenditure Management								
Improved financial performance and governance in PFMA and MFMA institutions	Estimates of Provincial Revenue Expenditure (EPRE) documents Prepared	Number of Estimates of Provincial Revenue Expenditure documents Prepared	3 Documents	2	2	3	1 AEPRE	Reallocation of resources by National Treasury necessitated a second adjustment
Improved financial performance and governance in PFMA and MFMA institutions continued...	Appropriation Bills Prepared	Number of Appropriation Bills Prepared	3 Bills	2	2	3	1 Bill	Reallocation of resources by National Treasury necessitated a second adjustment

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Programme 2 : Sustainable Resource Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Municipal Finance								
Improved financial performance and governance in PFMA and MFMA institutions	Municipalities draft budgets analysed	Number of Municipalities' draft budgets analysed.	19 Municipalities	19	19	19	N/A	N/A
	Municipalities Mid-year budgets performance analysed	Number of municipalities Mid-year Budget performance analysed	19 Municipalities	19	19	19	N/A	N/A
Infrastructure Coordination								
Improved financial performance and governance in PFMA and MFMA institutions	Infrastructure Reporting Model analysed	Number Of Infrastructure Reporting Model Analysed	12 Reports	12	4	4	N/A	N/A
		Number of feedback reports submitted to institutions based on the analysis of Infrastructure Reporting Model	12 Reports	12	N/A	N/A	N/A	The indicator has been revised to "Number of Infrastructure Reporting Model Analysed"

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Programme 2 : Sustainable Resource Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Improved financial performance and governance in PFMA and MFMA institutions continued...	User Assets Management Plans(Uamps) Analysed	Number of User Assets Management Plans Analysed	13 Plans	6	6	6	N/A	N/A

Linking performance with budgets

- The Programme has spent R71 647 000 which is 99.2 percent of its total budget..

Sub-programme expenditure

Departmental receipts	2023/2024			2024/2025		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	2 031	2 010	21	2 351	2 328	23
Provincial Administration Fiscal Discipline	13 151	13 151	0	14 124	14 035	89
Budget and Expenditure Management	14 002	14 002	-	16 076	15 846	230
Municipal Finance	59 862	59 671	191	32 185	32 045	140
Infrastructure Co-Ordination	7 044	7 044	-	7 448	7 393	55
Total	96 090	95 878	212	72 184	71 647	537

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Strategy to overcome areas of under performance

- All planned targets were achieved during the period under review

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

- Not Applicable for the Programme

4.3. PROGRAMME 3: ASSETS AND LIABILITIES MANAGEMENT

The Programme is responsible for monitoring and support of Assets, Liabilities, Provincial Supply Chain Management, as well as provisioning of Transversal Systems and Information Technology Services to Departments, Public Entities and Municipalities in Mpumalanga Province.

The programme consists of the following Sub-programmes:

- a) Provincial Supply Chain Management
- b) Public Sector Liabilities
- c) Physical Assets Management
- d) Interlinked Financial Systems
- e) Information Technology

List of institutional outcomes

- a) Improved financial performance and governance in PFMA and MFMA institutions

Outcomes, outputs, output indicators, targets and actual achievements

The Programme achieved all its targets for the year under review in all the sub-programme being Supply Chain Management, Public Sector Liabilities, Physical Assets Management, Interlinked Financial Systems and Information Technology.

Supply Chain Management

This sub-programme is mainly responsible for monitoring compliance with the implementation of procurement plans, payment of service providers within 30 days and contract management to all PFMA and MFMA institutions. The sub-programme supported all PFMA and MFMA institutions with compliance to procurement plan. Feedback letters were issued to all Institutions with recommended remedial action to be implemented by Institutions.

The 30 days' payment reports were received from Government Institutions, assessed and feedback with remedial action issued for implementation. Payment of service providers within 30 days remain a challenge across most Institutions. The mainly reason cited for non-compliance is cash flow management. The sub-programme also monitored compliance with contract management practices. Feedback on this regard was issued to monitored Institutions with remedial action for implementation.

Public Sector Liabilities

This sub-programme is responsible for monitoring and advising both PFMA and MFMA Institution with the management of public liabilities. During the reporting period the sub-programme monitored all 12 Votes, 10 Municipalities and 4 Public Entities. The liabilities status of these institutions was assessed and feedback reports with remedial action issued for implementation by monitored Institutions.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Physical Assets Management

This sub programme achieved 100% on all planned outputs for the reporting period. Support with compliance to the asset management framework was provided to 8 Votes, 3 Public Entities and 11 Municipalities. Feedback reports were issued to institutions for implementation.

Interlinked Financial Systems

The Sub-programme achieved 100% on all planned outputs for the reporting period. The sub-programme is responsible for providing support to all votes on the functioning of all transversal systems (BAS, LOGIS, PERSAL and VULINDLELA). Feedback was provided to all 12 Votes regarding the utilisation of these transversal systems. The sub-programme also supported and monitored the implementation and utilisation of the Business Process Automation systems. These systems include the electronic document delivery system (EDD), e-leave system, Invoice tracking system and the e-submission system. These systems have been fully implemented across departments and the utilisation thereof is monitored on an on-going basis.

Information Technology

The sub-programme is responsible for providing information technology governance support to 6 Votes and 7 Municipalities. In this regard the sub-programme successfully supported all these Institutions during the reporting period. The sub-programme over-achieved on network availability by 12.3%. This was due to the consistent power availability that resulted to a better network performance across departments.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Table 4.3.1

Programme 3 : Assets and Liabilities Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Provincial Supply Chain Management								
Improved financial performance and governance in PFMA and MFMA institutions	Feedback issued for compliance on procurement plans	Percentage of institutions issued with feedback for compliance on Procurement plans	100%	100%	100%	100%	N/A	N/A
	Feedback issued on 30 day payment	Percentage of institutions monitored on 30 days payment to contracted service providers	100%	100%	100%	100%	N/A	N/A
	Feedback issued on compliance of contract management practices	Percentage of institutions monitored on contract management	100%	100%	100%	100%	N/A	N/A

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Programme 3 : Assets and Liabilities Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Public Sector Liabilities Management								
Improved financial performance and governance in PFMA and MFMA institutions	Feedback issued for compliance on liabilities management	Number of PFMA and MFMA institutions issued with feedback for compliance on liabilities management	12 Votes, 10 Municipalities and 4 Public Entities	12 Votes, 10 Municipalities and 4 Public Entities	12 Votes, 10 Municipalities and 4 Public Entities	12 Votes, 10 Municipalities and 4 Public Entities	N/A	N/A
Physical Assets Management								
Improved financial performance and governance in PFMA and MFMA institutions	Feedback issued for compliance to assets management framework	Number of PFMA and MFMA institutions issued with feedback for compliance to assets management framework	6 Votes 2 Public Entities 8 Municipalities	6 Votes 2 Public Entities 8 Municipalities	6 Votes 2 Public Entities 8 Municipalities	6 Votes 2 Public Entities 8 Municipalities	N/A	N/A
Interlinked Financial Systems								
Improved financial performance and governance in PFMA and MFMA institutions	Votes supported on utilisation of transversal systems	Number of Votes supported on utilisation of transversal systems	12 Votes	12	12	12	N/A	N/A

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Programme 3 : Assets and Liabilities Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Information Technology								
Improved financial performance and governance in PFMA and MFMA institutions	Institutions provided with IT Governance Support	Number of PFMA and MFMA institutions provided with IT Governance Support	6 Votes and 9 Municipalities	7 Votes and 8 Municipalities	6 Votes and 7 Municipalities	6 Votes and 7 Municipalities	N/A	Output has been revised for both output indicators from "Business continuity on information communication technology services"
	Network Availability	Percentage of Network Availability	88.92%	89.36%	85%	97.26%	12.3%	Consistent power supply allowed for smoother operations and better overall network performance as there were fewer power outages

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Linking performance with budgets

- The Programme has spent R339 152 000 which is 99.8 percent of its total budget

Sub-programme expenditure

Departmental receipts	2023/2024			2024/2025		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	1 811	1 811	-	2 115	2 085	30
Provincial Supply Chain Management	23 178	23 178	-	25 799	25 677	122
Public Sector Liabilities	4 688	4 688	-	5 541	5 507	34
Physical Assets Management	7 014	7 014	-	7 480	7 418	62
Interlinked Financial Systems	127 896	127 047	849	109 670	109 631	39
Information Technology	122 963	118 274	4 689	189 183	188 834	349
Total	287 550	282 012	5 538	339 788	339 152	636

Strategy to overcome areas of under performance

- All planned targets were achieved during the period under review

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

- Not Applicable for the Programme

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

4.4. PROGRAMME 4: FINANCIAL GOVERNANCE

This Programme serves to facilitate, monitor, support and provide professional advice to ensure good governance in the Province.

The Programme consists of the following Sub-programmes:

- a) Accounting Services
- b) Norms and Standards
- c) Provincial Risk Management
- d) Provincial Internal Audit

List of institutional outcomes

- a) Improved financial performance and governance in PFMA and MFMA institutions.

Outcomes, outputs, output indicators, targets and actual achievements

Accounting Services

Provincial Treasury supported departments, public entities and municipalities on the preparation of accurate financial statements through reviewing Interim and Annual Financial Statements. The support also included the implementation and interpretation of MCS and GRAP accounting standards.

Norms and Standards

Provincial Treasury supports departments, public entities, and municipalities to implement remedial audit action plans to improve the province's overall annual outcomes during the period under review.

The Provincial Treasury works with all institutions to ensure the adequacy of internal controls so that the limited resources result in a demonstrable change in the quality of life of the people of Mpumalanga.

Provincial Risk Management

The PRM Unit provides hands-on support to institutions with regard to Enterprise Risk Management in order to increase the risk maturity level in the Province.

The over-achievements under the Provincial Risk Management Unit were due to the high number of requests received from stakeholders for assistance with risk assessments, orientation of Risk Committee members and invitations to attend Risk Management Committee meetings.

Provincial Internal Audit

The Unit supports Provincial departments, public entities and municipalities through evaluating internal audit plans and Audit Committees and provide recommendations for improvement.

The Provincial Internal Audit Unit had over-achievements in terms of the evaluation of Audit Committees due to a high number of requests received for the attendance and evaluation of such meetings.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Table 4.4.1

Programme 4 : Financial Governance								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Accounting Services								
Improved financial performance and governance in PFMA and MFMA institutions	Public institutions' AFS complying with legislation and prescripts	Number of public institutions issued with feedback on financial statements analysed	12 Votes 2 Public Entities 10 Municipalities	12 Votes 2 Public Entities 8 Municipalities	12 Votes 1 Public Entity 8 Municipalities	12 Votes 1 Public Entity 8 Municipalities	N/A	N/A
Norms and Standards								
Improved financial performance and governance in PFMA and MFMA institutions	Public institutions complying with legislation and prescripts	Number of public institutions issued with feedback on compliance to fleet management prescripts	6 Votes	3 Votes	3 Votes	3 Votes	N/A	N/A
		Number of public institutions issued with feedback on compliance to information management prescripts	6 Municipalities	6 Municipalities	6 Municipalities	6 Municipalities	N/A	N/A

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Programme 4 : Financial Governance								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Provincial Risk Management								
Improved financial performance and governance in PFMA and MFMA institutions	Enterprise Risk Management Framework (ERMF) issued	Number of Enterprise Risk Management Frameworks (ERMF) issued to standardize Risk Management processes in public institutions	1 ERMF	1 ERMF	N/A	N/A	N/A	The output indicator is not planned for the current financial year.
	Risk management processes evaluated	Number of evaluations performed on effectiveness of Risk Management processes	New Indicator	37	30	32	2	More invitations have been received to attend and evaluate the effective functioning of the Risk Management Committee meetings.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Programme 4 : Financial Governance								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Improved financial performance and governance in PFMA and MFMA institutions continued...	Assessed Risk Maturity levels	Number of public institutions Risk Maturity levels assessed	1 Vote 1 Municipality	3 Votes 1 Public Entity 3 Municipality	2 Votes 1 Public Entity 3 Municipalities	3 Votes 1 Public Entity 3 Municipalities	1 Vote	A follow-up was made on previously assessed Institutions to track progress made in implementing recommendations to improve the maturity level.
Provincial Internal Audit								
Improved financial performance and governance in PFMA and MFMA institution	Internal audit plans analysed	Percentage of Internal audit plans for Public institutions analysed	100% of internal audit plans that were received, analysed	100%	100%	100%	N/A	N/A
	Audit Committees evaluated	Number of evaluations performed on effectiveness of Audit Committees of public institutions	72 Evaluations	68	36	55	19	More invitations for evaluations were received from the institutions

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Linking performance with budgets

- The Programme has spent R28 731 000 which is 99.2 percent of its total budget

Sub-programme expenditure

Departmental receipts	2023/2024			2024/2025		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	3 025	3 015	10	2 366	2 361	5
Accounting Services	5 872	5 872	-	8 596	8 547	49
Norms and Standards	9 831	9 831	-	11 421	11 362	59
Provincial Risk Management	3 487	3 487	-	4 000	3 950	50
Provincial Internal Audit	3 410	3 410	-	2 570	2 511	59
Total	25 625	25 615	10	28 953	28 731	222

Strategy to overcome areas of under performance

- All planned targets were achieved for the period under review

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

- Not Applicable for the Programme

5. TRANSFER PAYMENTS

5.1. TRANSFER PAYMENTS TO PUBLIC ENTITIES

There were no transfers made to public entities in the financial year under review.

5.2. TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES

Provincial Treasury transferred R10, 268 million to 1 (one) Municipality for financial support towards the improvement of their revenue collection ability.

The table below reflects the transfer payments made for the period 1 April 2024 to 31 March 2025

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred	Amount spent by the entity	Reasons for the funds unspent by the entity
Victor Khanye	Local Municipality	Improvement of revenue collection ability	Yes	10 268	8 656	Project for meter audit and data cleansing project still in progress

6. CONDITIONAL GRANTS

The Provincial Treasury did not receive any conditional grant for the financial year under review.

7. DONOR FUNDS

The Provincial Treasury did not receive any donor funds for the financial year under review.

8. CAPITAL INVESTMENT

8.1. CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

Departmental receipts	2023/2024			2024/2025		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New and replacement assets	25 330	20 753	4 577	34 489	34 172	317
Total	25 330	20 753	4 577	34 489	34 172	317

GOVERNANCE

PART C

1. INTRODUCTION

Commitment by the department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the department has good governance structures in place to effectively, efficiently and economically utilize the state resources, which is funded by the tax payer.

2. RISK MANAGEMENT

The Accounting Officer (AO) assumes overall responsibility for the implementation of Enterprise Risk Management (ERM) in alignment with the National Treasury's Public Sector Risk Management Framework. An approved ERM Policy is in place, providing a structured framework for integrating risk management processes across the Provincial Treasury. This is supported by a comprehensive Risk Management Strategy and Implementation Plan, which facilitates ongoing monitoring and evaluation of risk management performance throughout the financial year. During the reporting period, the Provincial Treasury proactively identified key risks that could potentially impact its operations, enabling the development of appropriate mitigation measures.

The Provincial Treasury conducts annual risk assessments and reviews in accordance with Treasury Regulation 3.2.1. This process enables the department to strategically direct its Internal Audit efforts and prioritize the allocation of resources. Provincial Treasury has continued to improve its risk maturity level and the application of Risk Management principles by collaborating closely with the Planning Directorate. This partnership supports the development of departmental Annual Performance Plans, Operational Plans and ensures that identified risks are aligned with the department's outputs. The identification of emerging risks is a fundamental part of the department's risk management process. To proactively identify such risks, the department undertakes continuous environmental scanning and monitors internal and external audit findings. Regular consultations with key stakeholders including operational units and senior management, support the early detection of potential threats.

The Risk and Ethics Management Committee (REMC) is responsible for overseeing the adoption, implementation, and monitoring of Enterprise Risk Management (ERM) policies and processes. The REMC comprises selected members of the Provincial Treasury's Senior Management Team and chaired by an external member. In line with its approved Terms of Reference, the Committee meets quarterly to evaluate the effectiveness of mitigation strategies addressing material risks.

Each meeting includes a review of key existing and emerging risks, with Programme Managers and Heads of Sections required to report on the implementation progress of action plans designed to reduce the likelihood and/or impact of potential risks. These structured engagements have enabled the department to effectively monitor and enforce risk mitigation measures, contributing to the successful achievement of objectives outlined in the Annual Performance Plan (APP).

The REMC has played a key role in strengthening risk governance within the department. Its consistent oversight and structured reporting process has ensured that risks are identified, assessed, and managed in a timely and coordinated manner. Active involvement from Programme Managers and Heads of Sections has further reinforced accountability and improved responsiveness across the department.

The Audit Committee played a critical oversight role in ensuring the integrity and effectiveness of the organization's risk management processes. Risk management is a standing agenda item at the quarterly Audit Committee meetings, allowing

2. RISK MANAGEMENT CONTINUED

for regular and structured engagement with risk-related matters. During these meetings, the Committee reviews reports on key strategic, operational, and financial risks, evaluates the adequacy of mitigation strategies, and monitors progress on the implementation of risk action plans. This ongoing oversight enables the Committee to provide informed guidance and assurance to the Accounting Officer and senior management, ensuring that risks are being appropriately identified, managed, and aligned with the outcomes.

The department has made measurable progress in managing risks through strengthened oversight, enhanced risk reporting mechanisms, and the consistent implementation of mitigation strategies. Despite ongoing uncertainty, risks have been effectively managed across all business units. Risk considerations are now fully integrated into planning, budgeting, and strategic decision-making processes, with efforts focused on risk identification, mitigation enforcement, and continuous monitoring.

Risk governance is evaluated using relevant and appropriate Key Risk Indicators (KRIs), ensuring accountability and oversight. Regular environmental scans are conducted to ensure the department's risk universe remains current and responsive to emerging threats. The Provincial Treasury's risk culture reflects its vision, mission, and ethical standards, underpinned by strong leadership commitment and proactive practices.

The implementation of the Combined Assurance Framework has significantly enhanced the department's risk management capabilities. Improved collaboration among various assurance providers has led to better alignment of risk and governance activities, minimized duplication of efforts, and more effective identification and mitigation of risks.

There are some risks that are not mitigated to an acceptable level due to the department's reliance on external stakeholders such as departments, municipalities, and public entities to implement recommended actions. While a range of interventions are outlined in the Annual Performance Plan and Operational Plan to support stakeholders, the department has no direct authority over their governance processes. This limits the consistent implementation of risk mitigation strategies. To address this, the department continues to engage stakeholders actively to promote ongoing institutional improvement.

The implementation of the Risk Management Framework has also enhanced the department's ability to identify, assess, and manage risks. Notably, business unit cooperation has improved, reflecting a growing culture of risk awareness and accountability. To improve alignment between risk management and performance outcomes, the department is implementing additional interventions for the upcoming financial cycle.

Significant advancements have also been made in Business Continuity Management (BCM), with the development and approval of a revised, risk-aligned Business Continuity Plan. This plan ensures alignment with the department's critical business processes, enhancing resilience against potential disruptions.

3. FRAUD AND CORRUPTION

The Department maintains a zero-tolerance stance on fraud and corruption. The department is committed to preventing and combating all forms of corrupt and fraudulent activities, whether originating internally or externally. Any individual or entities found to be involved in such practices or any attempt to do so, will be pursued and prosecuted to the fullest extent of the law.

2. RISK MANAGEMENT CONTINUED

Fraud poses a serious threat to the Provincial Treasury's assets, the effectiveness of service delivery, and its institutional reputation. In response, the Department has developed a comprehensive Whistle-blower Policy, Fraud Prevention Plan, and Fraud Prevention Strategy, in alignment with the Government's commitment to combating corruption.

These initiatives form a critical part of the broader National Anti-Corruption Strategy, while also reinforcing both the Public Service and Local Government Anti-Corruption Strategies.

Multiple reporting channels are available for the public and staff to report suspected cases of fraud, theft, or corruption. Details of these mechanisms can be found in the Provincial Anti-Fraud and Corruption Strategy, the Whistle-blower Policy, and the Department's Fraud Prevention Plan and Strategy.

The department successfully conducted an Anti-Fraud and Corruption Awareness Campaign aimed at educating employees on identifying unethical practices and promoting a culture of integrity. A key focus of the campaign was on whistleblowing, emphasizing the importance of reporting any suspected fraud, corruption, or misconduct. Employees were encouraged to speak up against wrongdoing, with reassurances about the confidentiality and protection provided to whistle-blowers in line with relevant policies and legislation.

Through the Asset and Forfeiture Unit, the department recovered R786 585.35 for a case previously reported and prosecuted.

4. MINIMISING CONFLICT OF INTEREST

The Mpumalanga Provincial Treasury continues to minimise conflict of interest in line with, the guidance provided for from relevant prescripts applicable in and for the public service, and to the extent not in conflict with applicable prescripts, not limited to the following:

There is a system in place for officials to request permission from the Executive Authority, in terms of the section 30 of the Public Service Act for other remunerative work outside their employment in the Public Service, officials are sensitised of the consequences of non-compliance in this regard both in terms of the Public Service Act, 1994 and the Public Service Regulation, 2016.

Furthermore 100% submission of disclosure of financial interest by all designated employee's categories was facilitated and achieve. For the financial period under review, there were no officials falling outside the designated categories who sort permission for other remunerative work. To tighten compliance in this regard, random CIPC tests were also conducted for all officials, including officials not designated for disclosure of financial interest.

The financial disclosure of interest was also utilised as a tool to conduct lifestyle audit as required by applicable lifestyle audit framework.

A Gift Register was kept, however there were no gifts registered for the period under review.

Ethics Management programs were conducted through various means in order to ensure the continued adherence to a system of ethics within the department.

5. CODE OF CONDUCT

The Provincial Treasury adheres to the Code of Conduct and promotes high standard of professional ethics. Awareness workshops on Code of Conduct were conducted for all employees including the newly appointed employees and a copy of Code of Conduct was issued to all newly appointed employees. Compliance to the Code of Conduct enhances professionalism and ensures confidence in the Public Service and the promotion of ethical conduct.

There has been breach of the Code of Conduct by employees, corrective measures were implemented in terms of the Public Service Co-ordinating Bargaining Council Resolution 1 of 2003 Disciplinary Code and Procedure (applicable to employees on salary levels 1 to 12). During the period under review, the Provincial Treasury received and finalized 2 misconduct and 4 grievance cases.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Occupational Health and Safety Act, 1993 (Act No. 85 of 1993) as amended, imposes the responsibility on the employer to provide and maintain, as far as is reasonably practical, a healthy working environment that is safe and without risk to the health of its employees.

The Provincial Treasury monitors the OHS Action Plan on occupational health and safety hazards in all the workstations. OHS representatives were officially appointed in the various workstations with a responsibility to identify possible occupational hazards/risks that might affect operations and escalate accordingly where necessary for intervention.

The OHS Committee meetings inclusive of labour stakeholders were convened quarterly to mitigate identified occupational hazards through regular workplace inspections including Regional and Satellite Offices. The state-owned office buildings occupied by Provincial Treasury are reliant on DPWRT for maintenance services to mitigate any occupational health and safety hazards. The Provincial Treasury noted an improved progress on maintenance of offices through collaborate with DPWRT which optimally mitigate occupational health and safety hazards, thereby avoiding unnecessary claims, law suits and litigation's.

7. PORTFOLIO COMMITTEES

Meeting dates of the Portfolio Committee

Portfolio Committee	Date
1st Quarter Performance Report 2024/25	08 October 2024
2nd Quarter Performance Report 2024/25	03 December 2024
3rd Quarter Performance Report 2024/25	06 March 2025

7. PORTFOLIO COMMITTEES CONTINUED

Resolution No	Resolutions	Response by Provincial Treasury
1st Quarter Performance Report 2024/25 meeting held on 08 October 2024		
Compensation of Employees		
i.	Was an approval obtained from the OTP to fill the twenty-eight (28) critical funded post? If not, why not?	Yes, approval was obtained.
ii.	Can Provincial Treasury provide an update on the four (4) critical funded posts which were not filled by the end of the quarter as well as reasons for not filling these posts as planned?	Two (2) of these posts were subject to EXCO approval however, the 12 months has since lapsed and had to be re-advertised The remaining two (2) posts could not be filled as suitable candidate were not found and have since been re-advertised
Goods and Services		
iii	Can Provincial Treasury provide the Portfolio Committee with a list of municipalities to be supported in 2024/25 financial year under the Municipal intervention programme	All 16 Local Municipalities and 1 District Municipality (Gert Sibande) are earmarked for support in various areas. Areas of support include: • The six game changers, which are Budgets, Revenue Management, SCM, Asset management • MSCOA Implementation • Audit improvement • Financial Accounting and Financial Reporting, • Training of Oversight Structures (e.g. MPAC's and Disciplinary Boards) Over and above these, the review of Financial Recovery Plans for four municipalities are underway (Govan Mbeki, Msukaligwa, Emalahleni and Thaba Chweu). Nine municipalities supported with placement of resident advisors for Budget and Revenue support. These advisors are part of the Municipal Finance Improvement Programme and were placed for a period of 24 months in these municipalities. (Dipaleseng, Lekwa, Govan Mbeki, Msukaligwa, Victor Khanye, Emalahleni, Emakhazeni, Thaba Chweu and Nkomazi.) Four Municipalities supported with deployment of advisors for Infrastructure procurement and Knowledge Management. (Pink programme Nkomazi, Chief Albert Luthuli, Mkhondo and Dr Pixley Ka Isaka Seme)

7. PORTFOLIO COMMITTEES CONTINUED

Resolution No	Resolutions	Response by Provincial Treasury
iv	How much has been set aside to assist these municipalities, and how much has been spent to date?	For the 2024/25 financial year an amount of R15 million has been set aside: R10.2 million has been transferred for revenue enhancement programme. R1.5 million has been spent for is for quality assurance assessment for audit functionality
v	What are the reasons for underspending on the Municipal Interventions?	There was no underspending relating to the budget for municipal interventions and spending according to plan for the year.
vi	What are the reasons for the significant underspending on the Infrastructure Delivery Management System?	Noting that, this is in relation to the first quarter, the spending is in line with the plan for the year, and expenditure is expected to come through in the 3rd and 4th quarter for 2024/25 financial year.
vii	Can Provincial Treasury provide a detailed progress report in securing a service provider for the IDMS and indicate the challenges experienced throughout the process?	Purpose of IDMS funding is to augment capacity through employing staff in line with the approved organogram and through support from external support. • Enhancing Staff Three (3) staff members were employed by Provincial Treasury in line with the approved organisational structure, however, due to staff turnover 2 staff accepted better offers elsewhere. • External Support A database of service providers in the built construction and build industry has been established, however, challenge is on pricing when they are requested to quote
Payment of Capital Assets		
viii	Noting that more than half of the budget allocated towards Payment for Capital Assets has been spent during the first quarter of the 2024/25 financial year, how will the department even the expenditure in the subsequent quarters?	Expenditure is in line with the plan of the department, were there are budget pressures, the department will follow processes as outlined by Provincial Treasury.

7. PORTFOLIO COMMITTEES CONTINUED

Resolution No	Resolutions	Response by Provincial Treasury
ix	What mechanisms will the department put in place to mitigate such spending in future?	The department will spend in line with the approved procurement plan. The implementation of the procurement plan is monitored on a monthly basis by the Management Committee and where needed, remedial actions are implemented to fast-track procurement
General Questions		
x	How is the department planning to assist SOEs, or public entities that are contributing largely to the provincial fiscus such as the Mpumalanga Economic Regulator?	All are supported in line with their different mandates for which they have been established. The support is not based on what any particular SOE contributes to the fiscus rather on its tabled plans as per the APP and available resources in the Province, this applies to Departments as well If any SOE requires any additional funding. It follows the normal budget process, bids for the funds and based on the availability allocations are made as would be prioritised ultimately at that particular period. The support is on all areas of financial management as expected from a Treasury such as FM&G, Assets and Liabilities, SCM, Revenue enhancement etc.
2nd Quarter Performance Report 2023/24 meeting held on 16 November 2023		
Goods and Services		
i.	Can the department indicate the critical changes that were affected on the revised organisational structure and clarify how this will make working conditions more conducive?	The critical changes: Programme 5 which is intended to better coordinate the support given to MFMA institutions has been introduced, this will provide for all relevant financial management units and streamline programmes The Economic Analysis function will also be re-established in line with the generic structure for all treasuries and this will enhance Provincial Treasuries capacity to conduct economic research and work with other relevant institutions to provide real time data analysis as and when required

7. PORTFOLIO COMMITTEES CONTINUED

Resolution No	Resolutions	Response by Provincial Treasury
ii.	How will the reduction in the department's Compensation of Employees budget by R18.2 million during the adjustment appropriation affect the filling of vacant positions within the department during the 2024/25 financial year	The reduction will not affect the filling of funded vacant posts as these have accordingly been catered for, for the remainder of the 2024/25 financial year
Transfers and Subsidies		
iii	How will the department offset the gross over expenditure from the Transfers and Subsidies budget considering that it has already been exhausted with two quarters remaining in the financial year?	Savings realised from the compensation of employees economic classification item as tabulated above will be used for cater for the 6 months overspending under the transfers and subsidies economic classification item
iv	Is it a normal phenomenon that the Provincial Treasury can assist the municipalities with operational expenses of this magnitude, especially when they were not planned?	The assistance provided is not for operational purposes but for municipalities to implement the financial management pillar of their financial recovery plans For example, the smart metering process is to assist municipalities with revenue generation which is the key feature in the financial recovery plan and in implementing their revenue enhancement strategies
Capital Assets		
v	Noting that more than half of the budget allocated towards Payment for Capital Assets has been spent during the second quarter of the 2024/25 financial year, how will the department even the expenditure in the subsequent quarters?	The spending on this line item is in line with the department's plan and the department does not anticipate challenges moving forward. The department budgeted for and procured Capital Assets in line with the procurement plan where the majority of these Assets were acquired during the first and second quarter

7. PORTFOLIO COMMITTEES CONTINUED

Resolution No	Resolutions	Response by Provincial Treasury
Programme 4: Financial Governance		
vi	Can the department provide a list of all the Goods and Services paid to consultants that was higher than anticipated, provide reasons for this, as well as indicate how it will prevent such an occurrence in the future?	Review of Financial Recovery Plans to the following municipalities: • Msukaligwa • Govan Mbeki • Emalahleni and • Thaba Chweu The review process has been completed for the three municipalities with only Thaba Chweu Local Municipality still underway
3rd Quarter Performance Report 2024/25 meeting held on 06 March 2025		
Goods and Services		
i.	Can the department provide reasons for under budgeting on Good and Services line item and how such will be prevented in future?	The budget is informed by the allocation received, as with all other votes, pressures were registered however not all of them could be satisfied hence the need for Provincial Treasury to realise savings during the year.
ii	Considering that the overall spending for the quarter is above the 75% threshold, how will the department even the expenditure to avoid overspending at the end of the financial year.	Cost curtailment measures were introduced from January in order to curb any potential overspending.
Transfers and Subsidies		
iii	How is the department monitoring the smart metering project at Victor Khanye Local Municipality to ensure that funds are being utilised for the intended purpose?	The Municipality submits reports to Provincial Treasury, which are verified by the Planning and Coordination unit, these include actual site visits in order to confirm completed work. Further, through the s71 reports, expenditure is reviewed and confirmed and accordingly confirmed to have been used for the intended purpose. The MEC will also further engage with Council through his municipal support engagements.

7. PORTFOLIO COMMITTEES CONTINUED

Resolution No	Resolutions	Response by Provincial Treasury
iv	Is the financial support sufficient to cover for the entire municipality?	The financial support is not adequate but the municipality is expected to augment this through its own budget and engagements with other stakeholders
v	Can the department indicate whether the project is yielding fruitful results?	Provincial Treasury cannot indicate yet given that the solution has recently been implemented, however through regular reporting and monitoring as detailed above, this will be assessed at the end of the financial year and accordingly reported on.
vi	Can the department share with the Portfolio Committee a progress report of the project indicating the budget and expenditure to date as well as the challenges and successes?	Progress as reported by the municipality as at 06 February 2025: The Municipality has obtained R10 268 235 from the Provincial Treasury for the procurement of prepaid meters The total spending for the procurement of meters with the customer interface unit box is R8 656 000 4000 single phase smart split meters have been procured and mounted on electricity poles The Municipality opted for the meters that are mounted on the electricity poles rather than those inside the house The total remaining as unspent grant is R 1 612 325 which is allocated for: • Integration of smart metering system to SCADA network • Supply Date Concentrator unit • Supply load management device for geysers • The outstanding balance is anticipated to be spent by 31 May 2025 Provincial Treasury has received the report and subject to verification. Progress attached as "Annexure 1

8. SCOPA RESOLUTIONS

Date of Sitting: 15 February 2024

SELECT COMMITTEE ON PUBLIC ACCOUNTS	DATE
Meeting of the Select Committee on Public Accounts	15 November 2024

Resolution No	Subject	Details	Response by Provincial Treasury	Resolved (Yes/No)
i	Implementation of previous SCOPA resolutions on the Audit Outcomes 2023/24	Continue to monitor the internal oversight measures that were put in place to detect and prevent non-compliance with legislation and any other irregularities that would cause the Department to lose its clean audit status in the next financial year.	Provincial Treasury continues to strengthen its internal controls through: - Regular audits by Internal Audit - Risk assessments and risk reporting - Review of reports by both Risk, Ethics Management Committee (REMC) and audit committee - Monthly management meetings - Performance reviews and Portfolio of Evidence (POE) assessments - Ongoing compliance monitoring with instruction notes	Yes
ii		Facilitate a review of the Integrated Municipal Support Plan (IMSP) and conduct regular impact assessments of the IMSP quarterly reports	IMSP coordination led by COGTA the Provincial Treasury actively participates - The Provincial Treasury has conducted FRP impact assessment which led to their review - Feedback is provided to all municipalities periodically, for example: - Draft budget assessments annually, Midyear budget performance assessments, - MSCOA compliance and data string assessments monthly, - Section 71 assessments quarterly, - Audit Steering Committee support during audit process, Assurance providers' assessments annually.	Yes

8. SCOPA RESOLUTIONS CONTINUED

Resolution No	Subject	Details	Response by Provincial Treasury	Resolved (Yes/No)
iii		Ensure that feedback from the monthly and quarterly impact assessments on the remedial action plans of municipalities is incorporated into the Section 71 and 72 MFMA Reports to Council.	Provincial Treasury gives regular feedback to Municipalities as detailed above, the responsibility to incorporate and implement remains that of the municipality.	Yes
iv		Implement tools and mechanisms to impactful support local government in the review of their Annual Financial Statements, Financial Recovery Plans, capacitating of SCM staff, and training of municipal leadership. Provide a progress report in this regard.	The following has been done: Annual Financial Statements: • Training on compilation of AFS • Review of submitted AFS and feedback provided • Actual support during the audit by attending ASC, resolving queries and regular advise Financial Recovery Plans • Provincial Treasury has done reviews and all have been handed to relevant Councils • Support was provided towards the improvement of the budgets and revenue management • Placement of resident advisors to assist in financial management Supply Chain Management • Bid Committees to SCM and bid committee members • Workshops on contract management and demand management (which was inclusive of implementation of the UIF&W implementation) Various other trainings have been planned for the remainder of the financial year.	Yes

8. SCOPA RESOLUTIONS CONTINUED

Resolution No	Subject	Details	Response by Provincial Treasury	Resolved (Yes/No)
v		Implement tools, mechanisms, and systems to effectively monitor all governance structures at departments and municipalities, specifically on the implementation of Provincial Treasury recommendations. Provide a progress report in this regard.	Monitoring done through the following: Review of reports • CFO Forum • Asset Management Forum • Revenue Forum • Asset Management Forum • SCM etc. Provincial Treasury provides feedback to all MFMA and PFMA institutions Further at the level of the HODs and MECs	Yes
vi		The Executive Authority must take disciplinary action against the Head Official failing to discipline Management and officials who violate the PFMA and other prescripts and who fail to implement the internal control measures put in place, as well as failing to implement the SCOPA House resolutions	To be adhered to as and when it becomes necessary.	Yes

8. SCOPA RESOLUTIONS CONTINUED

Resolution No	Subject	Details	Response by Provincial Treasury	Resolved (Yes/No)
vii	House resolutions on the Audit Report 2022/23	The Accounting Officer must put effective measures in place and conduct quarterly reviews to ensure compliance with relevant Financial Management prescripts	Viable control measures have been put in place and regular reviews are performed (i.e.) Monthly at management meetings, quarterly through performance reviews and assurance through internal audit, Risk and Audit Committees.	Yes

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

There were no prior modifications to the audit reports.

10. INTERNAL CONTROL UNIT

The Provincial Treasury does not have a formalised Internal Control Unit however, the Office of the CFO has assigned the various internal control checks to the responsible managers whilst the organisational structure is being reviewed.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

The Internal Audit Function and Audit Committee derive their mandate from the internal audit charter and audit committee charter respectively.

A) A) KEY ACTIVITIES AND OBJECTIVES OF THE INTERNAL AUDIT FUNCTION

- **Purpose and mandate**
 - The Internal Audit Function has been established in terms of Section 38 of the Public Finance Management Act, 1999 (Act No. 1 of 1999) and the prevailing Treasury Regulations.
 - Internal Audit supports and promotes the improvement in governance, risk management and internal controls for the Mpumalanga Provincial Treasury (MPT) to achieve its strategic goals and objectives. The service provided by the internal audit function is defined by the Internal Audit Charter (IAC), which describes its purpose, authority, responsibility and position within the MPT.
- **Vision and strategy**
 - Strengthen the Mpumalanga Provincial Treasury's ability to achieve its goals and objectives by providing independent risk-based objective assurance, advice, insight and foresight.
- **Charter, methodology and internal audit plans**
 - The internal audit charter, strategy, 3-year strategic internal audit plan and annual internal audit plan were reviewed, approved and implemented. The internal audit methodology was reviewed and aligned to the Global Internal Audit Standards™ and approved for implementation.
- **Independence and objectivity**
 - The internal audit function is independent and reports directly to the Accounting Officer and is operating freely and independently. All members of the internal audit function have confirmed their independence, objectivity and confidentiality when conducting audit services.
- **Internal audit modality**
 - The internal audit function is fully in-house..
- **Staffing**
 - The internal audit function consist of 6 staff members excluding the secretary, they are all members of the Institute of Internal Auditors. There was one vacancy of an internal auditor position during the year, the position was advertised and will be filled in the new financial year. The internal audit function was also complemented with two interns who were trained to provide additional capacity. The collective skills and experience of the various members are appropriate for the internal audit function to deliver on its mandate. All members of the internal audit function have personal development plans which are budgeted for and training and development programs are attended and reported on during the year.
- **Quality assurance and improvement program**
 - A quality assurance and improvement program is in place and the internal assessment was finalised on 31 January 2025. The external quality assessment was undertaken during the financial year and the results of the assessment indicated a general conformance with the Global Internal Audit Standards™.
 - The assessment of the internal audit function by the stakeholders, including the Audit Committee was done and a report to that effect was issued. The report indicated that the internal audit function adds value to the Provincial Treasury and delivers on its mandate as required by the internal audit charter.

11. INTERNAL AUDIT AND AUDIT COMMITTEES CONTINUED

- **Stakeholder relationships**

- The internal audit function has a cordial working relationship with management and the various sections within the Provincial Treasury. The internal audit plans are informed by the annual risk assessment facilitated by the risk management unit. The Chief Audit Executive and Chief Risk Officer meet regularly to provide updates and feedback on the assurance on risks identified during the period.
- The Internal Audit Function works well with the AGSA; the internal audit plans are shared for inputs, reports issued are utilised by the external auditors for risk purposes.

B) SPECIFY A SUMMARY OF AUDIT WORK DONE

- **Planned and completed audits**

- The internal audit function planned 2 advisory services and 7 assurance services and achieved 100% of the planned activities. There were no roll-over of projects to the new financial year's internal audit plan.

- **Ad hoc projects**

- Two ad-hoc projects were initiated and completed.

- **Internal audit recommendations**

- A total of 33 recommendations were issued during the reporting period, based on the follow-up reviews conducted 22 recommendations were implemented 8 are in progress and 3 are still to be verified if implemented. It must be noted that 16 of the 22 recommendations implemented are ongoing measures.
- During the previous financial period, 16 recommendations out of 28 recommendations made were implemented whilst 12 were in progress at the end of the financial period, 11 of the 16 recommendations are ongoing measures.

- **Value add**

- The Internal audit function as part of the advisory services developed a consolidated reporting template for the assessment of Provincial Departments. There is a process to monitor the exceptions from the business process automation systems and the corrective actions taken. This has reduced the risk for material misstatement of the leave liability on the annual financial statements. The internal audit function conducted training on the updated internal audit manual aligned to the Global Internal Audit Standards™ with Municipalities' Internal Audit Functions. The updated internal audit manual was shared with all provincial departments for adoption and implementation

- **Limitations**

- There were no constraints for the internal audit function that impede optimal performance.

11. INTERNAL AUDIT AND AUDIT COMMITTEES CONTINUED

C) KEY ACTIVITIES AND OBJECTIVES OF THE AUDIT COMMITTEE

- **Purpose and mandate**
 - The purpose of the Audit Committee is to transversally assist the Accounting Officer of the Mpumalanga Provincial Treasury to fulfil her oversight responsibility. The Audit Committee reports directly to the Accounting Officer, reports are provided to the Executive Authority on their observations. The Audit Committee has adopted a formal terms of reference as its Audit Committee Charter which was approved by the Accounting Officer.
- **Independence**
 - The Audit Committee operated freely and independently and all members declared that there were no circumstances that may arise that may impact their independence and objectivity.
- **Protecting the independence of the internal audit function**
 - The Audit Committee has reviewed and is satisfied with the organisational positioning and independence of the internal audit function. There were no threats to the independence or victimisation of the internal audit function.
- **Performance against statutory duties**
 - The Audit Committee confirms that it has fulfilled its functions and responsibilities as set out by the PFMA, Treasury Regulations, Global Internal Audit Standards and the Audit Committee Charter.
- **Composition of the audit committee**
 - The Audit Committee has five members which are external members and this is adequate and appropriate. The members have an adequate mix of skills and experience to fulfil their mandate and oversight responsibilities.
- **Combined assurance**
 - The Audit Committee oversees the progress reporting by the Risk and Ethics Management Committee on the management and evaluation of risks by the various assurance providers. The Provincial Treasury has implemented a combined assurance framework and has a good maturity level when reviewing the reports presented on the management of risks.
- **Resolution of audit committee recommendations**
 - The Audit Committee is satisfied on how the recommendations made are received and implemented, a decision register is managed to track all resolutions at meetings held.
- **Audit committee performance evaluation**
 - The Audit Committee conducted a self-evaluation on its performance and effectiveness, whilst an assessment by the Audit Committee stakeholders was also performed. The assessment indicated that the Audit Committee is functional, effective and adds value in its oversight role and delivers on its mandate as required by the audit committee charter.

11. INTERNAL AUDIT AND AUDIT COMMITTEES CONTINUED

D) ATTENDANCE OF AUDIT COMMITTEE MEETINGS BY AUDIT COMMITTEE MEMBERS

The Audit Committee held four meetings during the year, the table below discloses relevant information on the audit committee members:

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc., whether in this or any other institution(s)
			Start date	End Date					
Ms. Jane Sedie Masite Chair-person	Certified Internal Auditor (CIA) Certified Internal Control Professional (CICP) Chartered Internal Auditor (CMIIA) Certified Fraud Examiner (CFE), Qualification in Internal Audit Leadership, (QIAL) Chartered Government Internal Auditor.(CGIA) B Com Degree	IIA CIAGOL ACFE IODSA IRMSA CIGFARO ICI	01/11/2019	31/10/2025	3	Yes	No	3	1
Mr Trevor Boltman	Certified Internal Auditor Certified Government Auditing Professional Certification in Control Self-Assessment Certificate in Forensic Examination Post Graduate Diploma Internal Auditing B Tech Internal Auditing	IIA CIAGOL ACFE IRMSA	01/11/2022	31/10/2025	4	Yes	No	6	1

11. INTERNAL AUDIT AND AUDIT COMMITTEES CONTINUED

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc., whether in this or any other institution(s)
			Start date	End Date					
Mr. Mike Khathushelo Ramukumba	Masters of Business Administration CA (SA) B Com Honours (CTA) B Com	SAICA	01/11/2022	31/10/2025	4	Yes	No	3	2
Dr. Machiniba Sylvia Sathekge	Doctor of Business Administration Masters of Business Leadership Masters of Science specialisation in Technology Management Bachelor Science B Tech Information Technology	IODSA ITPSA ICITP	01/11/2022	31/10/2025	4	Yes	No	3	1
Ms. Ntombizakithi Pearl Zwane	B Com: Accounting Post Grad Diploma: Business Management Certificate Programme in Management Development for Municipal Finance Procurement Professional Chartered Institute of Procurement and Supply (CIPS)	CIPS	01/11/2022	31/10/2025	4	Yes	Yes	0	0

11. INTERNAL AUDIT AND AUDIT COMMITTEES CONTINUED

E) REMUNERATION OF AUDIT COMMITTEE MEMBERS

- Audit Committee members outside of the public service are remunerated using the National Treasury rates. Audit Committee members are paid for up to two days preparation time and one day for the meeting.
- Audit Committee Members working for an organ of state are not remunerated. Meetings are held virtually, however in the event of a physical meeting the Provincial Treasury would cover the travel and subsistence cost associated for a physical meeting, including for members from organs of state.
- The total audit committee expenditure for the reporting period amounted to R150 328.00

12. AUDIT COMMITTEE REPORT

REPORT OF THE AUDIT COMMITTEE

We are pleased to present our report for the financial year ended 31 March 2025, set out in three parts:

PART 1: AUDIT COMMITTEE REFLECTIONS:

The primary purpose of the Audit Committee is to transversally assist the Accounting Officer of the Mpumalanga Provincial Treasury to fulfil their oversight responsibility. The Audit Committee is an independent oversight structure appointed that has non-executive status and required to ensure that no conflict of interest may arise with regards to its responsibilities. The internal audit function reports functionally to the Audit Committee and administratively to the Accounting Officer. The Chief Audit Executive's role is to lead the internal audit function in providing assurance and advisory services. The Audit Committee conducts an annual evaluation of its performance and there were no challenges that were highlighted.

The Audit Committee reports that it has complied with its responsibilities arising from Section 38(1) (a) (ii) of the Public Finance Management Act, Act No. 1 of 1999 and Treasury Regulation 3.1.8 – 3.1.16. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, aligned to the Global Internal Audit Standards™. We have regulated our affairs in compliance with this charter and have discharged all responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices. The Audit Committee has functioned without hindrance or limitation throughout the reporting period.

PART 2: AUDIT COMMITTEE COMPOSITION AND MEETING ATTENDANCE

The audit committee consists of 5 members. The committee is properly constituted, with a balanced representation of independent members with a diverse and appropriate mix of qualifications, skills, and experience. The committee convened 4 times during the year with 4 being ordinary meetings, one special meeting was arranged with the Information Technology Section and one member of the Audit Committee for advice on IT related matters.

Audit Committee Member's meeting attendance details:

NAME (POSITION)	QUALIFICATIONS	IS THE AC MEMBER AN EMPLOYEE OF AN ORGAN OF STATE? (YES / NO)	NUMBER OF ORDINARY MEETINGS ATTENDED	NUMBER OF SPECIAL MEETINGS ATTENDED
Ms. Jane Sedie Masite- Chairperson	See table overleaf	No	3	0
Mr. Trevor Boltman	See table overleaf	No	4	0
Mr. Mike Khathushelo Ramukumba	See table overleaf	No	4	0
Dr. Machiniba Sylvia Sathekge	See table overleaf	No	3	0
Ms. Ntombizakithi Pearl Zwane	See table overleaf	Yes	2	0

12. AUDIT COMMITTEE REPORT CONTINUED

PART 3: AUDIT COMMITTEE FOCUS AREA***Effectiveness of internal control systems***

Management has a positive approach to maintaining an effective internal control system, approved policies and procedures are in place and are reviewed periodically. Evaluation of compliance with legislation and policies is performed during the reviews by internal and external audit per focus area that are part of the approved audit plans.

From the various reports from internal audit and external audit, the following matters were reported indicating deficiencies in the system of internal control.

- Failure by the Department of Public Works, Roads and Transport to attend timeously to Occupational Health and Safety matters impacting the Provincial Treasury;
- Monitoring the clearing of long outstanding commitments for orders processed;
- Non-adherence to the timelines in the procurement plan;
- Movement of assets not timeously reflected on LOGIS and disposal of assets from the asset register;
- Inadequate monitoring, supervision, and review of the usage of government vehicles;
- IT security management controls; and
- Cyber security controls.

In order to address deficiencies noted, the Audit Committee monitors progress made by management with implementing action plans to address deficiencies.

Effectiveness of the internal audit function

The internal audit function has operated objectively and independently during the year under review in terms of its approved charter guided by the approved internal audit strategy, internal audit plan, and internal audit manual in compliance with the Global Internal Audit Standards™. The Committee is satisfied with the performance and effectiveness of the internal audit function which is adequately capacitated and undertakes continuous professional development programs aligned to the performance management and development requirements. The Audit Committee takes note of the business process automation strategies within the Provincial Treasury and the utilization of the technology for data analytics, continuous audit processes and exception reporting. The internal audit function shares its internal audit plans with the external auditors for inputs and coordinates its activities with other assurance providers, namely the Risk Management Unit. The Audit Committee met with the Chief Audit Executive, AGSA, and Accounting Officer in separate sessions and there are no unresolved issues of concern.

Activities of the internal audit function

The Audit Committee approved the internal audit plan for the year under review, quarterly progress reports were received on the implementation of the internal audit plan together with significant findings per focus area. Follow-up reviews were conducted as part of the internal audit plan to monitor implementation of recommendations and action plans, for the current year 67% of action plans have been implemented, 24% are in progress, and 9% were not yet verified if implemented. There were no significant investigations that were conducted during the year.

12. AUDIT COMMITTEE REPORT CONTINUED

Effectiveness of risk management

Quarterly reports by the Risk and Ethics Management Committee highlighted the management of risks and the implementation of the combined assurance plan. The Audit Committee is satisfied that significant risks identified are covered by the internal audit plan, the external audit also utilizes the risks identified to guide their audit strategy. Both the Audit Committee and Risk and Ethics Management Committee provided assurance and advised management on improvement on effectiveness of governance, risk management and internal controls. Majority of the risks identified are managed to an acceptable level in terms of the risk framework, there are however some unacceptable risks with external influence that were identified for management to continuously monitor and take note of.

Adequacy, reliability and accuracy of the financial and performance information

The Audit Committee is satisfied that management has managed the risk that may impact the integrity of external reports issued by the department. The Audit Committee is satisfied with the adequacy, reliability and accuracy of the financial and performance information, and there are no major concerns that were noted.

Accounting and auditing concerns identified as a result of internal and external audits

Areas raised by internal and external audit are highlighted under the effectiveness of internal control systems. Action plans are developed by management to attend to for all areas raised. Follow up reports on the implementation of action plans are conducted by internal audit and presented to the Audit Committee for monitoring of progress on resolving areas of concern. The internal audit function did review the irregular expenditure caused by the utilisation of contracts from the DPWRT that had lapsed and were not aligned to the scope of contract, the internal audit function had recommended the condonement thereof. As part of the regular Audit Committee meetings, the Chief Financial Officer is required to brief the Audit Committee on unauthorized, irregular, fruitless and wasteful expenditure (UIFWE) risks that may exist or have materialized. There were no material irregularities that were identified or brought to the attention of the Audit Committee. .

Combined assurance

The Audit Committee oversees the progress reporting by the Risk and Ethics Management Committee on the management and evaluation of risks by the various assurance providers. The department has implemented a combined assurance framework and has a good maturity level when reviewing the reports on the management of risks.

Evaluation of annual financial statements and annual performance report

The Audit Committee has reviewed and discussed with the Accounting Officer and Auditor-General the annual financial statements and annual performance report to be included in the annual report. The Auditor-Generals management reports did not highlight any findings that are of concern. There were no changes in accounting policies and practices and there was compliance with legal and regulatory provisions. The department has prepared quality financial and performance information on a timely basis for oversight purposes. The midterm financial statements and quarterly performance reports were subjected to internal audit review. There were no significant financial reporting issues for the reporting period that remain unresolved between the management and the external auditors. The Audit Committee recommended the annual financial statements and the annual performance report be approved on 24 July 2025.

The Audit Committee is pleased with the audit opinion and this reflects the continuous commitment and effort by management to address performance during the year.

12. AUDIT COMMITTEE REPORT CONTINUED

External Audit

The Audit Committee views the AGSA as being independent and objective when conducting the external audit. There were no matters raised by the AGSA that were not adequately addressed. The Audit Committee met with the AGSA and there are no unresolved issues of concern.

Auditor-General's Report

We have reviewed the Provincial Treasury's implementation plan regarding audit issues raised in the previous year and are satisfied that the matters are in the process of being resolved. The Audit Committee concurs and accepts the conclusion of the Auditor-General on the Annual Financial Statements and Annual Performance Report and is of the opinion that the Audited Annual Financial Statements and Annual Performance Report be read together with the report of the Auditor-General.

Appreciation

The Audit Committee wishes to express its appreciation to the management team and to the staff of Provincial Treasury who provided immense support towards the realization of a clean administration resulting in the attainment of consecutive clean audit outcomes. Further, the Audit Committee appreciates the assistance and cooperation of management in the discharge of its responsibility.

Conclusion

The Audit Committee is also committed to align to the AGSA Culture Shift Framework in promoting the accountability ecosystem.



Jane Sedie Masite, CIA, CFE, CACP, QIAL

Chairperson of the Audit Committee

Mpumalanga Provincial Treasury

Date: 31/07/2025

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	Provincial Treasury does not have the criteria for issuing of licences, concessions, and any other economic activity as this does not form part of Provincial Treasury's mandate
Developing and implementing a preferential procurement policy?	Yes	The Provincial Treasury has a Preferential procurement policy in place that was effective as of 01 February 2023 and adheres to the Preferential Procurement Regulations of 2022 .
Determining qualification criteria for the sale of state-owned enterprises?	No	The Provincial Treasury does not sell any state owned enterprises.
Developing criteria for entering into partnerships with the private sector?	No	The Provincial Treasury does not enter into any PPP (Private Public Partnerships) but only provided support to other stakeholders in the application process to the National Treasury.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	Provincial Treasury does not award incentives, grants and investment schemes in support of Broad –Based Black Economic Empowerment.

HUMAN RESOURCE MANAGEMENT

PART D

1. INTRODUCTION

The information contained in this part of the annual report has been prescribed by the Minister for the Public Service and Administration for all departments in the public service.

2. OVERVIEW OF HUMAN RESOURCES

A) THE STATUS OF HUMAN RESOURCES IN THE DEPARTMENT.

- The Provincial Treasury had three hundred and eighty-nine (389) staff complement as at 31 March 2025. The dedication, hard work, and frequently selfless efforts of the Provincial Treasury's staff are the reason for the high calibre of performance there. The field of modern people management has changed dramatically in recent years, necessitating intricate manoeuvring between varieties of conflicting factors.
- The Provincial Treasury has capable human capital who are expected to have a positive impact in rendering quality service delivery to the Province. Corporate Services continued to be the centre of effective monitoring and implementation of people management through performance management compliance indicators and provide management with regular updates on various accurate people management information to enable sound decision-making. These indicators include among others, staff establishment information, headcount, leave liability, status on labour related cases, employee health and wellness related cases, vacancy rates, staff mobility, records management, employment equity issues and human capital development needs.

B) HUMAN RESOURCE PRIORITIES FOR THE YEAR UNDER REVIEW AND THE IMPACT OF THESE

Human Resource Priorities	The impact
Attracting and recruiting the best and skilled workforce	Improved organizational performance. Reduced overworked staff
Retaining and developing a modern responsive and professional workforce	Reduced personnel turnover
Ensure proper implementation of exit interviews	Improved retention strategy
Provision of accurate HR information	Informed decision-making
Proper management of leave	Healthy and productive workforce. Maximum performance and reduced leave liability. Reduced absenteeism rate.
Implement the Code of Conduct	Disciplined employees Harmonised working environment.
Ensure capacity building for all employees	Improved operational efficiency. Enhanced employee performance. Achievement of organizational targets.

2. OVERVIEW OF HUMAN RESOURCES CONTINUED

Human Resource Priorities	The impact
Proper implementation and management of Performance Management and Development System	Improved organizational performance

C) WORKFORCE PLANNING AND KEY STRATEGIES TO ATTRACT AND RECRUIT A SKILLED AND CAPABLE WORKFORCE

- The Provincial Treasury has an approved Human Resource Plan (HRP) which provides for effective planning and acquired personnel with requisite skills, knowledge and attributes to perform the work through the workforce planning process. Through this process, the Provincial Treasury assesses its workforce profile against the supply and demand of the organization. The main purpose of the assessment is to identify the extent of the current workforce in addressing key people management outcomes that would guarantee service continuity and value of the workforce. The workforce planning/ human resource planning is aligned to the vision and mission of the departmental strategic objectives.
- The Provincial Treasury has identified and funded thirty-two (32) vacant positions to be filled during 2024/2025 in order to improve the workforce capacity of the organization and enhance performance thereof. Alignment of job requirements with the National Treasury guidelines, during the advertisement of vacant positions, is one of the strategies, which the department continued to apply thereby reaching prospective employees.

D) EMPLOYEE PERFORMANCE MANAGEMENT

- Performance management is guided by regulation 71 and 72 of the Public Service Regulations, 2016 as amended and lays obligation to both the employer and employee to monitor and enhance performance by encouraging individual commitment, accountability and motivation. All employees are expected to enter into performance agreement by 31 May each year. The performance agreement is a binding contract between the employer and employee containing the projects, programmes, activities expectations and standards of the required delivery. Performance management process requires that mid-term review and annual assessment be conducted within the stipulated period; the operational targets and achievements must be linked to the performance agreement entered into between both parties. This shall be an ongoing consultative process to be managed properly to avoid any disputes that may arise from performance management process.
- The performance management process also makes provision for training interventions through personal development plans. This is aimed at improving the performance of individuals where shortfalls/gaps are identified from the set targets. The process is developmental in nature, however, those that have been identified as poor performers in terms of the legislative framework are required to be subjected to a developmental intervention or alternatively to disciplinary action. All employees at salary level 2-12 and senior management employees were assessed in accordance with the Performance Management and Development System and SMS Handbook and those who qualified for performance rewards were paid accordingly, i.e. pay progression.

E) EMPLOYEE WELLNESS PROGRAMMES.

- The Employee Health and Wellness Programme (EHW) follows a holistic approach to manage employee well-being and is largely preventative in nature, offering both primary and secondary services. The Employee Health and Wellness Committee convened quarterly meetings to monitor compliance to strategic framework on health and wellness and to recommend support programmes aimed at promoting health and productivity among employees.

2. OVERVIEW OF HUMAN RESOURCES CONTINUED

- The Provincial Treasury conducted a number of Employee Health and Wellness programmes which includes among others the following;
 - HIV/AIDS and TB Management
 - Commemoration of World AIDS Day through exhibition
 - Eye Test Screening
 - Promotion of Healthy Life Style
 - Occupational Health and Safety Awareness
 - Women's Health and Gender Equality
 - Mental Health Awareness (Bullying in the Workplace)
 - Pre-Retirement Planning
 - Management of Personal Finances
 - Physically Wellness programme
 - Employee Wellness Management Programme

F) GENDER FOCAL POINT

- The Gender Focal Point unit coordinated programmes to intensify gender mainstreaming in the department targeting and identified vulnerable communities. The following programmes were implemented during the period under review:
 - Gender Based Violence and Femicide
 - Men's Summit
 - Gender Equality
 - Public Service Women Management Week (PSWMW)
 - Participated on legacy projects and donated household items.

G) HIGHLIGHT ACHIEVEMENTS AND CHALLENGES FACED BY THE DEPARTMENT, AS WELL AS FUTURE HUMAN RESOURCE PLANS/GOALS.

- Developed and submitted the Human Resource Plan Implementation Progress Report in compliance with the Public Service Regulations, 2016 as amended.
- Developed and implemented the Workplace Skills Plan for 2024/25 financial year in terms of the Skills Development Act, 1998 (Act No. 97 of 1998).
- Implemented and monitored twenty-one (21) Interns and Learners participating in the youth developmental programmes.
- Implemented and monitored forty-one (41) FASSET Graduate Interns participating in the youth developmental programme for the duration of 24 months. The Interns are placed in various participating Departments, Public Entities and Municipalities to gain workplace experience
- Implemented and monitored twenty-(20) Trainee Accountants in a three-year learnership programme in collaboration with SAIPA towards attaining certificates as Professional Accountants. The Trainee Accountants are placed in various participating Departments, Public Entities and Municipalities to gain workplace experience.

2. OVERVIEW OF HUMAN RESOURCES CONTINUED

- Implemented service conditions and benefits to employees of the Provincial Treasury, this includes among others hosting and celebrating long service awards to all long serving employees of 10,20,30 and 40 years in the public service.
- Employee Health and Wellness programmes were implemented to provide wellness and psychotherapy support to employees where necessary. Referrals to professionals were coordinated and affected employees were supported accordingly.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 PERSONNEL RELATED EXPENDITURE

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- amount spent on personnel
- amount spent on salaries, overtime, homeowner's allowances and medical aid

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2024 and 31 March 2025

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	143 777	82 289	955	390	57.23	401
Sustainable Resource Management	71 647	56 774	10	87	79.24	1 014
Assets & Liabilities Management	339 152	71 625	48	388	21.12	756
Financial Governance	28 731	23 265	109	2 125	80.98	931.
Total	583 307	233 953	1,120	2 990	40.11	602

Table 3.1.2 Personnel costs by salary band for the period 1 April 2024 and 31 March 2025

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	3 579	1.50	17	211

2. OVERVIEW OF HUMAN RESOURCES CONTINUED

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Skilled (level 3-5)	10 987	4.70	35	314
Highly skilled production (levels 6-8)	47 487	20.30	92	516
Highly skilled supervision (levels 9-12)	134 176	57.40	137	979
Senior and Top management (levels 13-16)	30 306	13.00	21	1 443
Contract (Levels 1-2)	0	0	0	0
Contract (Levels 3-5)	1 366	0.6	13	105
Contract (Levels 6-8)	972	0.4	10	97
Contract (Levels 9-12)	1 636	0.7	2	818
Contract (Levels >= 13)	943	0.4	1	943
Contract Other	2 501	1	61	41
Total	233 953	100	389	602

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 1 April 2024 and 31 March 2025

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	68 918	161.00	998	1.20	2 083	2.50	4 578	5.50
Sustainable Resource Management	49 112	81.70	0.00	0.00	857	1.40	1 315	2.20
Assets & Liabilities Management	59 627	76.20	100	0.10	1 625	2.10	3 447	4.40
Financial Governance	19 484	77.00	31	0.10	440	1.70	1 157	4.60

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Total	197 140	78.00	1 129	0.40	5 006	2.00	10 497	4.20

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2024 and 31 March 2025

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	2 482	67.50	55	1.50	233	6.30	491	13.30
Skilled (level 3-5)	7 569	67.20	181	1.60	635	5.60	1 532	13.60
Highly skilled production (levels 6-8)	36 843	73.60	449	0.90	1 780	3.60	3 696	7.40
Highly skilled supervision (levels 9-12)	113 882	78.60	319	0.20	1 892	1.30	4 444	3.10
Senior management (level 13-16)	26 941	83.20	0	0.00	465	1.40	335	1.00
Contract (Levels 1-2)	90	100	0	0.00	0	0	0	0
Contract (Levels 3-5)	1 366	99	0	0	0	0	0	0
Contract (Levels 6-8)	954	95.80	11.00	1.10	0	0	0	0
Contract (Levels 9-12)	1 482	80.70	0	0	0	0	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Contract (Levels >= 13)	860	77.90	0	0	0	0	0	0
Contract Other	4 671	95.90	113	2.30	0	0	0	0
TOTAL	197 140	78	1 129	0.40	5 006	2	10 497	4.20

3.2 EMPLOYMENT AND VACANCIES

Table 3.2.1 Employment and vacancies by programme as on 31 March 2025

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	264	213	19.31	82
Sustainable Resource Management	61	56	8.20	0
Assets & Liabilities Management	114	95	16.70	0
Financial Governance	35	25	28.60	0
Total	474	389	17.90	82

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2025

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	17	17	0	0
Skilled (3-5)	70	35	50	0
Highly skilled production (6-8)	109	92	15.90	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Highly skilled supervision (9-12)	199	137	18.90	0
Senior management (13-16)	22	21	4.50	0
11 Contract (Levels 3-5), Permanent	13	13	0	11
12 Contract (Levels 6-8), Permanent	41	71	0	71
13 Contract (Levels 9-12), Permanent	2	2	0	0
14 Contract (Levels >= 13), Permanent	1	1	0	0
TOTAL	474	389	17.90	82

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2025

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related, Permanent	32	30	6.50	0
Caretaker/ Cleaner, Permanent	1	1	0	0
Cleaners in Offices Workshops Hospitals ETC., Permanent	17	17	0	0
Communication and Information Related, Permanent	5	4	20	0
Engineers and Related Professionals, Permanent	2	0	100	0
Filing and Registry Clerk, Permanent	2	1	50	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Finance and Economics Related, Permanent	74	59	20.30	0
Financial and Related Professionals, Permanent	38	29	23.70	0
Financial Clerks and Credit Controllers, Permanent	13	8	38.50	0
Food Trade Assistant, Permanent	1	1	0	0
Head of Department/Chief Executive Officer, Permanent	1	1	0	0
Human Resources Related, Permanent	73	59	19.20	51
Information Technology Related, Permanent	35	32	8.60	0
Legal Related, Permanent	3	3	0	0
Light Vehicle Driver, Permanent	4	0	100	0
Logistical Support Personnel, Permanent	51	45	11.80	0
Managers Not Elsewhere Classified, Permanent	1	1	0	0
Messengers Porters and Deliverers, Permanent	6	6	0	0
Middle Manager: Administrative Related, Permanent	1	0	100	0
Middle Manager: Finance and Economics Related, Permanent	1	1	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Other Middle Manager, Permanent	2	2	0	0
Other Occupations, Permanent	2	2	0	0
Public/Media Relations Manager, Permanent	1	0	100	0
Receptionist (General), Permanent	1	1	0	0
Risk Management and Security Services, Permanent	8	6	25	0
Safety Health and Quality Inspectors, Permanent	1	1	0	0
Secretaries & Other Keyboard Operating Clerks, Permanent	26	23	11.50	0
Senior Managers, Permanent	26	25	3.80	0
Supply Chain Manager, Permanent	1	0	100	0
Systems Administrator, Permanent	1	0	100	0
Youth Workers, Permanent	43	31	27.90	31
Total	474	389	17.90	82

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

3.3 FILLING OF SMS POSTS

Table 3.3.1 SMS post information as on 31 March 2025

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	3	3	100	0	0
Salary Level 13	17	16	94.1	1	5.8
Total	22	21	95.45	1	4.5

Table 3.3.2 SMS post information as on 30 September 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	3	3	100	0	0
Salary Level 13	17	15	88.23	2	11.76
Total	22	20	90.9	2	9.0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2024 and 31 March 2025

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	2	0	2
Total	2	0	2

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2024 and 31 March 2025

Reasons for vacancies not advertised within six months
None
Reasons for vacancies not advertised within twelve months
Recruitment process were delayed due to the transition from the 6th to the 7th administration which necessitated the re- advertisement of the posts.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2024 and 31 March 2025

Reasons for vacancies not advertised within six months
None
Reasons for vacancies not filled within six months
Recruitment process were delayed due to the transition from the 6th to the 7th administration which necessitated the re- advertisement of the posts

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

3.4 JOB EVALUATION

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2024 and 31 March 2025

Job Evaluation by Salary band	None
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Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2024 and 31 March 2025

Profile of employees whose positions were upgraded due to their posts being upgraded	None
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Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2024 and 31 March 2025

Employees with salary levels higher than those determined by job evaluation by occupation	None
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Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2024 and 31 March 2025

Profile of employees who have salary levels higher than those determined by job evaluation	0
Total number of Employees whose salaries exceeded the grades determine by job evaluation	None

3.5 EMPLOYMENT CHANGES

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2024 and 31 March 2025

Salary band	Number of employees at beginning of period-1 April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	17	0	1	5.90
Highly skilled production (Levels 6-8)	96	0	2	2.10
Skilled (Levels 3-5) Permanent	34	2	1	2.90
Highly skilled supervision (Levels 9-12)	141	0	4	2.80

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Salary band	Number of employees at beginning of period-1 April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Senior Management Service Bands A	12	0	0	0
Senior Management Service Bands B	6	0	0	0
Senior Management Service Bands C	1	0	0	0
Senior Management Service Bands D	0	1	0	0
Other Contracts (Interns)	73	0	15	20.50
Contract (Levels 1-2) Permanent	0	1	1	0
Contract (Levels 3-5) Permanent	11	3	1	9.10
Contract (Levels 6-8) Permanent	11	0	1	9.10
Contract (Levels 9-12) Permanent	0	3	1	0
Contract Band A Permanent	0	1	0	0
Total	402	11	27	6.70

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2024 and 31 March 2025

Critical occupation	Number of employees at beginning of period-April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related Permanent	30	0	0	0
Caretaker/ Cleaner Permanent	0	1	0	0
Civil Engineer Permanent	0	0	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Critical occupation	Number of employees at beginning of period- April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Cleaners in Offices Workshops Hospitals ETC. Permanent	17	2	2	11.76
Communication and Information Related Permanent	4	0	0	0
Community Development Practitioner Permanent	0	0	0	0
Engineers and Related Professionals Permanent	1	0	0	0
Filing and Registry Clerk Permanent	0	1	0	0
Finance and Economics Related Permanent	60	0	0	0
Financial and Related Professionals Permanent	32	0	0	0
Financial Clerks and Credit Controllers Permanent	8	0	0	0
Food Trade Assistant Permanent	0	0	0	0
Head of Department/Chief Executive Officer Permanent	1	0	0	0
Human Resources Related Permanent	67	1	10	14.92
Information Technology Related Permanent	33	0	1	3
Internal Auditor Permanent	5	0	1	20
Legal Related Permanent	3	0	0	0
Light Vehicle Driver Permanent	2	1	2	100

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Critical occupation	Number of employees at beginning of period- April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Logistical Support Personnel Permanent	47	0	2	4.25
Managers Not Elsewhere Classified Permanent	0	1	0	0
Messengers Porters And Deliverers Permanent	6	0	0	0
Office Cleaner Permanent	0	0	0	0
Other Middle Manager Permanent	0	2	0	0
Other Occupations Permanent	0	0	2	0
Public/Media Relations Manager Permanent	0	0	0	0
Receptionist (General) Permanent	0	1	0	0
Risk Management And Security Services Permanent	7	0	0	0
Safety Health And Quality Inspectors Permanent	1	0	0	0
Secretaries & Other Keyboard Operating Clerks Permanent	23	0	0	0
Senior Managers Permanent	19	0	0	0
Supply Chain Practitioner Permanent	0	0	0	0
Youth Workers Permanent	36	0	6	16.70
Total	402	11	27	6.70

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Table 3.5.3 Reasons why staff left the department for the period 1 April 2024 and 31 March 2025

Termination Type	Number	% of Total Resignations
Resignation	8	29.62
Expiry of contract	16	59.30
Retirement	2	7.40
Transfer to other Public Service Departments	1	3.7
Total	27	100
Total number of employees who left as a % of total employment	6.94%	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2024 and 31 March 2025

Occupation	Employees 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related	30	0	0	21	70
Civil Engineer	0	0	0	0	0
Cleaners In Offices Workshops Hospitals Etc.	17	0	0	17	100
Clerical Supplement Workers Not Elsewhere Classified	0	0	0	0	0
Communication and Information Related	4	0	0	0	0
Engineers and Related Professionals	1	0	0	1	100
Finance and Economics Related	60	0	0	27	45
Financial Accountant	0	0	0	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Occupation	Employees 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Financial and Related Professionals	42	0	0	13	30.95
Financial Clerks and Credit Controllers	0	0	0	0	0
Head Of Department/Chief Executive Officer	1	0	0	0	0
Human Resource Manager	0	0	0	0	0
Human Resource Practitioner	0	0	0	0	0
Human Resources Related	67	0	0	6	8.95
Industrial/ Labour Relations Officer	0	0	0	1	0
Information Technology Related	33	0	0	0	0
Internal Auditor	5	0	0	3	60
Legal Administration Officer	0	0	0	2	0
Legal Related	0	0	0	0	0
Light Vehicle Driver	0	0	0	3	0
Logistical Support Personnel	47	0	0	34	72.34
Messengers	0	0	0	0	0
Messengers Porters and Deliverers	6	0	0	4	66.6
Middle Manager: Finance And Economics Related	0	0	0	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Occupation	Employees 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Middle Manager: Information Technology Related	0	0	0	1	0
Middle Manager: Internal Audit Related	0	0	0	1	0
Middle Manager: Legal Related	3	0	0	3	100
Office Cleaner	0	0	0	16	0
Other Occupations	0	0	0	7	350
Policy And Planning Managers	0	1	0	1	0
Receptionist (General)	0	0	0	1	0
Registry and Mailing Clerk	0	0	0	3	0
Risk and Integrity Manager	0	0	0	1	0
Risk Management And Security Services	7	0	0	1	14.28
Safety Health And Quality Inspectors	1	0	0	0	0
Secretaries & Other Keyboard Operating Clerks	23	0	0	13	56.52
Secretary (General)	0	0	0	0	0
Senior Managers	19	0	0	9	47.36
Supply Chain Clerk	0	0	0	0	0
Supply Chain Manager	0	0	0	0	0
Supply Chain Practitioner	0	1	0	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Occupation	Employees 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Systems Administrator	0	0	0	0	0
Technic & Associate Techn Occupations Nt Classified	0	0	0	0	0
Technical(ICT) Support Services Manager	0	0	0	0	0
Transport Clerk	0	0	0	0	0
Youth Workers	36	0	0	0	0
Total	402	2	0.50	152	37.80

Table 3.5.5 Promotions by salary band for the period 1 April 2024 and 31 March 2025

Salary Band	Employees 1 April 2024	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	17	0	0	12	70.60
Skilled (Levels3-5)	34	0	0	14	41.20
Highly skilled production (Levels 6-8)	96	0	0	58	60.40
Highly skilled supervision (Levels 9-12)	141	1	0.70	59	41.80
Senior Management (Level 13-16)	19	1	5.30	9	47.40
Contract (Levels 3-5), Permanent	11	0	0	0	0
Contract (Levels 6-8), Permanent	84	0	0	0	0
TOTAL	402	2	0.50	152	37.80

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

3.6 EMPLOYMENT EQUITY

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2025

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	1	0	0	0	1	0	0	0	2
Professionals	47	1	0	1	93	0	0	0	142
Technicians and associate professionals	33	0	0	1	35	0	1	0	70
Clerks	9	0	0	0	21	0	0	0	30
Labourers and Related Workers	3	0	0	0	4	0	0	0	7
Managers	42	1	1	3	54	0	0	2	103
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	4	0	0	0	0	0	0	0	4
Elementary occupations	7	0	0	0	24	0	0	0	31
Total	146	2	1	05	232	0	1	2	389
Employees with disabilities	5	0	0	0	1	0	0	0	6

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2025

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	1	0	0	0	2
Senior Management	8	0	1	1	7	0	0	2	19

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionally qualified and experienced specialists and mid-management	67	1	0	4	65	0	0	0	137
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	36	1	0	0	54	0	1	0	92
Semi-skilled and discretionary decision making	8	0	0	0	27	0	0	0	35
Unskilled and defined decision making	6	0	0	0	11	0	0	0	17
Not Available, Permanent	13	0	0	0	48	0	0	0	61
Contract (Senior Management), Permanent	1	0	0	0	0	0	0	0	1
Contract (Professionally Qualified), Permanent	1	0	0	0	1	0	0	0	2
Contract (Skilled Technical), Permanent	4	0	0	0	6	0	0	0	10
Contract (Semi-Skilled), Permanent	1	0	0	0	12	0	0	0	13
Total	146	2	1	5	232	0	1	2	389

Table 3.6.3 Recruitment for the period 1 April 2024 to 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	1	0	0	0	1	0	0	0	2
Professionally qualified and experienced specialists and mid-management	2	0	0	0	1	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	0	0	0	1	0	0	0	3
Semi-skilled and discretionary decision making	0	0	0	0	1	0	0	0	1
Unskilled and defined decision making	0	0	0	0	1	0	0	0	1
Total	6	0	0	0	5	0	0	0	11
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2024 to 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	5	0	0	0	4	0	0	1	10
Professionally qualified and experienced specialists and mid-management	21	0	0	1	38	0	0	0	60

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	23	0	0	0	34	0	1	0	58
Semi-skilled and discretionary decision making	5	0	0	0	9	0	0	0	14
Unskilled and defined decision making	5	0	0	0	7	0	0	0	12
Total	59	0	0	1	92	0	1	1	154
Employees with disabilities	2	0	0	0	1	0	0	0	3

Table 3.6.5 Terminations for the period 1 April 2024 to 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	2	0	0	0	2	0	0	0	4
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	2	0	0	0	2
Semi-skilled and discretionary decision making	1	0	0	0	0	0	0	0	1

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Unskilled and defined decision making	0	0	0	0	1	0	0	0	1
Not Available, Permanent	6	0	0	0	9	0	0	0	15
Contract (Professionally qualified), Permanent	1	0	0	0	0	0	0	0	1
Contract (Skilled technical), Permanent	1	0	0	0	0	0	0	0	1
Contract (Semi-skilled), Permanent	1	0	0	0	0	0	0	0	1
Contract (Unskilled), Permanent	0	0	0	0	1	0	0	0	1
Total	12	0	0	0	15	0	0	0	27
Employees with Disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.6 Disciplinary action for the period 1 April 2024 to 31 March 2025

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Case Withdrawn	1	0	0	0	0	0	0	0	1
Total	1	0	0	0	0	0	0	0	1

Table 3.6.7 Skills development for the period 1 April 2024 to 31 March 2025

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	38	1	1	2	41	0	0	2	85
Professionals	43	0	0	2	36	0	0	0	81

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Technicians and associate professionals	22	1	0	0	26	0	1	0	50
Clerks	25	0	0	0	44	0	0	0	69
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	24	0	0	0	88	0	0	0	112
Total	152	2	1	4	235	0	1	2	397
Employees with disabilities	5	0	0	0	1	0	0	0	6

3.7 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2024

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General / Head of Department	1	1	1	100
Salary Level 16	1	1	1	100
Salary Level 15	0	0	0	0
Salary Level 14	3	3	3	100
Salary Level 13	17	16	16	100
Total	22	21	21	100

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2025

Reasons
Not applicable

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2025

Reasons
Not applicable

3.8 PERFORMANCE REWARDS

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2024 to 31 March 2025

Performance Rewards by race, gender and disability	None
--	------

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2024 to 31 March 2025

Performance Rewards by salary band for personnel below Senior Management Service	None
--	------

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2024 to 31 March 2025

Performance Rewards by critical occupation	None
--	------

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2024 to 31 March 2025

Performance related rewards (cash bonus), by salary band for Senior Management Service	None
--	------

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

3.9 FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1 foreign workers by salary band for the period 1 April 2024 and 31 March 2025

Foreign workers by salary band	None
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Table 3.9.2 foreign workers by major occupation for the period 1 April 2024 and 31 March 2025

Foreign workers by major occupation	None
-------------------------------------	------

3.10 LEAVE UTILISATION

Table 3.10.1 Sick leave for the period 1 January 2024 to 31 December 2024

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	75	82.70	12	5.40	6	53
Skilled (levels 3-5)	152	85.50	24	10.80	6	164
Highly skilled production (levels 6-8)	417	71.50	70	31.50	6	787
Highly skilled supervision (levels 9 -12)	506	85.60	85	38.30	6	1 802
Top and Senior management (levels 13-16)	80	97.50	7	3.20	11	422
Contract (Levels 3-5)	2	100	1	0.50	2	1
Contract (Levels 6-8)	15	73.30	3	1.40	5	5
Contract Other	49	55.10	20	9	2	13
Total	1 296	80.30	222	100	6	3 247

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2023 to 31 December 2023

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	18	100	1	100	18	66
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	18	100	1	100	18	66

Table 3.10.3 Annual Leave for the period 1 January 2024 to 31 December 2024

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	377	21	18
Skilled Levels 3-5)	770	23	34
Highly skilled production (Levels 6-8)	2 515	26	95
Highly skilled supervision(Levels 9-12)	3 647	26	141
Senior management (Levels 13-16)	519	29	18
Contract (Levels 3-5)	92	9	10
Contract (Levels 6-8)	117	10	12
Contract Other	718	11	63
Total	8 755	22	391

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Table 3.10.4 Capped leave for the period 1 January 2024 to 31 December 2024

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2024
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	60
Highly skilled production (Levels 6-8)		0	0	45
Highly skilled supervision (Levels 9-12)	0	0	0	48
Senior management (Levels 13-16)	0	0	0	58
Total	0	0	0	49

Table 3.10.5 Leave pay-outs for the period 1 April 2024 and 31 March 2025

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual -Discounting With Resignation (Work Days)	26	5	5
Annual - Gratuity: Death/Retirement/Medical Retirement (Work	73	1	73
Capped - Gratuity: Death/Retirement/Medical Retirement (Work	694	3	231
TOTAL	793	9	88

3.11 HIV/AIDS & HEALTH PROMOTION PROGRAMMES

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	N/A

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1) Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	✓		Ms C Nkonyane : Senior Manager
2) Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	✓		3 staff members: Operational budget (No specific budget as they share the budget with another sub unit) Compensation of Employees: R 2, 619 Million Goods and Services: R 1, 529 Million
3) Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	✓		The department coordinates awareness workshops, issue circulars and coordinates referrals etc.

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Question	Yes	No	Details, if yes
4) Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	✓		The Provincial Treasury has established an OHS Committee and members were officially appointed as follows: Ms C Nkonyane- Snr Manager Corporate Services and Chairperson of the Committee. Members: Mr. E Maunye -- Security Management Mr. C Mariri—OHS Rep (Program 2) Mr. BJ Hlatshwayo—OHS Rep Gert Sibande Regional Office Mr. FM Mathebula—OHS Rep Ermelo Satellite Office Ms EY Mnisi—OHS Rep Head Office (EHW) Ms N Ngcobo –OHS Rep Head Office (Program 3) Mr. A Zulu—OHS Rep Transversal Services- Head Office Mr. MW Gama—OHS Rep Ehlanzeni Region (Program 4) Mr. MB Dube—OHS Rep Head Office (Program 1) Mr. S Msimango—OHS Rep Head Office (Program 3) Mr. J Sithole—OHS Rep Building 9 Ms S Thaga—OHS Rep (Program 4) Mr. S Sibitane—OHS Rep Mbombela Square Ms M Mhlongo—OHS Rep Mbombela Square Ms A Kumako—Secretarial Support Mr. MI Mnisi—OHS Labour Rep (PSA) Ms K Mavunda—OHS Rep Communications Head Office (Program 1) Mr. NJ Mkhabela—OHS Rep Ms G Makhaya—OHS Rep Labour Rep (PSA) Ms E Chego—OHS Rep Head Office (HOD Office) Ms LT Nethenonda—OHS Rep Nkangala Regional Office Mr. MP Mathebula—OHS Rep Ehlanzeni Regional Office Mr. T Mabena—OHS Rep Nkangala Regional Office Ms NF Khoza—OHS Rep Risk Management.
5) Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	✓		• HIV/AIDS & TB Management Policy • Wellness Management Policy • Health & Productivity Management Policy • Safety

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Question	Yes	No	Details, if yes
6) Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	✓		The Department has developed a Policy on HIV/AIDS meant to protect those perceived to be HIV-positive.
7) Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	✓		46 (35 females & 11 males) at 23,2% prevalence as per screening during wellness days.
8) Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.		✓	- The number of employees enrolled through the wellness programme have reduced significantly as compared to the previous financial year - Number of employees hospitalised has also reduced. - High morale and productive workforce

3.12 LABOUR RELATIONS

Table 3.12.1 Collective agreements for the period 1 April 2024 and 31 March 2025

Subject matter	Date
None	Not applicable
Total number of Collective agreements	None

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2024 and 31 March 2025

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	1	33.3
Final written warning	0	0
Suspended without pay	1	33.3
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	1	33.3
Total	3	100

Total number of Disciplinary hearings finalised	1
--	----------

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2024 and 31 March 2025

Type of misconduct	Number	% of total
Insubordination	1	33.33
Total	1	100

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Table 3.12.4 Grievances logged for the period 1 April 2024 and 31 March 2025

Grievances	Number	% of Total
Number of grievances not resolved	0	0
Total number of grievances lodged	4	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2024 and 31 March 2025

Disputes	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	1	100
Total number of disputes lodged	1	100

Table 3.12.6 Strike actions for the period 1 April 2024 and 31 March 2025

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 3.12.7 Precautionary suspensions for the period 1 April 2024 and 31 March 2025

Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	0
Cost of suspension (R'000)	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

3.13 SKILLS DEVELOPMENT

This section highlights the efforts of the department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2024 and 31 March 2025

Occupational category	Gender	Number of employees as at 1 April 2024	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	9	0	3	0	3
	Male	10	0	3	0	3
Professionals	Female	34	0	20	0	20
	Male	25	0	20	0	20
Technicians and associate professionals	Female	32	0	23	0	23
	Male	45	0	23	0	23
Clerks	Female	45	0	20	0	20
	Male	31	0	20	0	20
Elementary occupations	Female	126	0	21	0	21
	Male	45	0	21	0	21
Sub Total	Female	246	0	87	0	87
	Male	156	0	87	0	87
Total		402	0	174	0	174

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Table 3.13.2 Training provided for the period 1 April 2024 and 31 March 2025

Occupational category	Gender	Number of employees as at 1 April 2024	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	9	0	43	0	43
	Male	10	0	42	0	42
Professionals	Female	34	0	36	0	36
	Male	25	0	45	0	45
Technicians and associate professionals	Female	32	0	27	0	27
	Male	45	0	23	0	23
Clerks	Female	45	0	44	0	44
	Male	31	0	25	0	25
Elementary occupations	Female	126	0	88	0	88
	Male	45	0	24	0	24
Sub Total	Female	246	0	238	0	238
	Male	156	0	159	0	159
Total		402	0	397	0	397

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

3.14 INJURY ON DUTY

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2024 and 31 March 2025

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	1	100

3.15 UTILISATION OF CONSULTANTS

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2024 and 31 March 2025

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
N/A			

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
N/A			

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2024 and 31 March 2025

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A			

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2024 and 31 March 2025

Project title	Total number of consultants that worked on project	Duration (work days)	Donor and contract value in Rand
N/A			

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
N/A			

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2024 and 31 March 2025

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A			

3.16 SEVERANCE PACKAGES**Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2024 and 31 March 2025**

Granting of employee initiated severance packages	None
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PFMA COMPLIANCE REPORT

PART E

1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

Provincial Treasury did not incur any Irregular, Fruitless and Wasteful, Unauthorised Expenditure and Material Losses for 2023/2024 and 2024/2025 financial years.

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	No. of Invoices	2023/2024
		R'000
Valid invoices received	2 479	288 714
Invoices paid within 30 days or agreed period	2 479	288 714
Invoices paid after 30 days or agreed period	0	0
Invoices older than 30 days or agreed period (unpaid and without dispute)	0	0
Invoices older than 30 days or agreed period (unpaid and in dispute)	0	0

FINANCIAL INFORMATION

PART F

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Report of the Auditor-General to the Mpumalanga Provincial Legislature on Vote No. 3: Mpumalanga Provincial Treasury

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Mpumalanga Provincial Treasury set out on pages 132 to 190, which comprise the appropriation statement, statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Mpumalanga Provincial Treasury as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 24 of 2024 (DORA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the accounting officer for the financial statements

6. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from

1. REPORT OF THE AUDITOR-GENERAL CONTINUED

material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page xx, forms part of my auditor's report.

Report on the audit of the annual performance report

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
11. I selected the following programmes presented in the annual performance report for the year ended 31 March 2025 for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant public interest.

Programme	Page numbers	Purpose
Programme 2 – Sustainable Resource Management	36 - 40	The programme exists to promote optimal and effective provincial and municipal fiscal policy in line with applicable financial management prescripts
Programme 3 – Assets and Liabilities Management	41 - 46	The programme is responsible for monitoring and supporting assets, liabilities, supply chain management, as well as provisioning of transversal systems and information technology services to departments, public entities and municipalities in the Mpumalanga province
Programme 4 – Financial Governance	47 - 51	This programme serves to facilitate, monitor, support and provide professional advice to ensure good governance in the province

12. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.

1. REPORT OF THE AUDITOR-GENERAL CONTINUED

13. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
14. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
15. I did not identify any material findings on the reported performance information for the selected programmes sustainable resource management, asset and liabilities management and financial governance.

Report on compliance with legislation

16. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.
17. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
18. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
19. I did not identify any material non-compliance with the selected legislative requirements.

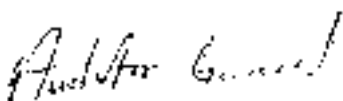
1. REPORT OF THE AUDITOR-GENERAL CONTINUED

Other information in the annual report

20. The accounting officer is responsible for the other information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
21. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
22. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
23. If, based on the work I have performed, I conclude that there is a material misstatement in this other information; I am required to report that fact.
24. I have nothing to report in this regard.

Internal control deficiencies

25. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
26. I did not identify any significant deficiencies in internal control.



Auditor-General
Mbombela
30 July 2025



ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the department's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I 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 my 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 department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

COMPLIANCE WITH LEGISLATION – SELECTED LEGISLATIVE REQUIREMENTS

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 39(1)(a); 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4); 44; 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; 19.8.4
Division of Revenue Act 24 of 2024	Section 11(6)(a); 12(5); 16(1); 16(3); 16(3)(a)(i); 16(3)(a)(ii)(bb)
Public Service Regulations	Public service regulation 13(c);18; 18 (1) and (2); 25(1)(e)(i); 25(1)(e)(iii)
Prevention and Combating of Corrupt Activities Act 12 of 2004 (Precca)	Section 29 Section 34(1)
Construction Industry Development Board Act 38 of 2000 (CIDB)	Section 18(1)
Construction Industry Development Board Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)
PPPFA	Section 1(i); 2.1(a); 2.1(b); 2.1(f)
PPR 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2 Paragraph 12.1 and 12.2

**COMPLIANCE WITH LEGISLATION –
SELECTED LEGISLATIVE REQUIREMENTS CONTINUED**

Legislation	Sections or regulations
PPR 2022	Paragraph 3.1 Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
Sita ACT	Section 7(3) Section 7(6)(b) Section 20(1)(a)(i)
Sita regulations	Regulation 8.1.1 (b); 8.1.4; 8.1.7 Regulation 9.6; 9.4 Regulation 12.3 Regulation 13.1 (a) Regulation 14.1; 14.2
PFMA SCM Instruction No. 09 of 2022/23	Paragraph 3.1; 3.3 (b); 3.3 (c); 3.3 (e); 3.6
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4 (a); 4.4 (c) -(d); 4.6 Paragraph 5.4 Paragraph 7.2; 7.6
NT SCM Instruction 4A of 2016/17	Paragraph 6
NT SCM Instruction Note 03 2019/20	Par 5.5.1(vi); Paragraph 5.5.1(x);
NT SCM Instruction Note 11 2020/21	Paragraph 3.1; 3.4 (a) and (b); 3.9; 6.1; 6.2; 6.7
NT SCM Instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.2; 3.2.4(a) and (b) ; 3.3.1; 3.2.2 Paragraph 4.1
PFMA SCM Instruction 04 of 2022/23	Paragraph 4(1); 4(2); 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3

**COMPLIANCE WITH LEGISLATION –
SELECTED LEGISLATIVE REQUIREMENTS CONTINUED**

Legislation	Sections or regulations
PFMA SCM Instruction 08 of 2022/23	Paragraph 3.2 Paragraph 4.3.2 and 4.3.3
NT Instruction Note 4 of 2015/16	Paragraph 3.4
NT Instruction 3 of 2019/20 - Annexure A	Section 5.5.1 (iv) and (x)
Second amendment of NTI 05 of 2020/21	Paragraph 4.8; 4.9 ; 5.1 ; 5.3
Erratum NTI 5 of 2020/21	Paragraph 1
Erratum NTI 5 of 2020/21	Paragraph 2
Practice Note 7 of 2009/10	Paragraph 4.1.2
Practice Note 11 of 2008/9	Paragraph 3.1 Paragraph 3.1 (b)
NT Instruction Note 1 of 2021/22	Paragraph 4.1
Public Service Act	Section 30 (l)

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand									
2024/2025								2023/2024	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per programme									
Programme									
Administration 1	145,453	-	-	145,453	143,777	1,676	98.85 %	141,447	140,117
Sustainable Resource Management 2	72,184	-	-	72,184	71,647	537	99.26 %	96,090	95,878
Asset and Liabilities Management 3	339,788	-	-	339,788	339,152	636	99.81 %	287,550	282,012
Financial Governance 4	28,953	-	-	28,953	28,731	222	99.23 %	25,625	25,615
Programme subtotal	586,378	-	-	586,378	583,307	3,071	99.48 %	550,712	543,622
Programme sub total	586,378	-	-	586,378	583,307	3,071	99.48 %	550,712	543,622
Total	586,378	-	-	586,378	583,307	3,071	99.48 %	550,712	543,622
Reconciliation with statement of financial performance									
Add:									
Departmental revenue				301,987				496,699	
Actual amounts per statement of financial performance (total revenue)				888,365				1,047,411	
Actual expenditure				583,307		543,622			
Add:									
Actual amounts per statement of financial performance (total expenditure)				583,307		543,622			

APPROPRIATION STATEMENT CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	201,931	-	-	201,931	201,948	(17)	100.01 %	181,964	179,873
Social contributions	32,147	-	-	32,147	32,005	142	99.56 %	28,914	28,556
	234,078	-	-	234,078	233,953	125	99.95 %	210,878	208,429
Goods and services									
Administrative fees	1,455	-	-	1,455	1,297	158	89.14 %	916	917
Advertising	1,410	-	-	1,410	1,163	247	82.48 %	1,304	1,304
Minor assets	81	-	-	81	76	5	93.83 %	311	311
Audit costs: External	5,669	817	-	6,486	6,486	-	100.00 %	6,360	6,360
Catering: Departmental activities	1,075	83	-	1,158	1,158	-	100.00 %	859	858
Communication	7,212	318	-	7,530	7,529	1	99.99 %	7,645	7,646
Computer services	214,111	106	-	214,217	214,216	1	100.00 %	186,646	186,589
Consultants: Business and advisory services	3,159	-	-	3,159	2,990	169	94.65 %	9,219	9,219
Contractors	15,773	-	-	15,773	16,912	(1,139)	107.22 %	20,847	20,846
Fleet services	4,339	(817)	-	3,522	3,522	-	100.00 %	2,462	2,462
Consumable supplies	3,146	-	-	3,146	2,899	247	92.15 %	4,317	4,317
Consumable: Stationery, printing and office supplies	2,195	-	-	2,195	2,152	43	98.04 %	3,428	3,428
Operating leases	8,329	500	-	8,829	8,823	6	99.93 %	8,129	8,129
Property payments	8,153	(819)	-	7,334	7,015	319	95.65 %	7,103	7,103
Transport provided: Departmental activity	19	-	-	19	-	19	- %	48	48
Travel and subsistence	23,227	(189)	-	23,038	21,900	1,138	95.06 %	17,406	17,405
Training and development	1,120	1	-	1,121	1,120	1	99.91 %	1,829	1,829
Operating payments	2,182	-	-	2,182	897	1,285	41.11 %	959	959
Venues and facilities	3,275	-	-	3,275	3,156	119	96.37 %	2,026	2,026

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification (continued)									
	305,930	-	-	305,930	303,311	2,619	99.14 %	281,814	281,756
Compensation of employees	234,078	-	-	234,078	233,953	125	99.95 %	210,878	208,429
Goods and services	305,930	-	-	305,930	303,311	2,619	99.14 %	281,814	281,756
Total current payments	540,008	-	-	540,008	537,264	2,744	99.49 %	492,692	490,185
Transfers and subsidies									
Provinces and municipalities									
Provinces									
Provincial agencies and funds	56	-	-	56	46	10	82.14 %	46	40
Municipalities									
Municipal agencies and funds	10,268	-	-	10,268	10,268	-	100.00 %	31,255	31,255
Provinces	56	-	-	56	46	10	82.14 %	46	40
Municipalities	10,268	-	-	10,268	10,268	-	100.00 %	31,255	31,255
Provinces and municipalities subtotal	10,324	-	-	10,324	10,314	10	99.90 %	31,301	31,295
Departmental agencies and accounts									
Departmental agencies (non-business entities)	764	-	-	764	764	-	100.00 %	711	711
Households									
Social benefits	793	-	-	793	793	-	100.00 %	676	676
Provinces and municipalities	10,324	-	-	10,324	10,314	10	99.90 %	31,301	31,295
Departmental agencies and accounts	764	-	-	764	764	-	100.00 %	711	711
Households	793	-	-	793	793	-	100.00 %	676	676
Total transfers and subsidies	11,881	-	-	11,881	11,871	10	99.92 %	32,688	32,682
Payments for capital assets									
Machinery and equipment									
Transport equipment	2,175	-	-	2,175	2,175	-	100.00 %	3,056	3,056

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification (continued)									
Other machinery and equipment	21,163	-	-	21,163	20,846	317	98.50 %	18,369	13,792
	23,338	-	-	23,338	23,021	317	98.64 %	21,425	16,848
Machinery and equipment Intangible assets	23,338	-	-	23,338	23,021	317	98.64 %	21,425	16,848
	11,151	-	-	11,151	11,151	-	100.00 %	3,905	3,905
Total payments for capital assets	34,489	-	-	34,489	34,172	317	99.08 %	25,330	20,753
Payments for financial assets	-	-	-	-	-	-	-	2	2
Total current payments	540,008	-	-	540,008	537,264	2,744	99.49 %	492,692	490,185
Total transfers and subsidies	11,881	-	-	11,881	11,871	10	99.92 %	32,688	32,682
Total payments for capital assets	34,489	-	-	34,489	34,172	317	99.08 %	25,330	20,753
Total payments for financial assets	-	-	-	-	-	-	-	2	2
Total	586,378	-	-	586,378	583,307	3,071	99.48 %	550,712	543,622

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand		2024/2025						2023/2024		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1. ADMINISTRATION										
Sub programme										
	1.1	6,613	-	-	6,613	6,593	20	99.70 %	-	-
	1.2	62,510	-	-	62,510	61,979	531	99.15 %	56,902	56,107
	1.3	70,260	-	-	70,260	69,366	894	98.73 %	79,064	78,607
	1.4	6,070	-	-	6,070	5,839	231	96.19 %	5,481	5,403
Subtotal		145,453	-	-	145,453	143,777	1,676	98.85 %	141,447	140,117
Economic classification										
Current payments										
Compensation of employees										
	Salaries and wages	70,552	-	-	70,552	70,569	(17)	100.02 %	60,088	59,209
	Social contributions	11,671	-	-	11,671	11,720	(49)	100.42 %	10,104	9,932
		82,223	-	-	82,223	82,289	(66)	100.08 %	70,192	69,141
Goods and services										
	Administrative fees	954	-	-	954	857	97	89.83 %	567	568
	Advertising	1,410	-	-	1,410	1,163	247	82.48 %	1,304	1,304
	Minor assets	58	-	-	58	53	5	91.38 %	311	311
	Audit costs: External	5,669	817	-	6,486	6,486	-	100.00 %	6,360	6,360
	Catering: Departmental activities	652	83	-	735	748	(13)	101.77 %	461	461
	Communication	5,165	318	-	5,483	5,471	12	99.78 %	6,013	6,013
	Computer services	27	-	-	27	-	27	-	25	25
	Consultants: Business and advisory services	559	-	-	559	390	169	69.77 %	381	381
	Contractors	3,281	-	-	3,281	3,252	29	99.12 %	5,615	5,615
	Fleet services	4,339	(817)	-	3,522	3,522	-	100.00 %	2,462	2,462
	Consumable supplies	2,409	-	-	2,409	2,162	247	89.75 %	2,532	2,532
	Consumable: Stationery, printing and office supplies	2,195	-	-	2,195	2,152	43	98.04 %	3,428	3,428
	Operating leases	8,329	500	-	8,829	8,823	6	99.93 %	8,129	8,129

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Property payments	8,153	(819)	-	7,334	7,015	319	95.65 %	7,103	7,103
Transport provided: Departmental activity	-	-	-	-	-	-	- %	45	45
Travel and subsistence	10,211	(83)	-	10,128	9,769	359	96.46 %	6,398	6,398
Training and development	953	1	-	954	955	(1)	100.10 %	1,701	1,700
Operating payments	592	-	-	592	476	116	80.41 %	700	700
Venues and facilities	2,495	-	-	2,495	2,441	54	97.84 %	1,433	1,433
	57,451	-	-	57,451	55,735	1,716	97.01 %	54,968	54,968
Compensation of employees	82,223	-	-	82,223	82,289	(66)	100.08 %	70,192	69,141
Goods and services	57,451	-	-	57,451	55,735	1,716	97.01 %	54,968	54,968
Total current payments	139,674	-	-	139,674	138,024	1,650	98.82 %	125,160	124,109
Transfers and subsidies									
Provinces and municipalities	56	-	-	56	46	10	82.14 %	46	40
Departmental agencies and accounts	764	-	-	764	764	-	100.00 %	711	711
Households	26	-	-	26	26	-	100.00 %	528	528
Provinces and municipalities	56	-	-	56	46	10	82.14 %	46	40
Departmental agencies and accounts	764	-	-	764	764	-	100.00 %	711	711
Households	26	-	-	26	26	-	100.00 %	528	528
Total transfers and subsidies	846	-	-	846	836	10	98.82 %	1,285	1,279
Payments for capital assets									
Machinery and equipment	4,933	-	-	4,933	4,917	16	99.68 %	15,000	14,727
Machinery and equipment	4,933	-	-	4,933	4,917	16	99.68 %	15,000	14,727
Payments for financial assets	-	-	-	-	-	-	-	2	2
Total current payments	139,674	-	-	139,674	138,024	1,650	98.82 %	125,160	124,109
Total transfers and subsidies	846	-	-	846	836	10	98.82 %	1,285	1,279
Total payments for capital assets	4,933	-	-	4,933	4,917	16	99.68 %	15,000	14,727
Total payments for financial assets	-	-	-	-	-	-	- %	2	2
Total	145,453	-	-	145,453	143,777	1,676	98.85 %	141,447	140,117

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.1 Member of Executive Council									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	4,432	-	-	4,432	4,426	6	99.86 %	-	-
Social contributions	519	-	-	519	524	(5)	100.96 %	-	-
	4,951	-	-	4,951	4,950	1	99.98 %	-	-
Goods and services									
Administrative fees	96	-	-	96	61	35	63.54 %	-	-
Catering: Departmental activities	181	-	-	181	181	-	100.00 %	-	-
Communication	21	-	-	21	37	(16)	176.19 %	-	-
Contractors	5	-	-	5	5	-	100.00 %	-	-
Consumable supplies	29	-	-	29	29	-	100.00 %	-	-
Travel and subsistence	1,214	-	-	1,214	1,214	-	100.00 %	-	-
Operating payments	33	-	-	33	33	-	100.00 %	-	-
Venues and facilities	83	-	-	83	83	-	100.00 %	-	-
	1,662	-	-	1,662	1,643	19	98.86 %	-	-
Compensation of employees	4,951	-	-	4,951	4,950	1	99.98 %	-	-
Goods and services	1,662	-	-	1,662	1,643	19	98.86 %	-	-
Total current payments	6,613	-	-	6,613	6,593	20	99.70 %	-	-
Total current payments	6,613	-	-	6,613	6,593	20	99.70 %	-	-
Total	6,613	-	-	6,613	6,593	20	99.70 %	-	-

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.2 Management Services									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	39,474	-	-	39,474	39,480	(6)	100.02 %	35,702	35,005
Social contributions	6,460	-	-	6,460	6,505	(45)	100.70 %	5,811	5,712
	45,934	-	-	45,934	45,985	(51)	100.11 %	41,513	40,717
Goods and services									
Administrative fees	509	-	-	509	480	29	94.30 %	448	449
Advertising	1,410	-	-	1,410	1,163	247	82.48 %	1,304	1,304
Catering: Departmental activities	437	-	-	437	480	(43)	109.84 %	425	425
Communication	564	-	-	564	581	(17)	103.01 %	456	456
Consultants: Business and advisory services	210	-	-	210	187	23	89.05 %	102	102
Contractors	3,249	-	-	3,249	3,225	24	99.26 %	3,281	3,281
Consumable supplies	451	-	-	451	451	-	100.00 %	247	247
Consumable: Stationery, printing and office supplies	14	-	-	14	27	(13)	192.86 %	66	66
Property payments	34	-	-	34	34	-	100.00 %	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	- %	45	45
Travel and subsistence	5,964	-	-	5,964	5,767	197	96.70 %	4,948	4,948
Training and development	866	-	-	866	866	-	100.00 %	1,587	1,586
Operating payments	474	-	-	474	385	89	81.22 %	348	348
Venues and facilities	1,604	-	-	1,604	1,558	46	97.31 %	1,293	1,293
	15,786	-	-	15,786	15,204	582	96.31 %	14,550	14,550
Compensation of employees	45,934	-	-	45,934	45,985	(51)	100.11 %	41,513	40,717
Goods and services	15,786	-	-	15,786	15,204	582	96.31 %	14,550	14,550
Total current payments	61,720	-	-	61,720	61,189	531	99.14 %	56,063	55,267

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand		2024/2025						2023/2024		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.2 Management Services (continued)										
Transfers and subsidies										
Departmental agencies and accounts										
Departmental agencies (non-business entities)	764	-	-	-	764	764	-	100.00 %	709	709
Households										
Social benefits	26	-	-	-	26	26	-	100.00 %	129	130
Departmental agencies and accounts	764	-	-	-	764	764	-	100.00 %	709	709
Households	26	-	-	-	26	26	-	100.00 %	129	130
Total transfers and subsidies	790	-	-	-	790	790	-	100.00 %	838	839
Payments for financial assets										
Total current payments	61,720	-	-	-	61,720	61,189	531	99.14 %	56,063	55,267
Total transfers and subsidies	790	-	-	-	790	790	-	100.00 %	838	839
Total payments for financial assets	-	-	-	-	-	-	-	- %	1	1
Total	62,510	-	-	-	62,510	61,979	531	99.15 %	56,902	56,107

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.3 Financial Management									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	22,130	-	-	22,130	22,153	(23)	100.10 %	20,199	20,049
Social contributions	4,007	-	-	4,007	4,001	6	99.85 %	3,625	3,598
	26,137	-	-	26,137	26,154	(17)	100.07 %	23,824	23,647
Goods and services									
Administrative fees	331	-	-	331	301	30	90.94 %	111	111
Minor assets	58	-	-	58	53	5	91.38 %	311	311
Audit costs: External	5,669	817	-	6,486	6,486	-	100.00 %	6,360	6,360
Catering: Departmental activities	32	83	-	115	85	30	73.91 %	36	36
Communication	4,508	318	-	4,826	4,781	45	99.07 %	5,499	5,499
Consultants: Business and advisory services	40	-	-	40	53	(13)	132.50 %	68	68
Contractors	27	-	-	27	22	5	81.48 %	2,334	2,334
Fleet services	4,339	(817)	-	3,522	3,522	-	100.00 %	2,462	2,462
Consumable supplies	1,929	-	-	1,929	1,682	247	87.20 %	2,285	2,285
Consumable: Stationery, printing and office supplies	2,173	-	-	2,173	2,117	56	97.42 %	3,362	3,362
Operating leases	8,329	500	-	8,829	8,823	6	99.93 %	8,129	8,129
Property payments	8,119	(819)	-	7,300	6,981	319	95.63 %	7,103	7,103
Travel and subsistence	2,696	(83)	-	2,613	2,493	120	95.41 %	1,254	1,254
Training and development	26	1	-	27	27	-	100.00 %	34	34
Operating payments	50	-	-	50	23	27	46.00 %	304	304
Venues and facilities	808	-	-	808	800	8	99.01 %	140	140
	39,134	-	-	39,134	38,249	885	97.74 %	39,792	39,792
Compensation of employees	26,137	-	-	26,137	26,154	(17)	100.07 %	23,824	23,647
Goods and services	39,134	-	-	39,134	38,249	885	97.74 %	39,792	39,792
Total current payments	65,271	-	-	65,271	64,403	868	98.67 %	63,616	63,439

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand		2024/2025						2023/2024	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.3 Financial Management (continued)									
Transfers and subsidies									
Provinces and municipalities									
Provinces									
Provincial agencies and funds	56	-	-	56	46	10	82.14 %	46	40
Provinces	56	-	-	56	46	10	82.14 %	46	40
Departmental agencies and accounts									
Departmental agencies (non-business entities)	-	-	-	-	-	-	- %	2	2
Households									
Social benefits	-	-	-	-	-	-	- %	399	398
Provinces and municipalities	56	-	-	56	46	10	82.14 %	46	40
Departmental agencies and accounts	-	-	-	-	-	-	- %	2	2
Households	-	-	-	-	-	-	- %	399	398
Total transfers and subsidies	56	-	-	56	46	10	82.14 %	447	440
Payments for capital assets									
Machinery and equipment	2,175	-	-	2,175	2,175	-	100.00 %	3,056	3,056
Transport equipment	2,758	-	-	2,758	2,742	16	99.42 %	11,944	11,671
Other machinery and equipment	4,933	-	-	4,933	4,917	16	99.68 %	15,000	14,727
Machinery and equipment	4,933	-	-	4,933	4,917	16	99.68 %	15,000	14,727
Payments for financial assets	-	-	-	-	-	- %	1	1	
Total current payments	65,271	-	-	65,271	64,403	868	98.67 %	63,616	63,439
Total transfers and subsidies	56	-	-	56	46	10	82.14 %	447	440
Total payments for capital assets	4,933	-	-	4,933	4,917	16	99.68 %	15,000	14,727
Total payments for financial assets	-	-	-	-	-	- %	1	1	
Total	70,260	-	-	70,260	69,366	894	98.73 %	79,064	78,607

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand		2024/2025					2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.4 Internal Audit									
Economic classification									
Current payments									
Compensation of employees	4,516	-	-	4,516	4,510	6	99.87 %	4,187	4,155
Salaries and wages	685	-	-	685	690	(5)	100.73 %	668	622
Social contributions									
	5,201	-	-	5,201	5,200	1	99.98 %	4,855	4,777
Goods and services									
Administrative fees	18	-	-	18	15	3	83.33 %	8	8
Catering: Departmental activities	2	-	-	2	2	-	100.00 %	-	-
Communication	72	-	-	72	72	-	100.00 %	58	58
Computer services	27	-	-	27	-	27	- %	25	25
Consultants: Business and advisory services	309	-	-	309	150	159	48.54 %	211	211
Consumable: Stationery, printing and office supplies	8	-	-	8	8	-	100.00 %	-	-
Travel and subsistence	337	-	-	337	295	42	87.54 %	196	196
Training and development	61	-	-	61	62	(1)	101.64 %	80	80
Operating payments	35	-	-	35	35	-	100.00 %	48	48
	869	-	-	869	639	230	73.53 %	626	626
Compensation of employees	5,201	-	-	5,201	5,200	1	99.98 %	4,855	4,777
Goods and services	869	-	-	869	639	230	73.53 %	626	626
Total current payments	6,070	-	-	6,070	5,839	231	96.19 %	5,481	5,403
Total current payments	6,070	-	-	6,070	5,839	231	96.19 %	5,481	5,403
Total	6,070	-	-	6,070	5,839	231	96.19 %	5,481	5,403

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

PART F: FINANCIAL INFORMATION

Figures in Rand thousand		2024/2025					2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2. SUSTAINABLE RESOURCES MANAGEMENT									
Sub programme									
Programme Support	2,351	-	-	2,351	2,328	23	99,02 %	2,031	2,010
Provincial Admin Fiscal Discipline	14,124	-	-	14,124	14,035	89	99,37 %	13,151	13,151
Budget and Expenditure	16,076	-	-	16,076	15,846	230	98,57 %	14,002	14,002
Municipal Finance	32,185	-	-	32,185	32,045	140	99,57 %	59,862	59,671
Infrastructure Coordination	7,448	-	-	7,448	7,393	55	99,26 %	7,044	7,044
Subtotal	72,184	-	-	72,184	71,647	537	99,26 %	96,090	95,878
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	50,009	-	-	50,009	50,009	-	100,00 %	46,408	46,192
Social contributions	6,766	-	-	6,766	6,765	1	99,99 %	6,177	6,172
	56,775	-	-	56,775	56,774	1	100,00 %	52,585	52,364
Goods and services									
Administrative fees	118	-	-	118	100	18	84,75 %	95	95
Catering: Departmental activities	179	-	-	179	167	12	93,30 %	95	95
Communication	731	-	-	731	761	(30)	104,10 %	637	637
Consultants: Business and advisory services	87	-	-	87	87	-	100,00 %	8,050	8,059
Travel and subsistence	3,395	-	-	3,395	3,073	322	90,52 %	3,068	3,068
Training and development	10	-	-	10	10	-	100,00 %	8	8
Operating payments	271	-	-	271	86	185	31,73 %	191	191
Venues and facilities	277	-	-	277	248	29	89,53 %	106	106
	5,068	-	-	5,068	4,532	536	89,42 %	12,250	12,259
Compensation of employees	56,775	-	-	56,775	56,774	1	100,00 %	52,585	52,364
Goods and services	5,068	-	-	5,068	4,532	536	89,42 %	12,250	12,259
Total current payments	61,843	-	-	61,843	61,306	537	99,13 %	64,835	64,623

APPROPRIATION STATEMENT CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Transfers and subsidies									
Provinces and municipalities	10,268	-	-	10,268	10,268	-	100.00 %	31,255	31,255
Households	73	-	-	73	73	-	100.00 %	-	-
Provinces and municipalities	10,268	-	-	10,268	10,268	-	100.00 %	31,255	31,255
Households	73	-	-	73	73	-	100.00 %	-	-
Total transfers and subsidies	10,341	-	-	10,341	10,341	-	100.00 %	31,255	31,255
Total current payments	61,843	-	-	61,843	61,306	537	99.13 %	64,835	64,623
Total transfers and subsidies	10,341	-	-	10,341	10,341	-	100.00 %	31,255	31,255
Total	72,184	-	-	72,184	71,647	537	99.26 %	96,090	95,878

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.1 Programme Support									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	1,848	-	-	1,848	1,848	-	100.00 %	1,570	1,555
Social contributions	227	-	-	227	227	-	100.00 %	172	166
	2,075	-	-	2,075	2,075	-	100.00 %	1,742	1,721
Goods and services									
Administrative fees	8	-	-	8	6	2	75.00 %	10	10
Communication	35	-	-	35	35	-	100.00 %	27	27
Travel and subsistence	233	-	-	233	212	21	90.99 %	198	198
Venues and facilities	-	-	-	-	-	-	- %	54	54
	276	-	-	276	253	23	91.67 %	289	289
Compensation of employees	2,075	-	-	2,075	2,075	-	100.00 %	1,742	1,721
Goods and services	276	-	-	276	253	23	91.67 %	289	289
Total current payments	2,351	-	-	2,351	2,328	23	99.02 %	2,031	2,010
Total current payments	2,351	-	-	2,351	2,328	23	99.02 %	2,031	2,010
Total	2,351	-	-	2,351	2,328	23	99.02 %	2,031	2,010

**APPROPRIATION STATEMENT CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025**

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.2 Provincial Admin Fiscal Discipline									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	11,367	-	-	11,367	11,367	-	100.00 %	10,746	10,745
Social contributions	1,686	-	-	1,686	1,686	-	100.00 %	1,595	1,596
	13,053	-	-	13,053	13,053	-	100.00 %	12,341	12,341
Goods and services									
Administrative fees	27	-	-	27	22	5	81.48 %	10	10
Catering: Departmental activities	60	-	-	60	50	10	83.33 %	18	18
Communication	159	-	-	159	168	(9)	105.66 %	145	145
Travel and subsistence	738	-	-	738	684	54	92.68 %	620	620
Operating payments	-	-	-	-	-	-	- %	10	10
Venues and facilities	87	-	-	87	58	29	66.67 %	7	7
	1,071	-	-	1,071	982	89	91.69 %	810	810
Compensation of employees	13,053	-	-	13,053	13,053	-	100.00 %	12,341	12,341
Goods and services	1,071	-	-	1,071	982	89	91.69 %	810	810
Total current payments	14,124	-	-	14,124	14,035	89	99.37 %	13,151	13,151
Total current payments	14,124	-	-	14,124	14,035	89	99.37 %	13,151	13,151
Total	14,124	-	-	14,124	14,035	89	99.37 %	13,151	13,151

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025							2023/2024	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.2.3 Budget and Expenditure									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	13,474	-	-	13,474	13,474	-	100.00 %	11,851	11,851
Social contributions	1,581	-	-	1,581	1,581	-	100.00 %	1,342	1,342
	15,055	-	-	15,055	15,055	-	100.00 %	13,193	13,193
Goods and services									
Administrative fees	27	-	-	27	23	4	85.19 %	21	21
Catering: Departmental activities	2	-	-	2	2	-	100.00 %	2	2
Communication	194	-	-	194	204	(10)	105.15 %	158	158
Travel and subsistence	419	-	-	419	368	51	87.83 %	429	429
Operating payments	271	-	-	271	86	185	31.73 %	170	170
Venues and facilities	108	-	-	108	108	-	100.00 %	29	29
	1,021	-	-	1,021	791	230	77.47 %	809	809
Compensation of employees	15,055	-	-	15,055	15,055	-	100.00 %	13,193	13,193
Goods and services	1,021	-	-	1,021	791	230	77.47 %	809	809
Total current payments	16,076	-	-	16,076	15,846	230	98.57 %	14,002	14,002
Total current payments	16,076	-	-	16,076	15,846	230	98.57 %	14,002	14,002
Total	16,076	-	-	16,076	15,846	230	98.57 %	14,002	14,002

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.4 Municipal Finance									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	17,406	-	-	17,406	17,406	-	100.00 %	16,670	16,470
Social contributions	2,448	-	-	2,448	2,447	1	99.96 %	2,291	2,291
	19,854	-	-	19,854	19,853	1	99.99 %	18,961	18,761
Goods and services									
Administrative fees	35	-	-	35	32	3	91.43 %	22	22
Catering: Departmental activities	115	-	-	115	115	-	100.00 %	75	75
Communication	256	-	-	256	266	(10)	103.91 %	237	237
Consultants: Business and advisory services	87	-	-	87	87	-	100.00 %	8,050	8,059
Travel and subsistence	1,529	-	-	1,529	1,383	146	90.45 %	1,259	1,259
Venues and facilities	41	-	-	41	41	-	100.00 %	3	3
	2,063	-	-	2,063	1,924	139	93.26 %	9,646	9,655
Compensation of employees	19,854	-	-	19,854	19,853	1	99.99 %	18,961	18,761
Goods and services	2,063	-	-	2,063	1,924	139	93.26 %	9,646	9,655
Total current payments	21,917	-	-	21,917	21,777	140	99.36 %	28,607	28,416
Transfers and subsidies									
Provinces and municipalities									
Municipalities									
Municipal agencies and funds	10,268	-	-	10,268	10,268	-	100.00 %	31,255	31,255
Municipalities	10,268	-	-	10,268	10,268	-	100.00 %	31,255	31,255
Provinces and municipalities	10,268	-	-	10,268	10,268	-	100.00 %	31,255	31,255
Total current payments	21,917	-	-	21,917	21,777	140	99.36 %	28,607	28,416
Total transfers and subsidies	10,268	-	-	10,268	10,268	-	100.00 %	31,255	31,255
Total	32,185	-	-	32,185	32,045	140	99.57 %	59,862	59,671

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.5 Infrastructure Cordination									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	5,914	-	-	5,914	5,914	-	100.00 %	5,571	5,571
Social contributions	824	-	-	824	824	-	100.00 %	777	777
	6,738	-	-	6,738	6,738	-	100.00 %	6,348	6,348
Goods and services									
Administrative fees	21	-	-	21	17	4	80.95 %	32	32
Catering: Departmental activities	2	-	-	2	-	2	- %	-	-
Communication	87	-	-	87	88	(1)	101.15 %	70	70
Travel and subsistence	476	-	-	476	426	50	89.50 %	562	562
Training and development	10	-	-	10	10	-	100.00 %	8	8
Operating payments	-	-	-	-	-	-	- %	11	11
Venues and facilities	41	-	-	41	41	-	100.00 %	13	13
	637	-	-	637	582	55	91.37 %	696	696
Compensation of employees	6,738	-	-	6,738	6,738	-	100.00 %	6,348	6,348
Goods and services	637	-	-	637	582	55	91.37 %	696	696
Total current payments	7,375	-	-	7,375	7,320	55	99.25 %	7,044	7,044
Transfers and subsidies									
Households									
Social benefits	73	-	-	73	73	-	100.00 %	-	-
Households	73	-	-	73	73	-	100.00 %	-	-
Total current payments	7,375	-	-	7,375	7,320	55	99.25 %	7,044	7,044
Total transfers and subsidies	73	-	-	73	73	-	100.00 %	-	-
Total	7,448	-	-	7,448	7,393	55	99.26 %	7,044	7,044

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand		2024/2025					2023/2024			
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3. ASSETS AND LIABILITIES MANAGEMENT										
Sub programme										
	3.1	2,115	-	-	2,115	2,085	30	98.58 %	1,811	1,811
	3.2	25,799	-	-	25,799	25,677	122	99.53 %	23,178	23,178
	3.3	5,541	-	-	5,541	5,507	34	99.39 %	4,688	4,688
	3.4	7,480	-	-	7,480	7,418	62	99.17 %	7,014	7,014
	3.5	109,670	-	-	109,670	109,631	39	99.96 %	127,896	127,047
	3.6	189,183	-	-	189,183	188,834	349	99.82 %	122,963	118,274
Subtotal		339,788	-	-	339,788	339,152	636	99.81 %	287,550	282,012
Economic classification										
Current payments										
Compensation of employees										
		61,415	-	-	61,415	61,414	1	100.00 %	56,286	55,291
		10,400	-	-	10,400	10,211	189	98.18 %	9,599	9,417
		71,815	-	-	71,815	71,625	190	99.74 %	65,885	64,708
Goods and services										
		257	-	-	257	225	32	87.55 %	188	188
		23	-	-	23	23	-	100.00 %	-	-
		16	-	-	16	16	-	100.00 %	291	291
		998	-	-	998	987	11	98.90 %	751	751
		214,084	106	-	214,190	214,216	(26)	100.01 %	186,621	186,564
		388	-	-	388	388	-	100.00 %	-	-
		12,492	-	-	12,492	13,660	(1,168)	109.35 %	15,232	15,231
		737	-	-	737	737	-	100.00 %	1,785	1,785
		19	-	-	19	-	19	- %	3	3
		7,089	(106)	-	6,983	6,714	269	96.15 %	5,831	5,831

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Training and development	48	-	-	48	48	-	100.00 %	8	9
Operating payments	1,241	-	-	1,241	257	984	20.71 %	54	54
Venues and facilities	331	-	-	331	307	24	92.75 %	423	423
	237,723	-	-	237,723	237,578	145	99.94 %	211,187	211,130
Compensation of employees	71,815	-	-	71,815	71,625	190	99.74 %	65,885	64,708
Goods and services	237,723	-	-	237,723	237,578	145	99.94 %	211,187	211,130
Total current payments	309,538	-	-	309,538	309,203	335	99.89 %	277,072	275,838
Transfers and subsidies									
Households	694	-	-	694	694	-	100.00 %	148	148
Households	694	-	-	694	694	-	100.00 %	148	148
Payments for capital assets									
Machinery and equipment	18,405	-	-	18,405	18,104	301	98.36 %	6,425	2,121
Machinery and equipment	18,405	-	-	18,405	18,104	301	98.36 %	6,425	2,121
Intangible assets	11,151	-	-	11,151	11,151	-	100.00 %	3,905	3,905
Total payments for capital assets	29,556	-	-	29,556	29,255	301	98.98 %	10,330	6,026
Total current payments	309,538	-	-	309,538	309,203	335	99.89 %	277,072	275,838
Total transfers and subsidies	694	-	-	694	694	-	100.00 %	148	148
Total payments for capital assets	29,556	-	-	29,556	29,255	301	98.98 %	10,330	6,026
Total	339,788	-	-	339,788	339,152	636	99.81 %	287,550	282,012

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.1 Programme Support									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	1,649	-	1,649	1,649	-	100.00 %	1,544	1,544	
Social contributions	183	-	183	183	-	100.00 %	158	158	
	1,832	-	1,832	1,832	-	100.00 %	1,702	1,702	
Goods and services									
Administrative fees	36	-	36	30	6	83.33 %	8	8	
Communication	32	-	32	33	(1)	103.13 %	30	30	
Travel and subsistence	92	-	92	79	13	85.87 %	12	12	
Training and development	48	-	48	48	-	100.00 %	-	-	
Venues and facilities	75	-	75	63	12	84.00 %	59	59	
	283	-	283	253	30	89.40 %	109	109	
Compensation of employees	1,832	-	1,832	1,832	-	100.00 %	1,702	1,702	
Goods and services	283	-	283	253	30	89.40 %	109	109	
Total current payments	2,115	-	2,115	2,085	30	98.58 %	1,811	1,811	
Total current payments	2,115	-	2,115	2,085	30	98.58 %	1,811	1,811	
Total	2,115	-	2,115	2,085	30	98.58 %	1,811	1,811	

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand		2024/2025					2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.2 Provincial Supply Chain Management									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	19,362	-	-	19,362	19,362	-	100.00 %	17,537	17,537
Social contributions	3,453	-	-	3,453	3,453	-	100.00 %	3,029	3,029
	22,815	-	-	22,815	22,815	-	100.00 %	20,566	20,566
Goods and services									
Administrative fees	81	-	-	81	76	5	93.83 %	60	60
Catering: Departmental activities	2	-	-	2	2	-	100.00 %	270	270
Communication	357	-	-	357	351	6	98.32 %	209	209
Consultants: Business and advisory services	98	-	-	98	98	-	100.00 %	-	-
Contractors	-	-	-	-	-	-	- %	62	62
Transport provided: Departmental activity	19	-	-	19	-	19	- %	3	3
Travel and subsistence	2,231	-	-	2,231	2,153	78	96.50 %	1,720	1,720
Operating payments	56	-	-	56	55	1	98.21 %	8	8
Venues and facilities	124	-	-	124	111	13	89.52 %	280	280
	2,968	-	-	2,968	2,846	122	95.89 %	2,612	2,612
Compensation of employees	22,815	-	-	22,815	22,815	-	100.00 %	20,566	20,566
Goods and services	2,968	-	-	2,968	2,846	122	95.89 %	2,612	2,612
Total current payments	25,783	-	-	25,783	25,661	122	99.53 %	23,178	23,178
Transfers and subsidies									
Households									
Social benefits	16	-	-	16	16	-	100.00 %	-	-
Households	16	-	-	16	16	-	100.00 %	-	-
Total current payments	25,783	-	-	25,783	25,661	122	99.53 %	23,178	23,178
Total transfers and subsidies	16	-	-	16	16	-	100.00 %	-	-
Total	25,799	-	-	25,799	25,677	122	99.53 %	23,178	23,178

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand		2024/2025					2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.3 Public Sector Liabilities									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	4,405	-	4,405	4,405	-	100.00 %	3,746	3,746	
Social contributions	603	-	603	603	-	100.00 %	492	492	
	5,008	-	5,008	5,008	-	100.00 %	4,238	4,238	
Goods and services									
Administrative fees	6	-	6	4	2	66.67 %	2		2
Catering: Departmental activities	-	-	-	-	-	- %	3		3
Communication	50	-	50	46	4	92.00 %	25		25
Travel and subsistence	477	-	477	449	28	94.13 %	420		420
	533	-	533	499	34	93.62 %	450		450
Compensation of employees	5,008	-	5,008	5,008	-	100.00 %	4,238		4,238
Goods and services	533	-	533	499	34	93.62 %	450		450
Total current payments	5,541	-	5,541	5,507	34	99.39 %	4,688		4,688
Total current payments	5,541	-	5,541	5,507	34	99.39 %	4,688		4,688
Total	5,541	-	5,541	5,507	34	99.39 %	4,688		4,688

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.4 Physical Assets Management									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	5,576	-	-	5,576	5,576	-	100.00 %	5,247	5,247
Social contributions	736	-	-	736	736	-	100.00 %	697	697
	6,312	-	-	6,312	6,312	-	100.00 %	5,944	5,944
Goods and services									
Administrative fees	26	-	-	26	21	5	80.77 %	26	26
Communication	94	-	-	94	98	(4)	104.26 %	92	92
Travel and subsistence	980	-	-	980	918	62	93.67 %	905	905
Venues and facilities	68	-	-	68	69	(1)	101.47 %	47	47
	1,168	-	-	1,168	1,106	62	94.69 %	1,070	1,070
Compensation of employees	6,312	-	-	6,312	6,312	-	100.00 %	5,944	5,944
Goods and services	1,168	-	-	1,168	1,106	62	94.69 %	1,070	1,070
Total current payments	7,480	-	-	7,480	7,418	62	99.17 %	7,014	7,014
Total current payments	7,480	-	-	7,480	7,418	62	99.17 %	7,014	7,014
Total	7,480	-	-	7,480	7,418	62	99.17 %	7,014	7,014

**APPROPRIATION STATEMENT CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025**

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.5 Interlinked Financial Systems									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	10,281	-	-	10,281	10,281	-	100.00 %	9,536	8,776
Social contributions	1,636	-	-	1,636	1,636	-	100.00 %	1,585	1,496
	11,917	-	-	11,917	11,917	-	100.00 %	11,121	10,272
Goods and services									
Administrative fees	56	-	-	56	45	11	80.36 %	39	39
Catering: Departmental activities	-	-	-	-	-	-	- %	18	18
Communication	162	-	-	162	154	8	95.06 %	104	104
Computer services	93,292	106	-	93,398	93,422	(24)	100.03 %	115,251	115,251
Contractors	54	-	-	54	53	1	98.15 %	-	-
Travel and subsistence	1,539	(106)	-	1,433	1,390	43	97.00 %	1,253	1,253
Training and development	-	-	-	-	-	-	- %	8	8
Operating payments	15	-	-	15	15	-	100.00 %	-	-
Venues and facilities	56	-	-	56	56	-	100.00 %	37	37
	95,174	-	-	95,174	95,135	39	99.96 %	116,710	116,710
Compensation of employees	11,917	-	-	11,917	11,917	-	100.00 %	11,121	10,272
Goods and services	95,174	-	-	95,174	95,135	39	99.96 %	116,710	116,710
Total current payments	107,091	-	-	107,091	107,052	39	99.96 %	127,831	126,982
Transfers and subsidies									
Households									
Social benefits	266	-	-	266	266	-	100.00 %	65	65
Households	266	-	-	266	266	-	100.00 %	65	65
Payments for capital assets									
Machinery and equipment									

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.6 Information Technology									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	20,142	-	-	20,142	20,141	1	100.00 %	18,676	18,441
Social contributions	3,789	-	-	3,789	3,600	189	95.01 %	3,638	3,545
	23,931	-	-	23,931	23,741	190	99.21 %	22,314	21,986
Goods and services									
Administrative fees	52	-	-	52	49	3	94.23 %	53	53
Minor assets	23	-	-	23	23	-	100.00 %	-	-
Catering: Departmental activities	14	-	-	14	14	-	100.00 %	-	-
Communication	303	-	-	303	305	(2)	100.66 %	291	291
Computer services	120,792	-	-	120,792	120,794	(2)	100.00 %	71,370	71,313
Consultants: Business and advisory services	290	-	-	290	290	-	100.00 %	-	-
Contractors	12,438	-	-	12,438	13,607	(1,169)	109.40 %	15,170	15,169
Consumable supplies	737	-	-	737	737	-	100.00 %	1,785	1,785
Travel and subsistence	1,770	-	-	1,770	1,725	45	97.46 %	1,521	1,521
Training and development	-	-	-	-	-	-	- %	-	1
Operating payments	1,170	-	-	1,170	187	983	15.98 %	46	46
Venues and facilities	8	-	-	8	8	-	100.00 %	-	-
	137,597	-	-	137,597	137,739	(142)	100.10 %	90,236	90,179
Compensation of employees	23,931	-	-	23,931	23,741	190	99.21 %	22,314	21,986
Goods and services	137,597	-	-	137,597	137,739	(142)	100.10 %	90,236	90,179
Total current payments	161,528	-	-	161,528	161,480	48	99.97 %	112,550	112,165

APPROPRIATION STATEMENT CONTINUED
FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.6 Information Technology continued									
Transfers and subsidies									
Households									
Social benefits	412	-	-	412	412	-	100.00 %	83	83
Payments for capital assets									
Machinery and equipment									
Other machinery and equipment	2,313	-	-	2,313	2,313	-	100.00 %	-	-
Machinery and equipment	2,313	-	-	2,313	2,313	-	100.00 %	-	-
Total current payments	107,091	-	-	107,091	107,052	39	99.96 %	127,831	126,982
Total transfers and subsidies	266	-	-	266	266	-	100.00 %	65	65
Total payments for capital assets	2,313	-	-	2,313	2,313	-	100.00 %	-	-
Total	109,670	-	-	109,670	109,631	39	99.96 %	127,896	127,047

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand		2024/2025					2023/2024			
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
4. FINANCIAL GOVERNANCE										
Sub programme										
	4.1	2,366	-	-	2,366	2,361	5	99.79 %	3,025	3,015
	4.2	8,596	-	-	8,596	8,547	49	99.43 %	5,872	5,872
	4.3	11,421	-	-	11,421	11,362	59	99.48 %	9,831	9,831
	4.4	4,000	-	-	4,000	3,950	50	98.75 %	3,487	3,487
	4.5	2,570	-	-	2,570	2,511	59	97.70 %	3,410	3,410
	Subtotal	28,953	-	-	28,953	28,731	222	99.23 %	25,625	25,615
Economic classification										
Current payments										
Compensation of employees										
		19,955	-	-	19,955	19,955	-	100.00 %	19,182	19,182
		3,310	-	-	3,310	3,310	-	100.00 %	3,034	3,034
		23,265	-	-	23,265	23,265	-	100.00 %	22,216	22,216
Goods and services										
		126	-	-	126	115	11	91.27 %	66	66
		228	-	-	228	227	1	99.56 %	12	11
		318	-	-	318	310	8	97.48 %	244	245
		2,125	-	-	2,125	2,125	-	100.00 %	788	779
		2,532	-	-	2,532	2,344	188	92.58 %	2,109	2,108
		109	-	-	109	109	-	100.00 %	112	112
		78	-	-	78	77	1	98.72 %	14	14
		172	-	-	172	159	13	92.44 %	64	64
		5,688	-	-	5,688	5,466	222	96.10 %	3,409	3,399
		23,265	-	-	23,265	23,265	-	100.00 %	22,216	22,216
		5,688	-	-	5,688	5,466	222	96.10 %	3,409	3,399
	Total current payments	28,953	-	-	28,953	28,731	222	99.23 %	25,625	25,615
	Total current payments	28,953	-	-	28,953	28,731	222	99.23 %	25,625	25,615
	Total	28,953	-	-	28,953	28,731	222	99.23 %	25,625	25,615

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
4.1 Programme Support									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	2,052	-	-	2,052	2,052	-	100.00 %	1,947	1,947
Social contributions	269	-	-	269	269	-	100.00 %	250	250
	2,321	-	-	2,321	2,321	-	100.00 %	2,197	2,197
Goods and services									
Administrative fees	1	-	-	1	1	-	100.00 %	-	-
Communication	22	-	-	22	21	1	95.45 %	20	20
Consultants: Business and advisory services	-	-	-	-	-	-	- %	788	779
Travel and subsistence	16	-	-	16	12	4	75.00 %	14	13
Training and development	6	-	-	6	6	-	100.00 %	6	6
	45	-	-	45	40	5	88.89 %	828	818
Compensation of employees	2,321	-	-	2,321	2,321	-	100.00 %	2,197	2,197
Goods and services	45	-	-	45	40	5	88.89 %	828	818
Total current payments	2,366	-	-	2,366	2,361	5	99.79 %	3,025	3,015
Total current payments	2,366	-	-	2,366	2,361	5	99.79 %	3,025	3,015
Total	2,366	-	-	2,366	2,361	5	99.79 %	3,025	3,015

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
4.2 Accounting Services									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	5,142	-	-	5,142	5,142	-	100.00 %	4,636	4,636
Social contributions	769	-	-	769	769	-	100.00 %	655	655
	5,911	-	-	5,911	5,911	-	100.00 %	5,291	5,291
Goods and services									
Administrative fees	32	-	-	32	28	4	87.50 %	14	14
Catering: Departmental activities	31	-	-	31	31	-	100.00 %	-	-
Communication	88	-	-	88	94	(6)	106.82 %	69	69
Consultants: Business and advisory services	1,794	-	-	1,794	1,794	-	100.00 %	-	-
Travel and subsistence	608	-	-	608	557	51	91.61 %	420	420
Operating payments	35	-	-	35	35	-	100.00 %	14	14
Venues and facilities	97	-	-	97	97	-	100.00 %	64	64
	2,685	-	-	2,685	2,636	49	98.18 %	581	581
Compensation of employees	5,911	-	-	5,911	5,911	-	100.00 %	5,291	5,291
Goods and services	2,685	-	-	2,685	2,636	49	98.18 %	581	581
Total current payments	8,596	-	-	8,596	8,547	49	99.43 %	5,872	5,872
Total current payments	8,596	-	-	8,596	8,547	49	99.43 %	5,872	5,872
Total	8,596	-	-	8,596	8,547	49	99.43 %	5,872	5,872

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
4.3 Norms and Standards									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	8,761	-	-	8,761	8,761	-	100.00 %	7,688	7,688
Social contributions	1,649	-	-	1,649	1,649	-	100.00 %	1,403	1,403
	10,410	-	-	10,410	10,410	-	100.00 %	9,091	9,091
Goods and services									
Administrative fees	18	-	-	18	17	1	94.44 %	10	10
Catering: Departmental activities	1	-	-	1	-	1	- %	-	-
Communication	152	-	-	152	139	13	91.45 %	89	90
Travel and subsistence	753	-	-	753	709	44	94.16 %	641	640
Training and development	87	-	-	87	87	-	100.00 %	-	-
	1,011	-	-	1,011	952	59	94.16 %	740	740
Compensation of employees	10,410	-	-	10,410	10,410	-	100.00 %	9,091	9,091
Goods and services	1,011	-	-	1,011	952	59	94.16 %	740	740
Total current payments	11,421	-	-	11,421	11,362	59	99.48 %	9,831	9,831
Total current payments	11,421	-	-	11,421	11,362	59	99.48 %	9,831	9,831
Total	11,421	-	-	11,421	11,362	59	99.48 %	9,831	9,831

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025							2023/2024	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
4.4 Risk Management									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	2,497	-	-	2,497	2,497	-	100.00 %	2,373	2,373
Social contributions	377	-	-	377	377	-	100.00 %	359	359
	2,874	-	-	2,874	2,874	-	100.00 %	2,732	2,732
Goods and services									
Administrative fees	29	-	-	29	26	3	89.66 %	28	28
Catering: Departmental activities	5	-	-	5	5	-	100.00 %	12	11
Communication	44	-	-	44	44	-	100.00 %	37	37
Consultants: Business and advisory services	331	-	-	331	331	-	100.00 %	-	-
Travel and subsistence	676	-	-	676	629	47	93.05 %	599	600
Training and development	16	-	-	16	16	-	100.00 %	79	79
Operating payments	25	-	-	25	25	-	100.00 %	-	-
	1,126	-	-	1,126	1,076	50	95.56 %	755	755
Compensation of employees	2,874	-	-	2,874	2,874	-	100.00 %	2,732	2,732
Goods and services	1,126	-	-	1,126	1,076	50	95.56 %	755	755
Total current payments	4,000	-	-	4,000	3,950	50	98.75 %	3,487	3,487
Total current payments	4,000	-	-	4,000	3,950	50	98.75 %	3,487	3,487
Total	4,000	-	-	4,000	3,950	50	98.75 %	3,487	3,487

APPROPRIATION STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	2024/2025						2023/2024		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
4.5 Provincial Internal Audit									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	1,503	-	-	1,503	1,503	-	100.00 %	2,538	2,538
Social contributions	246	-	-	246	246	-	100.00 %	367	367
	1,749	-	-	1,749	1,749	-	100.00 %	2,905	2,905
Goods and services									
Administrative fees	46	-	-	46	43	3	93.48 %	14	14
Catering: Departmental activities	191	-	-	191	191	-	100.00 %	-	-
Communication	12	-	-	12	12	-	100.00 %	29	29
Travel and subsistence	479	-	-	479	437	42	91.23 %	435	435
Training and development	-	-	-	-	-	-	- %	27	27
Operating payments	18	-	-	18	17	1	94.44 %	-	-
Venues and facilities	75	-	-	75	62	13	82.67 %	-	-
	821	-	-	821	762	59	92.81 %	505	505
Compensation of employees	1,749	-	-	1,749	1,749	-	100.00 %	2,905	2,905
Goods and services	821	-	-	821	762	59	92.81 %	505	505
Total current payments	2,570	-	-	2,570	2,511	59	97.70 %	3,410	3,410
Total current payments	2,570	-	-	2,570	2,511	59	97.70 %	3,410	3,410
Total	2,570	-	-	2,570	2,511	59	97.70 %	3,410	3,410

NOTES TO THE APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

1. DETAIL OF TRANSFERS AND SUBSIDIES AS PER APPROPRIATION ACT (AFTER VIREMENT):

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the annual financial statements.

2. DETAIL OF SPECIFICALLY AND EXCLUSIVELY APPROPRIATED AMOUNTS VOTED (AFTER VIREMENT):

Detail of these transactions can be viewed in note 1 Annual appropriation to the annual financial statements.

3. DETAIL ON PAYMENTS FOR FINANCIAL ASSETS

Details of these transactions per programme can be viewed in the note on Payments for financial assets to the annual financial statements.

4. EXPLANATIONS OF MATERIAL VARIANCES FROM AMOUNTS VOTED (AFTER VIREMENT):

4.1 Per programme

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Administration	145,453	143,777	1,676	1.2 %
Sustainable Resource Management	72,184	71,647	537	0.7 %
Assets and Liabilities Management	339,788	339,152	636	0.2 %
Financial Governance	28,953	28,731	222	0.8 %

The Savings (Variances) in Compensation of Employees is mainly due to resignation of employees in the fourth quarter of the financial year. Under Goods and Services the Savings are due to efficiencies realised during the year as some items (Operating Payments, Travel and Subsistence, Property Payments, Consultant, and Advertisement) came in at lower prices than anticipated. Under Payments for Capital Assets the Savings is due to efficiencies in spending and effective procurement realised during the year as some Information Technology Software licences and Other Machinery came in at lower prices than anticipated.

4.2 Per economic classification

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Current payments				
Compensation of employees	234,078	233,953	125	- %
Goods and services	305,930	303,311	2,619	1 %
Transfers and subsidies				
Provinces and municipalities	10,324	10,314	10	- %
Departmental agencies and accounts	764	764	-	- %
Households	793	793	-	- %
Payments for capital assets				
Machinery and equipment	23,338	23,021	317	1 %
Intangible assets	11,151	11,151	-	- %

The Savings (Variances) in Compensation of Employees is mainly due to resignation of employees in the fourth quarter of the financial year. Under Goods and Services the Savings are due to efficiencies realised during the year as some items (Operating Payments, Travel and Subsistence, Property Payments, Consultant, and Advertisement) came in at lower prices than anticipated. Under Payments for Capital Assets the Savings is due to efficiencies in spending and effective procurement realised during the year as some Information Technology Software licences and Other Machinery came in at lower prices than anticipated.

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	Note(s)	2024/2025	2023/2024
Revenue			
Annual appropriation	1	586,378	550,712
Departmental revenue	2	301,987	496,699
Total revenue		888,365	1,047,411
Expenditure			
Current expenditure			
Compensation of employees	3	233,953	208,429
Goods and services	4	303,311	281,756
Total current expenditure		537,264	490,185
Transfers and subsidies			
Transfers and subsidies	6	11,871	32,682
Expenditure for capital assets			
Tangible assets	7	23,021	16,848
Intangible assets	7	11,151	3,905
Total expenditure for capital assets		34,172	20,753
Payments for financial assets	5	-	2
Total expenditure		583,307	543,622
Surplus for the year		305,058	503,789
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		3,071	7,090
		3,071	7,090
Departmental revenue and NRF Receipts	11	301,987	496,699
Surplus for the year		305,058	503,789

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

Figures in Rand thousand	Note(s)		2024/2025	2023/2024
Assets				
Current Assets				
Cash and cash equivalents	F3	8	3,405	7,316
Receivables	F6.1	9	147	681
			3,552	7,997
Non-Current Assets				
Receivables	F6.2	9	48	56
Total Assets			3,600	8,053
Liabilities				
Current Liabilities				
Voted funds to be surrendered to the Revenue Fund	F10.1	10	3,071	7,090
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	F11	11	332	212
Payables	F13.1	12	43	57
			3,446	7,359
Total Liabilities			3,446	7,359
			154	694

STATEMENT OF CHANGE IN NET ASSETS

FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	Note(s)	2024/2025	2023/2024
Recoverable revenue			
Opening balance		694	618
Transfers:			
Recoverable revenue written off		-	(2)
Debts recovered (incl in dept revenue)		(540)	(12)
Debts raised		-	90
Closing balance		154	694

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

Figures in Rand thousand	Note(s)	2024/2025	2023/2024
Cash flows from operating activities			
Receipts			
Annual appropriated funds received	1.1	586,378	550,712
Departmental revenue received	2	15,629	1,375
Interest received	2.2	298,347	506,736
		900,354	1,058,823
Net (increase)/ decrease in working capital		520	(65)
Surrendered to Revenue Fund		(320,946)	(508,558)
Current payments		(537,264)	(490,185)
Payments for financial assets		-	(2)
Transfers and subsidies paid		(11,871)	(32,682)
Net cash flow available from operating activities	13	30,793	27,331
Cash flows from investing activities			
Payments for capital assets	7	(34,172)	(20,753)
Proceeds from sale of capital assets	2.3	-	62
(Increase)/ decrease in non-current receivables	9	8	-
Net cash flows from investing activities		(34,164)	(20,691)
Cash flows from financing activities			
Increase/ (decrease) in net assets		(540)	76
Net increase/ (decrease) in cash and cash equivalents		(3,911)	6,716
Cash and cash equivalents at beginning of year		7,316	600
Cash and cash equivalents at the end of the year	14	3,405	7,316

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the annual financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the annual financial statements and to comply with the statutory requirements of the , and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1. **Basis of preparation**

The annual financial statements have been prepared in accordance with the Modified Cash Standard.

2. **Going concern**

The annual financial statements have been prepared on a going concern basis.

3. **Presentation currency**

Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

4. **Rounding**

Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R '000).

5. **Foreign currency translation**

Cash flows arising from foreign currency transactions are translated into South African Rand using the spot exchange rates prevailing at the date of payment / receipt.

6. **Comparative information**

6.1 **Prior period comparative information**

Prior period comparative information has been presented in the current year's annual financial statements. Where necessary figures included in the prior period annual financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's annual financial statements.

6.2 **Current year comparison with budget**

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

7. **Revenue**

7.1 **Appropriated funds**

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

ACCOUNTING POLICIES CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

Appropriated funds are measured at the amounts receivable.

The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Departmental revenue is measured at the cash amount received.

In-kind donations received are recorded in the notes to the annual financial statements on the date of receipt and are measured at fair value.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the annual financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy.

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

8.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

Donations made in kind are recorded in the notes to the annual financial statements on the date of transfer and are measured at cost or fair value.

ACCOUNTING POLICIES CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

8.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the annual financial statements at cost or fair value at the reporting date.

8.4 Leases

8.4.1 *Operating leases*

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue.

The operating lease commitments are recorded in the notes to the annual financial statements.

8.4.2 *Finance leases*

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.

The finance lease commitments are recorded in the notes to the annual financial statements and are not apportioned between the capital and interest portions.

At commencement of the finance lease term, finance lease assets acquired are recorded and measured at:

- the fair value of the leased asset; or if lower,
- the present value of the minimum lease payments.

9. *Aid assistance*

9.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the annual financial statements on the date of receipt and is measured at fair value.

CARA Funds are recognised when receivable and measured at the amounts receivable.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

9.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

10. *Cash and cash equivalents*

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

ACCOUNTING POLICIES CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

11. Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

12. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

13. Investments

Investments are recognised in the statement of financial position at cost.

14. Financial assets

14.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost, plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

14.2 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the annual financial statements.

15. Payables

Payables recognised in the statement of financial position are recognised at cost.

16. Capital assets

16.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the annual financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to annual financial statements.

16.2 Movable capital assets

Movable capital assets are initially recorded in the notes to the annual financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

ACCOUNTING POLICIES CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R -.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R -.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

16.3 Intangible assets

Intangible assets are initially recorded in the notes to the annual financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the annual financial statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R -.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R -.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

16.4 Project costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

17. Provisions and contingents

17.1 Provisions

Provisions are recorded in the notes to the annual financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

17.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the annual financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

ACCOUNTING POLICIES CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

17.3 Contingent assets

Contingent assets are recorded in the notes to the annual financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

17.4 Capital commitments

Capital commitments are recorded at cost in the notes to the annual financial statements.

18. Unauthorised expenditure

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure recorded in the notes to the annual financial statements comprise of:

- unauthorised expenditure that was under assessment in the previous financial year;
- unauthorised expenditure relating to previous financial year and identified in the current year;
- and unauthorised expenditure incurred in the current year.

19. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the annual financial statements when and at amounts confirmed, and comprises of:

- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

20. Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Irregular expenditure is recorded in the notes to the annual financial statements when and at amounts confirmed and comprises of:

- irregular expenditure that was under assessment in the previous financial year;
- irregular expenditure relating to previous financial year and identified in the current year; and
- irregular expenditure incurred in the current year.

ACCOUNTING POLICIES CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

21. *Changes in accounting estimates and errors*

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

22. *Events after the reporting date*

Events after the reporting date that are classified as adjusting events have been accounted for in the annual financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the annual financial statement

23. *Principal-Agent arrangements*

The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the annual financial statements where appropriate.

24. *Departures from the MCS requirements*

Management has concluded that the financial statements present fairly the department's primary and secondary information and the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.

25. *Capitalisation reserve*

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period, but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

26. *Recoverable revenue*

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

27. *Related party transactions*

Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the annual financial statements when the transaction is not at arm's length.

The number of individuals and the full compensation of key management personnel is recorded in the notes to the annual financial statements.

28. *Inventories*

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

ACCOUNTING POLICIES CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

The cost of inventories is assigned by using the weighted average cost basis.

29. Public-Private Partnerships

Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the annual financial statements.

30. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the employee benefits note.

Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.

The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

31. Transfers of functions

Transfers of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.

32. Mergers

Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.

NOTES TO THE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2024/2025	2023/2024
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1. Annual appropriation

1.1 Annual appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

Figures in Rand thousand	2024/2025		2023/2024	
	Final budget	Actual funds received	Final budget	Appropriation received
Programmes				
Administration	145,453	145,453	141,447	141,447
Sustainable Resource Management	72,184	72,184	96,090	96,090
Assets and Liabilities Management	339,788	339,788	287,550	287,550
Financial Governance	28,953	28,953	25,625	25,625
Total	586,378	586,378	550,712	550,712

2. Departmental revenue

Sales of goods and services other than capital assets	2.1	797	1,375
Interest, dividends and rent on land	2.2	298,347	506,736
Sales of capital assets	2.3	-	62
Transactions in financial assets and liabilities	2.4	14,832	-
Total revenue collected		313,976	508,173
Less: Own revenue included in appropriation	11	11,989	11,474
Departmental revenue collected		301,987	496,697

The Departmental Revenue collected includes interest from the Paymaster General Account, Interest from Revenue Fund and the Inter-Governmental Cash Coordination (IGCC) account that the department received. The Departmental Revenue includes the own revenue included in the main appropriation amounting to R11 989 million

2.1 Sales of goods and services other than capital assets

Sales by market establishment	11	11
Administrative fees	128	119
Other sales	658	1,245
Sales of goods and services produced by the department	797	1,375

Other Sales refers to the sale of tender documents.

2.2 Interest, dividends and rent on land

Interest	298,347	506,736
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The Interest is from the Paymaster General Account, Investment interest from Revenue Fund and the Inter-Governmental Cash Coordination (IGCC) account that the department received.

2.3 Sales of capital assets

Tangible assets

Machinery and equipment	62	-
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NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2024/2025	2023/2024
2.4 Transactions in financial assets and liabilities			
Receivables		14,533	-
Other receipts including recoverable revenue		299	-
Total	2	14,832	-
2.5 Transfers received			
2.5.1 Gifts, donations and sponsorships received in-kind (not included in the main note or sub note)			
Sponsorships		250	-
The Provincial Treasury received sponsorships for the Inaugural Employee Excellence Awards held on 06 December 2024 amounting to R150 000 which was processed via ABSA Bank's procurement processes. Also, the department received sponsorship for the Post Budget Breakfast held on 18 March 2025 from Standard Bank of South Africa amounting to R100 000 which was also processed via the bank's procurement processes.			
3. Compensation of employees			
3.1 Salaries and wages			
Basic salary		167,841	149,477
Service based		185	211
Compensative/circumstantial		1,589	274
Other non-pensionable allowances		32,333	29,911
Total		201,948	179,873
Other Non-Pensionable allowances includes Service Bonus, Capital Remunerations, Salaries of Interns and Learnership who are on contract basis.			
3.2 Social contributions			
Employer contributions			
Pension		21,195	19,038
Medical		10,618	9,219
Bargaining council		39	35
Insurance		153	264
Total		32,005	28,556
Total compensation of employees		233,953	208,429
Average number of employees		389	406

The total number of employees is 389 that includes 82 Interns and Learnership

**NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024**

Figures in Rand thousand	Note(s)	2024/2025	2023/2024
4. Goods and services			
Administrative fees		1,297	917
Advertising		1,163	1,304
Minor assets 4.1		76	311
Catering		1,158	858
Communication		7,529	7,646
Computer services 4.2		214,216	186,589
Consultants: Business and advisory services		2,990	9,219
Contractors		16,912	20,846
Audit cost - external 4.3		6,486	6,360
Fleet services		3,522	2,462
Consumables 4.4		5,051	7,745
Operating leases		8,823	8,129
Property payments 4.5		7,015	7,103
Transport provided as part of the departmental activities		-	48
Travel and subsistence 4.6		21,900	17,405
Venues and facilities		3,156	2,026
Training and development		1,120	1,829
Other operating expenditure 4.7		897	959
Total		303,311	281,756

The increase in administrative fees is due to travel agency fees and bank charges incurred during the financial year. Advertising decreased since the department is utilizing online marketing for internal and external matters. Minor Assets decreased due to decline in the procurement of equipments during the year under review. Catering increased due to departmental activities and workshops, interviews and trainings undertaken. Communication decreased as the landline was not utilized a lot. Computer Services increased due to fully implementing E-submission and an increase in Microsoft licenses. Contractors decreased as the department did not have maintenance and repairs projects, as the major maintenance and repairs were done in the previous financial year. Consultants decreased as the support to departments and Municipalities were not high. Audit Cost: It increased due to annual rates rendered by AGSA. Fleet Services increased due to high maintenance and repairs of departmental Government vehicles. Consumables decreased as the stores items utilization and replenishing for stationary and cleaning. Operating Leases increased as the printing/photocopying machines were renewed during the year. Property Payments decreased due to rates and taxes in various municipalities including RGC water and electricity by PWRT. Travel and Subsistence increased as the support to municipal entities were high. Venues increased due to reviews and engagements that were undertaken during the year. Training decrease as the officials participated in various online trainings. Other Operating decreased due to Courier Services and professional bodies.

4.1 Minor assets

Tangible assets

Machinery and equipment	76	311
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4.2 Computer services

SITA computer services	56,307	58,344
External computer service providers	157,909	128,245

Total 4	214,216	186,589
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Note: The External Computer Services includes the payments for Business Process Automation Systems (E-Leave, Annual Financial Statements, and Tracking Invoices) and the payments made to Microsoft for the operating systems and SITA for transversal systems.

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2024/2025	2023/2024
4.3 Audit cost - external			
Regularity audits		6,486	6,360
4.4 Consumables			
Uniform and clothing		480	305
Household supplies		1,555	2,105
Building material and supplies		119	-
Communication accessories		1	2
IT consumables		744	1,790
Other consumables		-	115
Consumable supplies		2,899	4,317
Stationery, printing and office supplies		2,152	3,428
Total	4	5,051	7,745
4.5 Property payments			
Municipal services		3,132	7,103
Property maintenance and repairs		3,849	-
Other		34	-
Total	4	7,015	7,103
Note: Other refers to deep cleaning services			
4.6 Travel and subsistence			
Local		21,889	17,405
Foreign		11	-
Total	4	21,900	17,405
4.7 Other operating expenditure			
Professional bodies, membership and subscription fees		247	316
Resettlement costs		103	92
Other		547	551
Total	4	897	959
Note: Other relates to Couriers Services, Non-Life Insurance, Printing and Publications			
5. Payments for financial assets			
Debts written off		-	2
6. Transfers and subsidies			
Provinces and municipalities	25	10,268	31,255
Departmental agencies and accounts	Annexure 1B	810	751
Households	Annexure 1C	793 676	
Total		11,871	32 682

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2024/2025	2023/2024
6.1 Gifts, donations and sponsorships made in kind (not included in the main note)			
Gifts		30	19
Donations		263	212
The above Gifts and Donations are items given to retiring officials and families that the Mpumalanga Provincial Government is offering housing as part of legacy projects			
7. Expenditure for capital assets			
Tangible capital assets			
Machinery and equipment	22	23,021	16,848
Intangible capital assets			
Software	23	11,151	3,905
Total		34,172	20,753
7.1 Analysis of funds utilised to acquire capital assets - 2024/2025			
Figures in Rand thousand		Voted funds	Total
Tangible capital assets			
Machinery and equipment		23,021	23,021
Intangible capital assets			
Software		11,151	11,151
Total		34,172	34,172
7.2 Analysis of funds utilised to acquire capital assets - 2023/2024			
Figures in Rand thousand		Voted funds	Total
Tangible capital assets			
Machinery and equipment		16,848	16,848
Intangible capital assets			
Software		3,905	3,905
Total		20,753	20,753
8. Cash and cash equivalents			
Consolidated paymaster general account		3,405	7 316
Under Cash and Cash equivalents is Voted funds to be surrendered and Revenue Accruals due to Provincial Revenue Fund			

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2024/2025	2023/2024
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9. Receivables

Figures in Rand thousand		2024/2025			2023/2024		
	Note	Current	Non-current	Total	Non-current	Current	total
Staff debt	9.3	12	48	60	15	56	71
Other receivables	9.4	135	-	135	666	-	666
Total	147	48	195	681	56	737	Other

Other Receivables relates to Ex-Employees that are indebted to Provincial Treasury

9.1 Claims recoverable

9.2 Recoverable expenditure

9.3 Staff debt

Recovery for loss/Damage to assets		60	68
Leave Without Pay		-	3
Total	9	60	71

Other Receivables relates to Ex-Employees that are debted to Provincial Treasury.

9.4 Other receivables

Amount to be recovered from Irregular Expenditure	-	530
Ex-employees: Salary Overpayment	102	102
Recovery for loss/Damage to assets	8	9
Pension Recoverable	25	25
Total	9	666

Other Receivables relates to Ex-Employees that are indebted to Provincial Treasury

10. Voted funds to be surrendered to the Revenue Fund

Opening balance	7,090	221
Transferred from statement of financial performance (as restated)	3,071	7,090
Paid during the year	(7,090)	(221)
Closing balance	3,071	7,0901

11. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

Opening balance	212	376
Transferred from statement of financial performance (as restated)	301,987	496,699
Own revenue included in appropriation 2	11,989	11,474
Paid during the year	(313,856)	(508,337)
Closing balance	332	212

12. Payables - current

Other payables	12.2	43	57
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NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2024/2025	2023/2024
12. Payables - current continued			
12.1 Clearing accounts			
12.2 Other payables			
12.3 Other payables			
Income Tax		22	57
Sal: GEHS		21	-
Total	12	43	57

Income Tax : An amount owed to SARS by officials due to changes in persal code.
GEHS: An amount owed to employees for housing allowances.

13. Net cash flow available from operating activities			
Net surplus as per Statement of Financial Performance		305,058	503,789
Add back non cash/ cash movements not deemed operating activities			
(Increase)/ decrease in receivables		534	(106)
Increase/ (decrease) in payables – current		(14)	41
Proceeds from sale of capital assets		-	(62)
Expenditure on capital assets		34,172	20,753
Surrenders to Revenue Fund		(320,946)	(508,558)
Own revenue included in appropriation		11,989	11,474
Net cash flow generated by operating activities		30,793	27,331
14. Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated paymaster general account		3,405	7,316
15. Capital commitments			
Machinery and equipment		-	17 055

16. Accruals and payables not recognised

16.1 Accruals			
		2024/2025	2023/2024
Figures in Rand thousand	30 Days	Total	Total
Listed by economic classification			
Goods and services	9,082	9,082	6,836
Other	283	283	84
Total	9,365	9,365	6,920
Listed by programme level			
Administration		1,464	947
Sustainable Resource Management		26	238
Assets and Liabilities Management		6,455	5,665
Financial Governance		1,420	70
Total		9,365	6,920

Other Accruals relates to Salary related (S&T Claims) for the financial year under review.

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2024/2025	2023/2024
16.2 Payables not recognised			
		2024/2025	
Figures in Rand thousand		30 Days	Total
Listed by economic classification			
Goods and services		6,411	6,411
Listed by programme level			
Administration		1,137	-
Assets and Liabilities Management		5,274	-
Total		6,411	-
Included in the above totals are the following:			
Confirmed balances with other departments	Annexure 5	1,232	71
Confirmed balances with other government entities	Annexure 5	10,259	3,619
Total		11,491	3,690

The confirmed balances are for the Department of Health relating to Salaries for official transferred to Provincial Treasury last financial year and SITA for Transversal systems and Data Lines.

17. Employee benefits

Leave entitlement	13,927	12,186
Service bonus	6,663	6,169
Capped leave	5,758	5,976
Other	381	229
Total	26,729	24,560

Other is a Provision of Long Service award of officials that will complete 20, 30 and 40 years of service in the coming twelve months. Currently at this stage the department is not able to reliably measure the long term portion of the long service awards as the amounts are determined by DPSA each financial Year. Included in the leave entitlement is a negative Leave balance amounting to R144 193,84.

18. Lease commitments

18.1 Operating leases

2024/2025

Figures in Rand thousand	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	7,630	1,658	9,288
Later than 1 year and not later than 5 years	27,076	1,434	28,510
Total lease commitments	34,706	3,092	37,798

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2024/2025	2023/2024
2023/2024 Figures in Rand thousand	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	7,636	1,123	8,759
Later than 1 year and not later than 5 years	31,963	1,498	33,461
Later than five years	2,743	-	2,743
The aforementioned rental shall escalate at a rate of seven (07) and (06) percent per annum on the first anniversary of the lease and in accordance with the period of occupation and every anniversary thereafter until termination of the agreement or continued occupation of the premises.			
19. Accrued departmental revenue			
Transactions in financial assets and liabilities		-	757
The recoverable revenue paid to the department from the Department of Justice for the debt that was being collected by Asset Forfeiture unit.			
19.1 Analysis of accrued departmental revenue			
Opening balance		757	744
Less: Amounts received		(757)	-
Add: Amounts recognised		30	13
Less: Amounts transferred to receivables for recoverable		(30)	-
Total		-	757

The recoverable revenue paid to the department from the Department of Justice for the debt that was being collected by Asset Forfeiture unit.

19.2 Accrued department revenue written off

20. Related party transactions

List related party relationships and the nature thereof

The department is related to the Department of Economic Development and Tourism as the two departments shared the MEC for first quarter of the financial year 2024/25. During the financial year 2024/2025; Provincial Treasury occupied Nokuthula Simelane Building, upper and lower grounds in the Riverside Government Complex, a service provided by the Department of Public Works, Roads and Transport free of charge. During the financial year the Provincial Treasury provided Information Technology services free of charge (Information Technology support, Network and Governance) to the following departments: Office of the Premier; Co-Operative Governance and Traditional Affairs, Culture, Sport and Recreation, Human

Settlements, Agriculture, Rural Development, Land and Environmental Affairs; Economic Development and Tourism; Education; Community Safety, Security and Liaison; Public Works, Roads and Transport; Health and Social Development. During the financial year, Provincial Treasury received security services from the Department of Community Safety, Security and Liaison. Provincial Treasury is related to Department of Economic Development and Tourism as the two Departments share the office building in Bushbuckridge Ehlanzeni Region. At Gert Sibande Region, Provincial Treasury occupied offices for Revenue, Supply Chain Management and Information Technology in the following office building: Mkhondo, Elukwatini and Ermelo. At Nkangala Region, Provincial Treasury occupied offices for Revenue, Supply Chain Management and Information Technology at Emalahleni Piet Koornhoof, Middelburg office, KwaMhlanga (building 4 and 12) and Siyabuswa Satellite Office. There is no related party transaction within the MEC's portfolio, however all departments are related and the above is disclosed as additional information inline with TR21.2.4. Related party includes Key Management Personnel.

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2024/2025	2023/2024
21. Key management personnel			
Political office bearers (provide detail below)		1,586	-
Level 15 to 16		2,158	2,059
Level 14 (incl. CFO if at a lower level)		6,327	5,990
Other		8,266	7,858
Total		18,337	15,907

The expenditure for the financial year 23/24 and the first quarter of 24/25 for the Member of the Executive Council (MEC) was accounted for by Department of Economic Development and Tourism (DEDT) the previous financial year since both Departments shared the MEC. The current MEC for Provincial Treasury was appointed on 01 July 2024. Other relates to all Senior Managers that report directly to the Head: Provincial Treasury.

22. Movable tangible capital assets

Movement in movable tangible capital assets per asset register for the year ended 31 March 2025

Figures in Rand Thousands	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment				
Transport assets	16,693	2,175	653	18,215
Computer equipment	89,249	7,819	210	96,858
Furniture and office equipment	8,590	382	41	8,931
Other machinery and equipment	4,292	12,645	3,135	13,802
	118,824	23,021	4,039	137,806

22.1 Movement for 2023/2024

Movement in movable tangible capital assets per asset register for the year ended 31 March 2024

Figures in Rand Thousands	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment				
Transport assets	13,735	3,056	98	16,693
Computer equipment	100,018	8,455	19,224	89,249
Furniture and office equipment	5,825	2,976	211	8,590
Other machinery and equipment	4,722	2,496	2,926	4,292
	124,300	16,983	22,459	118,824

22.1.1 Prior period error

**NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024**

Figures in Rand thousand	Note(s)	2024/2025	2023/2024
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22. Movable tangible capital assets continued

22.2 Minor assets

Movement in minor capital assets per the asset register for the year ended as at 31 March 2025

Figures in Rand Thousands	Machinery and equipment	Total
Opening balance	5,920	5,920
Additions	76	76
Disposals	31	31
Total minor capital assets	5,965	5,965

Figures in Rand Thousands	Machinery and equipment	Total
Number of minor assets at cost	2,888	2,888

Movement in minor capital assets per the asset register for the year ended as at 31 March 2024

	Other Machinery and equipment	Total
Opening balance	6,714	6,714
Additions	311	311
Disposals	1,105	1,105
Total minor capital assets	5,920	5,920

	Other Machinery and equipment	Total
Number of minor assets at cost	2,873	2,873

22.3 Movable tangible capital assets: Capital work-in-progress

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2024/2025	2023/2024
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23. Intangible capital assets

Movement in intangible capital assets per asset register for the year ended 31 March 2025

	Opening balance	Additions	Disposals	Closing balance
Software	22,383	11,151	4,817	28,717

23.1 Movement for 2023/2024

Movement in intangible capital assets per asset register for the year ended 31 March 2024

	Opening balance	Additions	Disposals	Closing balance
Software	18,491	3,905	13	22,383

24. Immovable tangible capital assets

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2025

Figures in Rand thousand	Opening balance	Closing balance
Buildings and other fixed structures		
Non-residential buildings	24	24

24.1 Movement for 2023/2024

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2024

Figures in Rand thousand	Opening balance	Closing balance
Buildings and other fixed structures		
Non-residential buildings	24	24

25. Statement of conditional grants and other transfers to municipalities

	2024/2025		2023/2024		
Figures in Rand thousand	Grant allocation	Expenditure			
	DoRA and other transfers	Total Available	Actual Transfer	Division of Revenue Act	Actual Transfer
Name of municipality					
Msukaligwa Local Municipality	-	-	-	10,000	10,000
Govan Mbeki Local Municipality	-	-	-	10,020	10,020
Dr Pixley Ka Isaka Seme Local Municipality	-	-	-	3,500	3,500
Mkhondo Local Municipality	-	-	-	7,735	7,735
Victor Khanye Local Municipality	10,268	10,268	10,268	-	-
Total	10,268	10,268	10,268	31,255	31,255

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS - UNAUDITED FOR THE YEAR ENDED 31 MARCH 2025

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Figures in Rand thousand	Transfer allocation		Transfer		2023/2024	
	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
Departmental Agency/ Account						
South African Broadcasting Corporation	-	-	-	- %	2	2
Government Vehicle Licences : DCSSL	56	56	46	82 %	46	40
Skills Development Levy: FASSET	764	764	764	100 %	709	709
Total	820	820	810		757	751

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS - UNAUDITED CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

Figures in Rand thousand	Transfer allocation		Expenditure		2023/2024	
	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
Households						
Subsidies						
Leave Gratuity	793	793	793	100%	676	676

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS - UNAUDITED CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

ANNEXURE 1H STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Figures in Rand thousand	2024/2025	2023/2024
Name of organisation	Nature of gifts, donations and sponsorships	
Received in cash		
Sponsorships		
Long Service Awards	150	-
Budget Breakfast	100	-
Total sponsorships	250	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS - UNAUDITED CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

ANNEXURE 13

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

Figures in Rand thousand	2024/2025	2023/2024
Nature of gifts, donations and sponsorships made		
Made in kind		
Gifts		
Retired Officials	30	19
Donations		
Legacy Projects	263	212
Total gifts, donations and sponsorships made in kind	293	231

The above Gifts and Donations are items given to retiring officials and families that the Mpumalanga Provincial Government is offering housing as part of legacy projects

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS - UNAUDITED CONTINUED FOR THE YEAR ENDED 31 MARCH 2025

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

Government entity	Confirmed balance outstanding		Total	
Figures in Rand thousand	2024/2025	2023/2024	2024/2025	2023/2024
Departments				
Current				
Department of Public Works,Roads and Transport	1,232	-	1,232	-
Department of Health	-	71	-	71
Subtotal	1,232	71	1,232	71
Other government entity				
Current				
SITA	10,259	3,619	10,259	3,619
Total Inter-government payables	11,491	3,690	11,491	3,690

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