

Public Enterprises

Adjusted budget summary

R thousand	Appropriation	2024/25 Adjustments appropriation		Adjusted appropriation
		Decrease	Increase	
Amount to be appropriated	296 490	(3 514)	3 514	296 490
of which:				
Current payments	292 240	(3 514)	–	288 726
Transfers and subsidies	21	–	3 427	3 448
Payments for capital assets	4 229	–	–	4 229
Payments for financial assets	–	–	87	87
Executive authority	Minister in the Presidency for Planning, Monitoring and Evaluation			
Accounting officer	Director-General of Public Enterprises			
Website	www.dpme.gov.za			

Vote purpose

Drive investment, productivity and transformation in the department's portfolio of state-owned companies to unlock growth, drive industrialisation, create jobs and develop skills.

Performance

Indicator	Programme	MTSF priority	Annual performance		
			Projected for 2024/25 as published in the 2024 ENE	Achieved in the first half of 2024/25 (April to September)	Changed target for 2024/25
Number of shareholder compacts signed per year	Business Enhancement, Transformation and Industrialisation	Priority 2: Economic transformation and job creation	6	0	–
Number of corporate plans reviewed per year	Business Enhancement, Transformation and Industrialisation		6	6	–
Number of state-owned companies' quarterly financial reviews conducted per year	Business Enhancement, Transformation and Industrialisation		24	6	–

Progress

Although all corporate plans were received and reviewed as planned by mid-year, no shareholder compacts have been signed due to the transitional process of transferring state-owned companies to the policy departments with which they are aligned. This is in line with the president's proclamation in August 2024. Shareholder compacts will be signed by the policy departments once transfer is complete.

Adjusted estimates

Programme		2024/25								
		Adjustments appropriation							Adjusted appropriation	
R thousand	Appropriation	Amounts announced in the budget	Unforeseeable /Unavoidable	Virements and shifts	Roll-overs	Use of funds in emergency situations	Other adjustments ¹	Total adjustments appropriation		
		Administration	167 371	–	–	–	–	–	–	–
State-owned Companies	62 400	–	–	–	–	–	–	–	–	62 400
Governance Assurance and Performance										
Business Enhancement, Transformation and Industrialisation	66 719	–	–	–	–	–	–	–	–	66 719
Total	296 490	–	–	–	–	–	–	–	–	296 490
Economic classification										
Current payments	292 240	–	–	(3 514)	–	–	–	(3 514)	–	288 726
Compensation of employees	176 532	–	–	(3 427)	–	–	–	(3 427)	–	173 105
Goods and services	115 708	–	–	(87)	–	–	–	(87)	–	115 621
Transfers and subsidies	21	–	–	3 427	–	–	–	3 427	–	3 448
Provinces and municipalities	21	–	–	–	–	–	–	–	–	21
Households	–	–	–	3 427	–	–	–	3 427	–	3 427
Payments for capital assets	4 229	–	–	–	–	–	–	–	–	4 229
Machinery and equipment	4 229	–	–	–	–	–	–	–	–	4 229
Payments for financial assets	–	–	–	87	–	–	–	87	–	87
Total	296 490	–	–	–	–	–	–	–	–	296 490

1. Other adjustments include the shifting of funds between votes, the shifting of funds within a vote following a function shift, self-financing expenditure, declared unspent funds, and significant and unforeseeable economic and financial events.

Programme 1: Administration

Subprogramme		2024/25							
		Adjustments appropriation							
		Amounts announced in the budget	Unforeseeable /Unavoidable	Virements and shifts	Roll- overs	Use of funds in emergency situations	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation								
Ministry	35 539	—	—	—	—	—	—	—	35 539
Management	11 328	—	—	—	—	—	—	—	11 328
Communications	37 811	—	—	—	—	—	—	—	37 811
Chief Financial Officer	21 716	—	—	—	—	—	—	—	21 716
Human Resources	32 207	—	—	—	—	—	—	—	32 207
Internal Audit	6 397	—	—	—	—	—	—	—	6 397
Corporate Services	5 690	—	—	—	—	—	—	—	5 690
Office Accommodation	16 683	—	—	—	—	—	—	—	16 683
Total	167 371	—	—	—	—	—	—	—	167 371
Economic classification									
Current payments	163 121	—	—	(3 479)	—	—	—	(3 479)	159 642
Compensation of employees	92 702	—	—	(3 392)	—	—	—	(3 392)	89 310
Goods and services	70 419	—	—	(87)	—	—	—	(87)	70 332
Transfers and subsidies	21	—	—	3 392	—	—	—	3 392	3 413
Provinces and municipalities	21	—	—	—	—	—	—	—	21
Households	—	—	—	3 392	—	—	—	3 392	3 392
Payments for capital assets	4 229	—	—	—	—	—	—	—	4 229
Machinery and equipment	4 229	—	—	—	—	—	—	—	4 229
Payments for financial assets	—	—	—	87	—	—	—	87	87
Total	167 371	—	—	—	—	—	—	—	167 371

Programme 2: State-owned Companies Governance Assurance and Performance

Subprogramme		2024/25							
		Adjustments appropriation							
		Amounts announced in the budget	Unforeseeable /Unavoidable	Virements and shifts	Roll- overs	Use of funds in emergency situations	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation								
Management	2 989	–	–	400	–	–	–	400	3 389
Legal	23 516	–	–	–	–	–	–	–	23 516
Governance	21 257	–	–	(3 700)	–	–	–	(3 700)	17 557
Financial Assessment and Investment Support	14 638	–	–	3 300	–	–	–	3 300	17 938
Total	62 400	–	–	–	–	–	–	–	62 400
Economic classification									
Current payments	62 400	–	–	–	–	–	–	–	62 400
Compensation of employees	35 973	–	–	–	–	–	–	–	35 973
Goods and services	26 427	–	–	–	–	–	–	–	26 427
Total	62 400	–	–	–	–	–	–	–	62 400

Programme 3: Business Enhancement, Transformation and Industrialisation

Subprogramme		2024/25							
		Adjustments appropriation							
		Amounts announced in the budget	Unforeseeable /Unavoidable	Virements and shifts	Roll- overs	Use of funds in emergency situations	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation								
Energy Resources	26 808	–	–	(500)	–	–	–	(500)	26 308
Research and Economic Modelling	3 848	–	–	–	–	–	–	–	3 848
Transport and Defence	14 168	–	–	–	–	–	–	–	14 168
Business Enhancement Services	21 895	–	–	500	–	–	–	500	22 395
Total	66 719	–	–	–	–	–	–	–	66 719
Economic classification									
Current payments	66 719	–	–	(35)	–	–	–	(35)	66 684
Compensation of employees	47 857	–	–	(35)	–	–	–	(35)	47 822
Goods and services	18 862	–	–	–	–	–	–	–	18 862
Transfers and subsidies	–	–	–	35	–	–	–	35	35
Households	–	–	–	35	–	–	–	35	35
Total	66 719	–	–	–	–	–	–	–	66 719

Details of adjustments to the 2024 Estimates of National Expenditure**Virements and shifts within the vote**

Programmes					
1. Administration					
2. State-owned Companies Governance Assurance and Performance					
3. Business Enhancement, Transformation and Industrialisation					
From:			To:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(3 479)	Programme 1		3 479
Goods and services	Fleet services	(87)	Payments for financial assets	Debt written off	87
Compensation of employees	Vacant posts	(3 392)	Households	Leave gratuities	3 392
Shifts within the programme as a percentage of the programme budget		2.1%			
Virements to other programmes as a percentage of the programme budget		0%			
Programme 3		(35)	Programme 3		35
Compensation of employees	Vacant posts	(35)	Households	Leave gratuities	35
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0%			
Total		(3 514)			3 514

Expenditure outcome for 2023/24 and actual expenditure for 2024/25

Programme	2023/24					2024/25			
	Adjusted appropriation	Outcome				Adjusted appropriation	Adjusted appropriation/ Total (%)	Actual expenditure	
		Apr 23 - Sep 23 % of adjusted appropriation	Apr 23 - Mar 24 % of adjusted appropriation	Apr 23 - Mar 24 % of adjusted appropriation	Apr 23 - Mar 24 % of adjusted appropriation			Apr 24 - Sep 24 % of adjusted appropriation	Apr 24 - Sep 24 % of adjusted appropriation
R thousand									
Administration	149 936	73 043	48.7	142 696	95.2	167 371	56.5	68 010	40.6
State-owned Companies	63 098	28 117	44.6	62 054	98.3	62 400	21.0	24 605	39.4
Governance Assurance and Performance									
Business Enhancement, Transformation and Industrialisation	62 243	25 307	40.7	53 649	86.2	66 719	22.5	22 957	34.4
Total	275 277	126 467	45.9	258 399	93.9	296 490	100.0	115 572	39.0
Economic classification									
Current payments	271 022	125 701	46.4	252 989	93.3	288 726	97.4	112 028	38.8
Compensation of employees	167 311	77 342	46.2	154 333	92.2	173 105	58.4	70 834	40.9
Goods and services	103 711	48 359	46.6	98 656	95.1	115 621	39.0	41 194	35.6
Transfers and subsidies	708	600	84.7	993	140.3	3 448	1.2	3 458	100.3
Provinces and municipalities	20	–	–	2	10.0	21	0.0	–	–
Households	688	600	87.2	991	144.0	3 427	1.2	3 458	100.9
Payments for capital assets	3 547	166	4.7	3 779	106.5	4 229	1.4	–	–
Machinery and equipment	3 547	166	4.7	3 779	106.5	4 229	1.4	–	–
Payments for financial assets	–	–	–	638	–	87	0.0	86	98.9
Total	275 277	126 467	45.9	258 399	93.9	296 490	100.0	115 572	39.0

Expenditure trends

Total expenditure in 2023/24 was R258.4 million, 93.9 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2023/24 was R126.5 million, 45.9 per cent of the adjusted appropriation, whereas expenditure in the first half of 2024/25 was R115.6 million, 39 per cent of the adjusted appropriation of R296.5 million. Compared to the first half of 2023/24, expenditure over the same period in 2024/25 decreased by R10.9 million, 8.6 per cent. This was mainly due to the transition arrangement arising from the proclamation to transfer state-owned companies to the policy departments with which they are aligned and a moratorium on filling vacant posts until the transfer is complete.

Departmental receipts

	2023/24					2024/25				
	Adjusted estimate	Outcome				Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Actual receipts	
		Apr 23 - Sep 23 % of adjusted estimate	Apr 23 - Mar 24 % of adjusted estimate	Apr 23 - Mar 24 % of adjusted estimate	Apr 23 - Mar 24 % of adjusted estimate				Apr 24 - Sep 24 % of adjusted estimate	Apr 24 - Sep 24 % of adjusted estimate
R thousand										
Departmental receipts	246	160	65.0	940	382.1	132	231	100.0	216	93.5
Sales of goods and services produced by department	101	35	34.7	70	69.3	77	41	17.7	35	85.4
Sales of scrap, waste, arms and other used current goods	–	–	–	–	–	1	–	–	–	–
Interest, dividends and rent on land	–	–	–	–	–	2	–	–	–	–
Sales of capital assets	–	–	–	–	–	15	23	10.0	21	91.3
Transactions in financial assets and liabilities	145	125	86.2	870	600.0	37	167	72.3	160	95.8
Total	246	160	65.0	940	382.1	132	231	100.0	216	93.5

Revenue trends

Mid-year revenue in 2023/24 was R160 384, 65 per cent of the adjusted estimate of R246 000, whereas revenue for the first half of 2024/25 was R215 596, 93.5 per cent of the adjusted estimate of R231 000. Compared to the first half of 2023/24, revenue over the same period in 2024/25 increased by R55 212, 34.4 per cent. This was mainly due to an increase in transactions for financial assets and liabilities related to funds recovered from former employees and debt written off.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

Summary of changes to transfers and subsidies per programme									
2024/25									
R thousand	Appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Amounts announced in the budget	Unforeseeable /Unavoidable	Virements and shifts	Roll-overs	Use of funds in emergency situations	Other adjustments		
Administration									
Households									
Social benefits									
Current	–	–	–	3 392	–	–	–	3 392	3 392
Employee social benefits	–	–	–	3 392	–	–	–	3 392	3 392
Business									
Enhancement, Transformation and Industrialisation									
Households									
Social benefits									
Current	–	–	–	35	–	–	–	35	35
Employee social benefits	–	–	–	35	–	–	–	35	35

