

PUBLIC ENTERPRISES

Budget summary

R million	2024/25				2025/26	2026/27
	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total	Total
MTEF allocation						
Administration	163.1	0.0	4.2	167.4	164.8	173.2
State-owned Companies Governance Assurance and Performance	62.4	–	–	62.4	69.8	73.0
Business Enhancement, Transformation and Industrialisation	66.7	–	–	66.7	74.1	77.4
Total expenditure estimates	292.2	0.0	4.2	296.5	308.6	323.5

Executive authority: Minister of Public Enterprises
 Accounting officer: Director-General of Public Enterprises
 Website: www.dpe.gov.za

The Estimates of National Expenditure is available at www.treasury.gov.za. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.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.

Mandate

As the shareholder, the Department of Public Enterprises oversees the state-owned companies in its portfolio. The department is the primary interface between government and these companies, and provides input into the formulation of policy, legislation and regulation. In executing its responsibilities, the department seeks to direct and support improvements in the financial, commercial and operational performance of these companies and their contribution to the South African economy, as well as support economic transformation.

Selected performance indicators

Table 10.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Number of shareholder compacts signed per year	Business Enhancement, Transformation and Industrialisation	Priority 2: Economic transformation and job creation	5	5	6	6	6	6	6
Number of corporate plans reviewed per year	Business Enhancement, Transformation and Industrialisation		5	6	6	6	6	6	6
Number of state-owned companies' quarterly financial reviews conducted per year	Business Enhancement, Transformation and Industrialisation		20	24	24	24	24	24	24

Expenditure overview

The department oversees 6 state-owned companies: Alexkor, Denel, Eskom, South African Airways, the South African Forestry Company and Transnet. Over the medium term, it will continue to focus on enhancing reforms to stabilise these companies and strengthen its oversight capacity to ensure that they are sustainable and

contribute to economic development and transformation.

Over the next 3 years, R18 million is expected to be reprioritised from consultancy and travel and subsistence across the department's programmes. These funds will be used to enhance the work of the presidential state-owned enterprises council, which seeks to reform state-owned enterprises. Accordingly, the Eskom roadmap, which focuses on determining sustainable future business and operating models for the company's subsidiaries, will be implemented. Recommendations from the state capture commission are also expected to be implemented, while a government policy on minority shareholders is set to be developed.

Compensation of employees constitutes 59.8 per cent (R552.8 million) of total spending, increasing at an average annual rate of 4.8 per cent, from R167.3 million in 2023/24 to R192.3 million in 2026/27. No additional allocations to state-owned companies are expected over the period ahead. Total expenditure is expected to increase at an average annual rate of 5.5 per cent, from R275.3 million in 2023/24 to R323.5 million in 2026/27.

Cabinet-approved reductions of R63.5 million over the medium term have been applied to compensation of employees (R53.9 million) and goods and services (R9.6 million). To absorb these reductions, only critical vacant posts will be filled and the use of consultants will be limited.

Expenditure trends and estimates

Table 10.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. State-owned Companies Governance Assurance and Performance											
3. Business Enhancement, Transformation and Industrialisation											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	2023/24	2024/25	2025/26	2026/27	2023/24 - 2026/27	2026/27
Programme 1	118.4	121.1	129.5	149.9	8.2%	0.3%	167.4	164.8	173.2	4.9%	54.4%
Programme 2	37.2	47.4	42.0	63.1	19.2%	0.1%	62.4	69.8	73.0	5.0%	22.3%
Programme 3	77 347.8	35 858.7	33 716.9	62.2	-90.7%	97.1%	66.7	74.1	77.4	7.5%	23.3%
Subtotal	77 503.4	36 027.2	33 888.5	275.3	-84.7%	97.6%	296.5	308.6	323.5	5.5%	100.0%
Direct charge against the National Revenue Fund	410.3	3 030.9	204.7	-	-100.0%	2.4%	-	-	-	0.0%	0.0%
Section 70 of the Public Finance Management Act (1999) payment: South African Express Airways	143.4	-	-	-	-100.0%	0.1%	-	-	-	0.0%	0.0%
Section 70 of the Public Finance Management Act (1999) payment: South African Airways	266.9	-	-	-	-100.0%	0.2%	-	-	-	0.0%	0.0%
Section 70 of the Public Finance Management Act (1999) payment: Denel	-	3 030.9	204.7	-	0.0%	2.1%	-	-	-	0.0%	0.0%
Total	77 913.7	39 058.1	34 093.2	275.3	-84.8%	100.0%	296.5	308.6	323.5	5.5%	100.0%
Change to 2023 Budget estimate							(19.9)	(21.7)	(22.0)		
Economic classification											
Current payments	212.9	216.8	214.5	271.0	8.4%	0.6%	292.2	304.2	318.9	5.6%	98.5%
Compensation of employees	141.2	140.0	142.0	167.3	5.8%	0.4%	176.5	184.0	192.3	4.8%	59.8%
Goods and services ¹	71.8	76.8	72.4	103.7	13.1%	0.2%	115.7	120.2	126.6	6.9%	38.7%
of which:					0.0%	0.0%				0.0%	0.0%
Computer services	8.1	8.3	9.3	8.5	1.5%	0.0%	8.8	4.5	4.7	-17.7%	2.2%
Consultants: Business and advisory services	23.9	10.2	12.3	24.5	0.7%	0.0%	32.5	37.8	39.8	17.6%	11.2%
Legal services	6.0	19.6	10.1	14.6	34.1%	0.0%	13.5	12.1	12.6	-4.7%	4.4%
Operating leases	13.5	14.5	12.8	15.0	3.6%	0.0%	14.6	15.2	15.9	1.9%	5.0%
Property payments	4.0	5.7	6.3	6.6	18.8%	0.0%	7.1	7.1	7.4	3.8%	2.3%
Travel and subsistence	2.4	5.1	7.2	14.0	80.4%	0.0%	15.1	15.3	16.0	4.6%	5.0%
Transfers and subsidies¹	1.2	0.7	0.5	0.7	-15.7%	0.0%	0.0	0.0	0.0	-68.1%	0.1%
Provinces and municipalities	0.0	0.0	0.0	0.0	12.6%	0.0%	0.0	0.0	0.0	4.8%	0.0%
Households	1.2	0.7	0.5	0.7	-16.1%	0.0%	-	-	-	-100.0%	0.1%
Payments for capital assets	5.2	0.8	3.5	3.5	-12.2%	0.0%	4.2	4.4	4.6	9.2%	1.4%
Machinery and equipment	5.2	0.8	3.5	3.5	-12.2%	0.0%	4.2	4.4	4.6	9.2%	1.4%
Payments for financial assets	77 694.4	38 839.7	33 874.7	-	-100.0%	99.4%	-	-	-	0.0%	0.0%
Total	77 913.7	39 058.1	34 093.2	275.3	-84.8%	100.0%	296.5	308.6	323.5	5.5%	100.0%

1. Tables with expenditure trends, annual budget, adjusted appropriation and audited outcome are available at www.treasury.gov.za and www.vulekamali.gov.za.

Transfers and subsidies expenditure trends and estimates

Table 10.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
Households											
Social benefits											
Current	1 166	722	457	688	-16.1%	98.1%	–	–	–	-100.0%	88.9%
Employee social benefits	1 166	722	457	688	-16.1%	98.1%	–	–	–	-100.0%	88.9%
Other transfers to households											
Current	–	–	8	–	–	0.3%	–	–	–	–	–
Mandela Day Event	–	–	8	–	–	0.3%	–	–	–	–	–
Provinces and municipalities											
Municipal bank accounts											
Current	14	15	3	20	12.6%	1.7%	21	22	23	4.8%	11.1%
Vehicle licences	14	15	3	20	12.6%	1.7%	21	22	23	4.8%	11.1%
Total	1 180	737	468	708	-15.7%	100.0%	21	22	23	-68.1%	100.0%

Personnel information

Table 10.4 Vote personnel numbers and cost by salary level and programme¹

Programmes		Number of posts estimated for 31 March 2024	Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%) 2023/24 - 2026/27	Average: Salary level/ Total (%)			
			Actual			Revised estimate			Medium-term expenditure estimate										
			2022/23		2023/24		2024/25		2025/26		2026/27								
Number of funded posts	Number of posts additional to the establishment		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Public Enterprises																			
Salary level	201	–	169	142.0	0.8	201	161.6	0.8	211	176.5	0.8	205	184.0	0.9	203	192.3	0.9	0.4%	100.0%
1 – 6	21	–	18	5.4	0.3	24	7.0	0.3	23	7.2	0.3	23	7.7	0.3	23	8.1	0.4	-1.1%	11.4%
7 – 10	74	–	65	36.9	0.6	64	37.9	0.6	66	38.2	0.6	66	43.6	0.7	66	44.8	0.7	0.7%	32.0%
11 – 12	44	–	35	32.6	0.9	33	35.3	1.1	35	34.2	1.0	32	39.3	1.2	32	41.7	1.3	-0.2%	16.2%
13 – 16	60	–	49	60.7	1.2	59	75.5	1.3	64	91.5	1.4	60	85.7	1.4	58	89.6	1.5	-0.3%	29.3%
Other	2	–	2	6.4	3.2	21	5.9	0.3	22	5.5	0.2	24	7.6	0.3	24	8.0	0.3	4.4%	11.0%
Programme	201	–	169	142.0	0.8	201	161.6	0.8	211	176.5	0.8	205	184.0	0.9	203	192.3	0.9	0.4%	100.0%
Programme 1	117	–	102	74.6	0.7	130	84.5	0.7	133	92.7	0.7	128	92.5	0.7	127	96.8	0.8	-0.8%	63.0%
Programme 2	32	–	24	28.2	1.2	26	32.3	1.3	35	36.0	1.0	28	37.0	1.3	29	38.7	1.3	4.4%	14.5%
Programme 3	52	–	43	39.2	0.9	46	44.8	1.0	43	47.9	1.1	49	54.4	1.1	48	56.8	1.2	1.4%	22.5%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Departmental receipts

Table 10.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate 2023/24	Revised estimate	Average growth rate (%) 2020/21 - 2023/24	Average: Receipt item/ Total (%) 2020/21 - 2023/24	Medium-term receipts estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Receipt item/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23					2024/25	2025/26	2026/27		
Departmental receipts	10 739	619	1 514	246	345	-68.2%	100.0%	132	138	139	-26.1%	100.0%
Sales of goods and services produced by department	69	67	67	101	75	2.8%	2.1%	77	76	76	0.4%	40.3%
Sales by market establishments	40	38	38	63	40	–	1.2%	48	46	46	4.8%	23.9%
of which:												
Sales by market establishments	40	38	38	63	40	–	1.2%	48	46	46	4.8%	23.9%
Other sales	29	29	29	38	35	6.5%	0.9%	29	30	30	-5.0%	16.4%
of which:												
Other Sales	–	–	29	–	35	–	0.5%	–	–	–	-100.0%	4.6%
Commission on insurance	29	29	–	38	–	-100.0%	0.4%	29	30	30	–	11.8%

Table 10.5 Departmental receipts by economic classification (continued)

	Audited outcome			Adjusted estimate 2023/24	Revised estimate	Average growth rate (%) 2020/21 - 2023/24	Average: Receipt item/ Total (%) 2020/21 - 2023/24	Medium-term receipts estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Receipt item/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23					2024/25	2025/26	2026/27		
R thousand												
Sales of scrap, waste, arms and other used current goods	-	-	-	-	-	-	-	1	-	1	-	0.3%
of which:												
Sales of scrap paper	-	-	-	-	-	-	-	1	-	1	-	0.3%
Interest, dividends and rent on land	-	-	801	-	-	-	6.1%	2	2	2	-	0.8%
Interest	-	-	1	-	-	-	-	2	2	2	-	0.8%
Dividends	-	-	800	-	-	-	6.1%	-	-	-	-	-
of which:												
Dividends	-	-	800	-	-	-	6.1%	-	-	-	-	-
Sales of capital assets	715	-	487	-	-	-100.0%	9.1%	15	10	10	-	4.6%
Transactions in financial assets and liabilities	9 955	552	159	145	270	-70.0%	82.7%	37	50	50	-43.0%	54.0%
Total	10 739	619	1 514	246	345	-68.2%	100.0%	132	138	139	-26.1%	100.0%

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department.

Expenditure trends and estimates

Table 10.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
R million											
Ministry	23.4	23.3	24.7	34.9	14.2%	20.5%	35.5	35.6	37.3	2.2%	21.9%
Management	5.8	7.5	8.1	5.6	-1.1%	5.2%	11.3	13.6	15.1	39.2%	7.0%
Communications	32.9	29.2	34.8	35.2	2.3%	25.4%	37.8	39.6	41.4	5.6%	23.5%
Chief Financial Officer	18.8	19.5	17.1	19.4	1.1%	14.4%	21.7	22.8	23.8	7.1%	13.4%
Human Resources	17.6	18.7	21.7	27.7	16.3%	16.5%	32.2	22.9	24.0	-4.6%	16.3%
Internal Audit	3.9	3.9	4.5	5.5	12.1%	3.4%	6.4	6.8	7.1	9.0%	3.9%
Corporate Services	2.3	2.4	3.9	4.7	26.9%	2.6%	5.7	6.1	6.4	10.8%	3.5%
Office Accommodation	13.8	16.6	14.7	17.0	7.3%	12.0%	16.7	17.4	18.2	2.1%	10.6%
Total	118.4	121.1	129.5	149.9	8.2%	100.0%	167.4	164.8	173.2	4.9%	100.0%
Change to 2023 Budget estimate				-			(12.3)	(9.9)	(9.5)		
Economic classification											
Current payments	113.0	120.0	125.6	145.8	8.9%	97.2%	163.1	160.3	168.6	5.0%	97.3%
Compensation of employees	68.4	71.9	74.6	84.5	7.3%	57.7%	92.7	92.5	96.8	4.6%	55.9%
Goods and services	44.6	48.1	51.0	61.2	11.2%	39.5%	70.4	67.8	71.8	5.4%	41.4%
of which:											
Audit costs: External	3.5	6.0	4.3	4.9	11.9%	3.6%	5.2	5.4	5.6	4.6%	3.2%
Computer services	8.1	8.3	9.3	8.5	1.5%	6.6%	8.8	4.5	4.7	-17.7%	4.0%
Consultants: Business and advisory services	3.3	2.4	2.8	6.1	22.2%	2.8%	11.4	7.0	7.4	6.9%	4.9%
Operating leases	13.5	14.5	12.8	15.0	3.6%	10.8%	14.6	15.2	15.9	1.9%	9.3%
Property payments	4.0	5.7	6.3	6.6	18.8%	4.4%	7.1	7.1	7.4	3.8%	4.3%
Travel and subsistence	2.0	4.4	6.2	8.3	61.9%	4.0%	8.3	9.4	9.8	5.8%	5.5%
Transfers and subsidies	0.2	0.3	0.4	0.6	47.8%	0.3%	0.0	0.0	0.0	-66.9%	0.1%
Provinces and municipalities	0.0	0.0	0.0	0.0	12.6%	-	0.0	0.0	0.0	4.8%	-
Households	0.2	0.3	0.4	0.6	49.9%	0.3%	-	-	-	-100.0%	0.1%
Payments for capital assets	5.2	0.8	3.5	3.5	-12.2%	2.5%	4.2	4.4	4.6	9.2%	2.6%
Machinery and equipment	5.2	0.8	3.5	3.5	-12.2%	2.5%	4.2	4.4	4.6	9.2%	2.6%
Payments for financial assets	0.0	0.0	-	-	-100.0%	-	-	-	-	-	-
Total	118.4	121.1	129.5	149.9	8.2%	100.0%	167.4	164.8	173.2	4.9%	100.0%
Proportion of total programme expenditure to vote expenditure	0.2%	0.3%	0.4%	54.5%	-	-	56.5%	53.4%	53.5%	-	-

Table 10.6 Administration expenditure trends and estimates by subprogramme and economic classification (continued)

Details of transfers and subsidies	Audited outcome			Adjusted appropriation 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
	R million										
Households											
Social benefits											
Current	0.2	0.3	0.4	0.6	49.9%	0.3%	–	–	–	-100.0%	0.1%
Employee social benefits	0.2	0.3	0.4	0.6	49.9%	0.3%	–	–	–	-100.0%	0.1%
Other transfers to households											
Current	–	–	0.0	–	–	–	–	–	–	–	–
Mandela Day Event	–	–	0.0	–	–	–	–	–	–	–	–
Provinces and municipalities											
Municipal bank accounts											
Current	0.0	0.0	0.0	0.0	12.6%	–	0.0	0.0	0.0	4.8%	–
Vehicle licences	0.0	0.0	0.0	0.0	12.6%	–	0.0	0.0	0.0	4.8%	–

Personnel information

Table 10.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2024	Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%) 2023/24 - 2026/27	Average: Salary level/Total (%) 2023/24 - 2026/27					
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2022/23		2023/24		2024/25		2025/26		2026/27								
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number			Cost	Unit cost			
Administration																			
Salary level	117	–	102	74.6	0.7	130	84.5	0.7	133	92.7	0.7	128	92.5	0.7	127	96.8	0.8	-0.8%	100.0%
1 – 6	21	–	18	5.4	0.3	24	7.0	0.3	23	7.2	0.3	23	7.7	0.3	23	8.1	0.4	-1.1%	18.0%
7 – 10	49	–	45	25.3	0.6	42	24.4	0.6	43	24.5	0.6	43	28.1	0.7	43	29.7	0.7	0.8%	33.1%
11 – 12	24	–	19	18.7	1.0	23	26.4	1.1	25	24.2	1.0	21	27.3	1.3	21	28.9	1.4	-3.0%	17.4%
13 – 16	21	–	18	18.7	1.0	21	21.2	1.0	22	32.0	1.5	21	23.2	1.1	20	23.3	1.2	-1.9%	16.2%
Other	2	–	2	6.4	3.2	20	5.5	0.3	20	4.7	0.2	20	6.3	0.3	20	6.7	0.3	–	15.2%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 2: State-owned Companies Governance Assurance and Performance

Programme purpose

Provide and enforce state-owned companies' governance, legal assurance, and financial and non-financial performance monitoring, evaluation and reporting systems in support of the shareholder to ensure alignment with government priorities.

Objectives

- Ensure effective shareholder oversight of state-owned companies on an ongoing basis by:
 - providing governance systems and legal support
 - developing and maintaining shareholder risk profiles and mitigating strategies
 - monitoring, evaluating and reporting on financial and non-financial performance, and proposing intervention measures when required.

Subprogrammes

- *Management* comprises the office of the deputy director-general, which provides strategic leadership and management for the programme's personnel.
- *Legal* provides external legal services and support, including transaction and contract management support, to sector teams and the commercial activities of the state-owned companies within sectors, which include energy, transport, defence, manufacturing and mining.

- *Governance* develops, monitors and advises on legislative, corporate governance and shareholder management systems for the department and its portfolio of state-owned companies, and develops and implements risk and compliance management guidelines and systems.
- *Financial Assessment and Investment Support* analyses state-owned companies’ capital plans, operational performance, execution of capital programmes and proposed restructuring proposals, and advises on appropriate action.

Expenditure trends and estimates

Table 10.8 State-owned Companies Governance Assurance and Performance expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2023/24	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23		2020/21	2023/24	2024/25	2025/26	2026/27		
R million											
Management	1.9	1.9	3.3	2.9	15.5%	5.2%	3.0	3.1	3.3	4.8%	4.6%
Legal	11.6	23.8	15.9	28.2	34.2%	41.9%	23.5	24.7	25.6	-3.1%	38.0%
Governance	12.6	11.9	12.0	19.7	16.2%	29.6%	21.3	27.3	28.7	13.4%	36.2%
Financial Assessment and Investment Support	11.2	9.8	10.8	12.4	3.4%	23.3%	14.6	14.7	15.4	7.5%	21.3%
Total	37.2	47.4	42.0	63.1	19.2%	100.0%	62.4	69.8	73.0	5.0%	100.0%
Change to 2023				-			(0.2)	(0.2)	(0.2)		
Budget estimate											
Economic classification											
Current payments	37.2	47.3	42.0	63.0	19.2%	99.9%	62.4	69.8	73.0	5.0%	100.0%
Compensation of employees	28.1	26.8	28.2	33.0	5.5%	61.2%	36.0	37.0	38.7	5.5%	53.9%
Goods and services	9.1	20.4	13.8	30.1	49.1%	38.7%	26.4	32.8	34.3	4.5%	46.1%
of which:											
Communication	0.2	0.2	0.2	0.2	4.0%	0.4%	0.3	0.3	0.4	19.8%	0.5%
Consultants: Business and advisory services	3.4	3.4	3.0	11.9	51.7%	11.4%	9.3	17.3	18.3	15.5%	21.1%
Legal services	5.3	16.7	10.1	14.5	40.3%	24.6%	13.4	11.7	12.2	-5.7%	19.3%
Contractors	0.2	0.0	0.1	3.0	155.9%	1.7%	3.0	3.0	3.0	-	4.5%
Travel and subsistence	0.1	0.1	0.4	0.4	103.1%	0.5%	0.4	0.4	0.5	0.4%	0.6%
Venues and facilities	0.0	0.0	-	0.0	61.1%	-	0.0	0.0	0.0	-6.2%	0.1%
Transfers and subsidies	0.0	0.2	-	0.1	13.8%	0.1%	-	-	-	-100.0%	-
Households	0.0	0.2	-	0.1	13.8%	0.1%	-	-	-	-100.0%	-
Total	37.2	47.4	42.0	63.1	19.2%	100.0%	62.4	69.8	73.0	5.0%	100.0%
Proportion of total programme expenditure to vote expenditure	0.0%	0.1%	0.1%	22.9%	-	-	21.0%	22.6%	22.6%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.0	0.2	-	0.1	13.8%	0.1%	-	-	-	-100.0%	-
Employee social benefits	0.0	0.2	-	0.1	13.8%	0.1%	-	-	-	-100.0%	-

Personnel information

Table 10.9 State-owned Companies Governance Assurance and Performance personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2024	Number and cost ² of personnel posts filled/planned for on funded establishment															Average growth rate (%) 2023/24 - 2026/27	Average: Salary level/ Total (%)		
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2022/23	2023/24	2024/25	2023/24	2024/25	2025/26	2026/27	2022/23	2023/24	2024/25	2025/26	2026/27					
State-owned Companies Governance Assurance and Performance																			
Salary level	32	-	24	28.2	1.2	26	32.3	1.3	35	36.0	1.0	28	37.0	1.3	29	38.7	1.3	4.4%	100.0%
7 – 10	10	-	6	3.8	0.6	8	5.3	0.6	11	6.5	0.6	9	6.6	0.7	10	6.5	0.6	7.1%	33.6%
11 – 12	7	-	5	4.5	0.9	2	2.3	1.0	5	4.8	0.9	3	3.4	1.1	3	3.6	1.1	10.3%	11.5%
13 – 16	15	-	13	20.0	1.5	15	24.7	1.6	17	24.3	1.4	14	26.5	1.9	14	28.0	2.0	-2.3%	50.6%
Other	-	-	-	-	-	-	-	-	1	0.4	0.3	2	0.6	0.3	2	0.6	0.3	-	4.3%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.
 2. Rand million.

Programme 3: Business Enhancement, Transformation and Industrialisation

Programme purpose

Provide sector oversight to ensure that state-owned companies contribute to the advancement of industrialisation, transformation, intergovernmental relations and international collaboration services. Support the shareholder in strategically positioning and enhancing the operations of state-owned companies.

Objectives

- Contribute to the performance of state-owned companies on an ongoing basis by:
 - conducting reviews and research, and modelling pipeline and new business enhancement opportunities within state-owned companies
 - assessing the operations of state-owned companies and developing mitigation instruments in conjunction with policy departments, regulatory bodies and industry
 - conducting research, modelling job creation and transforming instruments for state-owned companies to facilitate alignment with the shareholder compact agreements.

Subprogrammes

- *Energy Resources* exercises shareholder oversight over Alexkor, Eskom and the South African Forestry Company.
- *Research and Economic Modelling* conducts cost-benefit analysis reviews on business enhancement and transformation initiatives, and develops economic sustainability models for proposed work packages and projects.
- *Transport and Defence* exercises shareholder oversight of Denel, South African Airways and Transnet.
- *Business Enhancement Services* develops and coordinates the implementation of state-owned companies' strategies to leverage localisation programmes; provides intergovernmental coordination and support to programmes and state-owned companies in relation to economic development programmes, as agreed with provincial and local governments; maintains a register of commitments made by state-owned companies; and enables the implementation of special programmes focusing on skills development, transformation and youth development.

Expenditure trends and estimates

Table 10.10 Business Enhancement, Transformation and Industrialisation expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million											
Energy Resources	56 010.6	31 703.0	21 867.3	15.0	-93.6%	74.6%	26.8	18.0	18.8	7.9%	28.0%
Research and Economic Modelling	6.6	4.3	3.5	6.0	-3.1%	–	3.8	3.9	4.1	-12.3%	6.4%
Transport and Defence	21 311.9	4 130.2	11 825.1	17.7	-90.6%	25.4%	14.2	19.8	20.8	5.5%	25.8%
Business Enhancement Services	18.7	21.3	21.0	23.5	8.0%	0.1%	21.9	32.4	33.7	12.7%	39.8%
Total	77 347.8	35 858.7	33 716.9	62.2	-90.7%	100.0%	66.7	74.1	77.4	7.5%	100.0%
Change to 2023 Budget estimate				–			(7.4)	(11.6)	(12.3)		

Table 10.10 Business Enhancement, Transformation and Industrialisation expenditure trends and estimates by subprogramme and economic classification (continued)

Economic classification	Audited outcome				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2020/21	2021/22	2022/23	2023/24				2024/25	2025/26	2026/27		
	2023/24	2023/24	2023/24	2023/24				2023/24	2023/24	2023/24		
R million												
Current payments	62.8	49.6	46.8	62.2	-0.3%	0.2%	66.7	74.1	77.4	7.5%	100.0%	
Compensation of employees	44.7	41.3	39.2	49.8	3.7%	0.1%	47.9	54.4	56.8	4.5%	74.5%	
Goods and services	18.1	8.3	7.6	12.4	-11.9%	-	18.9	19.6	20.5	18.3%	25.5%	
of which:												
Communication	0.3	0.2	0.2	0.4	16.6%	-	0.5	0.5	0.5	7.6%	0.7%	
Consultants: Business and advisory services	17.2	4.4	6.5	6.5	-27.6%	-	11.8	13.5	14.1	29.4%	16.4%	
Entertainment	-	0.0	-	0.0	-	-	0.0	0.0	0.0	-	-	
Consumable supplies	-	-	0.0	0.1	-	-	0.1	-	-	-100.0%	0.1%	
Travel and subsistence	0.4	0.6	0.7	5.3	140.7%	-	6.4	5.5	5.8	3.1%	8.2%	
Venues and facilities	-	0.0	-	0.1	-	-	0.1	0.1	0.1	-7.6%	0.1%	
Transfers and subsidies	0.9	0.3	0.0	0.0	-72.8%	-	-	-	-	-100.0%	-	
Households	0.9	0.3	0.0	0.0	-72.8%	-	-	-	-	-100.0%	-	
Payments for financial assets	77 284.0	35 808.8	33 670.0	-	-100.0%	99.8%	-	-	-	-	-	
Total	77 347.8	35 858.7	33 716.9	62.2	-90.7%	100.0%	66.7	74.1	77.4	7.5%	100.0%	
Proportion of total programme expenditure to vote expenditure	99.8%	99.5%	99.5%	22.6%	-	-	22.5%	24.0%	23.9%	-	-	
Details of transfers and subsidies												
Households												
Social benefits												
Current	0.9	0.3	0.0	0.0	-72.8%	-	-	-	-	-100.0%	-	
Employee social benefits	0.9	0.3	0.0	0.0	-72.8%	-	-	-	-	-100.0%	-	

Personnel information

Table 10.11 Business Enhancement, Transformation and Industrialisation personnel numbers and cost by salary level¹

Business Enhancement, Transformation and Industrialisation	Salary level	Number of posts	Number of posts additional to the establishment	Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average: Salary level/Total (%)			
				Actual			Revised estimate			Medium-term expenditure estimate										
				2022/23			2023/24			2024/25		2025/26		2026/27				2023/24 - 2026/27		
				Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Number	Cost	Number	Cost			Number	Cost	
	52	-	-	43	39.2	0.9	46	44.8	1.0	43	47.9	1.1	49	54.4	1.1	48	56.8	1.2	1.4%	100.0%
	15	-	-	14	7.8	0.6	14	8.2	0.6	12	7.2	0.6	14	8.9	0.7	12	8.6	0.7	-4.1%	28.0%
	13	-	-	11	9.5	0.9	7	6.7	0.9	5	5.2	1.0	8	8.7	1.0	8	9.2	1.1	4.3%	15.9%
	24	-	-	18	22.0	1.2	23	29.6	1.3	25	35.1	1.4	25	36.1	1.5	25	38.3	1.6	2.2%	52.3%
	-	-	-	-	-	-	1	0.4	0.3	1	0.4	0.3	2	0.7	0.3	2	0.7	0.3	21.8%	3.8%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Entities

Alexkor

Selected performance indicators

Table 10.12 Alexkor performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Percentage of earnings before interest, taxes, depreciation and amortisation per year	Administration	Priority 2: Economic transformation and job creation	4%	4%	6%	8%	8%	8%	8%
Percentage of rental income collected per year	Administration		50%	50%	60%	50%	55%	60%	65%

Table 10.12 Alexkor performance indicators by programme/objective/activity and related priority (continued)

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Diamond carats mined on land per year	Mining	Priority 2: Economic transformation and job creation	60 000	40 000	35 000	20 000	16 000	16 000	20 000
Diamond carats mined on marine per year	Mining		0	20 000	15 000	14 000	12 000	12 000	14 000

Company overview

Alexkor was established in terms of the Alexkor Limited Act (1992) to exploit marine and land diamonds in Alexander Bay, Northern Cape. The company holds a 51 per cent share interest in the Alexkor Richtersveld Mining Company Pooling and Sharing Joint Venture and the Richtersveld Community holds 49 per cent. Alexkor does not have any other mining operations outside the joint venture.

Over the medium term, the company will focus on its turnaround strategy for joint venture operations, which have significantly declined over the past 3 years, with land mining production decreasing to 35 000 carats in 2022/23. Reasons for this include a lack of funding to undertake exploration activities and maintain old infrastructure. An immediate intervention is to seek mining contractors with the financial and technical capabilities to undertake large-scale mining operations. For the long term, Alexkor's role should be determined in light of the challenges it faces. As such, the department is conducting a study, which is expected to be completed before the end of 2023/24, to determine the company's optimal shareholding structure. This study considers the market characteristics of the diamond mining industry in relation to government's developmental plans.

In spite of decreasing production, the company's unaudited results for 2021/22 indicate a significant increase in revenue from R228 million in 2021/22 to R482 million in 2022/23, largely driven by a favourable exchange rate and the high quality of diamonds produced.

Expenditure is expected to increase at an average annual rate of 5.8 per cent, from R339 million in 2023/24 to R401.9 million in 2026/27. Spending is mainly driven by mining activities, which account for an estimated 85.7 per cent (R974.6 million) of total expenditure over the medium term. Alexkor derives its revenue from the sale of mined diamonds. Revenue is expected to increase at an average annual rate of 5.2 per cent, from R356.9 million in 2023/24 to R415.6 million in 2026/27.

Programmes/Objectives/Activities

Table 10.13 Alexkor expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
Administration	7.3	7.2	11.8	23.1	46.9%	4.6%	24.4	25.6	26.9	5.1%	6.8%
Corporate Services	14.6	17.2	23.5	–	-100.0%	6.1%	–	–	–	–	–
Mining	151.1	201.9	248.6	315.9	27.9%	89.3%	334.8	351.6	375.0	5.9%	93.2%
Total	172.9	226.3	283.9	339.0	25.2%	100.0%	359.3	377.2	401.9	5.8%	100.0%

Statements of financial performance, cash flow and financial position

Table 10.14 Alexkor statements of financial performance, cash flow and financial position

Statement of financial performance												
R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	2024/25	2025/26	2026/27	2023/24 - 2026/27			
Revenue												
Non-tax revenue	300.5	270.0	286.1	356.9	5.9%	100.0%	377.2	395.8	415.6	5.2%	100.0%	
Sale of goods and services other than capital assets	158.1	227.9	256.9	348.0	30.1%	81.1%	369.1	387.5	406.9	5.3%	97.8%	
Other sales	–	–	2.4	27.5	–	2.1%	29.3	30.8	32.3	5.5%	7.8%	
Other non-tax revenue	142.3	42.1	29.2	8.8	-60.4%	18.9%	8.2	8.3	8.7	-0.5%	2.2%	
Total revenue	300.5	270.0	286.1	356.9	5.9%	100.0%	377.2	395.8	415.6	5.2%	100.0%	
Expenses												
Current expenses	172.9	226.3	283.9	339.0	25.2%	100.0%	359.3	377.2	396.6	5.4%	99.7%	
Compensation of employees	37.9	30.4	66.5	42.3	3.7%	17.8%	44.8	47.0	49.8	5.7%	12.5%	
Goods and services	125.2	186.4	207.9	291.7	32.6%	78.5%	309.2	324.7	340.8	5.3%	85.7%	
Depreciation	8.6	9.1	9.6	5.0	-16.4%	3.5%	5.2	5.4	5.9	5.6%	1.5%	
Interest, dividends and rent on land	1.2	0.3	–	0.0	-67.2%	0.2%	0.0	0.0	0.0	0.8%	–	
Transfers and subsidies	–	–	–	–	–	–	–	–	5.3	–	0.3%	
Total expenses	172.9	226.3	283.9	339.0	25.2%	100.0%	359.3	377.2	401.9	5.8%	100.0%	
Surplus/(Deficit)	127.5	43.7	2.2	17.9	-48.0%		18.0	18.6	13.7	-8.5%		
Cash flow statement Indirect method												
Cash generated from operations before working capital	–	–	–	–	–	–	–	–	–	–	–	
Statement of financial position												
Carrying value of assets	45.2	48.1	40.9	5.6	-50.2%	5.7%	5.6	5.6	5.6	–	1.2%	
of which:												
Acquisition of assets	(0.1)	(13.2)	(8.8)	(14.4)	422.2%	100.0%	(14.7)	(15.1)	–	-100.0%	–	
Investments	–	–	68.9	–	–	2.0%	–	–	–	–	–	
Inventory	32.1	27.1	262.1	12.0	-28.0%	11.1%	12.0	12.0	12.0	–	2.6%	
Loans	90.4	84.8	74.5	83.3	-2.7%	14.5%	83.3	83.3	6.7	-56.9%	13.2%	
Receivables and prepayments	30.2	77.3	83.3	22.0	-10.0%	8.3%	20.0	18.0	16.0	-10.1%	4.0%	
Cash and cash equivalents	305.5	363.7	316.8	365.0	6.1%	58.4%	367.0	369.0	371.0	0.5%	79.0%	
Total assets	503.3	601.0	846.5	487.9	-1.0%	100.0%	487.9	487.9	411.3	-5.5%	100.0%	
Accumulated surplus/(deficit)	(166.9)	(129.1)	(40.7)	412.9	-235.3%	6.3%	415.4	427.9	352.8	-5.1%	85.8%	
Capital and reserves	400.0	400.0	–	–	-100.0%	36.5%	–	–	–	–	–	
Capital reserve fund	6.1	6.0	400.0	–	-100.0%	12.4%	–	–	–	–	–	
Borrowings	–	–	2.7	–	–	0.1%	–	–	–	–	–	
Finance lease	0.7	0.1	–	–	-100.0%	–	–	–	–	–	–	
Trade and other payables	59.6	120.2	178.2	60.0	0.2%	16.3%	55.0	40.0	36.0	-15.7%	10.1%	
Provisions	–	–	306.4	15.0	–	9.8%	17.5	20.0	22.5	14.5%	4.1%	
Derivatives financial instruments	203.8	203.8	–	–	-100.0%	18.6%	–	–	–	–	–	
Total equity and liabilities	503.3	601.0	846.5	487.9	-1.0%	100.0%	487.9	487.9	411.3	-5.5%	100.0%	

Personnel information

Table 10.15 Alexkor personnel numbers and cost by salary level

Number of posts estimated for 31 March 2024	Number and cost ¹ of personnel posts filled/planned for on funded establishment											Average growth rate of personnel posts (%)	Average: salary level/ Total (%)						
	Number of posts on approved funded posts	Actual			Revised estimate			Medium-term expenditure estimate											
		2022/23	2023/24	2024/25	2025/26	2026/27	2022/23	2023/24	2024/25	2025/26	2026/27								
Alexkor		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	150	8	6	66.5	11.1	150	42.3	0.3	150	44.8	0.3	150	47.0	0.3	150	49.8	0.3	–	100.0%
1 – 6	136	2	2	51.5	25.8	136	36.5	0.3	136	38.9	0.3	136	40.9	0.3	136	43.4	0.3	–	90.7%
7 – 10	2	3	2	15.0	7.5	2	0.1	0.0	2	0.1	0.0	2	0.1	0.0	2	0.1	0.1	–	1.3%
11 – 12	3	1	1	–	–	3	0.8	0.3	3	0.9	0.3	3	1.0	0.3	3	1.0	0.3	–	2.0%
13 – 16	9	2	1	–	–	9	4.8	0.5	9	5.0	0.6	9	5.2	0.6	9	5.4	0.6	–	6.0%

1. Rand million.

Denel

Selected performance indicators

Table 10.16 Denel performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Revenue generated through the aerospace programme per year	Aerospace	Priority 2: Economic transformation and job creation	R241.6m	R99.3m	R281.2m	R111m	R206m	R251m	R266.1m
Weighting of personnel costs on total objective costs in the aerospace programme per year	Aerospace		58%	27%	14%	78%	19%	46%	97%
Revenue generated through the aviation programme per year	Aviation		R780m	R456.5m	R476m	R619m	R664m	R776m	R822m
Weighting of personnel costs to total objective costs in the aviation programme per year	Aviation		42%	23%	10%	61%	62%	65%	52%
Revenue generated through the land solutions programme per year	Land solutions		R633.4m	R341.3m	R288m	R1.1b	R1.3b	R1.5b	R1.6b
Weighting of personnel costs to total objective costs in the land solutions programme per year	Land solutions		67%	51%	51%	51%	51%	33%	28%
Revenue generated through the integrated systems solutions programme per year	Integrated systems solutions		– ¹	– ¹	– ¹	R125m	R185m	R300m	R318m
Weighting of personnel costs to total objective costs in the integrated systems solutions programme per year	Integrated systems solutions		– ¹	– ¹	– ¹	59%	62%	63%	63%

1. No historical data available.

Company overview

Denel was incorporated as a private company in 1992 in terms of the Companies Act (1973), with the South African government as its sole shareholder. It operates in the military aerospace and landward defence environment and provides strategic defence equipment. The company's broad focus over the medium term will be on implementing its turnaround plan, which entails rolling out its new operating model, optimising its cost structure and restructuring. The new operating model reduces Denel's structure from 6 core business units to 4 according to capability domains – aviation, munitions, and land and integrated systems solutions.

In 2021/22, government helped Denel settle R3.2 billion guaranteed debt, which relieved the entity of annual interest payments amounting to R250 million. The following financial year, government allocated an additional R3.4 billion through the Special Appropriation Act (2022) to help implement the company's turnaround plan. Following these interventions, Denel has experienced growth in its order pipeline, which is estimated at more than R25 billion. The company's immediate focus is to stabilise its operations and deliver on existing contracts to improve cash flow and continue to build trust with customers and partners.

However, since 2021/22, the company has lost a significant number of experienced personnel with critical skills due to decreased business activity and poor financial position, threatening its capacity to maintain strategic defence industrial capabilities. Since the improvement in the company's financial position from mid-2022/23,

Denel has stabilised its employee turnover rate and has been able to attract leadership and other critical skills to fulfil contracts.

Expenditure is expected to increase at an average annual rate of 10 per cent, from R2.4 billion in 2023/24 to R3.2 billion in 2026/27. This increase is attributed to the expected improvement in business activity and intensifying implementation of the turnaround plan. Spending on goods and services, mainly for material supplies, accounts for 50.8 per cent (R4.5 billion) of the total expenditure.

Revenue is projected to increase at an average annual rate of 19.1 per cent, from R2.1 billion in 2023/24 to R3.5 billion in 2026/27, due to the turnaround strategy having been implemented by the board in June 2022. Denel derives 95.7 per cent (R9 billion) of its revenue through sales of defence and security equipment and the services that it provides. The Auditor-General of South Africa is in the process of auditing its 3 outstanding financial statements (2020/21, 2021/22 and 2022/23).

Programmes/Objectives/Activities

Table 10.17 Denel expenditure trends and estimates by programme/objective/activity

R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23	2023/24				2024/25	2025/26	2026/27		
Administration	1 050.0	498.4	383.7	529.7	-20.4%	20.0%	400.5	431.6	422.5	-7.3%	16.1%	
Aerospace	629.5	385.5	481.4	215.8	-30.0%	14.1%	243.0	238.3	242.8	4.0%	8.4%	
Aviation	839.2	455.7	419.1	561.4	-12.5%	19.0%	593.3	672.0	702.5	7.8%	22.3%	
Land solutions	1 125.8	975.7	1 100.3	1 015.9	-3.4%	36.6%	1 202.1	1 553.2	1 636.6	17.2%	47.2%	
Munitions	513.8	316.6	324.8	-	-100.0%	9.1%	-	-	-	-	-	
Integrated systems solutions	-	-	-	106.5	-	1.1%	146.9	219.3	231.0	29.4%	6.1%	
Total	4 158.3	2 631.9	2 709.3	2 429.3	-16.4%	100.0%	2 585.7	3 114.5	3 235.3	10.0%	100.0%	

Statements of financial performance, cash flow and financial position

Table 10.18 Denel statements of financial performance, cash flow and financial position

Statement of financial performance												
R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23	2023/24				2024/25	2025/26	2026/27		
Revenue												
Non-tax revenue	2 884.9	1 522.8	2 769.2	2 086.0	-10.2%	99.0%	2 558.0	3 328.0	3 527.7	19.1%	100.0%	
Sale of goods and services other than capital assets	2 288.1	1 382.4	1 464.3	1 972.0	-4.8%	78.6%	2 440.0	3 207.0	3 399.4	19.9%	95.7%	
Other non-tax revenue	596.8	140.4	1 304.9	114.0	-42.4%	20.5%	118.0	121.0	128.3	4.0%	4.3%	
Transfers received	48.0	34.1	-	-	-100.0%	1.0%	-	-	-	-	-	
Total revenue	2 932.9	1 556.9	2 769.2	2 086.0	-10.7%	100.0%	2 558.0	3 328.0	3 527.7	19.1%	100.0%	
Expenses												
Current expenses	4 157.7	2 631.9	2 697.7	2 429.3	-16.4%	99.9%	2 585.7	3 114.5	3 235.3	10.0%	100.0%	
Compensation of employees	1 584.0	859.3	849.5	974.5	-15.0%	35.6%	1 085.9	1 353.3	1 434.5	13.8%	42.5%	
Goods and services	1 996.6	1 312.5	1 321.6	1 241.4	-14.6%	49.4%	1 308.2	1 578.5	1 643.1	9.8%	50.8%	
Depreciation	88.5	85.2	71.9	41.6	-22.2%	2.4%	31.5	33.9	-	-100.0%	1.0%	
Interest, dividends and rent on land	488.5	375.0	454.7	171.8	-29.4%	12.5%	160.1	148.7	157.7	-2.8%	5.7%	
Transfers and subsidies	0.6	-	11.5	-	-100.0%	0.1%	-	-	-	-	-	
Total expenses	4 158.3	2 631.9	2 709.3	2 429.3	-16.4%	100.0%	2 585.7	3 114.5	3 235.3	10.0%	100.0%	
Surplus/(Deficit)	(1 225.4)	(1 075.1)	59.9	(343.3)	-34.6%		(27.7)	213.5	292.4	-194.8%		

Table 10.18 Denel statements of financial performance, cash flow and financial position (continued)

Cash flow statement indirect method	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2020/21	2021/22	2022/23		2023/24	2020/21 - 2023/24	2024/25	2025/26	2026/27		
R million											
Net cash flow from operating activities	2 880.0	(716.0)	(2 413.0)	(2 561.2)	-196.2%	100.0%	(246.0)	(105.8)	608.0	-161.9%	100.0%
Cash generated from operations before working capital	(1 310.0)	(1 308.0)	(171.0)	(230.0)	-44.0%	100.0%	(260.0)	105.9	304.0	-209.8%	100.0%
Changes in working capital	896.0	859.0	(1 802.0)	(2 331.2)	-237.5%	100.0%	14.0	(211.7)	304.0	-150.7%	100.0%
(Increase)/decrease in inventories	281.0	363.0	(438.0)	359.0	8.5%	-	(45.4)	(46.8)	351.0	-0.8%	-50.6%
(Increase)/decrease in trade and other receivables	539.0	(748.0)	415.0	(976.5)	-221.9%	-2.0%	(44.1)	(45.4)	(45.0)	-64.1%	-66.6%
Increase/(decrease) in trade and other payables	(59.0)	782.0	209.0	(1 510.3)	194.7%	34.4%	27.2	28.0	(5.0)	-85.1%	61.1%
Increase/(decrease) in payments received in advance	109.0	14.0	(1 949.0)	(151.0)	-211.5%	32.1%	272.0	57.0	(29.0)	-42.3%	-
Increase/(decrease) in provisions	(117.0)	-	-	-	-100.0%	-3.3%	-	-	-	-	-
Other working capital movements	143.0	448.0	(39.0)	(52.5)	-171.6%	18.1%	(195.8)	(204.6)	32.0	-184.8%	-
Cash generated from operations after working capital	3 294.0	(267.0)	(440.0)	-	-100.0%	-	-	-	-	-	-
Interest received	(17.0)	11.0	23.0	-	-100.0%	-	-	-	-	-	-
Interest paid	500.0	(265.0)	(455.0)	-	-100.0%	-	-	-	-	-	-
Tax benefit	1.0	-	-	-	-100.0%	-	-	-	-	-	-
Tax payment	-	(13.0)	(8.0)	-	-	-	-	-	-	-	-
Other changes	2 810.0	-	-	-	-100.0%	-	-	-	-	-	-
Net cash flow from investing activities	4.0	64.0	(45.0)	467.2	388.8%	100.0%	(278.2)	(281.6)	-	-100.0%	-
Acquisition of property, plant, equipment and intangible assets	(69.0)	(1.0)	(59.0)	(487.8)	91.9%	-425.0%	(278.2)	(281.6)	-	-100.0%	-
Acquisition of software and other intangible assets	(29.0)	(2.0)	-	-	-100.0%	-182.0%	-	-	-	-	-
Disposals of property, plant, equipment and intangible assets	91.0	91.0	10.0	955.0	118.9%	649.8%	-	-	-	-100.0%	-
Other flows from investing activities	11.0	(24.0)	4.0	-	-100.0%	57.2%	-	-	-	-	-
Net cash flow from financing activities	(2 974.0)	594.0	5 706.0	(342.0)	-51.4%	100.0%	-	-	-	-100.0%	-
Borrowing activities	(1 322.0)	(2 842.0)	3 481.0	(342.0)	-36.3%	-68.2%	-	-	-	-100.0%	-
Repayment of finance leases	(20.0)	26.0	15.0	-	-100.0%	1.3%	-	-	-	-	-
Other flows from financing activities	(1 632.0)	3 410.0	2 210.0	-	-100.0%	166.9%	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	(90.0)	(58.0)	3 248.0	(2 436.0)	200.2%	100.0%	(524.1)	(387.4)	608.0	-163.0%	100.0%
Statement of financial position											
Carrying value of assets	1 644.0	1 863.9	985.1	1 292.9	-7.7%	18.3%	1 584.9	1 557.9	1 724.0	10.1%	25.3%
Investments	2 341.0	1 161.1	1 213.8	1 327.1	-17.2%	18.8%	1 445.1	1 566.1	65.0	-63.4%	13.2%
Inventory	1 809.0	1 435.7	1 872.8	1 513.0	-5.8%	20.1%	1 558.0	1 605.0	754.0	-20.7%	19.1%
Receivables and prepayments	896.0	1 644.3	1 203.1	2 761.0	45.5%	19.8%	2 944.0	3 132.0	896.0	-31.3%	32.3%
Cash and cash equivalents	545.0	488.6	3 748.1	1 313.0	34.1%	16.4%	789.0	408.0	70.0	-62.4%	7.9%
Non-current assets held for sale	-	201.1	955.6	-	-	3.0%	-	-	-	-	-
Taxation	197.0	261.3	420.5	313.0	16.7%	3.5%	156.0	320.0	-	-100.0%	2.3%
Total assets	7 432.0	7 055.9	10 399.0	8 520.0	4.7%	100.0%	8 477.0	8 589.0	3 509.0	-25.6%	100.0%
Accumulated surplus/(deficit)	(11 480.0)	-	-	-	-100.0%	-37.1%	-	-	12 341.0	-	85.3%
Capital and reserves	7 426.0	(12 377.1)	(12 196.5)	(13 886.0)	-223.2%	-89.9%	(13 858.0)	(13 646.0)	(13 973.0)	0.2%	-217.9%
Capital reserve fund	1 225.0	11 621.3	15 204.0	15 204.0	131.5%	126.3%	15 204.0	15 204.0	1 832.0	-50.6%	146.4%
Borrowings	3 365.0	445.0	280.3	-	-100.0%	13.1%	-	-	168.0	-	1.2%
Finance lease	341.0	349.6	251.0	175.0	-19.9%	3.5%	175.0	175.0	-	-100.0%	1.5%
Deferred income	2 658.0	3 974.4	3 882.9	4 753.0	21.4%	46.0%	4 615.0	4 444.0	-	-100.0%	40.5%
Trade and other payables	1 873.0	2 361.8	2 345.6	907.0	-21.5%	22.7%	934.0	962.0	145.0	-45.7%	9.2%
Taxation	2.0	100.3	119.3	-	-100.0%	0.6%	-	-	2.0	-	-
Provisions	740.0	580.7	512.6	1 367.0	22.7%	9.7%	1 407.0	1 450.0	-	-100.0%	12.4%
Derivatives financial instruments	1 578.0	-	-	-	-100.0%	5.1%	-	-	3 103.0	-	21.4%
Total equity and liabilities	7 728.0	7 055.9	10 399.0	8 520.0	3.3%	100.0%	8 477.0	8 589.0	3 618.0	-24.8%	100.0%

Personnel information

Table 10.19 Denel personnel numbers and cost by salary level

Number of posts estimated for 31 March 2024			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: salary level/ Total (%)	
Number of funded posts	Number of approved establishment posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate											2023/24 - 2026/27
			2022/23		2023/24		2024/25			2025/26			2026/27							
Denel	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	1 748	1 748	1 798	849.5	0.5	1 793	974.5	0.5	1 791	1 085.9	0.6	1 791	1 353.3	0.8	1 791	1 434.5	0.8	-0.0%	100.0%	
1 – 6	334	334	595	110.9	0.2	595	110.9	0.2	595	110.9	0.2	595	110.9	0.2	595	117.5	0.2	-	33.2%	
7 – 10	1 035	1 035	906	425.1	0.5	906	446.9	0.5	906	429.1	0.5	906	431.0	0.5	906	456.9	0.5	-	50.6%	
11 – 12	336	336	275	277.2	1.0	268	323.0	1.2	268	320.3	1.2	268	335.5	1.3	268	355.7	1.3	-	15.0%	
13 – 16	40	40	19	27.7	1.5	22	38.4	1.7	20	216.5	10.8	20	465.9	23.3	20	493.9	24.7	-3.1%	1.1%	
17 – 22	3	3	3	8.7	2.9	2	55.3	27.7	2	9.2	4.6	2	9.9	5.0	2	10.5	5.3	-	0.1%	

1. Rand million.

Eskom

Selected performance indicators

Table 10.20 Eskom performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Percentage of energy availability per year	Generation	Priority 1: A capable, ethical and developmental state	64.2%	62%	57%	65.5%	66%	66.5%	66.5%
System average interruption duration index (hours per year)	Distribution		35.4	35.5	36.6	38	37.5	37.2	37.2
System average interruption frequency index (events per year)	Distribution		13.2	12.3	13.1	18.0	17.5	17.6	17.6
Number of electrification connections per year	Distribution	Priority 7: A better Africa and world	106 669	97 947	101 899	106 815	128 791	100 000	100 000
System reliability performance for system minutes lost (less than 1 minute), measured in minutes	Transmission	Priority 1: A capable, ethical and developmental state	3.5	2.9	3.2	3.5	3.5	3.5	3.5

Company overview

Eskom is mandated to generate, transmit and distribute electricity to industrial, mining, commercial, agricultural and residential customers and redistributors. Key infrastructure programmes that Eskom is currently executing include the construction of the Medupi and Kusile power stations; the Medupi flue gas desulphurisation and battery energy storage system; a technical plan for the coal generation fleet focusing on control and instrumentation replacement, cooling towers, coal automation, switchgear and protection upgrades, and ash dump and disposal facilities; and its generation projects focused on particulate emission reduction, burner replacement, a fabric filter plant, high frequency power supply and electrostatic precipitator upgrade, and dust handling plants. Eskom has budgeted R269.3 billion for infrastructure for the period 2023/24 to 2028/29.

Over the medium term, the company's board will work with the national energy crisis committee to improve its operational performance. The committee will oversee the implementation of an energy action plan to end load shedding and achieve energy security. Specifically, through its generation recovery plan, Eskom aims to recover 6 000 MW by March 2025 by prioritising 9 poorly performing power stations (Arnot, Duvha, Kendal, Kriel, Kusile, Majuba, Matimba, Matla and Tutuka) that contribute to a combined 77 per cent of total unplanned outages. To increase these stations' performance, the power utility is focusing on maintenance and fixing damaged equipment. Its generation division plans to recover 3 115 MW from these 9 stations by March 2024.

Based on the company's financial plan for the period 2022/23 to 2026/27, its expenditure is projected to increase at an average annual rate of 5.3 per cent, from R333.1 billion in 2023/24 to R389.1 billion in 2026/27. Generation is Eskom's main cost driver, constituting 58.9 per cent (R653.5 billion) of its total budget over the medium term. Expenditure in the transmission division accounts for 29.2 per cent (R345.6 billion) of total spending, increasing at an average annual rate of 13.3 per cent, from R84.2 billion in 2023/24 to R122.4 billion in 2026/27, due to the execution of the transmission development plan for grid expansion.

The company generates revenue mainly through the sale of electricity. Revenue is expected to increase at an average annual rate of 9.2 per cent, from R319.6 billion in 2023/24 to R415.8 billion in 2026/27, driven mainly by annual tariff increases imposed on customers supplied directly by Eskom. The company's net loss is projected to decrease marginally from R23.9 billion in 2022/23 to R23 billion in 2023/24. Net debt increased by 7 per cent (R27.6 billion), from R396.3 billion in 2021/22 to R423.9 billion in 2022/23, whereas municipal arrears increased by 30.6 per cent (R13.7 billion) from R44.8 billion in 2021/22 to R58.5 billion in 2022/23. To mitigate against any further increases to Eskom's net debt, National Treasury has implemented a municipal debt relief support programme. Despite some marginal improvements, Eskom's financial position remains weak and the company is not able to generate enough cash from operations to cover its debt obligations.

Programmes/Objectives/Activities

Table 10.21 Eskom expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2023/24	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2020/21	2021/22	2022/23		2020/21 - 2023/24	Average: Expenditure/ Total (%)	2024/25	2025/26	2026/27	2023/24 - 2026/27	Average: Expenditure/ Total (%)
Administration	8 595.8	7 001.8	6 105.7	10 425.7	6.6%	2.8%	10 398.7	11 085.0	11 538.2	3.4%	3.0%
Generation	162 979.8	181 730.1	200 939.2	208 736.5	8.6%	66.3%	209 021.9	224 116.0	220 353.5	1.8%	58.9%
Distribution	25 313.2	26 305.8	30 670.1	35 004.0	11.4%	10.3%	38 753.0	41 657.0	41 157.1	5.5%	10.7%
Transmission	47 098.4	52 189.4	59 643.6	84 152.1	21.3%	21.0%	109 915.4	113 332.6	122 367.6	13.3%	29.2%
Subsidiaries and eliminations	871.2	(674.0)	(399.5)	(5 245.5)	-281.9%	-0.4%	(6 146.2)	(6 836.3)	(6 316.5)	6.4%	-1.7%
Total	244 858.4	266 553.2	296 959.0	333 072.7	10.8%	100.0%	361 942.8	383 354.2	389 099.9	5.3%	100.0%

Statements of financial performance, cash flow and financial position

Table 10.22 ESKOM statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2023/24	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2020/21	2021/22	2022/23		2020/21 - 2023/24	Average: Expenditure/ Total (%)	2024/25	2025/26	2026/27	2023/24 - 2026/27	Average: Expenditure/ Total (%)
Revenue											
Non-tax revenue	211 762.1	251 308.4	267 135.0	314 029.8	14.0%	97.7%	347 476.6	386 784.0	424 320.4	10.6%	99.7%
Sale of goods and services other than capital assets	204 461.7	247 048.4	259 400.7	309 620.7	14.8%	95.4%	343 618.4	381 971.3	418 350.8	10.6%	98.5%
Other non-tax revenue	7 300.4	4 260.0	7 734.4	4 409.1	-15.5%	2.3%	3 858.3	4 812.7	5 969.6	10.6%	1.3%
Transfers received	8 080.5	3 319.5	7 019.3	5 588.8	-11.6%	2.3%	4 580.2	(6.8)	(8 488.6)	-214.9%	0.3%
Total revenue	219 842.6	254 627.9	274 154.4	319 618.5	13.3%	100.0%	352 056.8	386 777.2	415 831.7	9.2%	100.0%
Expenses											
Current expenses	237 502.4	258 938.4	289 757.7	325 414.5	11.1%	97.4%	353 910.3	369 897.5	363 673.1	3.8%	96.4%
Compensation of employees	30 884.8	31 103.8	33 446.7	37 603.6	6.8%	11.7%	40 200.2	41 815.2	42 993.8	4.6%	11.1%
Goods and services	143 946.2	156 653.3	180 570.1	211 819.1	13.7%	60.5%	230 216.3	245 647.6	247 111.4	5.3%	63.7%
Depreciation	28 601.5	34 900.1	35 335.6	33 480.4	5.4%	11.7%	37 294.6	37 748.2	36 209.3	2.6%	9.9%
Interest, dividends and rent on land	34 069.9	36 281.1	40 405.2	42 511.4	7.7%	13.5%	46 199.2	44 686.6	37 358.5	-4.2%	11.7%
Transfers and subsidies	7 355.9	7 614.8	7 201.3	7 658.2	1.4%	2.6%	8 032.5	13 456.7	25 426.8	49.2%	3.6%
Total expenses	244 858.4	266 553.2	296 959.0	333 072.7	10.8%	100.0%	361 942.8	383 354.2	389 099.9	5.3%	100.0%
Surplus/(Deficit)	(25 015.8)	(11 925.3)	(22 804.6)	(13 454.2)	-18.7%		(9 886.0)	3 423.0	26 731.8	-225.7%	

Table 10.22 ESKOM statements of financial performance, cash flow and financial position (continued)

Cash flow statement Indirect method											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23				2023/24	2020/21 - 2023/24	2024/25		
Net cash flow from operating activities	31 004.3	48 751.3	41 599.7	45 826.8	13.9%	100.0%	58 792.2	92 868.0	118 460.5	37.2%	100.0%
Cash generated from operations before working capital	42 381.0	55 759.9	44 314.0	61 140.7	13.0%	100.0%	71 435.5	93 092.9	112 968.5	22.7%	100.0%
Changes in working capital	(11 968.2)	(6 309.4)	(2 268.8)	(13 257.7)	3.5%	100.0%	(11 424.5)	651.7	6 169.1	-177.5%	100.0%
(Increase)/decrease in inventories	(2 864.3)	(1 494.8)	(1 048.8)	(1 865.5)	-13.3%	13.9%	(2 527.0)	3 787.7	2 689.9	-213.0%	165.2%
(Increase)/decrease in trade and other receivables	(1 782.6)	(3 903.5)	(4 263.2)	(6 665.7)	55.2%	78.7%	(5 536.0)	(8 459.6)	(12 470.7)	23.2%	-350.3%
Increase/(decrease) in trade and other payables	(3 052.2)	664.6	5 378.7	(5 270.1)	20.0%	-45.6%	(1 231.5)	8 009.1	21 313.2	-259.3%	406.2%
Increase/(decrease) in payments received in advance	2 942.5	4 118.2	5 043.2	4 380.0	14.2%	-86.3%	4 191.4	4 356.9	3 698.2	-5.5%	-
Increase/(decrease) in provisions	(6 932.9)	(5 607.8)	(7 040.9)	(6 439.5)	-2.4%	126.4%	(6 574.1)	(6 286.6)	(9 015.4)	11.9%	-593.6%
Other working capital movements	(278.8)	(86.1)	(337.9)	2 603.1	-310.6%	-0.3%	252.8	(755.6)	(46.1)	-126.1%	-174.0%
Cash generated from operations after working capital	591.6	(699.2)	(445.5)	(2 056.3)	-251.5%	100.0%	(1 218.9)	(876.7)	(677.1)	-30.9%	100.0%
Interest received	278.1	441.2	461.5	633.0	31.5%	-37.6%	566.4	588.8	669.4	1.9%	-60.8%
Interest paid	(42.2)	(25.0)	(109.2)	(0.1)	-88.1%	5.2%	(0.1)	(0.1)	(0.1)	10.0%	-
Tax payment	(1 044.3)	(217.1)	(892.4)	(714.6)	-11.9%	22.4%	(848.0)	(998.5)	(1 112.0)	15.9%	-
Other changes	1 400.0	(898.3)	94.7	(1 974.5)	-212.1%	110.0%	(937.1)	(467.0)	(234.5)	-50.8%	-
Net cash flow from investing activities	(26 674.1)	(31 818.1)	(33 818.0)	(45 526.6)	19.5%	100.0%	(49 299.0)	(63 591.4)	(65 529.2)	12.9%	100.0%
Acquisition of property, plant, equipment and intangible assets	(24 449.1)	(30 558.8)	(34 600.2)	(45 104.9)	22.6%	97.3%	(47 687.4)	(60 992.9)	(65 039.9)	13.0%	97.7%
Acquisition of software and other intangible assets	(165.8)	(343.1)	(34.4)	(812.2)	69.8%	0.9%	(1 278.7)	(1 308.9)	(631.5)	-8.0%	1.8%
Disposals of property, plant, equipment and intangible assets	207.1	330.8	612.7	47.5	-38.8%	-0.9%	54.0	54.0	75.1	16.5%	-0.1%
Other flows from investing activities	(2 266.3)	(1 247.0)	204.0	342.9	-153.3%	2.8%	(386.9)	(1 343.5)	67.1	-42.0%	0.5%
Net cash flow from financing activities	(23 213.4)	(9 739.2)	(16 152.4)	(3 584.0)	-46.4%	100.0%	(8 948.5)	(6 143.1)	(47 460.9)	136.6%	100.0%
Borrowing activities	(41 947.3)	(8 885.1)	(5 043.2)	(33 094.9)	-7.6%	306.6%	(36 218.8)	(35 114.7)	(83 461.9)	36.1%	518.9%
Repayment of finance leases	-	-	(686.4)	(2 484.8)	-	18.4%	(4 458.1)	(3 535.5)	(4 591.1)	22.7%	46.6%
Other flows from financing activities	18 733.9	(854.1)	(10 422.8)	31 995.7	19.5%	-225.0%	31 728.4	32 507.1	40 592.1	8.3%	-465.5%
Net increase/(decrease) in cash and cash equivalents	(18 883.2)	7 194.1	(8 370.7)	(3 283.9)	-44.2%	100.0%	544.8	23 133.5	5 470.4	-218.5%	100.0%
Statement of financial position											
Carrying value of assets of which:	670 611.9	661 543.5	681 765.4	712 714.3	2.1%	82.1%	754 425.2	780 100.1	810 888.6	4.4%	79.6%
Acquisition of assets	(24 099.8)	(30 403.8)	(40 153.5)	(31 077.4)	8.8%	100.0%	(47 065.0)	(61 396.7)	-	-100.0%	-
Investments	18 471.7	31 305.8	31 523.1	39 972.9	29.3%	3.6%	43 337.4	47 497.3	51 809.5	9.0%	4.7%
Inventory	41 772.7	40 539.0	24 014.0	32 120.1	-8.4%	4.2%	37 331.3	35 657.1	35 807.6	3.7%	3.7%
Loans	4 044.5	8 155.6	7 822.4	3 700.0	-2.9%	0.7%	3 300.0	2 900.0	1 800.0	-21.4%	0.3%
Receivables and prepayments	23 814.9	31 854.5	31 864.8	37 685.4	16.5%	3.8%	40 757.0	46 173.8	54 904.6	13.4%	4.6%
Cash and cash equivalents	8 691.9	15 886.0	7 515.3	4 231.4	-21.3%	1.1%	4 776.2	27 909.7	33 380.1	99.1%	1.8%
Taxation	6 199.5	10 343.4	16 880.5	18 542.2	44.1%	1.5%	18 450.2	18 435.1	18 427.1	-0.2%	1.9%
Finance lease receivable	-	-	218.9	319.0	-	-	352.8	384.1	413.6	9.0%	-
Derivatives financial instruments	31 937.1	7 264.7	27 764.1	29 593.9	-2.5%	2.9%	28 533.0	32 361.3	36 527.7	7.3%	3.3%
Total assets	805 544.2	806 892.6	829 368.6	878 879.4	2.9%	100.0%	931 263.1	991 418.5	1 043 958.8	5.9%	100.0%
Accumulated surplus/(deficit)	214 098.4	97 380.4	74 575.8	61 121.6	-34.2%	13.6%	51 235.7	54 658.7	81 390.5	10.0%	6.4%
Capital reserve fund	-	31 692.9	21 857.3	61 800.0	-	3.4%	56 600.0	59 200.0	59 495.4	-1.3%	6.2%
Borrowings	437 244.0	344 002.0	367 993.7	356 450.5	-6.6%	45.5%	354 773.1	312 639.9	245 819.4	-11.7%	33.4%
Finance lease	8 956.3	8 471.8	8 126.1	14 058.6	16.2%	1.2%	41 959.9	43 660.4	44 186.2	46.5%	3.7%
Deferred income	25 254.6	26 692.8	28 097.3	29 342.0	5.1%	3.3%	30 601.7	31 886.7	32 389.4	3.3%	3.2%
Trade and other payables	37 765.3	40 474.4	42 861.4	44 134.6	5.3%	5.0%	43 266.5	56 437.6	73 425.4	18.5%	5.6%
Non-controlling interests	-	111 311.5	140 962.9	158 549.9	-	12.2%	220 349.9	276 949.9	336 149.9	28.5%	25.5%
Taxation	2 796.1	3 590.5	1 842.3	(2 896.0)	-201.2%	0.2%	(7 533.5)	(7 689.6)	1 411.0	-178.7%	-0.4%
Provisions	70 051.3	78 255.3	76 551.5	78 575.4	3.9%	9.1%	82 202.9	89 423.0	95 308.6	6.6%	9.0%
Derivatives financial instruments	9 378.3	65 020.9	66 500.2	77 742.7	102.4%	6.5%	57 806.9	74 251.9	74 383.0	-1.5%	7.4%
Total equity and liabilities	805 544.2	806 892.6	829 368.6	878 879.4	2.9%	100.0%	931 263.1	991 418.5	1 043 958.8	5.9%	100.0%

Personnel information

Table 10.23 Eskom personnel numbers and cost by salary level

Number of posts estimated for 31 March 2024			Number and cost ¹ of personnel posts filled/planned for on funded establishment												Average growth rate of personnel posts (%)	Average salary level/ Total (%)			
Number of funded posts	Number of posts on approved establishment	Unit cost	Actual			Revised estimate			Medium-term expenditure estimate										
			2022/23		2023/24		2024/25		2025/26		2026/27								
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Eskom	42 952	42 952	39 601	33 446.7	0.8	42 952	37 603.6	0.9	43 423	40 200.2	0.9	42 970	41 815.2	1.0	43 068	42 993.8	1.0	0.1%	100.0%
1 – 6	7 652	7 652	7 236	1 847.1	0.3	7 652	1 957.3	0.3	7 613	2 065.9	0.3	7 526	2 111.1	0.3	7 510	2 192.3	0.3	-0.6%	17.6%
7 – 10	27 125	27 125	24 965	11 814.2	0.5	27 125	13 026.5	0.5	27 534	13 947.7	0.5	27 389	14 708.4	0.5	27 617	15 309.0	0.6	0.6%	63.6%
11 – 12	6 900	6 900	6 308	5 110.1	0.8	6 900	6 453.1	0.9	6 952	7 067.3	1.0	6 745	7 273.9	1.1	6 633	7 358.7	1.1	-1.3%	15.8%
13 – 16	1 266	1 266	1 086	1 416.1	1.3	1 266	1 696.3	1.3	1 315	1 873.3	1.4	1 301	1 952.5	1.5	1 299	2 039.7	1.6	0.9%	3.0%
17 – 22	9	9	6	13 259.3	2 209.9	9	14 470.5	1 607.8	9	15 246.0	1 694.0	9	15 769.3	1 752.1	9	16 094.1	1 788.2	-	0.0%

1. Rand million.

South African Airways

Selected performance indicators

Table 10.24 South African Airways performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Percentage of technical dispatch reliability per year	South African Airways	Priority 2: Economic transformation and job creation	- ¹	- ¹	- ¹	98.5%	98.5%	98.5%	98.5%
Percentage of on-time performance (within 15 minutes) per year	South African Airways		- ¹	- ¹	- ¹	87%	87%	87%	87%
Number of lost and mishandled baggage items per 1 000 passengers per year	South African Airways		- ¹	- ¹	- ¹	3.8	3.8	3.8	3.8
Percentage of local spend per year	South African Airways		- ¹	- ¹	- ¹	70%	70%	70%	70%
Number of new artisan trainees per year	South African Airways		- ¹	- ¹	- ¹	75	75	75	75

1. No historical data available as these indicators were adopted after the airline's business rescue process.

Company overview

South African Airways operates a full-service network in the regional and domestic markets, and, more recently, has returned to the international market. The airline is responsible for promoting air links with South Africa's key business, trading and tourism markets across the world, and contributing to key domestic air linkages.

The company was placed under business rescue in December 2019 and came out of the process in April 2021. It resumed flight operations in September 2021, operating domestically and regionally, and initially operated 6 aircraft on 5 routes. The airline is now operating 13 aircraft on 15 routes. Over the MTEF period, the airline plans to increase its operations and improve its service offering. This is expected to be done by increasing its fleet size and route network. In the 2023 Budget, R1 billion was allocated to the airline for settling obligations emanating from its business rescue process.

Government is in the process of concluding the sale of its majority shareholding in the company to a strategic equity partner. This is expected to unlock the funding required to strengthen the airline's balance sheet and improve its operations. The partnership was expected to be finalised in 2023/24, but aviation regulatory approvals and the repeal of the South African Airways Act (2007), which are under way, have led to delays.

In line with the airline's expansion plan and business restart following the sale, expenditure is expected to increase at an average annual rate of 34.2 per cent, from R7.3 billion in 2023/24 to R17.7 billion in 2026/27. Spending on goods and services constitutes 90.1 per cent (R40.8 billion) of total expenditure over the period ahead, mainly driven by fuel, leases and maintenance costs.

As the airline expands its routes domestically, regionally and internationally, its revenue is expected to increase at an average annual rate of 36 per cent, from R7.5 billion in 2023/24 to R18.9 billion in 2026/27. The airline's revenue is generated through the sale of air tickets.

Programmes/Objectives/Activities**Table 10.25 South African Airways expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
South African Airways	13 947.5	2 885.4	5 652.4	7 335.1	-19.3%	100.0%	11 738.9	15 673.5	17 735.1	34.2%	100.0%
Total	13 947.5	2 885.4	5 652.4	7 335.1	-19.3%	100.0%	11 738.9	15 673.5	17 735.1	34.2%	100.0%

Statements of financial performance, cash flow and financial position**Table 10.26 South African Airways statements of financial performance, cash flow and financial position**

Statement of financial performance											
R million	Audited outcome			Revised estimate 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
Revenue											
Non-tax revenue	4 492.5	1 347.1	6 060.2	7 506.2	18.7%	100.0%	12 325.6	16 471.7	18 887.1	36.0%	100.0%
Sale of goods and services other than capital assets	4 445.4	1 271.8	5 812.8	7 346.2	18.2%	96.8%	12 325.6	16 471.7	18 887.1	37.0%	99.5%
Other non-tax revenue	47.2	75.3	247.5	160.0	50.3%	3.2%	-	-	-	-100.0%	0.5%
Total revenue	4 492.5	1 347.1	6 060.2	7 506.2	18.7%	100.0%	12 325.6	16 471.7	18 887.1	36.0%	100.0%
Expenses											
Current expenses	13 947.5	2 885.4	5 652.4	7 335.1	-19.3%	100.0%	11 738.9	15 673.5	17 735.1	34.2%	100.0%
Compensation of employees	3 441.6	783.6	623.2	677.8	-41.8%	18.0%	1 271.6	1 234.7	1 478.1	29.7%	9.1%
Goods and services	9 644.1	1 941.5	4 931.8	6 592.5	-11.9%	78.4%	10 373.9	14 316.9	16 106.5	34.7%	90.1%
Depreciation	231.4	130.9	94.8	64.8	-34.6%	2.2%	93.3	121.9	150.5	32.4%	0.8%
Interest, dividends and rent on land	630.5	29.5	2.5	-	-100.0%	1.4%	-	-	-	-	-
Total expenses	13 947.5	2 885.4	5 652.4	7 335.1	-19.3%	100.0%	11 738.9	15 673.5	17 735.1	34.2%	100.0%
Surplus/(Deficit)	(9 455.0)	(1 538.3)	407.9	171.1	-126.3%		586.7	798.2	1 151.9	88.8%	
Cash flow statement Indirect method											
Net cash flow from operating activities	(9 900.5)	(6 738.2)	(305.9)	(125.9)	-76.7%	100.0%	499.8	1 388.9	1 784.6	-342.0%	100.0%
Cash generated from operations before working capital	(8 480.9)	(1 580.1)	319.7	235.9	-130.3%	100.0%	680.1	920.1	1 302.4	76.7%	100.0%
Changes in working capital	(836.3)	(5 203.7)	(682.3)	(361.8)	-24.4%	100.0%	(180.3)	468.8	482.2	-210.0%	100.0%
(Increase)/decrease in inventories	24.4	27.1	(5.2)	(25.2)	-201.0%	-	(42.9)	(39.2)	(22.6)	-3.5%	4.4%
(Increase)/decrease in trade and other receivables	1 904.5	189.7	(632.4)	(562.1)	-166.6%	4.2%	(746.4)	(785.4)	(457.6)	-6.6%	76.7%
Increase/(decrease) in trade and other payables	(3 147.0)	(3 406.5)	388.9	160.0	-137.0%	85.1%	779.3	776.5	492.7	45.5%	-52.2%
Increase/(decrease) in payments received in advance	(367.1)	(724.3)	(1 181.0)	65.5	-156.3%	53.2%	(170.3)	516.9	469.7	92.9%	-
Increase/(decrease) in provisions	(982.0)	(1 116.1)	70.8	-	-100.0%	32.1%	-	-	-	-	270.0%
Other working capital movements	1 730.8	(173.7)	676.7	-	-100.0%	-75.7%	-	-	-	-	276.8%
Cash generated from operations after working capital	(583.3)	45.6	56.7	-	-100.0%	-	-	-	-	-	-
Interest received	47.2	75.0	59.3	-	-100.0%	-	-	-	-	-	-
Interest paid	(630.5)	(29.5)	(2.5)	-	-100.0%	-	-	-	-	-	-
Net cash flow from investing activities	3 386.8	(1 848.0)	249.6	(232.0)	-140.9%	100.0%	(1 445.2)	(2 385.6)	(2 787.1)	129.0%	100.0%
Acquisition of property, plant, equipment and intangible assets	-	-	(36.0)	(232.0)	-	21.4%	(1 445.2)	(2 385.6)	(2 787.1)	129.0%	100.0%
Disposals of property, plant, equipment and intangible assets	298.0	127.1	-	-	-100.0%	0.5%	-	-	-	-	-
Other flows from investing activities	3 088.9	(1 975.1)	285.7	-	-100.0%	78.1%	-	-	-	-	-
Net cash flow from financing activities	9 021.6	4 950.2	(298.0)	900.0	-53.6%	100.0%	1 000.0	1 000.0	1 000.0	3.6%	100.0%
Borrowing activities	(9 186.8)	(5 050.2)	-	-	-100.0%	-51.0%	-	-	-	-	-
Other flows from financing activities	18 208.4	10 000.3	(298.0)	900.0	-63.3%	151.0%	1 000.0	1 000.0	1 000.0	3.6%	100.0%
Net increase/(decrease) in cash and cash equivalents	2 507.9	(3 636.1)	(354.2)	542.1	-40.0%	100.0%	54.6	3.3	(2.5)	-116.7%	100.0%

Table 10.26 South African Airways statements of financial performance, cash flow and financial position (continued)

Statement of financial position	Audited outcome			Revised estimate 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
	R million										
Carrying value of assets of which:	1 444.9	1 317.8	1 353.8	1 318.7	-3.0%	16.9%	1 425.3	1 503.4	1 552.9	5.6%	11.7%
Acquisition of assets	–	(1.0)	(135.0)	(271.2)	–	–	(271.2)	(271.2)	–	-100.0%	–
Investments	1 795.0	3 848.2	2 915.7	3 431.6	24.1%	37.9%	4 698.0	6 883.5	9 470.7	40.3%	45.7%
Inventory	63.5	36.4	41.5	65.3	0.9%	0.6%	108.2	147.4	170.0	37.6%	0.9%
Loans	–	94.1	–	21.2	–	0.4%	–	–	–	-100.0%	0.1%
Receivables and prepayments	710.9	521.2	1 153.6	1 588.6	30.7%	12.3%	2 335.0	3 120.5	3 578.1	31.1%	20.2%
Cash and cash equivalents	5 380.1	1 744.0	1 389.8	2 652.5	-21.0%	32.7%	2 707.1	2 710.4	2 707.8	0.7%	22.0%
Defined benefit plan assets	(73.0)	(73.0)	(31.1)	(73.0)	–	-0.8%	(73.0)	(73.0)	(73.0)	–	-0.6%
Derivatives financial instruments	0.9	0.8	1.0	1.0	1.7%	–	1.0	1.0	1.0	–	–
Total assets	9 322.2	7 489.5	6 824.4	9 005.8	-1.1%	100.0%	11 201.5	14 293.1	17 407.5	24.6%	100.0%
Accumulated surplus/(deficit)	(56 649.2)	(58 183.7)	(57 807.2)	(58 588.9)	1.1%	-720.5%	(58 002.2)	(57 204.0)	(56 052.1)	-1.5%	-472.6%
Capital and reserves	361.8	3 584.2	1 703.7	–	-100.0%	19.2%	–	–	–	–	–
Capital reserve fund	51 901.3	58 679.2	60 261.7	64 345.0	7.4%	734.4%	65 345.0	66 345.0	67 345.0	1.5%	537.2%
Borrowings	5 050.2	–	–	–	-100.0%	13.5%	–	–	–	–	–
Deferred income	2 892.1	2 167.9	986.8	441.4	-46.6%	19.8%	487.6	511.9	537.5	6.8%	4.0%
Trade and other payables	4 422.3	1 015.8	1 404.7	1 373.1	-32.3%	24.2%	2 152.4	2 928.9	3 421.6	35.6%	18.7%
Provisions	1 343.7	226.1	274.8	164.7	-50.3%	5.8%	164.7	164.7	164.7	–	1.3%
Derivatives financial instruments	–	–	–	1 270.6	–	3.5%	1 054.1	1 546.7	1 990.7	16.1%	11.4%
Total equity and liabilities	9 322.2	7 489.5	6 824.4	9 005.8	-1.1%	100.0%	11 201.5	14 293.1	17 407.5	24.6%	100.0%

Personnel information

Table 10.27 South African Airways personnel numbers and cost by salary level

Number of funded posts	Number of posts estimated for 31 March 2024		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Average growth rate of personnel posts (%) 2023/24 - 2026/27	Average: salary level/ Total (%) 2023/24 - 2026/27			
	Number of approved establishment posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2022/23		2023/24		2024/25		2025/26		2026/27								
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
South African Airways	1 082	1 082	1 017	623.2	0.6	1 082	677.8	0.6	1 357	1 271.6	0.9	1 597	1 234.7	0.8	1 827	1 478.1	0.8	19.1%	100.0%
1 – 6	153	153	171	44.2	0.3	153	36.9	0.2	153	38.5	0.3	153	40.1	0.3	153	41.8	0.3	–	10.8%
7 – 10	710	710	658	263.4	0.4	710	296.2	0.4	830	659.1	0.8	970	422.2	0.4	1 120	501.3	0.4	16.4%	62.2%
11 – 12	98	98	78	76.4	1.0	98	105.0	1.1	200	225.2	1.1	240	282.8	1.2	290	357.4	1.2	43.6%	13.7%
13 – 16	112	112	103	200.5	1.9	112	194.1	1.7	165	302.1	1.8	225	441.5	2.0	255	528.2	2.1	31.6%	12.6%
17 – 22	9	9	7	38.7	5.5	9	45.5	5.1	9	46.8	5.2	9	48.1	5.3	9	49.4	5.5	–	0.6%

1. Rand million.

South African Forestry Company

Selected performance indicators

Table 10.28 South African Forestry Company performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Percentage of debt ratio per year (total debt versus total assets)	Administration	Priority 1: A capable, ethical and developmental state	39%	41%	42%	30%	30%	30%	30%
			(R1.9bn/ R4.9bn)	(2.1bn/ R5.3bn)	(R2.5bn/ R5.9bn)				
Percentage of operational earnings per year	Administration		-8%	10.9%	-6.5%	7.6%	10%	12.9%	12.9%
		(-R70m/ R921m)	(R132m/ R1.2bn)	(R76.7m/ R1.2bn)					
Percentage of spending on innovation, research and development per year	Administration		1.7%	1.6%	1.8%	1.8%	1.8%	1.8%	1.8%

Table 10.28 South African Forestry Company performance indicators by programme/objective/activity and related priority (continued)

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Percentage of procurement spend on 51% black-owned entities per year	Administration	Priority 1: A capable, ethical and developmental state	47%	68%	50%	55%	60%	60%	60%
Percentage of procurement spend on 30% black women-owned entities per year	Administration		17%	27%	17%	19%	21%	21%	21%
Percentage of procurement spend on black youth-owned entities per year	Administration		6%	11%	10%	12%	14%	14%	14%
Percentage of procurement spend on people with disability-owned entities per year	Administration		55%	2%	3%	3.5%	3.5%	3.5%	3.5%
Total spend on corporate social investment initiatives per year	Administration		R9.8m	R5.1m	R6.5m	R7m	R7.5m	R8m	R8.3m
Percentage of total unplanted area in South Africa per year	Komatiland Forests		3%	2.3%	3%	3%	3%	3%	3%
Percentage of total unplanted area in Mozambique per year	Ifloma – Mozambique forestry operations		7%	4.7%	5.5%	4.5%	4%	4%	4%

Company overview

The South African Forestry Company was established in 1992 in line with the Management of State Forests Act (1992). Its mandate is to develop and manage the state's commercial plantation forests, timber-processing plants and other assets within the entity's group.

The company contributes to rural economies in Mpumalanga, Limpopo and KwaZulu-Natal through the creation of about 1 513 direct jobs and more than 1 000 employment opportunities in small to medium companies through community projects and other services.

The company aims to diversify its revenue strategy over the medium term by focusing on contributions from high-value products, particularly plantation, processing and related ventures. Central to this is the enhancement of the Timbadola processing plant in Limpopo, which is expected to significantly trim operational expenses and thereby elevate overall performance. The company will commercialise its strategic project pipeline. This includes the establishment of the combined heat and power plant using biomass from the forests, which will reduce the impact of load shedding on operations and enable the sale of electricity to the local municipality as well as commission a finger jointer and planer machine to produce high quality products.

The operations of Komatiland Forests, the company's main revenue-generating subsidiary, constitutes an estimated 81.3 per cent (R4.4 billion) of total expenditure over the MTEF period. Spending on goods and services constitutes 73.9 per cent (R3.9 billion) of the company's budget over the next 3 years, while compensation of employees accounts for 21.9 per cent (R1.2 billion). Expenditure is expected to increase at an average annual rate of 0.4 per cent, from R1.85 billion in 2023/24 to R1.87 billion in 2026/27.

The company generates 98.8 per cent (R6 billion) of its revenue from the sale of sawlogs and lumber. Revenue is expected to increase at an average annual rate of 9.9 per cent, from R1.6 billion in 2023/24 to R2.1 billion in 2026/27, in line with the anticipated increase demand for the company's products.

Programmes/Objectives/Activities

Table 10.29 South African Forestry Company expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23				2023/24	2020/21 - 2023/24	2024/25		
Komatiland Forests	763.3	2 220.7	2 271.8	1 490.3	25.0%	83.7%	1 386.7	1 459.9	1 527.1	0.8%	81.3%
Ifloma - Mozambique forestry operations	83.0	60.3	81.1	107.6	9.0%	4.9%	69.1	70.5	73.8	-11.8%	4.4%
Administration	164.9	182.1	201.0	253.7	15.4%	11.3%	246.6	258.9	270.8	2.2%	14.3%
Kamhlabane Timber	0.2	0.3	0.2	-	-100.0%	-	-	-	-	-	-
Abacus	-	2.1	0.9	-	-	-	-	-	-	-	-
Total	1 011.5	2 465.5	2 555.0	1 851.6	22.3%	100.0%	1 702.4	1 789.4	1 871.7	0.4%	100.0%

Statements of financial performance, cash flow and financial position

Table 10.30 South African Forestry Company statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23				2023/24	2020/21 - 2023/24	2024/25		
Revenue											
Non-tax revenue	966.7	2 559.1	2 835.0	1 604.2	18.4%	100.0%	1 877.5	2 036.6	2 130.3	9.9%	100.0%
Sale of goods and services other than capital assets	920.8	1 220.8	1 188.2	1 582.6	19.8%	70.9%	1 854.2	2 012.1	2 104.7	10.0%	98.8%
Other non-tax revenue	45.8	1 338.3	1 646.8	21.6	-22.1%	29.1%	23.3	24.5	25.6	5.8%	1.2%
Total revenue	966.7	2 559.1	2 835.0	1 604.2	18.4%	100.0%	1 877.5	2 036.6	2 130.3	9.9%	100.0%
Expenses											
Current expenses	956.1	2 434.9	2 479.8	1 851.6	24.6%	97.6%	1 702.4	1 789.4	1 871.7	0.4%	100.0%
Compensation of employees	389.6	338.6	352.7	386.8	-0.2%	21.7%	378.6	397.5	415.8	2.4%	21.9%
Goods and services	362.4	1 767.4	1 863.9	1 409.1	57.2%	64.1%	1 245.6	1 309.9	1 370.2	-0.9%	73.9%
Depreciation	53.9	48.8	42.7	45.7	-5.4%	2.9%	61.7	64.6	67.5	13.9%	3.3%
Interest, dividends and rent on land	150.2	280.1	220.6	10.0	-59.5%	8.8%	16.5	17.4	18.2	22.1%	0.9%
Transfers and subsidies	55.4	30.6	75.2	-	-100.0%	2.4%	-	-	-	-	-
Total expenses	1 011.5	2 465.5	2 555.0	1 851.6	22.3%	100.0%	1 702.4	1 789.4	1 871.7	0.4%	100.0%
Surplus/(Deficit)	(44.8)	93.6	280.0	(247.3)	76.7%		175.1	247.2	258.6	-201.5%	
Cash flow statement indirect method											
Net cash flow from operating activities	379.2	585.9	502.1	431.6	4.4%	100.0%	564.6	687.4	719.0	18.5%	100.0%
Cash generated from operations before working capital	-	-	-	-	-	-	-	-	-	-	-
Changes in working capital	398.1	581.0	497.1	433.5	2.9%	100.0%	567.0	689.8	721.6	18.5%	100.0%
(Increase)/decrease in inventories	60.1	(32.9)	(32.5)	17.2	-34.0%	-639.1%	(27.8)	101.1	(0.8)	-135.5%	3.4%
(Increase)/decrease in trade and other receivables	28.6	28.0	(35.1)	(86.7)	-244.8%	-3.8%	70.1	97.9	(4.0)	-64.1%	1.5%
Increase/(decrease) in trade and other payables	44.8	10.1	78.8	(121.1)	-239.3%	0.2%	97.2	15.9	16.3	-151.3%	-1.6%
Increase/(decrease) in provisions	(28.4)	6.4	15.0	(18.5)	-13.3%	-1.8%	13.1	1.0	1.1	-138.5%	-90.9%
Other working capital movements	293.0	569.4	470.9	642.4	29.9%	103.6%	414.4	473.9	709.0	3.3%	-276.7%
Cash generated from operations after working capital	(18.8)	5.0	5.1	(1.8)	-53.8%	100.0%	(2.3)	(2.5)	(2.6)	11.5%	100.0%
Interest received	5.6	7.5	10.2	13.5	34.2%	-101.7%	14.2	14.8	15.5	4.8%	-636.4%
Interest paid	(0.0)	(2.3)	(3.8)	(15.1)	677.7%	173.0%	(16.5)	(17.3)	(18.1)	6.4%	732.7%
Dividends received	0.0	0.0	0.0	0.0	-2.1%	-0.1%	0.0	0.0	0.0	-	-
Tax payment	(24.4)	(0.2)	(1.4)	(0.3)	-76.4%	28.8%	-	-	-	-100.0%	-
Net cash flow from investing activities	(3.1)	(13.4)	(34.4)	(3.0)	-0.9%	100.0%	(3.0)	(3.1)	(3.3)	3.1%	100.0%
Acquisition of property, plant, equipment and intangible assets	(3.1)	(13.4)	(34.4)	(3.0)	-0.9%	100.0%	(3.0)	(3.1)	(3.3)	3.1%	100.0%
Net cash flow from financing activities	(39.6)	(163.3)	(133.6)	(119.0)	44.3%	100.0%	(163.0)	(170.7)	(178.5)	14.5%	100.0%
Repayment of finance leases	(39.6)	(163.3)	(133.6)	(119.0)	44.3%	100.0%	(163.0)	(170.7)	(178.5)	14.5%	100.0%
Net increase/(decrease) in cash and cash equivalents	336.5	409.3	334.2	309.6	-2.7%	100.0%	398.6	513.6	537.2	20.2%	100.0%

Table 10.30 South African Forestry Company statements of financial performance, cash flow and financial position (continued)

Statement of financial position				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2024/25	2025/26	2026/27		
R million	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	2024/25	2025/26	2026/27	2023/24 - 2026/27		
Carrying value of assets	3 598.3	3 878.2	4 389.3	4 216.5	5.4%	73.8%	4 327.4	3 713.8	3 884.6	-2.7%	75.4%
<i>of which:</i>											
<i>Acquisition of assets</i>	(3.1)	(13.4)	(2.0)	(3.0)	-0.9%	100.0%	(3.0)	(3.0)	-	-100.0%	-
Investments	711.8	723.7	820.8	566.7	-7.3%	13.0%	665.5	433.4	453.4	-7.2%	9.8%
Inventory	41.9	74.8	107.2	112.4	39.0%	1.5%	117.8	16.7	17.5	-46.2%	1.2%
Receivables and prepayments	161.2	133.2	168.3	176.4	3.1%	2.9%	184.9	87.0	91.0	-19.8%	2.5%
Cash and cash equivalents	336.5	409.3	334.2	309.6	-2.7%	6.4%	398.6	513.6	537.2	20.2%	8.3%
Non-current assets held for sale	0.7	0.7	0.7	0.7	0.5%	-	0.7	0.7	0.7	-	-
Taxation	112.5	108.1	141.6	141.6	8.0%	2.3%	148.4	148.4	155.2	3.1%	2.8%
Total assets	4 962.9	5 328.0	5 962.2	5 523.9	3.6%	100.0%	5 843.2	4 913.6	5 139.6	-2.4%	100.0%
Accumulated surplus/(deficit)	2 770.2	2 867.9	3 147.5	3 643.9	9.6%	57.1%	3 887.8	3 286.5	3 452.3	-1.8%	66.6%
Capital and reserves	(38.3)	(19.0)	66.6	69.8	-222.1%	0.3%	73.1	78.8	82.4	5.7%	1.4%
Capital reserve fund	318.0	318.0	318.0	318.0	-	5.9%	318.0	318.0	318.0	-	6.0%
Borrowings	-	15.1	18.4	16.7	-	0.2%	17.5	17.5	18.3	3.1%	0.3%
Finance lease	812.9	1 003.5	1 103.4	250.3	-32.5%	14.6%	262.8	250.4	245.9	-0.6%	4.7%
Trade and other payables	273.7	283.8	362.6	323.2	5.7%	5.7%	338.7	354.6	371.0	4.7%	6.5%
Taxation	810.6	836.6	908.6	872.5	2.5%	15.8%	914.3	575.7	618.2	-10.8%	13.8%
Provisions	15.7	22.1	37.0	29.6	23.5%	0.5%	31.0	32.0	33.5	4.2%	0.6%
Total equity and liabilities	4 962.9	5 328.0	5 962.2	5 523.9	3.6%	100.0%	5 843.2	4 913.6	5 139.6	-2.4%	100.0%

Personnel information

Table 10.31 South African Forestry Company personnel numbers and cost by salary level

Number of posts estimated for 31 March 2024		Number and cost ¹ of personnel posts filled/planned for on funded establishment										Average growth rate of personnel posts (%)	Average: salary level/ Total (%)						
Number of funded posts	Number of approved establishment	Actual		Revised estimate			Medium-term expenditure estimate												
		2022/23	2023/24	2023/24	2024/25	2025/26	2026/27	2024/25	2025/26	2026/27	2023/24 - 2026/27								
South African Forestry Company		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	260	1 371	1 371	352.7	0.3	1 371	386.8	0.3	2 322	378.6	0.2	2 322	397.5	0.2	2 322	415.8	0.2	19.2%	100.0%
1 – 6	82	1 120	1 120	36.1	0.0	1 120	39.5	0.0	1 322	39.2	0.0	1 322	41.1	0.0	1 322	43.0	0.0	5.7%	63.1%
7 – 10	126	81	81	110.8	1.4	81	121.2	1.5	745	120.1	0.2	745	126.1	0.2	745	131.9	0.2	109.5%	25.5%
11 – 12	49	147	147	160.8	1.1	147	175.9	1.2	234	174.2	0.7	234	183.0	0.8	234	191.4	0.8	16.8%	10.2%
13 – 16	3	14	14	21.0	1.5	14	23.3	1.7	12	22.8	1.9	12	23.9	2.0	12	25.0	2.1	-5.0%	0.6%
17 – 22	-	9	9	23.9	2.7	9	26.9	3.0	9	22.3	2.5	9	23.4	2.6	9	24.5	2.7	-	0.5%

1. Rand million.

Transnet

Selected performance indicators

Table 10.32 Transnet performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
General freight business per year (metric tonnes)	Transnet Freight Rail	Priority 2: Economic transformation and job creation	63.4	60.2	49.7	60.7	61.1	68.3	73.8
Export coal per year (metric tonnes)	Transnet Freight Rail		66.9	58.3	48.7	63.1	63.1	64.7	68.2
Export iron ore per year (metric tonnes)	Transnet Freight Rail		53	54.6	51.1	60	60	63	65
Container volumes per year (thousand 20-foot-equivalent units)	National Ports Authority		4 033.2	4 131	4 034	4 912.4	5 074.1	5 202.7	6 933.3
Total dry bulk per year (metric tonnes)	National Ports Authority		174.7	173.1	149.5	201.3	206	210.3	212.8
Automotives per year	Transnet port terminals		485 380	719 114	869 368	826 033	851 484	910 314	920 225
Total petroleum volume per year (million litres)	Transnet pipelines		13 067	15 350	15 500	16 680	16 369	16 870	16 583

Company overview

Transnet provides and operates freight transportation services and infrastructure. The company's key strategic objectives include improving the competitiveness of logistics, promoting a modal shift from road to rail, increasing logistics connectivity, attracting private investment, developing skills and promoting reindustrialisation.

Transnet has experienced a series of challenges that have resulted in underperformance and affected its liquidity and financial position. These include declining operational and maintenance efficiency, limited investment capital, a high cost base, reduced asset availability and reliability, increased crime and vandalism to equipment and infrastructure, and operational disruptions. The decline has been more pronounced in the freight rail division, accounting for about 53 per cent of the company's business, which has had a decrease in volume from 226 million tonnes in 2017/18 to 149.5 million tonnes in 2022/23.

To address this decline and optimise business operations over the medium term, Transnet will implement its recovery plan, which provides for 18 months to transition the company to profitability. As such, it plans to spend R19.2 billion on capital investments into, among other things, locomotives, and improving the availability and reliability of critical equipment and the quality of assets at ports.

Through this spending, Transnet anticipates rail freight volumes to increase to 154 million tonnes by 2023/24 and 193 million tonnes by 2024/25. Port volumes are also expected to increase based on a series of initiatives at both the ports and rail divisions. Accordingly, container volumes are expected to increase from 4 912.4 TEUs (thousand 20-foot-equivalent units) in 2023/24 to 6 933.3 TEUs in 2026/27.

As a result, expenditure is expected to increase at an average annual rate of 3.9 per cent, from R89.6 billion in 2023/24 to R100.4 billion in 2026/27. Spending on compensation of employees constitutes an estimated 31.6 per cent (R87.9 billion) of total expenditure over the next 3 years, whereas that on goods and services constitutes 28.8 per cent (R83.6 billion).

Revenue is projected to increase at an average annual rate of 6.3 per cent, from R93.9 billion in 2023/24 to R112.8 billion in 2026/27. The company expects to generate 93.7 per cent (R291.6 billion) of its revenue through providing rail freight services.

Programmes/Objectives/Activities

Table 10.33 Transnet expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23		2023/24	2020/21 - 2023/24	2024/25	2025/26	2026/27		
Administration	4 544.3	4 723.8	5 719.5	6 180.1	10.8%	6.3%	6 427.2	6 691.6	6 978.7	4.1%	7.0%
Transnet Freight Rail	40 001.1	42 186.4	48 250.5	48 570.7	6.7%	53.1%	51 454.8	55 349.7	59 759.1	7.2%	57.2%
Transnet Engineering	11 711.2	11 804.2	11 541.5	13 840.6	5.7%	14.5%	14 053.3	14 366.6	15 066.3	2.9%	15.3%
National Ports Authority	9 603.3	12 019.2	11 337.9	11 750.3	7.0%	13.3%	11 577.6	12 609.8	13 048.1	3.6%	13.0%
Transnet Port Terminals	12 529.0	12 946.4	14 528.3	15 704.6	7.8%	16.5%	12 404.2	13 021.1	13 840.3	-4.1%	14.7%
Transnet pipelines	8 869.2	3 657.5	3 742.0	4 778.2	-18.6%	6.3%	4 938.4	4 993.8	5 174.9	2.7%	5.3%
Transnet property	1 870.0	1 776.1	3 597.1	3 710.9	25.7%	3.2%	3 833.4	3 989.9	4 166.1	3.9%	4.2%
Treasury	31.8	6.8	13 782.7	14 635.8	672.3%	8.2%	14 915.4	15 182.7	14 393.4	-0.6%	15.8%
Head Office Adjustments	13 098.0	11 665.0	-	1 000.0	-57.6%	7.9%	812.9	1 904.1	2 492.0	35.6%	1.6%
Consolidation and elimination	(20 059.3)	(20 582.4)	(28 016.7)	(30 565.8)	15.1%	-29.3%	(30 751.0)	(32 448.2)	(34 480.1)	4.1%	-34.2%
Total	82 198.5	80 203.0	84 482.8	89 605.3	2.9%	100.0%	89 666.1	95 661.1	100 438.7	3.9%	100.0%

Statements of financial performance, cash flow and financial position**Table 10.34 Transnet statements of financial performance, cash flow and financial position**

Statement of financial performance												
R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	2020/21 - 2023/24	2024/25	2025/26	2026/27	2023/24 - 2026/27	2023/24 - 2026/27	
Revenue												
Non-tax revenue	69 501.4	80 864.5	73 304.2	91 053.9		9.4%	94.9%	90 838.5	98 664.8	109 157.3	6.2%	96.6%
Sale of goods and services other than capital assets	69 556.9	70 384.6	70 864.0	86 601.4		7.6%	89.8%	88 205.6	96 722.5	106 706.0	7.2%	93.7%
Other non-tax revenue	(55.5)	10 479.9	2 440.2	4 452.6		-531.3%	5.0%	2 632.8	1 942.3	2 451.3	-18.0%	2.9%
Transfers received	3 963.0	4 385.6	5 502.6	2 891.1		-10.0%	5.1%	3 109.3	3 978.9	3 626.8	7.9%	3.4%
Total revenue	73 464.4	85 250.1	78 806.8	93 945.0		8.5%	100.0%	93 947.7	102 643.6	112 784.1	6.3%	100.0%
Expenses												
Current expenses	80 771.5	75 376.1	80 629.5	85 108.6		1.8%	95.7%	84 971.5	89 088.4	92 224.5	2.7%	93.7%
Compensation of employees	28 753.5	30 731.6	28 934.6	30 356.8		1.8%	35.4%	28 314.3	29 255.3	30 315.4	-	31.6%
Goods and services	26 713.1	18 954.3	23 204.3	24 708.2		-2.6%	27.8%	25 605.3	28 119.4	29 888.4	6.6%	28.8%
Depreciation	13 872.1	14 846.9	16 098.8	16 903.4		6.8%	18.3%	17 282.6	17 592.6	18 044.2	2.2%	18.6%
Interest, dividends and rent on land	11 432.8	10 843.2	12 391.8	13 140.1		4.7%	14.2%	13 769.3	14 121.0	13 976.6	2.1%	14.7%
Transfers and subsidies	1 427.0	4 826.9	3 853.3	4 496.7		46.6%	4.3%	4 694.7	6 572.7	8 214.2	22.2%	6.3%
Total expenses	82 198.5	80 203.0	84 482.8	89 605.3		2.9%	100.0%	89 666.1	95 661.1	100 438.7	3.9%	100.0%
Surplus/(Deficit)	(8 734.1)	5 047.1	(5 676.0)	4 339.7		-179.2%		4 281.6	6 982.5	12 345.4	41.7%	
Cash flow statement Indirect method												
Net cash flow from operating activities	12 419.0	17 534.0	22 196.0	22 263.7		21.5%	100.0%	24 835.8	29 531.8	36 576.0	18.0%	100.0%
Cash generated from operations before working capital	27 308.0	25 601.0	21 816.0	34 131.0		7.7%	100.0%	37 140.4	43 023.9	50 253.0	13.8%	100.0%
Changes in working capital	(2 701.0)	3 457.0	3 535.0	1 084.0		-173.8%	100.0%	843.8	913.7	1 131.7	1.4%	100.0%
(Increase)/decrease in inventories	-	-	-	(202.8)		-	0.4%	(211.4)	(141.6)	(262.5)	9.0%	-20.6%
(Increase)/decrease in trade and other receivables	-	-	-	(822.8)		-	-19.0%	(743.0)	(540.3)	(395.2)	-21.7%	-64.5%
Increase/(decrease) in trade and other payables	-	-	-	2 109.7		-	48.7%	1 798.2	1 595.6	1 789.4	-5.3%	185.1%
Other working capital movements	(2 701.0)	3 457.0	3 535.0	-		-100.0%	75.0%	-	-	-	-	83.3%
Cash generated from operations after working capital	(12 188.0)	(11 524.0)	(3 155.0)	(12 951.3)		2.0%	100.0%	(13 148.3)	(14 405.8)	(14 808.8)	4.6%	100.0%
Interest received	256.0	126.0	186.0	40.3		-46.0%	-2.4%	19.2	20.8	20.1	-20.8%	-0.2%
Interest paid	(10 914.0)	(9 980.0)	(10 963.0)	(12 137.4)		3.6%	154.3%	(12 271.1)	(13 387.7)	(13 423.3)	3.4%	92.7%
Tax payment	(9.0)	(13.0)	-	(221.4)		190.8%	0.5%	(260.7)	(396.0)	(756.2)	50.6%	-
Other changes	(1 521.0)	(1 657.0)	7 622.0	(632.8)		-25.3%	-52.5%	(635.7)	(643.0)	(649.3)	0.9%	-
Net cash flow from investing activities	(15 626.0)	(13 115.0)	(15 705.0)	(17 003.6)		2.9%	100.0%	(25 509.9)	(30 531.5)	(28 986.1)	19.5%	100.0%
Acquisition of property, plant, equipment and intangible assets	(14 911.0)	(12 242.0)	(14 278.0)	(14 065.6)		-1.9%	90.6%	(24 466.0)	(29 520.9)	(28 468.0)	26.5%	93.4%
Investment property	(3.0)	(2.0)	(89.0)	-		-100.0%	0.2%	(345.4)	(450.0)	(150.0)	-	0.8%
Acquisition of software and other intangible assets	(72.0)	(5.0)	-	(361.4)		71.2%	0.7%	(169.5)	(4.9)	(6.5)	-73.8%	0.7%
Disposals of property, plant, equipment and intangible assets	4.0	145.0	-	311.0		326.8%	-0.7%	361.2	371.6	330.8	2.1%	-1.4%
Other flows from investing activities	(644.0)	(1 011.0)	(1 338.0)	(2 887.6)		64.9%	9.3%	(890.2)	(927.4)	(692.4)	-37.9%	6.5%
Net cash flow from financing activities	119.0	(1 651.0)	(2 724.0)	(5 261.9)		-453.6%	100.0%	671.5	1 000.2	(7 589.5)	13.0%	100.0%
Borrowing activities	119.0	(1 651.0)	(2 724.0)	(5 261.9)		-453.6%	100.0%	671.5	1 000.2	(7 589.5)	13.0%	100.0%
Net increase/(decrease) in cash and cash equivalents	(3 088.0)	2 768.0	3 767.0	(1.8)		-91.6%	100.0%	(2.5)	0.4	0.4	-158.2%	100.0%

Table 10.34 Transnet statements of financial performance, cash flow and financial position (continued)

Statement of financial position				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2023/24				2020/21 - 2023/24	2024/25	2025/26		
R million	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	2024/25	2025/26	2026/27	2023/24 - 2026/27	2023/24 - 2026/27	
Carrying value of assets	310 169.0	330 590.9	331 034.0	330 570.8	2.1%	92.4%	341 150.4	356 042.4	369 428.3	3.8%	92.8%
Investments	2 153.0	1 319.9	3 241.0	5 197.9	34.2%	0.8%	5 596.4	6 286.9	7 262.5	11.8%	1.6%
Inventory	3 334.0	3 614.8	3 655.0	4 354.9	9.3%	1.1%	4 566.3	4 707.9	4 970.4	4.5%	1.2%
Loans	0.0	(0.0)	–	–	-100.0%	–	–	–	–	–	–
Receivables and prepayments	8 850.0	8 466.5	8 840.0	11 052.8	7.7%	2.6%	12 091.2	12 868.2	13 387.1	6.6%	3.3%
Cash and cash equivalents	1 168.0	3 935.4	13 540.0	1 540.4	9.7%	1.4%	1 537.9	1 538.3	1 538.7	–	0.4%
Non-current assets held for sale	276.0	306.6	326.0	311.9	4.2%	0.1%	301.8	301.8	301.8	-1.1%	0.1%
Taxation	–	2.5	–	–	–	–	–	–	–	–	–
Derivatives financial instruments	8 100.0	7 281.4	3 418.0	2 366.9	-33.6%	1.5%	2 367.0	2 367.1	2 367.3	–	0.6%
Total assets	334 050.0	355 518.0	364 054.0	355 395.6	2.1%	100.0%	367 611.1	384 112.7	399 256.1	4.0%	100.0%
Capital and reserves	115 160.0	131 115.6	129 223.0	132 336.3	4.7%	36.0%	139 442.7	149 915.8	165 406.9	7.7%	38.9%
Capital reserve fund	12 661.0	12 660.5	18 498.0	18 626.3	13.7%	4.4%	18 626.3	18 626.3	18 626.3	–	5.0%
Borrowings	129 141.0	128 838.6	130 067.0	120 475.5	-2.3%	36.1%	121 357.0	122 571.3	115 431.9	-1.4%	31.9%
Trade and other payables	16 465.0	21 191.4	24 382.0	19 477.3	5.8%	5.8%	21 275.4	22 871.1	24 660.5	8.2%	5.8%
Taxation	41 440.0	44 690.5	44 314.0	47 494.0	4.7%	12.6%	49 339.4	52 058.1	56 413.6	5.9%	13.6%
Provisions	11 266.0	11 782.7	11 842.0	12 602.0	3.8%	3.4%	13 279.2	13 862.4	14 561.9	4.9%	3.6%
Derivatives financial instruments	7 917.0	5 238.8	5 728.0	4 384.2	-17.9%	1.7%	4 291.0	4 207.7	4 154.9	-1.8%	1.1%
Total equity and liabilities	334 050.0	355 518.0	364 054.0	355 395.6	2.1%	100.0%	367 611.1	384 112.7	399 256.1	4.0%	100.0%

Personnel information

Table 10.35 Transnet personnel numbers and cost by salary level

Number of posts estimated for 31 March 2024		Number and cost ¹ of personnel posts filled/planned for on funded establishment											Average growth rate of personnel posts (%)	Average: salary level/ Total (%)			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									
		2022/23		2023/24		2024/25		2025/26		2026/27		2023/24 - 2026/27					
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	
Transnet																	
Salary level	59 645	59 645	59 645	28 934.6	0.5	59 645	30 356.8	0.5	59 645	28 314.3	0.5	59 645	29 255.3	0.5	59 645	30 315.4	0.5
1 – 6	23 583	23 583	23 583	6 872.6	0.3	23 583	7 210.5	0.3	23 583	6 725.3	0.3	23 583	6 948.8	0.3	23 583	7 200.6	0.3
7 – 10	22 754	22 754	22 754	16 355.5	0.7	22 754	17 159.5	0.8	22 754	16 004.9	0.7	22 754	16 536.8	0.7	22 754	17 136.0	0.8
11 – 12	3 024	3 024	3 024	2 699.4	0.9	3 024	2 832.1	0.9	3 024	2 641.5	0.9	3 024	2 729.3	0.9	3 024	2 828.2	0.9
13 – 16	1 086	1 086	1 086	1 414.7	1.3	1 086	1 484.2	1.4	1 086	1 384.4	1.3	1 086	1 430.4	1.3	1 086	1 482.2	1.4
17 – 22	9 198	9 198	9 198	1 592.3	0.2	9 198	1 670.6	0.2	9 198	1 558.2	0.2	9 198	1 610.0	0.2	9 198	1 668.3	0.2

1. Rand million.

