



**2025 CFS
CONSOLIDATED
FINANCIAL STATEMENTS**

For the Year Ended 31 March 2025



national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

A **NATION THAT WORKS FOR ALL**



2025 CFS
CONSOLIDATED
FINANCIAL STATEMENTS

for the year ended 31 March 2025

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Consolidated Financial Statements

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National Treasury
REPUBLIC OF SOUTH AFRICA



2025 CFS
CONSOLIDATED
FINANCIAL STATEMENTS
for the year ended 31 March 2025

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ACCOUNTING OFFICER'S APPROVAL AND REVIEW



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ACCOUNTING OFFICER'S APPROVAL

FOR THE YEAR ENDED 31 MARCH 2025

The Consolidated Financial Statements are prepared on the going concern basis. They are based on accounting policies, which have been consistently applied and supported by reasonable and prudent judgements of estimates. The Consolidated Financial Statements have been approved by the Accounting Officer and the Accountant-General on 4 December 2025.



Dr Duncan Pieterse
Director-General
Accounting Officer



Shabeer Khan
Accountant-General

ACCOUNTING OFFICER'S REVIEW

FOR THE YEAR ENDED 31 MARCH 2025

1. MANDATE

Section 8(1) (a) of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA), requires that the National Treasury (NT) prepares and tables the Consolidated Financial Statements (CFS) in accordance with generally recognised accounting practice (GRAP) for:

- i) National departments;
- ii) Public entities under the ownership control of the national executive;
- iii) Constitutional institutions;
- iv) The South African Reserve Bank;
- v) The Auditor-General; and
- vi) Parliament.

The mandatory CFS for government for the year ended 31 March 2025 as required by section 8(1) (a) of the PFMA as amended is hereby presented.

The Minister of Finance granted exemption in terms of Section 92 of the PFMA to the National Treasury from the provisions of section 8(1) of the PFMA to the extent that it requires preparing one set of consolidated Annual Financial Statements (AFS) for national departments and public entities. Due to the significantly different accounting bases being applied by departments and entities (modified cash and accrual), the Minister has allowed the National Treasury to prepare separate sets of consolidated financial statements for departments and public entities respectively. The CFS are prepared for both the national departments and public entities and submitted for audit ensuring compliance with the principles of GRAP 35 on Consolidated and Separate Financial Statements for the 2025 financial year.

Besides being mandated by legislation, CFS is meant to provide a summary of national government's financial resources and their application for the benefit of the people of the Republic of South Africa. Due to different accounting bases being used by national departments and public entities, separate sets of consolidated information are prepared and published as such in this report to ensure credible and meaningful presentation of financial information. National departments report on a modified cash basis of accounting whereas public entities are on accrual basis. Public entities include constitutional institutions, national public entities listed in the PFMA, the South African Reserve Bank and the Auditor General of South Africa. The public entities that are consolidated also include unlisted public entities that are accountable to parliament.

In a drive to improve public accountability, National Treasury is facilitating the transition from reporting on the modified cash basis of accounting to reporting on the accrual basis of accounting. Under the modified cash basis of accounting, transactions and other events are recognised when cash is received or paid, while disclosure notes, which are recognised on accrual basis, are provided in the annual financial statements (AFS) such as provisions, accruals, property plant and equipment (PPE), public private partnership (PPP), lease commitments, contingent liabilities and so on. Under the accrual basis of accounting, transactions and other events are recognised when earned or incurred and not when cash is received or paid.

The MCS sets out the principles of the modified cash framework in a format ordinarily used by other public sector accounting standard setters such as Accounting Standards Board (ASB). The Accounting Manual on the other hand, provides detailed guidance on the principles stated in the MCS.

Modified Cash Standard (MCS) for departments sets out the principles for the recognition, recording, measurement, presentation and disclosure of information required in terms of the prescribed formats.

ACCOUNTING OFFICER'S REVIEW

FOR THE YEAR ENDED 31 MARCH 2025

Under the modified cash basis of accounting, only certain elements are recognised in the Statement of Financial Position and Statement of Financial Performance. To ensure a complete view of the financial position and performance of a department for the purposes of fair presentation, and without changing the basis of accounting, this Standard also prescribes disclosure requirements for additional information relating to elements that do not qualify for recognition.

In developing the Standard, the OAG considers and makes use of pronouncements issued by the Accounting Standards Board (ASB); the International Public Sector Accounting Standards Board (IPSASB); the International Accounting Standards Board (IASB); and other organisations that develop financial reporting, accounting and auditing requirements for the public sector. In addition, the OAG also considered the best practices, both locally and internationally; the capacity of departments to comply with the reporting requirements; and the systems used by departments in preparing and collating the information required to comply with the reporting requirements.

Government is also in the process of formalising the accounting reporting framework in terms of section 89 of the PFMA and section 216(1)(a) of the Constitution. Currently there are 41 standards that are effective as approved by the Minister of Finance. The effective Standards of GRAP are 1-14, 16-21, 23-27, 31-32, 34-38, 100 and 103-110. The Standards of GRAP approved, but for which the Minister of Finance has not yet determined an effective date are GRAP 1, 103, 105, 106 and 107. In 2009/10 financial year, public entities started to apply fully the standards of GRAP for the first time. The standards applied by the entities are reflected in Directive 5-GRAP Reporting Framework as issued by the ASB.

Entities are required to comply with GRAP 24 Presentation of Budget Information in Financial Statements, which requires a comparison of budget amounts and the actual amounts arising from execution of the budget to be included in the financial statements of entities that are required to, or elect to, make publicly available their approved budget(s) and for which they are, therefore, held publicly accountable. As there is no publicly available budget that is reconcilable with the group of entities for the purposes of the National Public Entity Consolidation, it is deemed inappropriate to present a comparison between actual and budget information at this level of consolidation. GRAP 24 is therefore not relevant to this set of CFS.

The South African national government is structured into five main segments commonly referred to as clusters, mainly to address government priorities and policies.

These clusters are:

1. Economic Services and Infrastructure Development.
2. Central Government and Administration
3. Financial and Administration Services
4. Justice and Protection Services
5. Social Services

This Accounting Officer's Review includes an Executive Summary and Review of Operating Results. The review of operating results reflects monetary values presented in the CFS in accordance with paragraph 18.2 of the Treasury Regulations. It is also a descriptive report clarifying the amounts presented. The CFS therefore provides information not only on the financial performance but also on the government's ability to meet current and future obligations.

ACCOUNTING OFFICER'S REVIEW

FOR THE YEAR ENDED 31 MARCH 2025

2. CONSOLIDATION PROCESS

2.1 GOALS FOR CONSOLIDATION AND THIS REPORT

The CFS should provide information on financial performance as well as national government's ability to meet current and future obligations by:

- presenting the consolidated monetary values of national government (assets, liabilities, revenue and expenditure)
- improving the users' understanding of public sector financial management to enhance the achievement of the government's social objectives and priorities
- creating uniformity in the presentation and analysis of public sector financial information.

2.2 SCOPE OF CONSOLIDATION

SCOPE

GRAP 35 requires that the entity that prepares consolidated financial statements establishes whether it controls an entity before consolidating it. It uses criteria such as: is the controlling entity exposed or has rights to variable benefits from its involvement with the other entity and does it have the ability to affect the nature and amount of those benefits through its power over the other entity. These control indicators must be presently exercisable. For this set of consolidated financial statements, there is no specific identifiable controlling entity as envisaged in GRAP 35.

The motivation behind preparing these financial statements is not to show what is directly controlled, but rather to present a combined view of entities considered to be a part of government as envisaged by the PFMA. In accordance with the definition of a public entity in the PFMA, the Accountant-General has determined that accountability to Parliament (or the legislature) for the use of public funds must be the driver and considers this to be the primary criterion for including entities in the consolidation, with ownership control by government being assumed to exist in such cases. Consequently, if an entity has a legal or constructive obligation to account to Parliament on its finances, it is deemed to also be under the control of the National (Provincial) Executive and shall be included in the national (provincial) government consolidation. This approach is expected to prudently ensure a more complete consolidation.

ACCOUNTING POLICIES

Accounting policies of entities are adjusted to be on a uniform basis where the effect thereof is deemed to be material to the consolidated financial statements.

Treatment of Government Business Enterprise (GBE's)

The National Treasury currently adheres to guidance provided in IPSAS 6 which assists with determining whether the National Treasury is able to exert control over the GBE's. Based on the criteria provided in this standard for control, the National Treasury believes that GBE's are controlled by government and are therefore consolidated in full.

ACCOUNTING OFFICER'S REVIEW

FOR THE YEAR ENDED 31 MARCH 2025

Elimination

All material balances and transactions between entities included in the CFS are eliminated. For departments, the AFS template makes provision in the Annexures for departments to disclose these inter-entity transactions and balances. For public entities, the Office of the Accountant General (OAG) developed an inter-entity elimination template that is completed by each entity, authorised and then submitted to the National Treasury.

PROCESS

The CFS has been prepared in accordance with accounting policies, which have been applied consistently in all material respects, unless otherwise indicated and meaningful. Additional information is disclosed to enhance the usefulness of the CFS and to comply with the statutory requirements of the PFMA where appropriate.

The responsibility for the integrity and objectivity of the accompanying CFS for the year ended 31 March 2025, and all information contained in this report rests with the OAG, a division within the National Treasury as well as the Director-General of the National Treasury.

The OAG has developed and maintained policies, procedures and internal controls, deemed appropriate, in order to provide assurance that the financial information is a reliable reflection of the consolidated national departments' and consolidated entities' financial position as at 31 March 2025.

Parliament reports on the accrual basis of accounting using the GRAP framework. Parliament's GRAP based financial statements were converted to modified cash basis of accounting and consolidated with national departments.

The public entity list per schedule 1, 2 and 3 of the PFMA was used as a basis from which public entities that were consolidated, however some public entities and trading entities, which are not listed but fall within the scope based on accountability to parliament, were consolidated.

The OAG is tasked with, amongst others, the responsibility to develop standard reporting formats (including AFS templates), Modified Cash Standards and Accounting Manual for Departments, used by departments in preparing their annual financial statements. The AFS template is updated annually to meet the requirements of the policies set by the OAG. The AFS templates are then completed by all national departments and Parliament and forwarded to NT, where these are consolidated using a consolidation model. The latter exercise is performed twice annually based on unaudited information by 30 June, and finally based on audited information by 31 August. The process for public entity consolidation is similar. Both sets of statements are forwarded to the AGSA firstly to comply with the legislation (PFMA) and secondly for audit.

To improve the consolidation process, AFS templates are published earlier in the year and training is provided to departments on the AFS template, Modified Cash Standards and Accounting Manual Departments for the preparation of AFS. Training is also provided to the public entities on the latest GRAP standards as approved by the Minister and on completing the consolidation AFS template.

The NT is grateful for the efforts of the national departments, public entities and the OAG in the preparation of the CFS for 2024/25.

ACCOUNTING OFFICER'S REVIEW

FOR THE YEAR ENDED 31 MARCH 2025



EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

FOR THE YEAR ENDED 31 MARCH 2025

The 2025 Budget is an investment in South Africa's future. It proposes medium-term investments of over R1 trillion in roads, rail, energy and water infrastructure. It highlights the continued path of structural reforms needed to transform our economy. It also aims to ensure that efforts to stabilise the public finances achieve critical milestones and thus meets critical current needs such as the directing of 61 per cent of non-interest spending to support the social wage, health, education, social protection, community development and employment programmes.

As global growth has faltered, South Africa's economic outlook has also weakened, with GDP expected to grow by only 1.4 per cent in 2025. The better medium-term outlook is however, supported by higher investment and household consumption, aided by a stable inflation outlook, moderate employment gains and improving household balance sheets. Continued easing of structural constraints will support the economy by fostering additional investment – including in infrastructure. The growth outlook underscores the opportunity to move to a significantly faster economic growth path through sustained progress in raising investment and productivity. This outlook will be supported by stable macroeconomic policies, improved efficiency and competitiveness driven by structural reforms, enhanced state capability to deliver services and improved infrastructure investment over the medium term.

The fiscal strategy remains on course so that government can spend less on debt-service costs and more on critical public services. As per our commitment, government debt will stabilise in 2025/26 at 77.4 per cent of GDP. For the first time since the 2000s, government is consistently running a primary surplus, where revenue exceeds non-interest expenditure. In time, this growing surplus will reduce rising debt-service costs. These costs will consume 22 cents of every rand collected in revenue in 2025/26 – money that could be better spent to build fiscal shock absorbers and fund health, education and security. The social wage accounts for 61 per cent of total non-interest spending over the medium term and is projected to reach R1.3 trillion in 2025/26. Over the MTEF period, the primary surplus continues to grow, meaning that revenue will continue to exceed non-interest expenditure. In time, this growing surplus will reduce the growth of debt-service costs – money that could be better spent to build fiscal shock absorbers and fund health, education and security. Risks to the fiscal outlook remain balanced. In addition, the conclusion of wage negotiations with a multi-year agreement and the early retirement initiative will reduce compensation risks over the period ahead. Medium- to longer-term risks to the fiscal outlook include lower economic growth, leading to weaker revenue growth, the poor financial condition of subnational governments and state-owned companies and macro-fiscal shocks due to heightened geopolitical tensions. Determined application of the fiscal strategy, in concert with economic policy initiatives and a firm stance on state-owned company bailout requests, will mitigate these risks. Government will achieve a longstanding ambition to stabilise debt next year through the strengthening primary surplus. The fiscal strategy will continue to manage fiscal risks, support essential services and encourage economic growth.

Tax revenue is expected to rise from R1.86 trillion in 2024/25 to R2.29 trillion in 2027/28. The medium-term tax revenue projections have been revised down by R61.9 billion due to the reversal of the VAT rate increase and the updated economic forecast. The improvement was primarily driven by a large once-off dividends tax receipt and lower-than-anticipated VAT refunds. Nonetheless, the outcome falls short of expectations in the 2024 Budget by R7.8 billion. Government remains committed to its long-term objectives of broadening the tax base and improving the efficiency and effectiveness of SARS for sustainable revenue collection.

Expenditure continues to be highly redistributive, with a substantial portion of the budget allocated to the social wage. Government is committed to improving spending efficiency, protecting the vulnerable through redistributive measures, and increasing infrastructure spending that will support future growth and service delivery. Spending adjustments have been limited to a few departments or sectors. The social wage continues to account for 61 per cent of consolidated non-interest spending over the 2025 MTEF period. Total consolidated spending is expected to grow at an average annual rate of 5.4 per cent, from R2.4 trillion in

EXECUTIVE SUMMARY

FOR THE YEAR ENDED 31 MARCH 2025

2024/25 to R2.81 trillion in 2027/28. Economic development is the fastest-growing function over the MTEF period, with an average growth rate of 8.2 per cent.

The 2025 Budget continues to maintain the previous expenditure trajectory with total functional allocations amounting to R6.69 trillion over the medium term, while proposed additional spending has been reduced from a total of R232.6 billion to R180.1 billion over the three-year period to align spending with revenue proposals while protecting frontline services. This has been achieved mainly through adjustments to provisional allocations.

Government borrowing is guided by three primary considerations: liquidity management, refinancing risk and borrowing costs. Supported by a strategic risk framework, government determines the best mix of debt instruments and maturities to finance the gross borrowing requirement and ensure debt remains sustainable. In 2024/25 the gross government debt is expected to increase from R5.69 trillion to R6.09 trillion in 2025/26 and R6.82 trillion in 2027/28. The gross borrowing requirement is projected to decline by a total of R30.2 billion between 2024/25 and 2027/28. In 2025/26, the gross borrowing requirement will amount to R588.2 billion, including payments to Eskom of R80.2 billion – R30 billion lower than the 2024 Budget estimate. This requirement is also affected by the transfer to government of R100 billion in 2024/25 and R25 billion in each of the two following years from the Gold and Foreign Exchange Contingency Reserve Account.

Despite South Africa's ongoing challenges, the 2025 Budget marks a pivotal step towards achieving a balanced and equitable economic future. It emphasizes economic growth through strategic infrastructure investments, while stabilising public finances and supporting vulnerable households.

The central challenges outlined are that South Africa needs to raise economic growth and stabilise the public finances in order to compete globally, create jobs and deliver sustainable public services. The overall budget overview maintains government's fiscal strategy and aims to stabilise government debt in 2025/26 while increasing infrastructure investment to support higher economic growth. It also continues to support the social wage – made up of health, education, social protection, community development and employment programmes. Work is under way to enhance the budget process which is the foundation for sustainable public finances, and improve the efficiency and effectiveness of public spending. This includes the fiscal anchors reform and the early retirement initiative. Furthermore, spending reviews used as technical tools that support the credibility of public expenditure, have identified tens of billions of rands in potential savings from poorly performing or inefficient programmes that can be redirected in future budgets.



REVIEW OF OPERATING RESULTS



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

TOTAL REVENUE

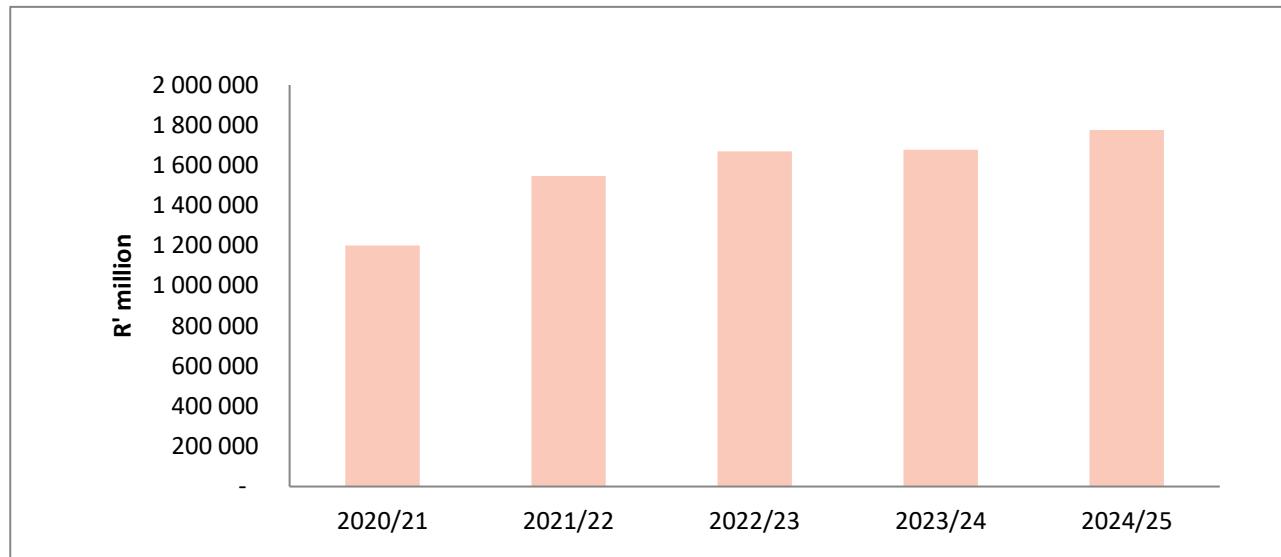
Table 1: Total revenue

Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
<i>R' million</i>					
Taxes, Levies & Duties	1 200 564	1 546 203	1 668 583	1 677 198	1 775 986
Departmental revenue	36 251	16 174	30 826	46 410	233 742
Local & foreign aid assist.	2 209	2 565	4 136	4 678	5 596
Other	4 491	6 271	6 481	6 982	2 732
Total Revenue	1 243 515	1 571 214	1 710 026	1 735 268	2 018 056
Year on year increase in revenue	(8%)	26%	9%	1%	16%

In the fiscal year 2024/25, total revenue saw an increase of 16%, which is a significant increase compared to the previous year's movement of 1%. Most of this revenue, primarily derived from Taxes, Levies, and Duties, is managed by the South African Revenue Services (SARS). In 2024/25, there was a slight improvement in these collections, showing a 6% increase relative to the 1% increase from prior year. In addition, the increase in departmental revenue performance was primarily driven by the R200 billion transfer from the South African Reserve Bank (SARB) to the National Revenue Fund, following the implementation of the Gold and Foreign Exchange Contingency Reserve Account (GFECRA) settlement under Act No. 27 of 2024. The GFECRA account, maintained by the SARB, records unrealised gains and losses arising from foreign currency reserve transactions. The settlement resulted in a substantial inflow to the National Revenue Fund

Other sources of income include local & foreign aid assistance and other sources of revenue. SARS collected a total of R1.939 trillion in revenue but only paid R1.776 trillion over to the National Revenue Fund (NRF). The difference between the total of taxes collected and the net revenue surrendered to the NRF is made up of transfers of ring-fenced taxes.

Graph 1: Total taxes, levies and duties



REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

The following is a reconciliation of SARS Revenue to the amount paid to the National Revenue Fund (NRF):

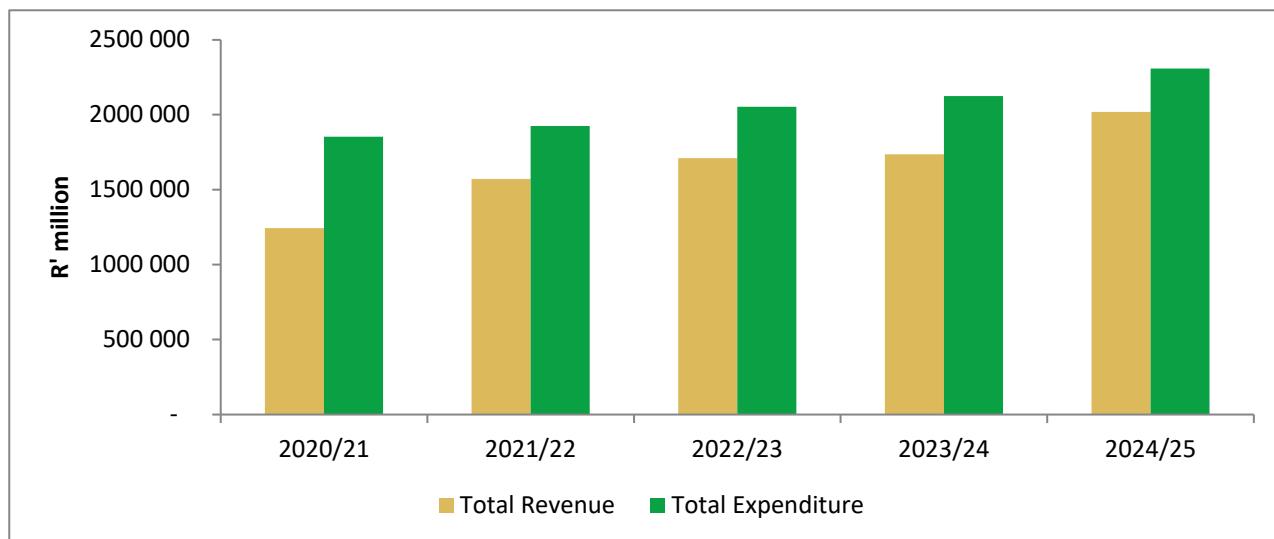
Table 2: Reconciliation of SARS Revenue to the National Revenue Fund

Year Ended 31 March	Actual 2024/25	Actual 2023/24
SARS Revenue	1 938 805	1,829 817
Less: South African Customs Union Agreement	89 874	79 811
Less: Payment to UIF	23 326	22 266
Less: Amount payable by SARS to UIF	2 244	2 148
Less: Payment to RAF	47 563	48 385
Less: Amount payable by SARS to RAF	(179)	17
Net Revenue as reflected by NT	1 775 977	1 677 190

As noted, taxes levies and duties makeup the largest portion of total revenue at 97% and has been above 95% throughout the period under review. The current year saw a significant increase in non-tax revenue compared to the previous year's 40%, which suggests a substantial growth particularly from the collection of departmental revenue. For a detailed analysis of Departmental Revenue and Aid Assistance constituents, refer to Notes 3 and 6 of the Notes to the Consolidated Financial Statements.

Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
R' million					
Taxes, Levies & Duties	1 200 564	1 546 203	1 668 583	1 677 198	1 775 986
Other	42 951	25 011	41 443	58 070	242 070
Total Revenue	1 243 515	1 571 214	1 710 026	1 735 268	2 018 056
Total Expenditure	1 852 860	1 924 988	2 052 592	2 124 591	2 307 958

Graph 2: Revenue vs. Expenditure



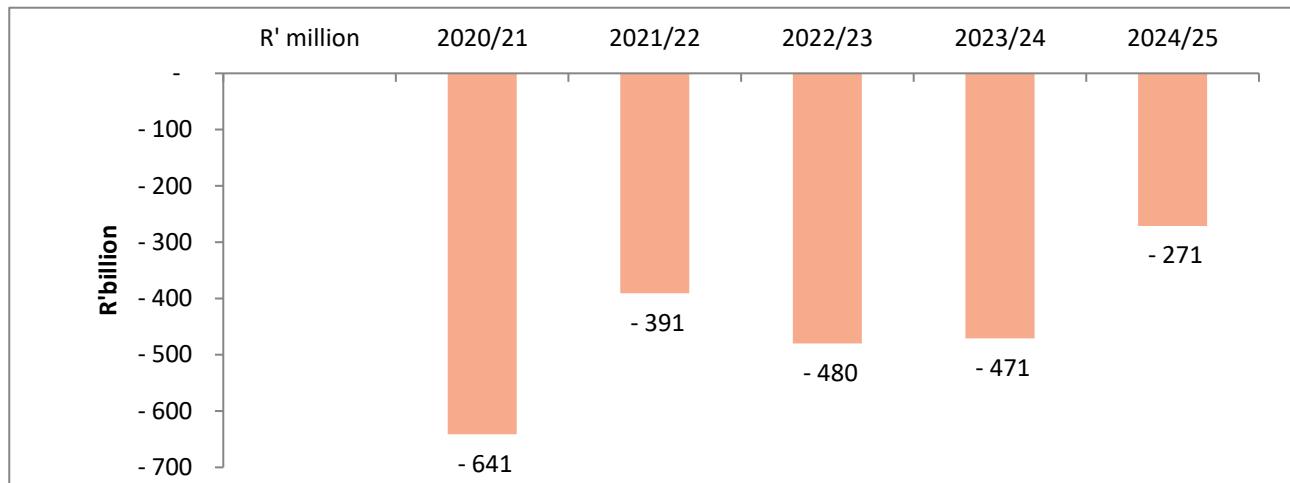
Illustrated above is revenue versus expenditure for National Government. In 2024/25 total revenue and total expenditure increased by 16% and 8% respectively.

Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
R' million					
Surplus/ (Deficit) for the year	(641 339)	(390 631)	(479 915)	(470 798)	(271 220)
Movement	-43%	39%	-23%	2%	42%

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Graph 3: Deficit net of revaluation gains/losses



The above graph reflects a steady decline in the total deficit net of revaluation gains/losses, specifically showing a bit of an upward trend for the past three years. The nominal GDP continues to grow at a slow pace, with only 1.4% expected in 2025, characterized by collection of associated tax revenues, higher borrowings and assistance to financially distressed state-owned companies over the period. The 42% decline in the deficit in the current year is due to increased tax revenue collections in the current year and also gains realized in the foreign currency revaluation. Government has also adopted a balanced and prudent fiscal framework strategy that is designed to promote economic recovery and stabilize public finances to a sustainable position.

In 2024/25 the gross government debt is expected to increase from R5.69 trillion to R6.09 trillion in 2025/26 and R6.82 trillion in 2027/28. The gross borrowing requirement is projected to decline by a total of R30.2 billion between 2024/25 and 2027/28 largely due to lower debt redemptions as a result of government's bond-switch programme. In 2025/26, the gross borrowing requirement will amount to R588.2 billion, including payments to Eskom of R80.2 billion. This requirement is also affected by the transfer to government of R100 billion in 2024/25 and R25 billion in each of the two following years from the Gold and Foreign Exchange Contingency Reserve Account. The gross loan debt is also expected to stabilise at 76.2 per cent of GDP.

Total Expenditure

Table 3: Total Expenditure Before Adjustments

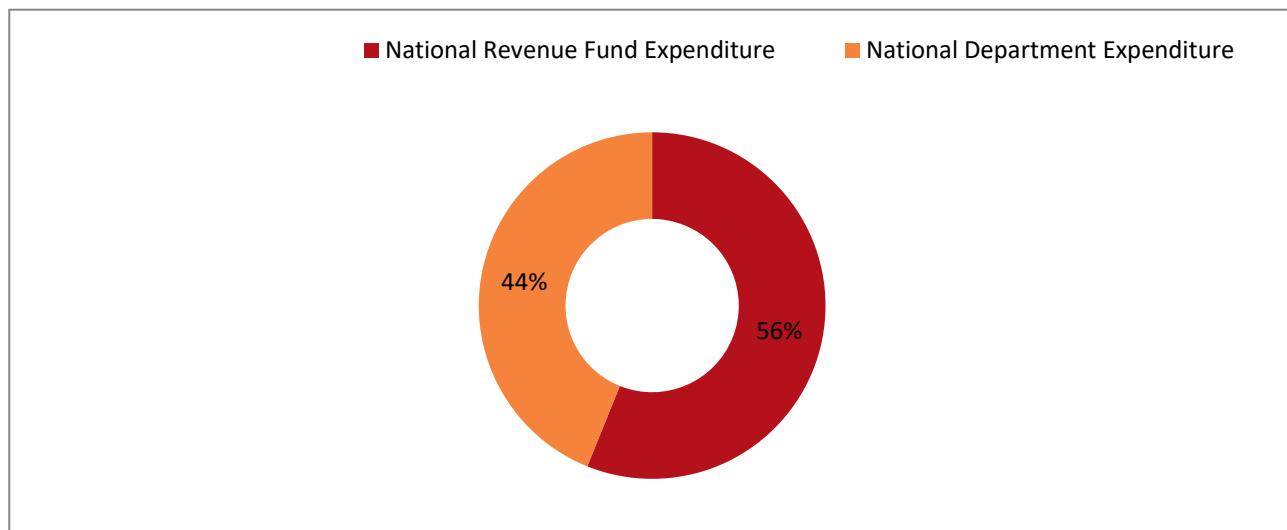
Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
R' million					
National Revenue Fund Expenditure	1 871 324	1 940 711	2 067 335	2 202 660	2 376 468
National Department Expenditure	1 554 771	1 620 257	1 700 865	1 690 723	1 860 164
Total Expenditure	3 426 095	3 560 968	3 768 201	3 893 383	4 236 632
Movement in expenditure	29%	4%	6%	3%	8%

Total expenditure increased by 8% (2023/24: 3%). Total expenditure is made up of the National Departments' expenditure and the NRF expenditure. National Departments' expenditure continues to reflect an average of 52% of total expenditure for the past five years. Included in National Departments' expenditure are transfers to provinces and municipalities of R899 billion (2023/24: R864 billion). These are further analysed under the section on Transfers and Subsidies.

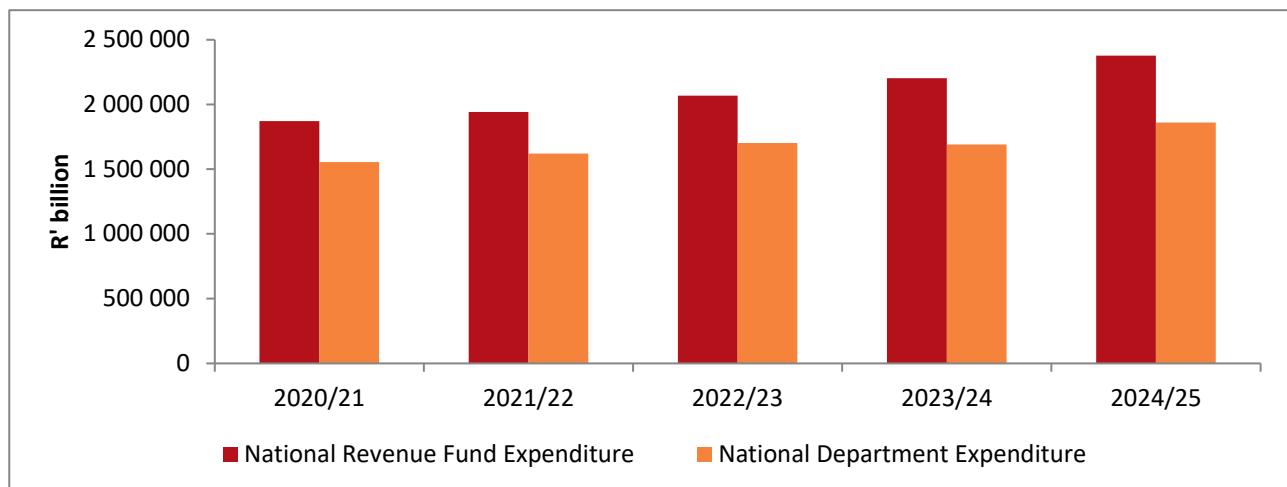
REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Graph 4: NRF expenditure vs. National Departments expenditure



Graph 5: Total expenditure



NATIONAL REVENUE FUND EXPENDITURE

Equitable share transfers to provinces

The National Revenue Fund's (NRF) expenditure includes debt-service costs and equitable share transfers to provinces. Equitable share transfers to provinces represents amounts distributed to provincial departments to perform their assigned functions.

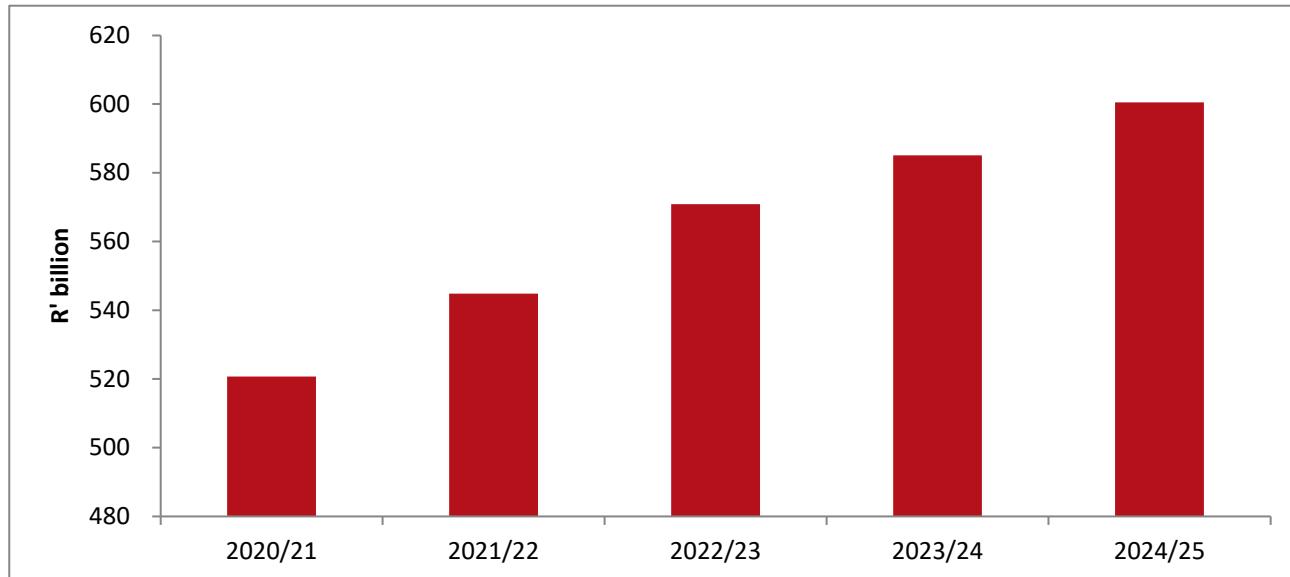
Table 4: Equitable share transfers to provinces

Year ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
R' million					
Equitable Shares – Provinces	520 717	544 835	570 868	585 086	600 476

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Graph 6: Equitable transfers – provinces



There was a 3% increase in equitable share transferred to provinces in the current financial year as compared to the 2% increase in 2023/24.

Transfers to provinces amounted to R600 billion in the current financial year (2023/24: R585 billion), which is 25% of NRF expenditure (2023/24: 27%) and it has remained at this percentage for the past three years.

Debt-service costs- Interest portion

Debt Service cost is the cost associated to borrowing. Debt-service consumes 22 cents of every rand of revenue than spending more on developmental priorities, including public infrastructure. The debt-service costs in relation to interest are expected to rise due to the continued Eskom debt relief arrangement. Interest payments on debt have crowded out spending on essential public services such as social development, health, and basic education. Debt service increased by R29.7 billion from 2023/24 to R385.6 billion in 2024/25. This is due to revenue shortfalls which resulted to higher borrowing requirement.

Table 5: Debt-service costs

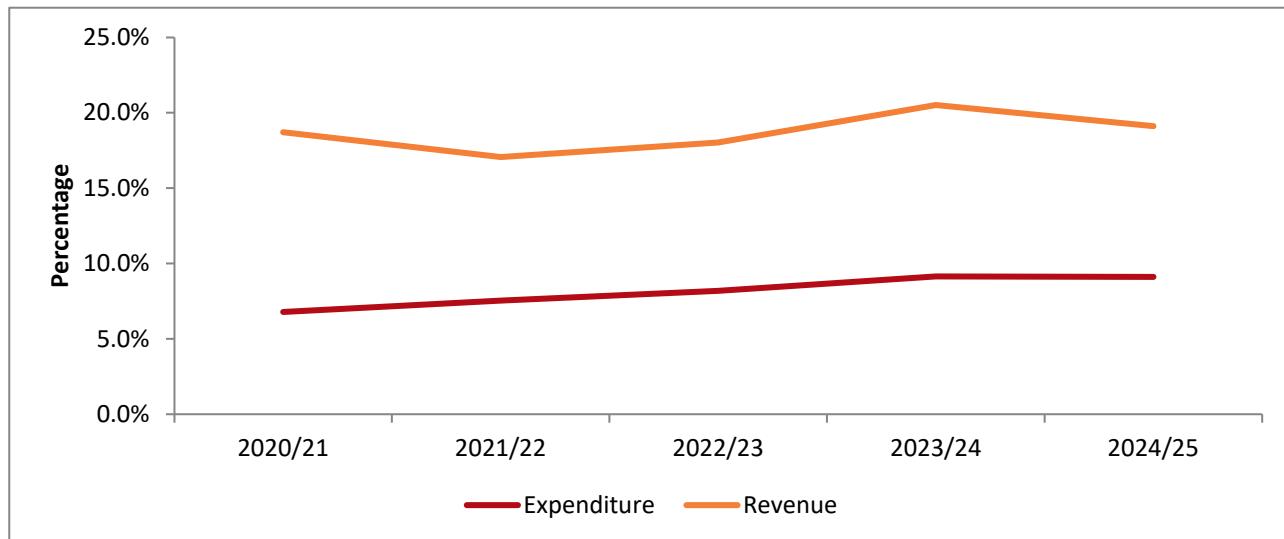
Year ended 31 March R' million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Domestic	213 517	250 523	284 100	324 475	354 011
Foreign	19 078	17 549	24 203	31 485	31 611
Total debt-service costs	232 596	268 072	308 303	355 960	385 622
Increase in costs	13%	15%	15%	15%	8%

Borrowing in the domestic capital markets remains the major source of financing. Borrowing in the international capital markets is used to finance government's foreign currency commitments and to maintain benchmarks in major currencies. Government borrows in foreign currency to meet its foreign-currency commitments. In 2024/25, government issued a dual-tranche bond, raising US\$2 billion through 12-year bonds and US\$1.5 billion through 30-year bonds. Demand for these bonds significantly exceeded supply, resulting in an increase in the issuance size from US\$3 billion to US\$3.5 billion. In addition, a €400 million loan from the French Development Bank for the implementation of the country's Just Energy Transition Investment Plan was concluded, with €200 million expected to flow in by the end of 2024/25 and the remainder in 2025/26.

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Graph 7: Debt-service costs as a % of expenditure and revenue



Debt-service costs As a % of	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Expenditure	6.8%	7.5%	8.2%	9.1%	9.1%
Revenue	18.7%	17.1%	18.0%	20.5%	19.1%

Table 6: Actual Expenditure vs. Adjusted Appropriation 2024/25

STATEMENT OF EQUITABLE SHARE /VOTED FUNDS TRANSFERRED TO THE DEPARTMENT ON 31 MARCH 2025

Name of department	Appropriation 2024/25	Actual expenditure excluding unauthorised expenditure funded by NRF	Variance	%
Presidency	629 548	643 142	(13 594)	-2%
Parliament	2 770 963	2 770 963	-	0%
Cooperative Governance	125 895 923	124 324 617	1 571 306	1%
Government Communication and Information	760 773	744 015	16 758	2%
Home Affairs	12 095 471	11 831 853	263 618	2%
International Relations and Cooperation	7 081 231	7 011 141	70 090	1%
National School of Government	218 724	216 023	2 701	1%
National Treasury	33 337 065	32 621 312	715 753	2%
Planning Monitoring and Evaluation	450 189	429 889	20 300	5%
Public Enterprise	296 490	206 245	90 245	44%
Public Service and Administration	539 521	509 842	29 679	6%
Public Service Commission	288 499	288 483	16	0%
Public Works and Infrastructure	7 612 081	7 570 409	41 672	1%
Statistics South Africa	2 646 160	2 617 625	28 535	1%
Traditional Affairs	187 283	181 281	6 002	3%
Basic Education	32 635 423	32 544 497	90 926	0%
Higher Education and Training	112 773 492	112 633 770	139 722	0%
Health	62 225 399	61 881 821	343 578	1%
Social Development	278 295 933	275 627 969	2 667 964	1%
Women, Youth and Persons with Disabilities	1 020 712	1 011 019	9 693	1%

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Name of department	Appropriation	Actual expenditure excluding unauthorised expenditure funded by NRF		
			Variance	%
Civilian Secretariat for the Police Service	155 964	155 449	515	0%
Correctional Services	27 758 903	28 436 095	(677 192)	-2%
Defence	55 483 774	57 978 456	(2 494 682)	-4%
Independent Police Investigative Directorate	370 557	370 406	151	0%
Justice and Constitutional Development	21 650 239	21 618 346	31 893	0%
Military Veterans	812 406	757 805	54 601	7%
Office of the Chief Justice	1 273 788	1 512 580	(238 792)	-16%
Police	113 623 525	113 623 525	-	0%
Agriculture, Land Reform and Rural Development	16 997 824	16 045 163	952 661	6%
Communications and Digital Technologies	3 968 611	2 915 163	1 053 448	36%
Employment and Labour	3 854 842	3 802 376	52 466	1%
Forestry, Fisheries and the Environment	8 764 338	8 618 889	145 449	2%
Human Settlements	33 680 386	32 849 586	830 800	3%
Minerals Resources and Energy	8 881 462	8 826 590	54 872	1%
Science and Innovation	9 441 144	9 072 707	368 437	4%
Small Business Development	2 419 545	2 380 298	39 247	2%
Sport, Arts and Culture	6 105 744	6 072 684	33 060	1%
Tourism	2 380 908	2 252 143	128 765	6%
Trade, Industry and Competition	9 667 644	9 558 729	108 915	1%
Transport	86 292 328	84 913 686	1 378 642	2%
Water and Sanitation	23 849 579	23 815 798	33 781	0%
Total	1 119 194 391	1 111 242 390	7 952 001	

The above table shows amounts appropriated to departments in the 2024/25 financial year against actual expenditure incurred by departments excluding unauthorised expenditure funded by NRF.

In 2024/25 financial year, The Department of Public Enterprises(DPE), Office of the Chief Justice and Department of Communications and Digital Technologies(DCDT) have recorded significant higher variance between actual spending compared to the approved appropriation. The Office of the Chief Justice exceeded their appropriation by 16% mainly due to budget cuts which resulted in a shortfall on the network bandwidth for the Court Online system and other compensation of employee costs which were not budgeted for. In addition, the Departments of Correctional Services and Defence together with Presidency also show overspending, most of which can be attributed to costs related to compensation of employees and other intelligence projects that were not anticipated and therefore not budgeted for.

DPE and DCDT however, showed underspending of their appropriation by 44% and 36% respectively. DCDT's overspent is related to multi-year contracts that were entered into that could not be expensed as prepaid in the current year and for the DPE, the transition arrangement arising from the proclamation to transfer all SOCs to policy departments resulted in the underspent.

National department's expenditure

Table 7: National department's expenditure

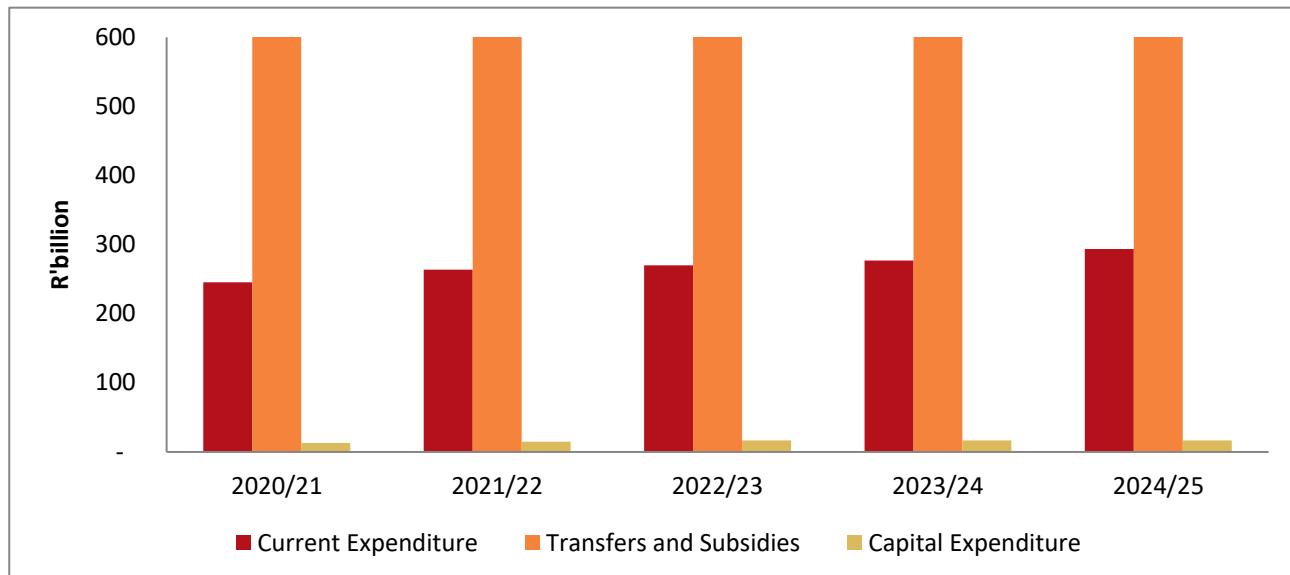
Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
R' million					
Current Expenditure	245 476	263 699	269 899	276 842	293 588
Transfers and Subsidies	1 207 011	1 269 913	1 346 763	1 395 103	1 543 598
Capital Expenditure	12 842	14 878	16 641	16 693	16 685
Total	1 465 329	1 548 490	1 633 303	1 688 638	1 853 871
Movement in expenditure	62%	6%	5%	3%	10%

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National departments' expenditure has increased to R1.854 trillion from R1.689 trillion in the prior year. This represents a 10% increase, as compared to the 3% increase in the prior year, with the highest increase in transfers and subsidies which increased by 11% in the 2024/25 financial year. The bulk of National Department's expenditure is attributable to transfers and subsidies with National Treasury being the significant transferor at 48% of total transfers and subsidies. Transfers and subsidies are further analysed in Note 12 of the Notes to The Consolidated Financial Statements.

Graph 8: National department's expenditure



The South African national government is structured into five main segments, commonly referred to as clusters, aimed at addressing government priorities and policies. The National expenditure per cluster is presented in the table and graph below:

Table 8: National department cluster expenditure

Year Ended 31 March	Actual 2023/24	Actual 2024/25	Movement
R' billion			
Social Cluster	500	528	6%
Economic Cluster	186	192	4%
Justice Cluster	227	242	6%
Finance Cluster	640	754	18%
Central Government Cluster	136	138	2%
Total	1 687	1 854	

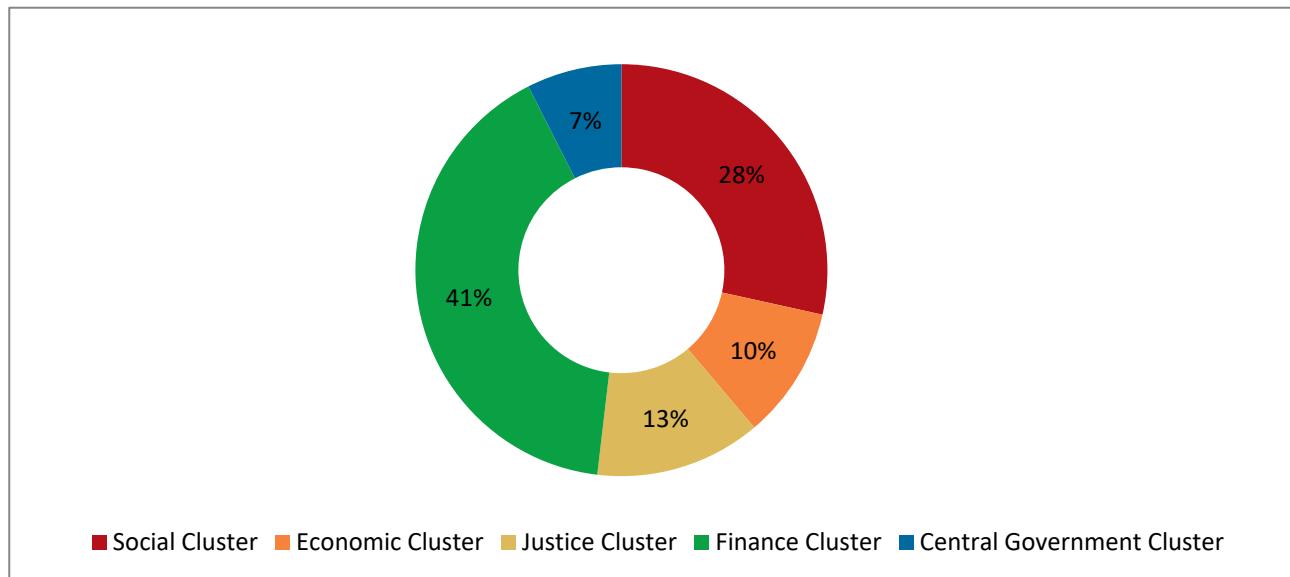
In the 2024/25 fiscal year, the Finance cluster remains the largest spender, with an expenditure of R754 billion (2023/24: R640 billion) accounting for 41% of national departments' expenditure in 2024/25 and the larger portion is attributed to transfers and subsidies which accounted for 99% of their total expenditure. Conversely, the Central cluster is the smallest spender, with an expenditure of R136 billion (2023/24: R138 billion), accounting for 8% of national departments' total expenditure in 2024/25.

There was a 6% increase in both Social and Justice clusters' expenses due to increased transfers and subsidies and compensation of employees respectively, a 5% increase in Central cluster expenditure mainly due to increase in transfers and subsidies, tangible capital expenditure as well as payments for financial assets while Economic cluster had an increase of 4% because of a high increase in payments for financial assets and topping them is Finance cluster with 18% mainly due to a significant increase in transfers and subsidies.

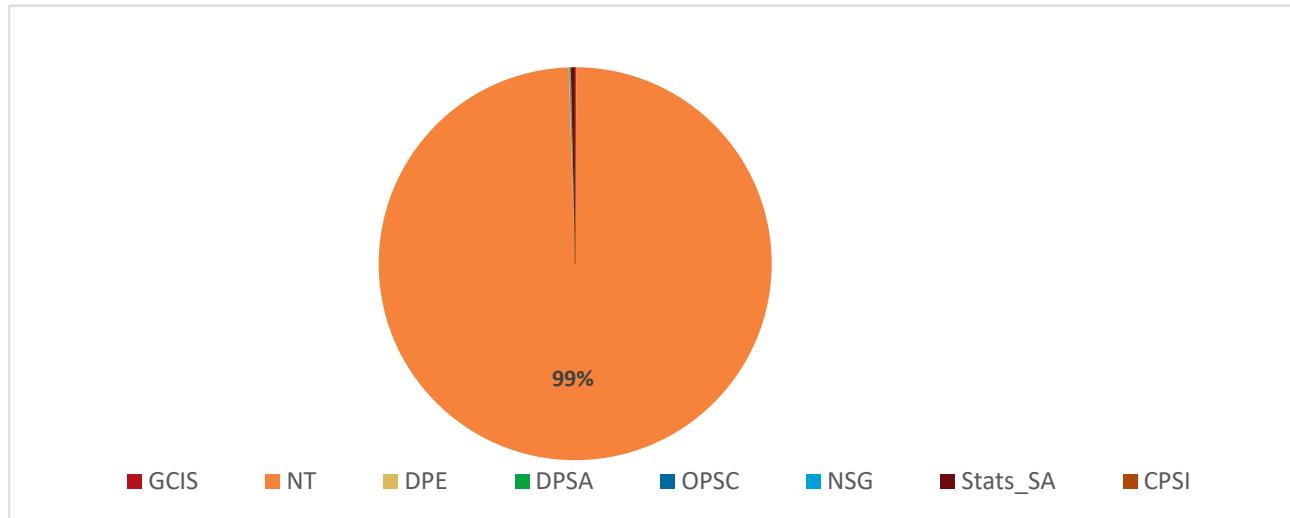
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Graph 9: Expenditure per cluster 2024/25



Graph 10: Expenditure per Finance cluster 2024/25



As indicated above under Table 8, The finance cluster remains the largest spender in the current year and also showing an expenditure increase of 18% from last year. A large portion of the expenditure within Finance Cluster is attributed to the transfers and subsidies by the National Treasury amounting to R746 billion (2023/24: R631 billion). Just below R620 billion was transferred to Provinces and Municipalities and R100 billion was transferred to Public Corporations and Private Enterprises while the rest was transferred amongst Departmental Agencies; Households and Foreign Governments & International Organisations. This large increase is primarily due to the GFECRA allocation of R100 billion transferred to the SARB by the National Treasury.

Government's largest contingent asset is the Gold and Foreign Exchange Contingency Reserve Account (GFECRA). It reflects profits and losses on gold and foreign exchange reserves held by the Reserve Bank to meet foreign exchange obligations and to maintain liquidity in the presence of external shocks. GFECRA is estimated to reach R343.7 billion by 31 March 2025. In 2024, the National Treasury and the Reserve Bank

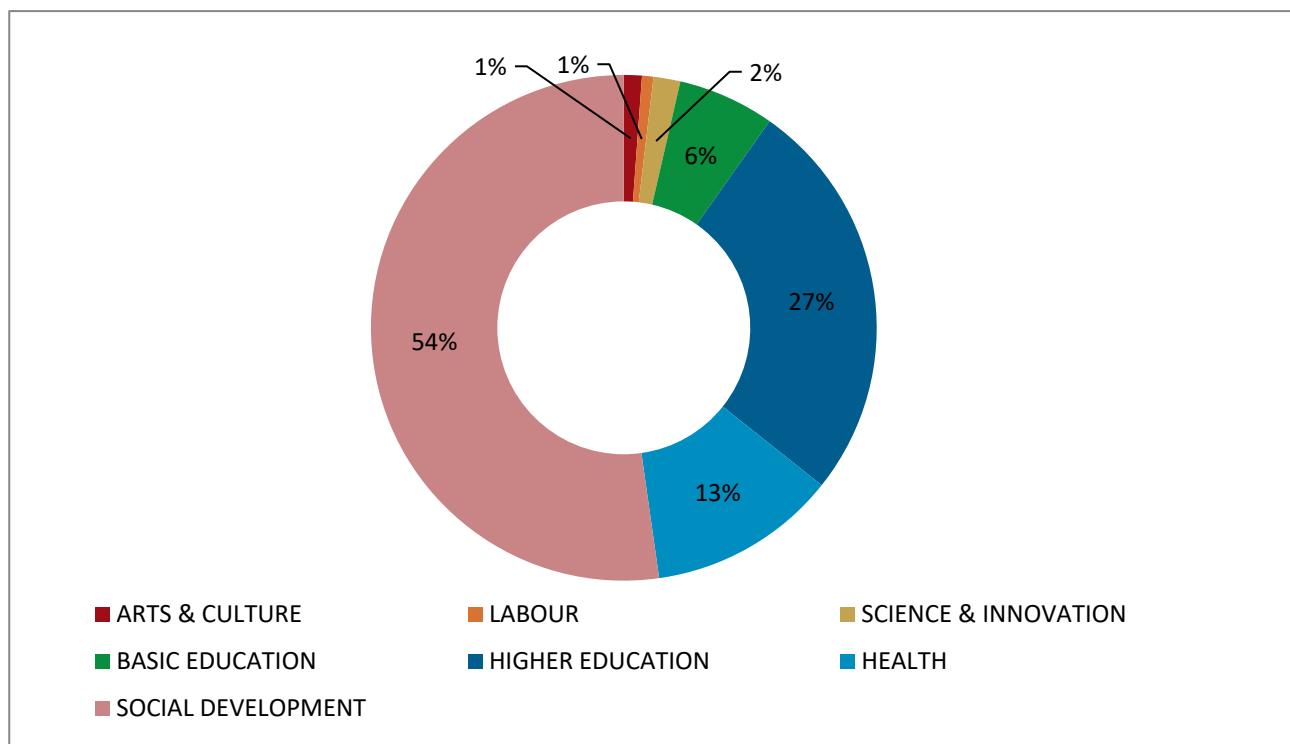
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signed a revised GFECRA settlement agreement that allowed for the disbursement of R100 billion in 2024/25 and R25 billion in each of the following two years to government, reducing government borrowing. It also provided for the disbursement of R100 billion to the Reserve Bank's contingency reserve. The GFECRA buffers will be reviewed and reported on annually.

For the 2025 medium-term expenditure framework (MTEF) period, provinces and municipalities are allocated R2.95 trillion or 49.8 per cent of total non-interest spending. Of this amount, R2.4 trillion goes to provinces and local government receives R552.7 billion. Funds are allocated in the form of equitable shares, which are distributed through a formula that factors in demographic and developmental considerations, and conditional grants. Conditional grants are designed to achieve specific objectives, and they are made available once provinces and municipalities fulfil conditions relating to their use. Provinces and municipalities face spending and revenue pressures from the rising costs of basic and social services, as well as declining economic growth and high borrowing costs. Direct national transfers to provinces are projected to grow from R730.7 billion in 2024/25 at an average annual rate of 4.5 per cent to reach R833.8 billion in 2027/28. The transfers include R633.2 billion for the provincial equitable share and R134.6 billion for conditional grants in 2025/26. Within conditional grants, R94 million is reprioritised over the MTEF period from the provincial roads maintenance grant to fund other transport priorities. To help implement the 2025 public-service wage agreement, provinces are allocated an additional R4.8 billion in 2025/26, R5.2 billion in 2026/27 and R5.4 billion in 2027/28. Adjustments to allocations since the 2024 Medium Term Budget Policy Statement address critical infrastructure needs, improve service delivery and enhance revenue collection. These adjustments include the first set of reforms flowing from the conditional grants review.

Graph 10(a): Expenditure per Social cluster 2024/25



Within the Social Cluster, the Department of Social Development was the biggest spender. This department incurred total expenditure of R276 billion accounting for 54% of Social Cluster expenditure.

Of the R276 billion, 99.7% was transfers and subsidies, the major recipients of which were households. One of the priorities of the department is to improve the optimisation of social welfare services, livelihood

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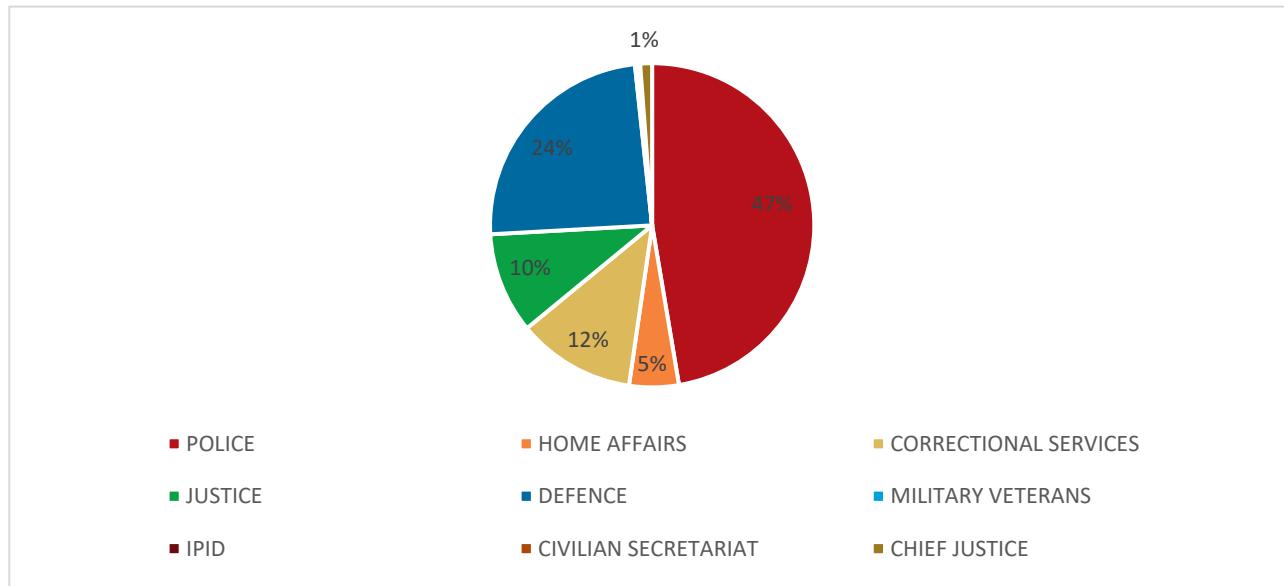
strategies and economic participation. In this regard, social grants account for an estimated 97% (R267 billion per year on average) of the department's total over the period under review.

The social development function is allocated R397 billion in 2024/25 which increases to R422.3 billion with an average annual growth rate of 4.5 per cent. This funding supports poverty reduction through social grants, the provision of risk benefits through social insurance and the delivery of welfare services, development initiatives, empowerment programmes, gender equality initiatives and advocacy for children, women, youth, the elderly and individuals with disabilities.

According to the 2025 Budget review, over the MTEF period, Social grants constitute 81 per cent of spending in this function over the medium term. Expenditure on social grants will increase from R267 billion in 2024/25 to R274.7 billion in 2027/28 to keep up with inflation and increase access for the eligible population. Social grant beneficiaries (excluding the *COVID-19 social relief of distress grant* beneficiaries) are expected to increase from about 19 million in 2025/26 to 19.3 million in 2027/28 primarily due to the growing population of older people. The *child support grant* and *old age grant* together account for 64.6 per cent of total grant expenditure over the MTEF period.

Spending on grants is expected to increase at an average annual rate of 5.3 per cent over the medium term. The *COVID-19 social relief of distress grant* will be extended by another year until 31 March 2026. An amount of R35.2 billion is allocated to extend the payments. This is mostly due to inflationary adjustments to the value of the grants and growth in the number of beneficiaries.

Graph 11: Expenditure per Justice Cluster 2024/25



The third largest spending cluster is the Justice and Protection Services cluster. A substantial amount of this cluster's spending goes towards the compensation of employees amounting to R169 billion (70%). The cluster has the largest staff complement of all clusters, with the cluster's employees constituting 84% of National departments' employees.

The Department of Police is the largest expense in the Justice and Protection Services cluster, accounting for 47% of total cluster spending. Its labour-intensive nature drives up costs, with employee compensation comprising 80% of total cost of the department.

The second largest spender in the Justice and Protection services cluster is the Department of Defence at 24%. The Department of Defence will prioritise acquiring vehicles and technology to safeguard the country's

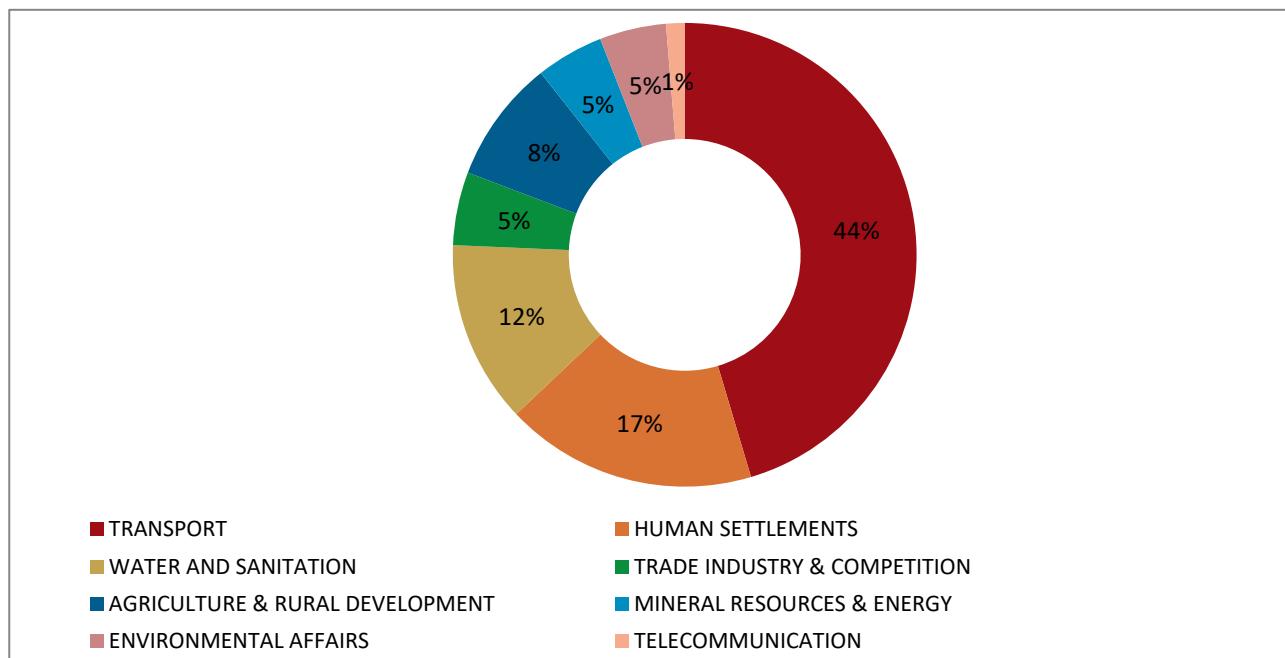
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borders. Measures are being implemented to reduce the pressure on employee compensation and sustain critical defence capabilities, however it remains evident that there is limited progress in addressing the compensation of employees' over-expenditure in the Department (Budget Review, 2025).

The Department of Correctional Services is the third largest spender in this cluster at 12%, with compensation of employees being the largest cost at 68% of its total expenditure.

Graph 12: Expenditure per Economic cluster 2024/25



The fourth largest spending cluster is the Economic Cluster. The Department of Transport remains the highest spending department in the cluster at 44% of the total cluster expenditure. The highest expenditure item for this department being transfers and subsidies at R78 billion (2023/24: R76.6 billion) accounting for 92% of the department's budget. Of the R78 billion spent, R31 billion was allocated to provinces and municipalities, which accounted for 40% of the total transfers and subsidies budget for the department.

The following are some expenditure analyses of the main components that will drive public sector infrastructure spending over the medium term:

Electricity generation capacity continues to recover. Between April and December 2024, the energy availability factor averaged 62.4 per cent – 7.1 percentage points higher than the same period in 2023. This coincided with a reduction in unplanned power cuts and increased planned maintenance. Scheduled power cuts were suspended between 27 March 2024 and 30 January 2025. Additionally, household solar panels and private-sector generation projects continued to increase. (Budget review, 2025).

The South African National Roads Agency Limited is improving the capacity of several routes on toll and non-toll networks. Five projects worth about R2.5 billion have been completed and the high-capacity rail freight line is an expansion of the existing rail infrastructure. The Infrastructure South Africa, the Infrastructure Fund, DBSA and the Industrial Development Corporation, Transnet received R2 billion from the BFI to upgrade the rail and port infrastructure.

In the water sector, the focus remains on improving municipal water services and promoting private-sector participation. Efforts are under way to introduce an independent economic regulator to ensure fair pricing and sustainable management of water services. The municipal turnaround strategy focuses on addressing

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critical maintenance backlogs, ensuring skilled personnel are in place and fast-tracking infrastructure investments to stabilise service delivery. A recent report on water-sector investment requirements estimated that R256 billion will be required annually between 2023 and 2050, totalling R7.2 trillion, to achieve water security and access for all.

Government is prioritising 11 strategic projects with an estimated value of R139.1 billion. These projects are expected to create about 20 000 jobs during construction and 14 000 jobs during operation. About 8 000 jobs have been created to date. Of the 11 projects include Lesotho Highlands Water Project, Mokolo-Crocodile River Water Augmentation Project, uMkhomazi Water Augmentation Project, Olifants River Water Resources Development Project, Berg River-Voëlvlei Augmentation Scheme Project and Vaalharts-Taung Irrigation Scheme Project of which they account for R111.7 billion estimated capital investment.

Over the past decade, deteriorating infrastructure, electricity disruptions, crime, corruption, weak investment and poor education outcomes have reduced the economy's growth potential, or trend growth. South Africa's potential growth is estimated to have remained below 2 per cent since 2013, falling to an average of less than 1 per cent over the past four years.

National department's current expenditure

Table 9: Major items of current Expenditure

Year Ended 31 March R' million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Compensation of employees	176 751	181 968	188 897	195 261	206 541
Goods and Services	67 307	79 755	79 733	79 028	83 635

Table 10: Compensation of employees

Year Ended 31 March R' million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Total Compensations costs (R' million)	176 751	181 968	188 897	195 261	206 541
Average number of employees	397 356	392 238	398 940	392 064	387 660
Average Cost to National Government per employee (Rands)	444 817	463 922	473 497	498 033	532 788

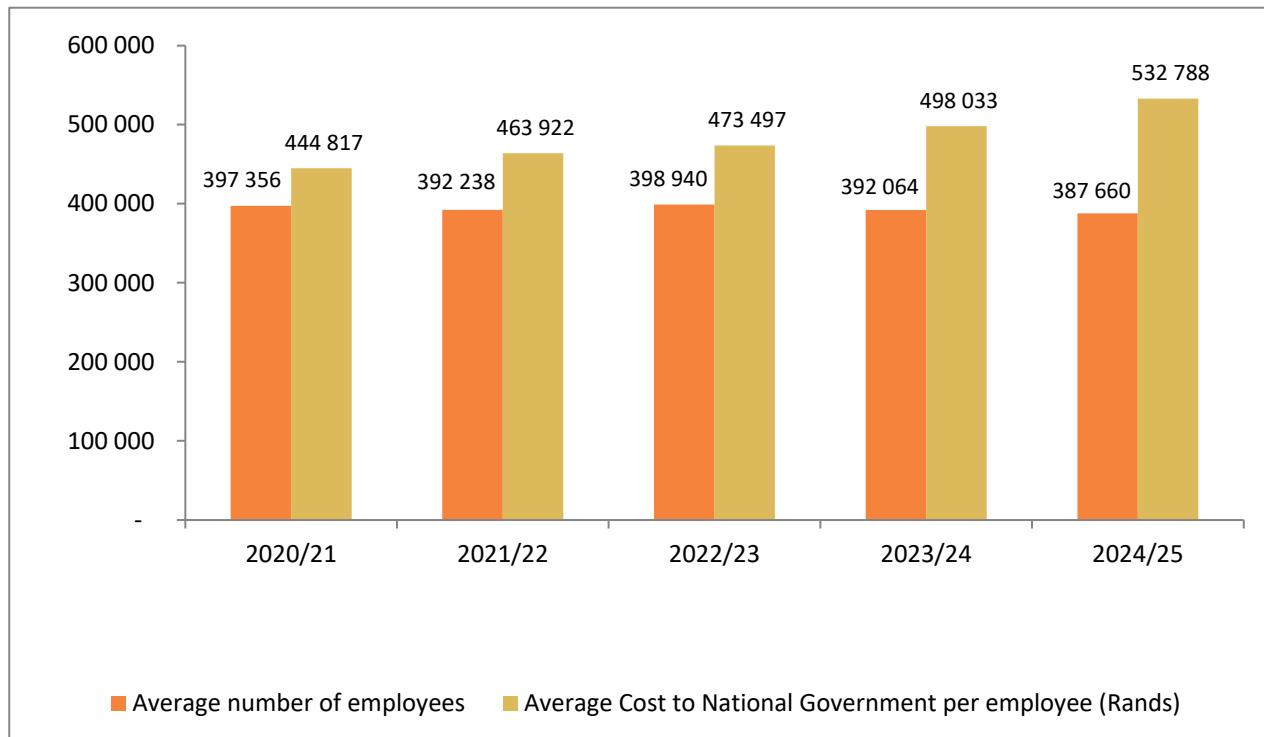
Movement %	2020/21	2021/22	2022/23	2023/24	2024/25
Total Compensations costs (R' million)	6.7%	3.0%	3.8%	3.4%	5.8%
Average number of employees	-1.4%	-1.3%	1.7%	-1.7%	-1.1%
Average Cost to National Government per employee (Rands)	8.2%	4.3%	2.1%	5.2%	7.0%

The above information illustrates the costs to national government departments and excludes provincial departments. The average number of employees at national departments has decreased from 392 064 in 2023/24 to 387 660 in 2024/25, a decline of 1.1%. On the flip side, compensation in Rand terms increased from R195 billion in 2023/24 to R207 billion in 2024/25 thus resulting in a 5.8% increase (2023/24: 3.4%).

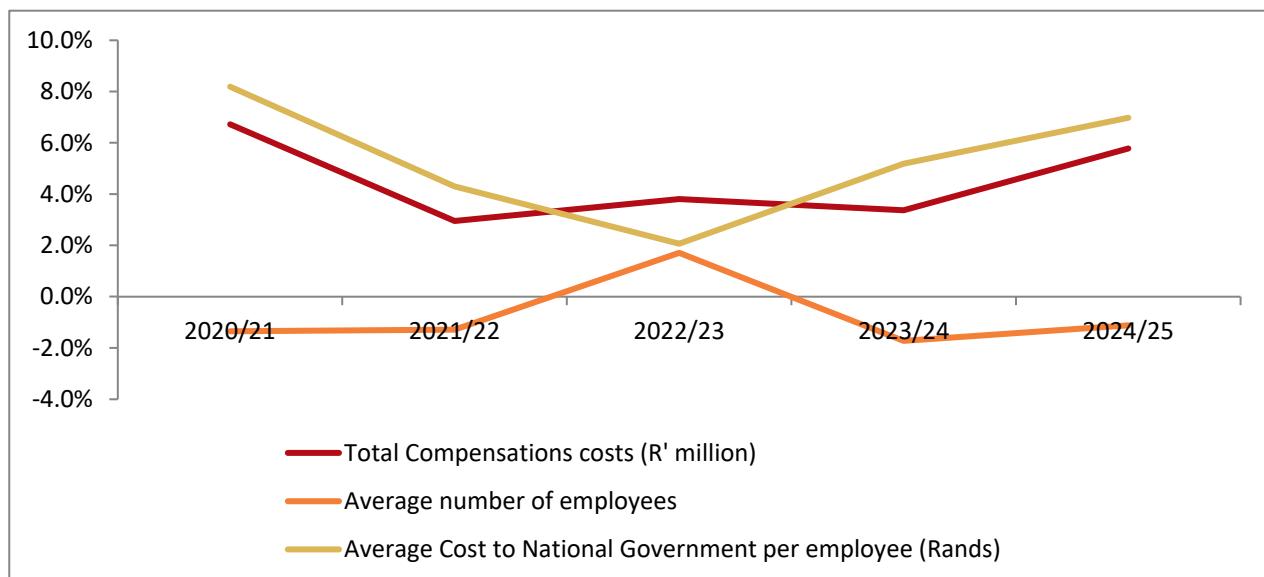
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Graph 13: Compensation of employees



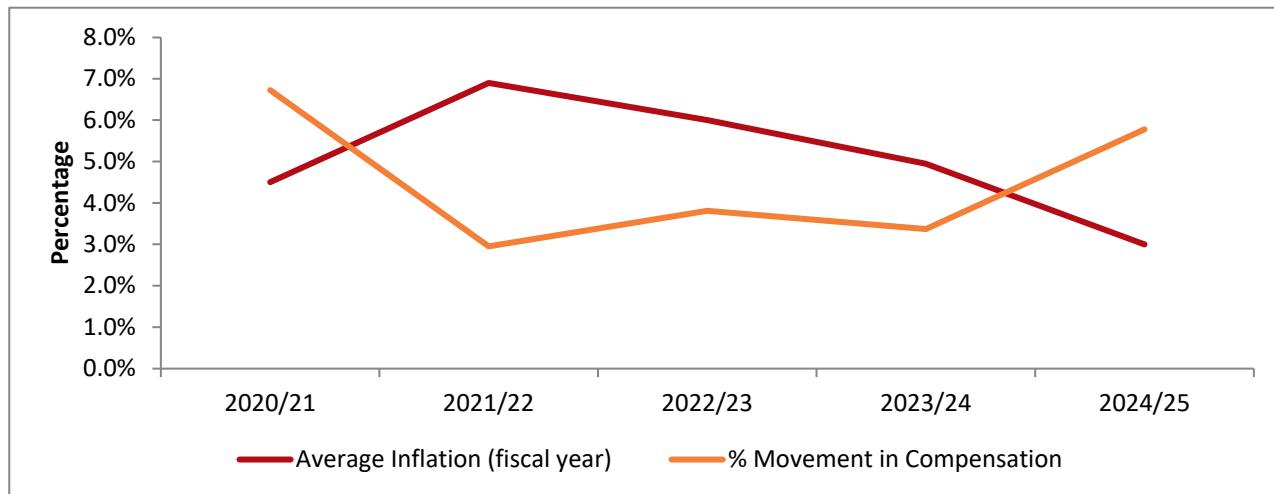
Graph 14: Year on year movement – compensation of employees



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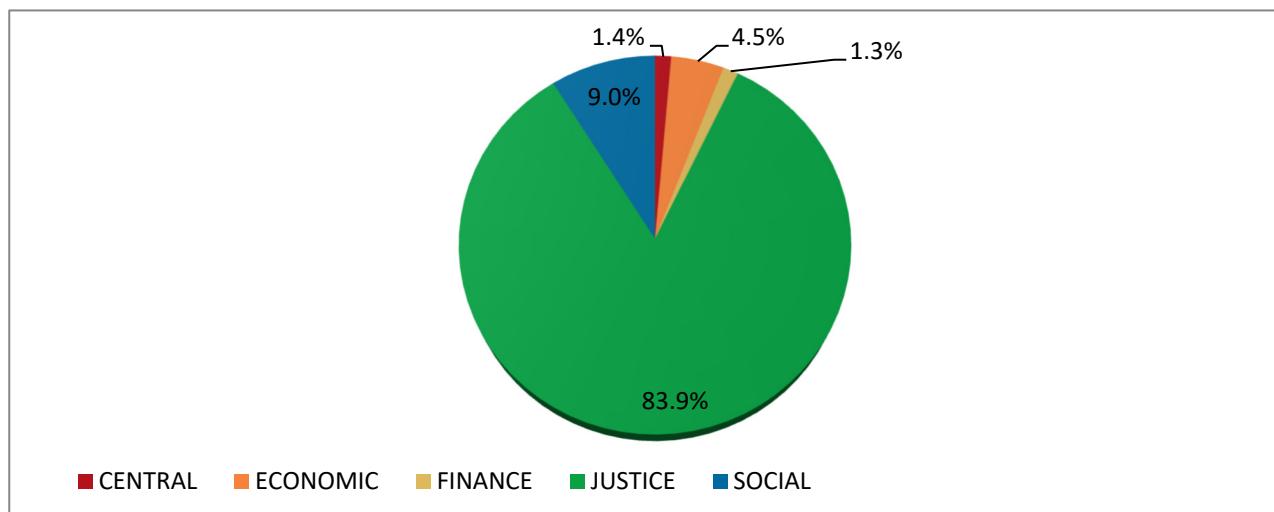
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Graph 15: Compensation % increase vs. inflation



The graphs above also indicate the percentage movement in compensation of employees against the inflation rate over the same period. In the current year, the inflation rate has decreased and relative to the movement in compensation of employees. This is mainly due to efforts made by the Reserve Bank to curb the inflation rate and in addition to that, government making an effort to align wage increases to the average cost of living.

Graph 16: Average number of employees per cluster



The majority of national departments employees are employed in the Justice and Protection Services cluster totalling 325 144 (2023/24: 325 103) which equates to 84% of the total employees for the year under review and the prior year. The Justice and Protection Services cluster includes amongst others the following departments which each employ a large number of civil servants:

Table 11: Average number of employees

Year Ended 31 March Department	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Department of Police	183 369	178 351	180 841	184 159	184 497
Department of Defence	73 065	71 143	71 219	68 163	68 408
Department of Correctional Services	39 451	39 565	38 135	37 110	37 083

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Department of Police

The Department of Police employs the greatest number of staff in national government and as a result, their expenditure on compensation to employees is R91 billion and accounts to 44% of total compensation costs.

Department of Correctional Services

Spending on compensation of employees increased by 2.4% in 2024/25, while there was a slight decrease in the number of employees from 37 110 to 37 083 in the current year.

Department of Defence

The department's staff compliment has marginally increased from 68 278 in the prior year to 68 408 in 2024/25. Spending on compensation increased by 6% in the current year compared to 2% in the prior year.

Performance awards

Table 12: Performance awards

Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Description					
Performance Awards (R mil)	233	325	86	111	110
Total Compensation of Employees	176 751	181 968	188 897	195 261	206 541
Performance awards as a % of Compensation	0.13%	0.18%	0.05%	0.06%	0.05%
Movement in Performance Awards	-0.25%	0.05%	-0.13%	0.01%	0.00%
Movement in Compensation costs	4.11%	2.95%	3.81%	3.37%	5.78%

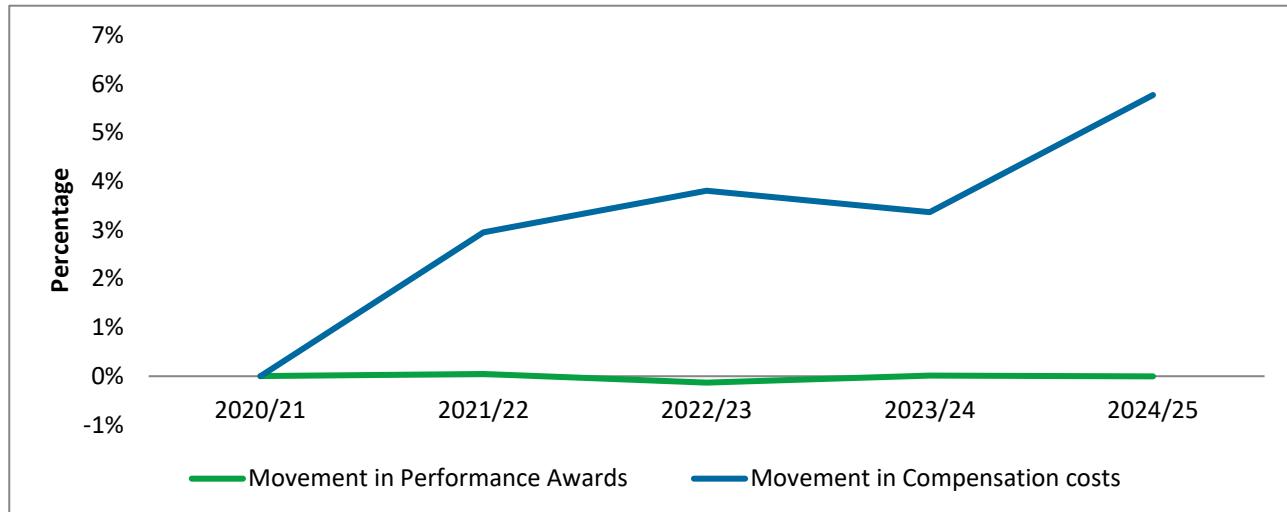
During the 2024/25 financial year, the performance awards decreased from R111 million to R110 million. Performance awards make up 0.05% of compensation (0.06% in 2023/24). Refer to the graphs below showing performance awards as a percentage of compensation and the movement in performance awards versus movement in compensation.

Graph 17: Performance awards as a % of compensation costs



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Graph 18: Movement in performance awards vs. compensation**Training and staff development costs**

Training and staff development costs are included in the goods and services costs, but it is more appropriate to discuss these costs under compensation of employees as they have a relationship with employee benefits/costs.

Table 13: Training and staff development

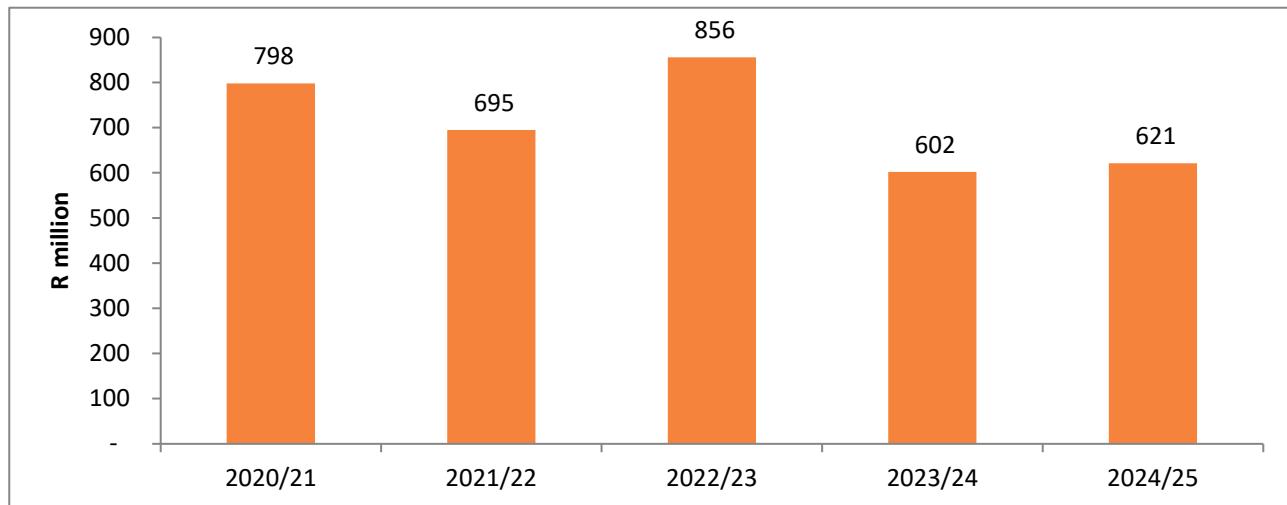
Year Ended 31 March	2020/21	2021/22	2022/23	2023/24	2024/25
<i>R million</i>					
Training & Staff Development	798	695	856	602	621
Total Compensation of Employees	176 751	181 968	188 897	195 261	206 541
Training as a % of Compensation	0.45%	0.38%	0.45%	0.31%	0.30%

As can be noted in the graphs 19 and 20 below, training and staff development costs increased by R19 million in the current year from R602 million in the year 2023/24 to R621 million in the year 2024/25. As a component of compensation, the ratio increased from 0.31% to 0.30%. The Department of Defence currently accounts for the highest spending on training costs at 26% followed by the Department of Agriculture, Land Reform and Rural at 15%.

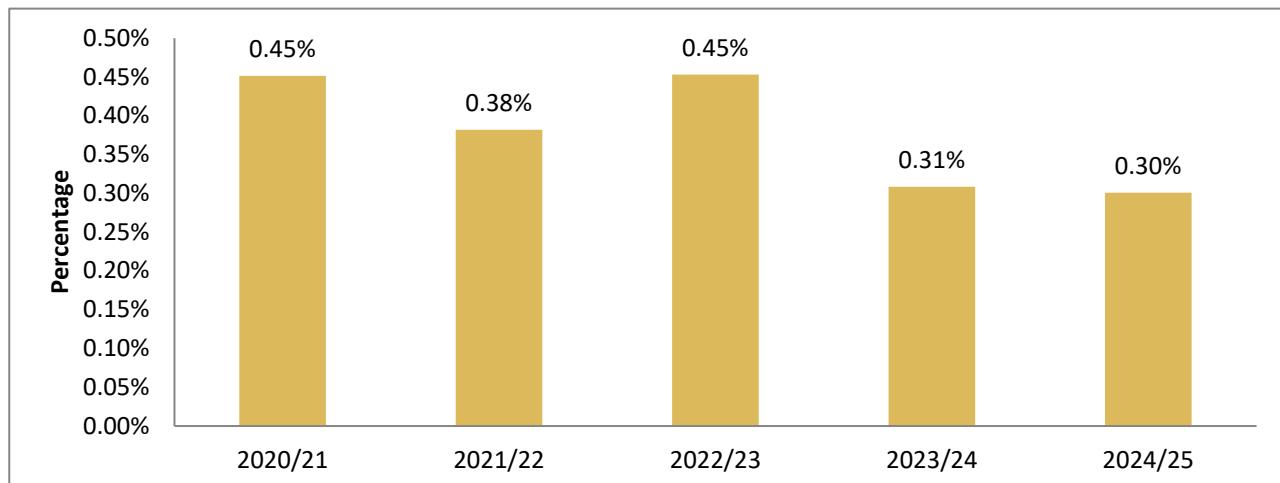
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Graph 19: Training and staff development



Graph 20: Training as a % of compensation of employee's costs

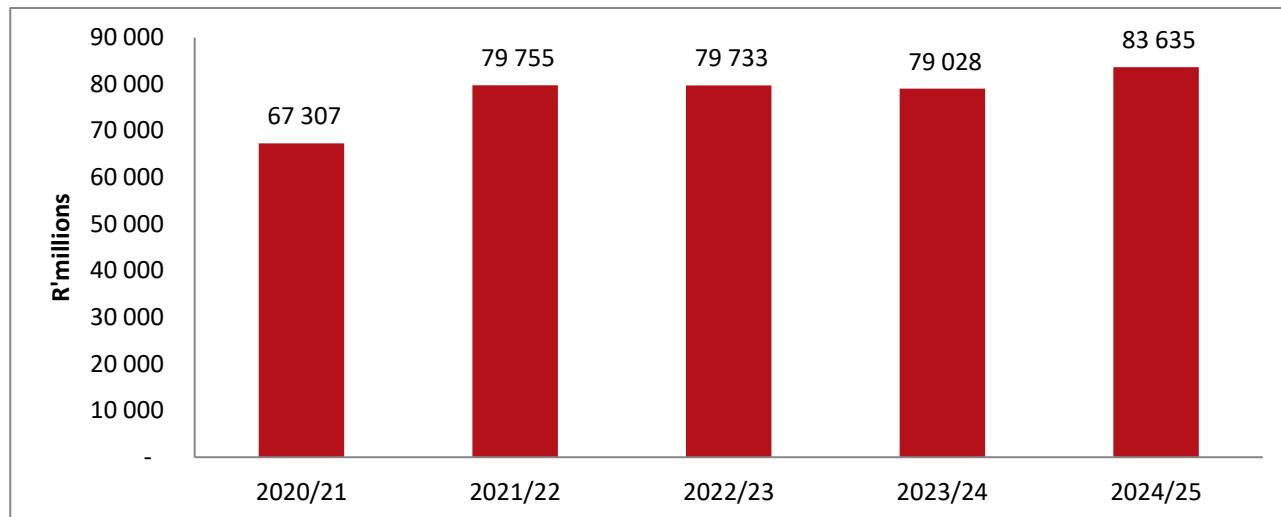


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Table 14: Goods and services

Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
R' million					
Goods and Services	67 307	79 755	79 733	79 028	83 635

Graph 21: Goods and services

The major items making up goods and services are disclosed in the table below:

Table 15: Major items of goods and services

Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
R' million					
Consultants, contractors and special services	12 948	15 762	18 006	16 191	16 966
Inventory	12 839	17 791	11 848	10 355	11 813
Operating leases	11 937	10 728	11 820	11 183	12 885
Travel and subsistence	2 986	5 197	7 631	7 965	7 598
Computer Services	7 248	7 799	6 713	8 595	8 355
Property payments	6 860	8 471	8 273	8 713	9 742
Communication	1 306	1 448	1 437	1 337	1 334
Other	11 182	12 559	14 005	14 689	14 942
Total	67 307	79 755	79 733	79 028	83 635

The major contributor to Goods and Services was expenditure on consultants, contractors and special services as well as expenditure on operating leases. Consultants, contractors and special services increased by 5% in 2024/25 and the operating leases increased by 15% from 11 million in 2023/24 to R12.9 million in 2024/25.

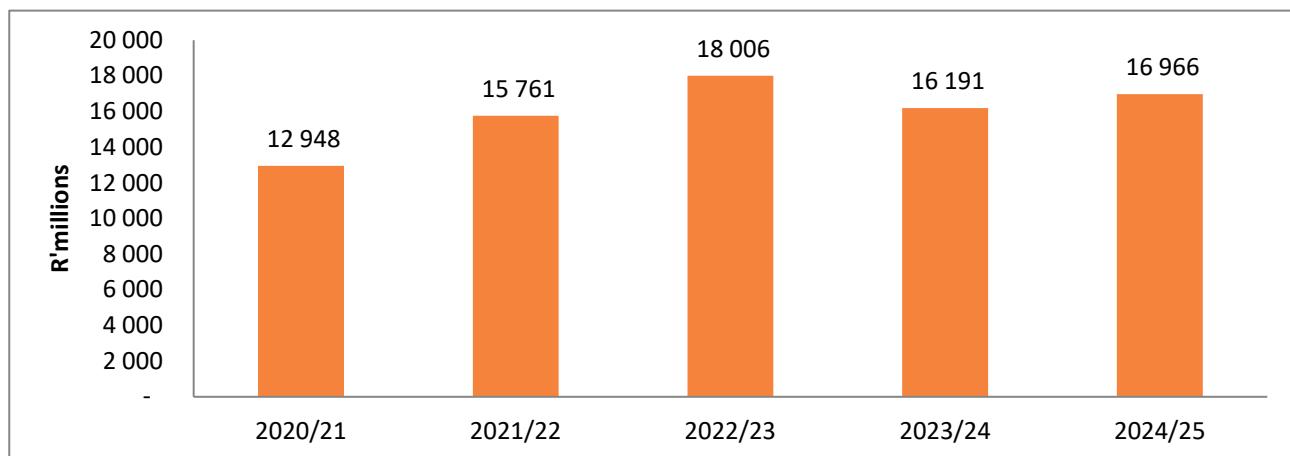
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Table 16: Consultants, contractors and special services

Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
<i>R' million</i>					
Consultants, contractors, and special services	12 948	15 762	18 006	16 191	16 966

Graph 22: Consultants, contractors and special services

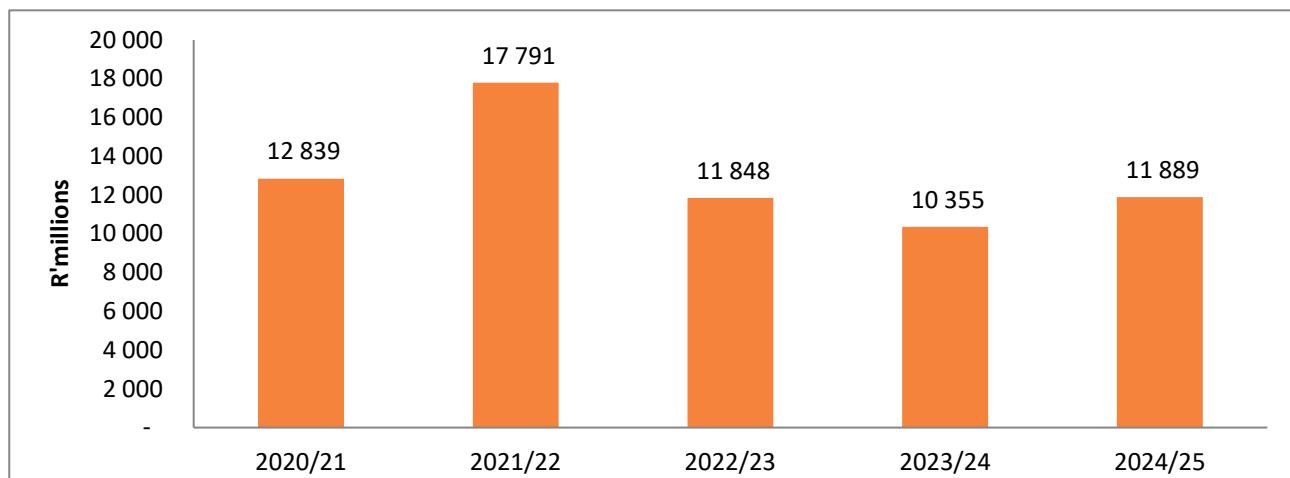


Payment of consultants, contractors and special services (CCSS) increased by 5% as compared to a 10% decrease in 2023/24 financial year. The two highest spending departments in this regard are Environment, Forestry and Fisheries at 24% and Correctional Services at 13%.

Table 17: Inventory and consumables

Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
<i>R' million</i>					
Inventory	12 839	17 791	11 848	10 355	11 889

Graph 23: Inventory and consumables

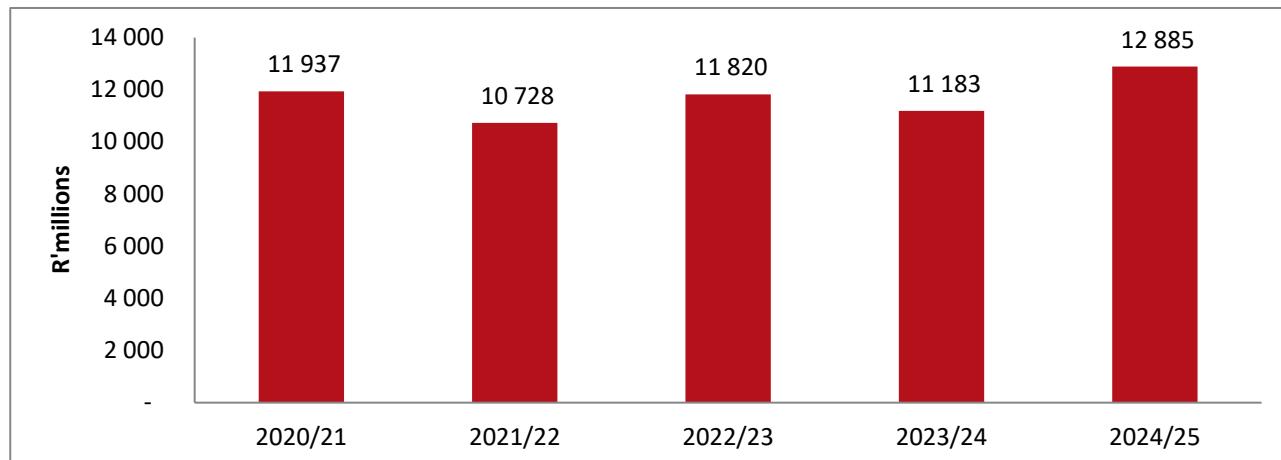


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FOR THE YEAR ENDED 31 MARCH 2025

Table 18: Operating leases

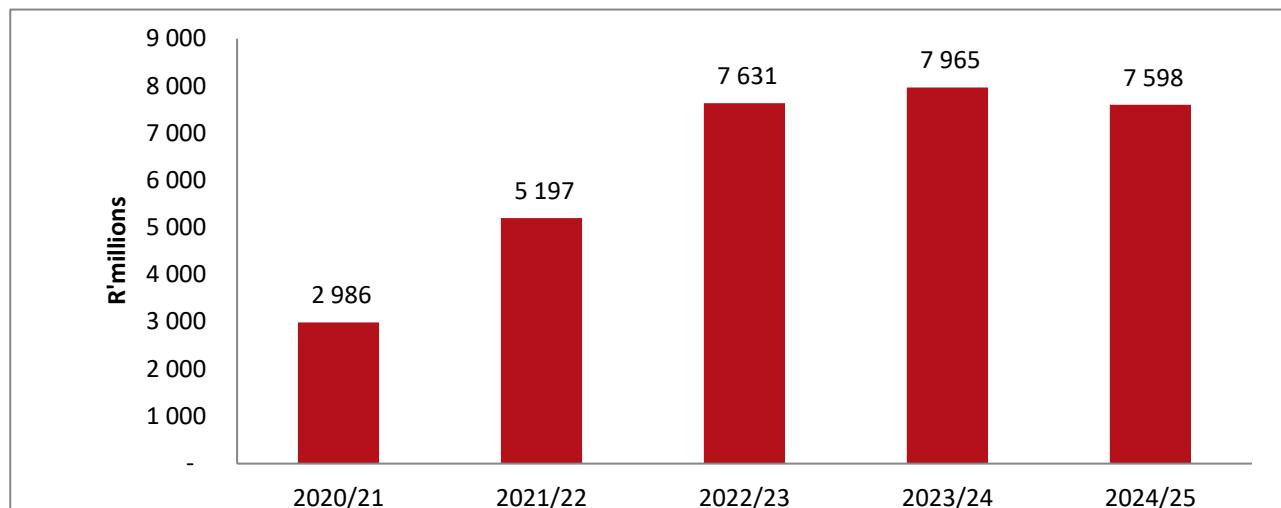
Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
<i>R' million</i>					
Operating leases	11 937	10 728	11 820	11 183	12 885

Graph 24: Operating leases

Expenditure on operating leases increased by 15% in the 2024/25 year as compared to a 5% decrease in 2023/24. The four highest spending departments in this regard are Police at R3.67 billion, Defence at R1.7 billion, Justice and Constitutional Development (Including NPA) at R1.27 billion and Correctional Services at R1.06 billion.

Table 19: Travel and subsistence

Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
<i>R' million</i>					
Travel and subsistence	2 986	5 197	7 631	7 965	7 598

Graph 25: Travel and subsistence

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Travel and subsistence show a marginal decrease of 5%, as compared to a 4% increase in the previous year. The Justice cluster accounts for 58% of the total travel and subsistence expenditure with R4.4 billion while the Economic cluster spending accounts for 17% at R1.28 billion. The major spenders within the Justice cluster were again Defence and Police who spent R2.4 billion (2023/24: R1.97 billion) and R1.34 billion (2023/24: R1.51 billion) respectively.

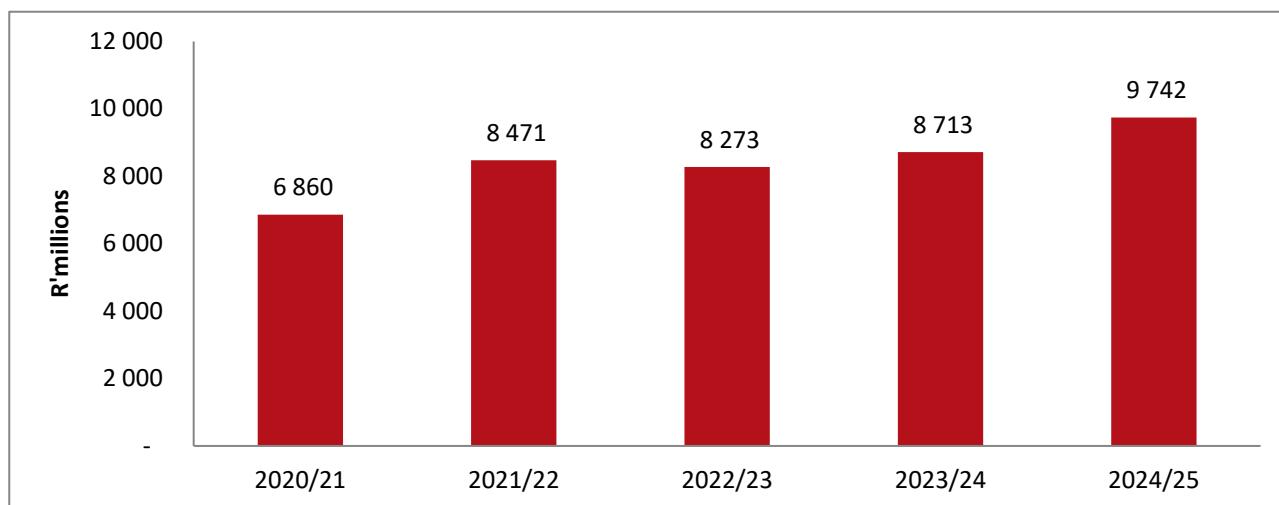
Table 20: Computer services

Year Ended 31 March <i>R' million</i>	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Computer Services	7 248	7 799	6 713	8 595	8 355
Movement in expenditure	3%	8%	-14%	28%	-3%

Table 21: Property payments

Year Ended 31 March <i>R' million</i>	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Property payments	6 860	8 471	8 273	8 713	9 742
Movement in expenditure	6%	23%	-2%	5%	12%

Graph 26: Property payments



This expenditure towards property payments amounts to 12% of the total goods and services expenditure. Property payments increased by 12% in the current year compared to an increase of 5% in the 2023/24 financial year. Significant contributors to the expenditure are Correctional Service at 21%, Police with 18%, Defence 18% and Justice 17%. The other major spenders in this area are and Agriculture, Land Reform and Rural Development spent R529 million (2023/24: R524 million) and International Relations and Cooperation with R522 million (2023/24: R481 million).

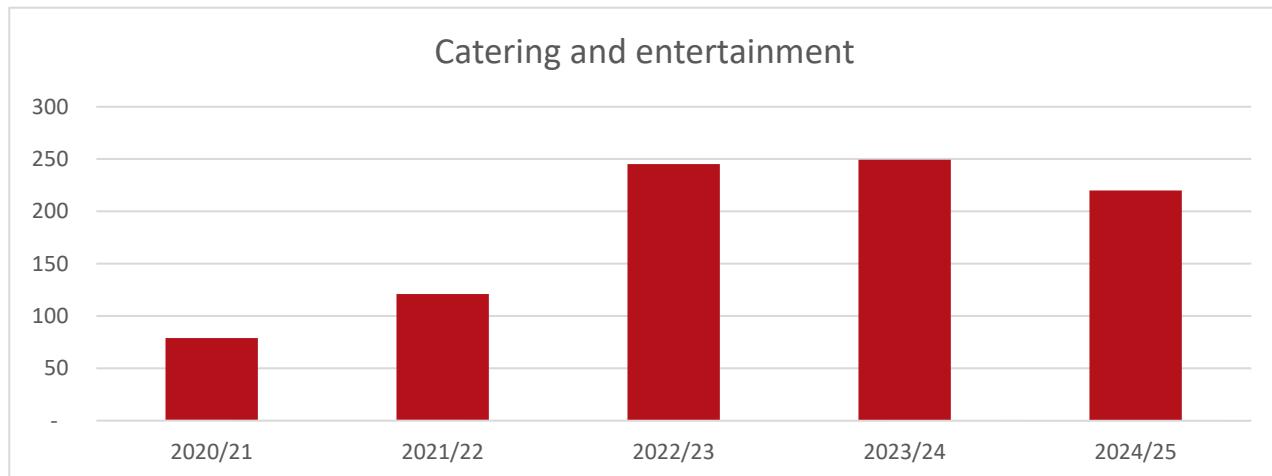
The following items are **not** considered major expenditure items but are included due to their nature.

Table 22: Catering and entertainment

Year Ended 31 March <i>R' million</i>	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Catering and entertainment	79	121	245	249	220
Movement in expenditure	-71%	53%	103%	2%	-12%

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Graph 27: Catering and entertainment expenditure

In the current year Catering and entertainment expenditure decreased by 12% compared to an increase of 2% in the 2023/24 financial year.

Table 23: Bursaries

Year Ended 31 March R million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Bursaries	74	92	109	106	123
Total Compensation of employees	176 751	181 968	188 897	195 261	206 541
As a % of Compensation of employees	4%	5%	6%	5%	6%

There was a slight increase in the bursary expenditure in the current year. The total compensation expenditure increased by 1% in the current year and the bursary expenditure as a percentage of compensation is still low at 6% of total compensation of employees, a slight increase to what was reported in the previous year.

Table 24: Transfers and subsidies

Year Ended 31 March R' million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Provinces and Municipalities	766 330	796 719	845 214	864 285	898 625
Departmental agencies and accounts	127 311	144 690	154 280	165 651	166 416
Higher education institutions	43 329	48 477	52 123	49 722	52 650
Public corporations and private enterprises	26 775	37 422	41 217	42 091	137 985
Households	232 302	236 233	247 261	266 732	281 173
Other	10 312	6 134	6 550	6 496	6 712
Total	1 206 359	1 269 675	1 346 644	1 394 977	1 543 561
Increase from prior year	85%	5%	6%	4%	11%
As a % of Total revenue	97%	81%	79%	80%	76%
As a % of Total expenditure	65%	66%	66%	66%	73%

Transfers and subsidies increased by 11% in the current year. A significant portion of subsidies relate to Provinces and Municipalities and Households representing 76% of the total. The Finance Service cluster takes the largest portion of transfers and subsidies amounting to 48% of the total transfers and subsidies of which the bulk of it is National Treasury's transfers and subsidies of R746 billion.

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Graph 28: Breakdown of transfers and subsidies 2023/24

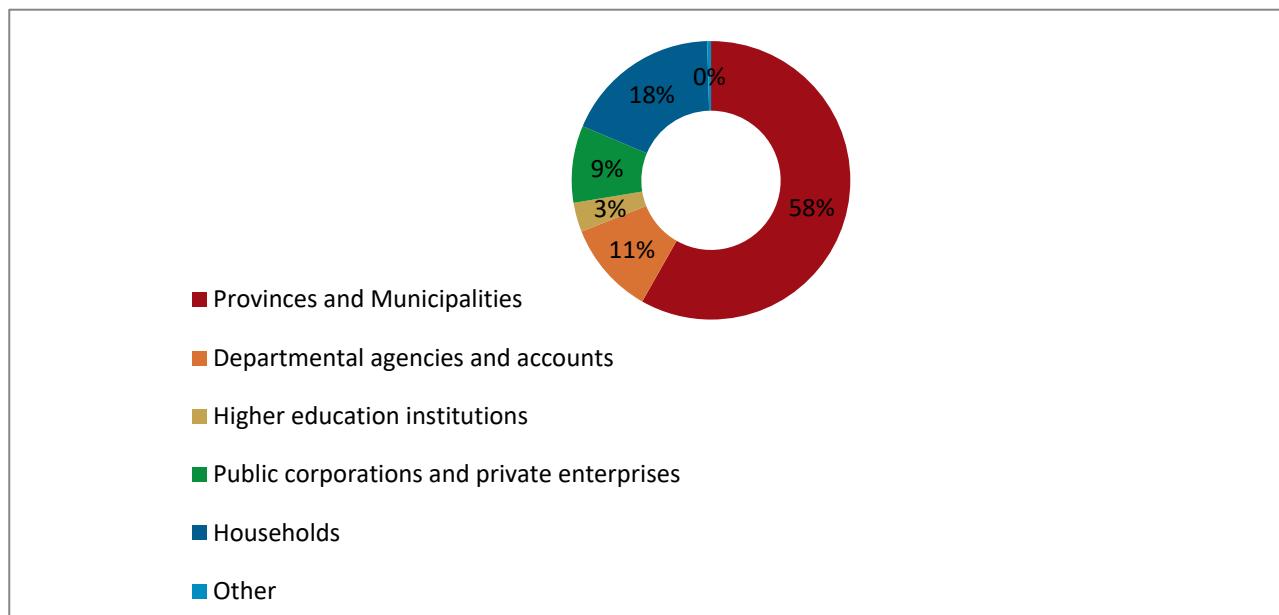


Table 25: Expenditure for capital assets

Capital Expenditure R' million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Total capital expenditure	12 842	14 878	16 641	16 693	16 685
Movement in expenditure	3%	16%	12%	0%	0%

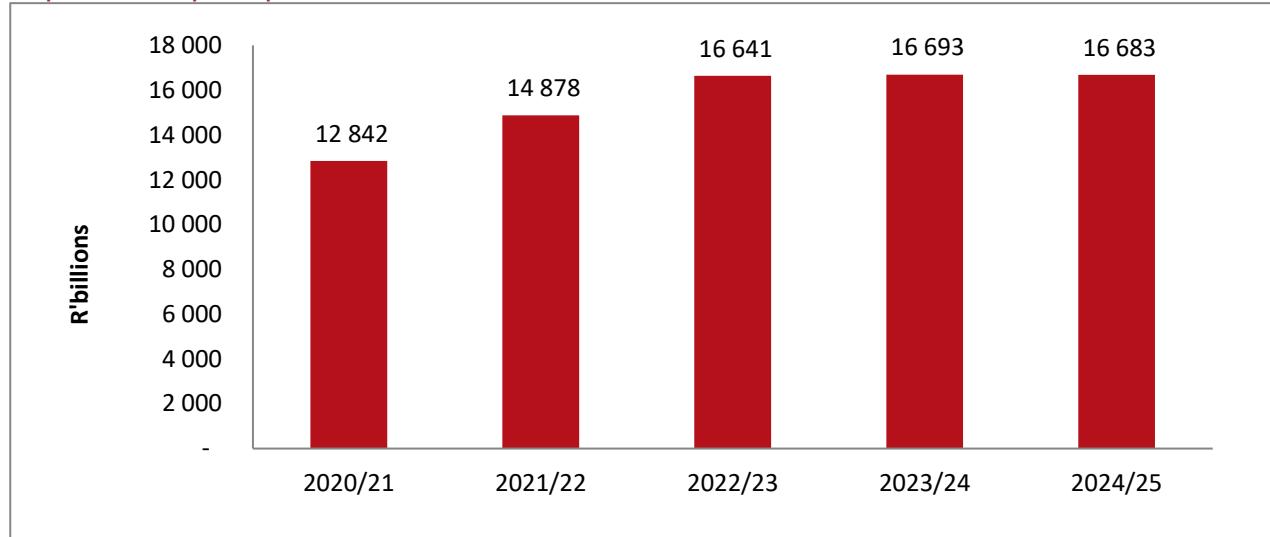
Capital expenditure has slightly decreased by 0.06% during the current year from R16.69 billion in 2023/24 to R16.68 billion in 2024/25. Most of the capital expenditure was spent on buildings and other fixed structures which accounted for R9.9 billion of the total expenditure. Capital expenditure on machinery and equipment amounts to R5.1 billion as the second highest expenditure for capital assets.

Expenditure by cluster shows that the Justice cluster is the biggest spender at R6.5 billion, Economic cluster accounts for R6.1 billion of total capital expenditure, followed by the Social Service cluster at R3.2 billion. On average, the capital expenditure growth has been on a notable downward trajectory for the past 3 years, with a very marginal decrease of 0.36% in the current year.

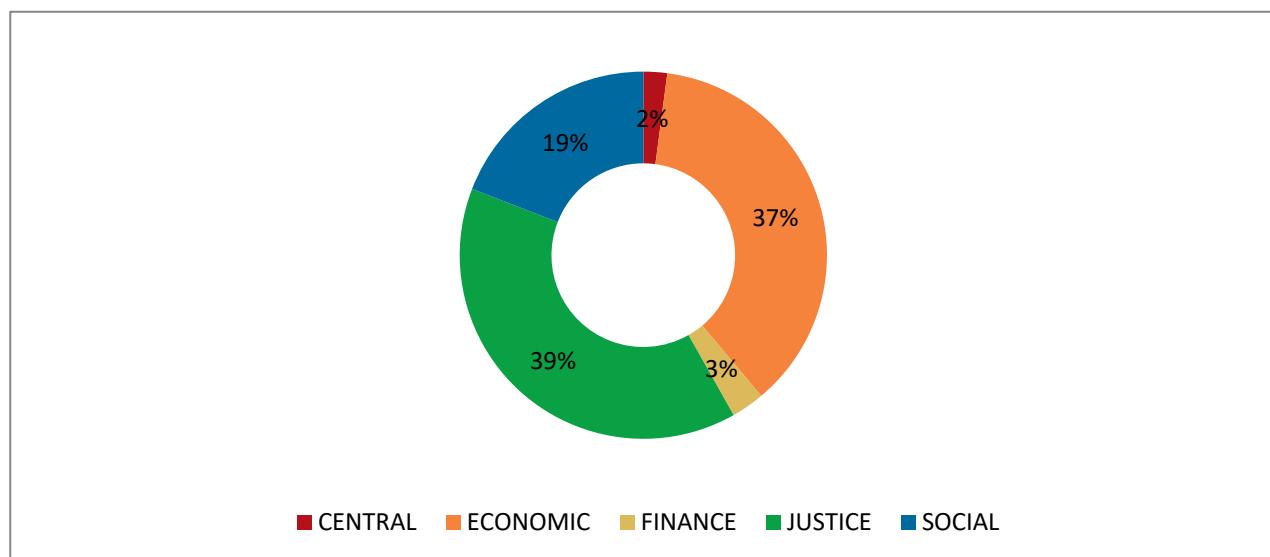
REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Graph 29: Total capital expenditure



Graph 30: Capital expenditure by cluster 2024/25



REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

ASSETS

Table 28: Cash and cash equivalents

Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
R' million					
Cash and equivalents	322 477	247 226	240 533	162 031	200 763
Movement in cash and cash equivalents	41%	-23%	-3%	-33%	24%

With cash and cash equivalents at R200.7 billion (after accounting for the bank overdraft), the breakdown shows a significant reliance on foreign currency deposits (40%) and commercial bank deposits (60%). The 24% increase in cash and cash equivalents for 2024/25, compared to the 33% decrease the previous year, indicates an improved liquidity management.

Graph 30: Cash and cash equivalents by cluster 2024/25

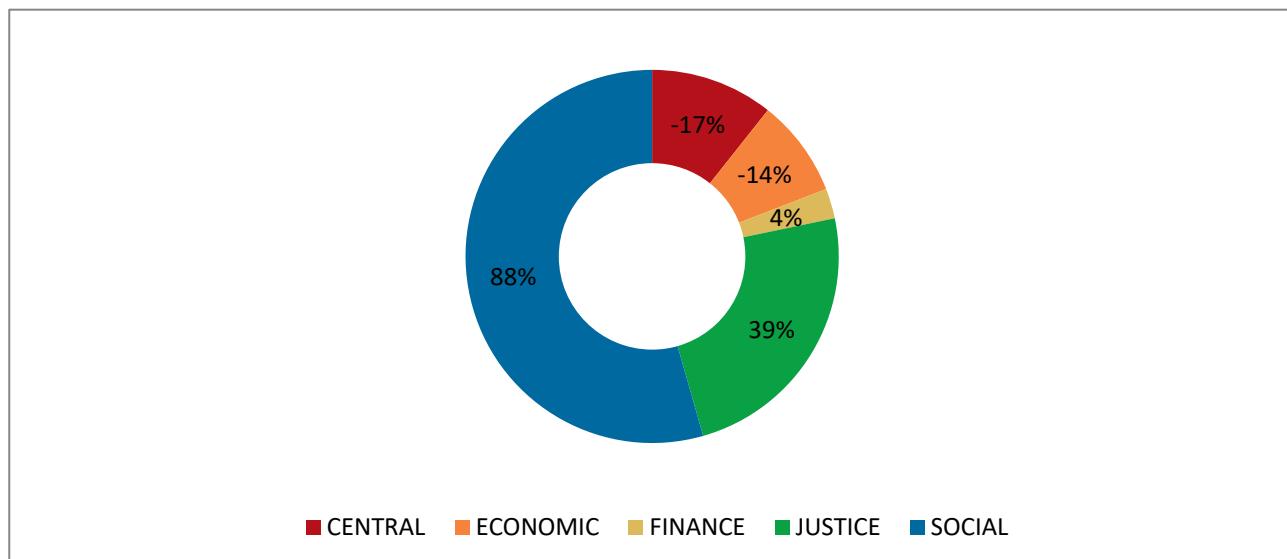


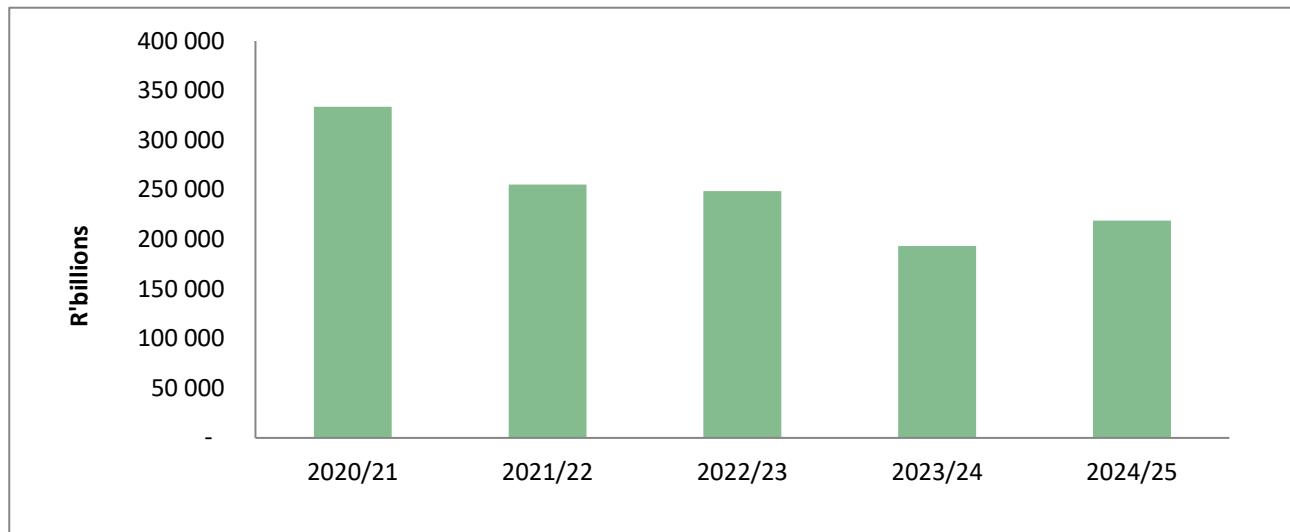
Table 29: National Revenue Fund Holding

Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
R' million					
Commercial Banks					
Tax and Loan account	198 554	128 696	120 501	92 320	130 671
South African Reserve Bank					
Sterilisation deposits	41 157	41 157	-	-	-
Foreign currency deposits	93 282	85 130	127 999	101 200	88 285
Other	540	227	112	-301	-64
JS \$ equivalent of foreign cash balances	\$6.3	\$5.8	\$6.8	\$5.3	\$4.8
Total	333 533	255 210	248 612	193 218	218 892

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Graph 31: National Revenue Fund Holding



The National Treasury is responsible for maintaining adequate cash in the National Revenue Fund to meet its commitments and investing any surplus cash. Government's total cash includes deposits held by the Reserve Bank and commercial banks, which holds accumulated deposits from foreign-loan proceeds.

Cash with commercial banks is invested in line with predetermined credit-risk benchmarks. Foreign currency deposits decreased from R101.2 billion in 2023/24 to R88.3 billion in 2024/25. The decrease is mainly a result of government's intention to reduce the gross borrowing requirement and the cost of funding.

Table 30: Receivables (Current and Non-Current)

Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
R' million					
Receivables	10 403	27 367	12 734	9 728	20 667

Receivables rose from R9.7 billion to R20 billion, marking a huge increase in the 2024/25 financial year. The Department of Justice and Constitutional Development (Including NPA) and Defence are the most contributors to increase realised in the current year. The other significant contributor to the current year is as a result of non-voted funds due to be surrendered to the National Revenue Fund from funds from the exchequer to cover Tax and Loan accounts that were over requested and thus not utilised in the current year.

Table 31: Investments

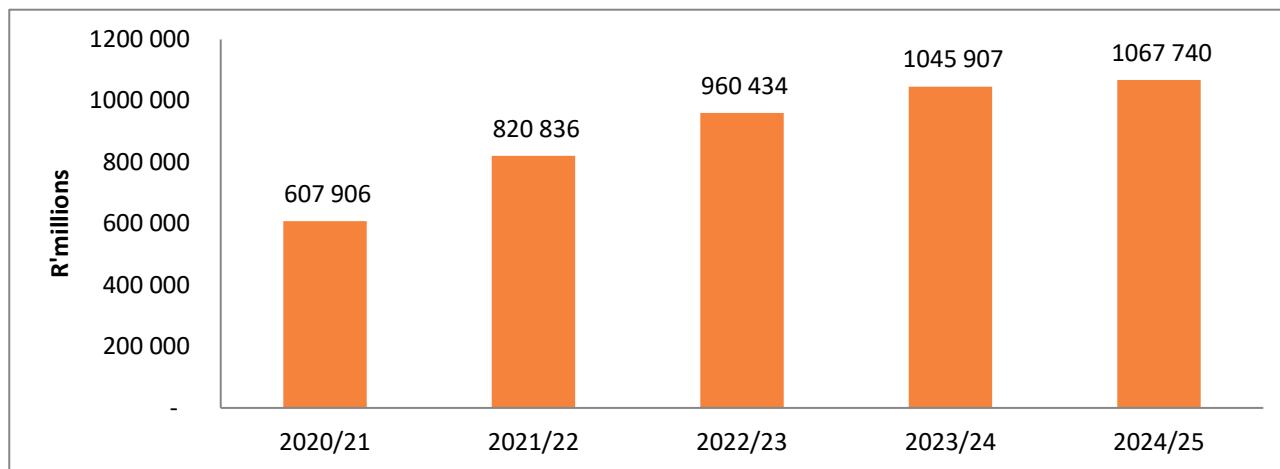
Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
R' million					
Investments	607 906	820 836	960 434	1 045 907	1 067 740

Investments include South Africa's subscription to shares in multilateral institutions such as International Monetary Fund, the African Development Bank, World Bank and the New Development Bank as well as the government's shareholding in the state-owned entities. Total investments increased by 2% to 1.068 billion in 2024/25. The slight increase can be mainly attributed to the DPE's shareholding in Eskom increasing in the current year.

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Graph 32: Investments



The major investments reported on in the audited financial statements of parent departments are listed in the following table which indicates actual Rand amounts of the cost of investments held by government for the past two years. Most investments have remained similar in the current year with only Eskom showing an increase of 12.3% that is from R285 billion to R385 billion in the current year. The estimated impairment of investments is R146 billion (2023/24: R125 billion).

Table 32: Major Investments

Year Ended 31 March R'000	Actual 2024 / 2025	Actual 2023 / 2024
Onderstepoort Biological Products Ltd	1	1
TELKOM	2 070 381	2 070 381
SA Post Office	10 564 116	10 564 116
SENTECH	75 892	75 892
Vodacom	-	3 743
Broadband Infraco SOC	1 351 130	1 351 130
SABC	3 200 000	3 200 000
NHFC	2 363 635	2 363 635
SERVCON	604	604
South African Nuclear Corporation Limited (NECSA)	2 205	2 205
Central Energy Fund (CEF)		
IDC A SHARE 1 000 000 AT COST (100 % SHAREHOLDING)	1 000	1 000
IDC B SHARE 1 391 969 357 AT COST (100 % SHAREHOLDING)	1 391 969	1 391 969
Passenger Rail Agency of South Africa Ltd.	4 248 259	4 248 259
Airports Company Ltd.	2 884 242	2 884 242
Air Traffic and Navigational Services Company Ltd.	190 646	190 646
S.A. National Roads Agency (SOC) Ltd.	1 091 044	1 091 044
Development Bank of Southern Africa	200 000	200 000
Public Investment Corporation Limited	1	1
Sasria	22 000 000	22 000 000
Land Bank	14 397 655	14 397 655
Alexkor SOC Ltd	400 000	400 000
Denel SOC Ltd	15 203 962	15 203 962
Eskom SOC Ltd	325 550 000	285 550 276
Safcol SOC Ltd	318 013	318 013
Transnet SOC Ltd	18 497 986	18 497 986
South African Express SOC Ltd	2 277 395	2 277 395
South African Airways SOC Ltd	61 144 102	61 144 102
Armscor	75 000	75 000
Special Defence activities	104 156	104 156
	490 125 406	449 607 412

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Table 33: Loans (Current and Non-Current)

Year Ended 31 March <i>R' million</i>	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Loans	1 385	31	29	32 028	56 028
Movement in Loans	-12%	-98%	-6%	110 341%	75%

Loans increased by 75% in 2024/25. As reflected in note 18 of National Treasury annual financial statements, the significant increase in loans emanates from the financial assistance that will be provided to Eskom over the course of three fiscal years. A further R24 billion was paid to Eskom resulting in the balance of R56 billion in the current year. This R56 billion represents a portion of the loan that has not yet been converted to shares transferable to DPE as at 31 March 2025 (National Treasury Annual Financial Statements 2024/25).

LIABILITIES

Table 34: Payables (Current and Non-Current)

Year Ended 31 March <i>R' million</i>	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Payables	9 563	44 919	11 996	6 315	5 795
Movement in Payables	58%	370%	-73%	-47%	-8%

Payables have decreased slightly from R6.3 billion to R5.8 billion in 2024/25 fiscal year. The 8% reduction is an indication of improved cash flow management resulting in effective payment of short-term debt by departments.

Table 35: Multilateral institutions

Year Ended 31 March <i>R' million</i>	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Multilateral Institutions	334 944	474 746	575 211	593 918	536 311
Movement in Multilateral Institutions	47%	42%	21%	3%	-10%

South Africa is a member of the African Development Bank, International Monetary Fund, New Development Bank and World Bank Group. Membership incurs certain financial obligations, some of which are categorised as provisions. These obligations are capital and quota contributions to maintain the country's shareholding in the institutions and strengthen the global safety net that they support. Liabilities to multilateral institutions consist of the International Monetary Fund - SDR Allocations R114.7 billion (2023/24: R118.7 billion), International Bank for Reconstruction and Development R42.8 billion (2023/24: R44.3 billion), Multilateral Investments Guarantee Agency R267.6 billion (2023/24: R277.3 billion), International Monetary Fund-Securities Account R76.9 billion (2023/24: 118.1), African Development Bank R154.7 billion (2023/24: R160.3 billion), and New Development Bank R146.9 billion (2023/24: R152.3 billion).

Current and non-current borrowings

Government incurs debt when financing the shortfall between its expenditure and revenue. This shortfall is financed through raising loans in the domestic and international capital markets. The stock of debt is also influenced by inflation, interest rate movements and currency movements.

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Table 36: Borrowings

Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
<i>R' million</i>					
Current borrowings	518 810	544 953	578 112	651 254	720 191
Non-current borrowings	3 416 890	3 732 511	4 187 316	4 608 146	4 973 388
Total	3 935 701	4 277 463	4 765 428	5 259 400	5 693 579
Movement in Borrowings	21%	9%	11%	10%	8%

Table 36 splits the debt portfolio between current and non-current borrowings. Current borrowings represent debt with a remaining term not exceeding one year, of which National Treasury bills account for the largest portion. Non-current borrowings consist of fixed rate and inflation-linked bonds and foreign loan with an outstanding term exceeding one year.

Graph 33: Borrowings

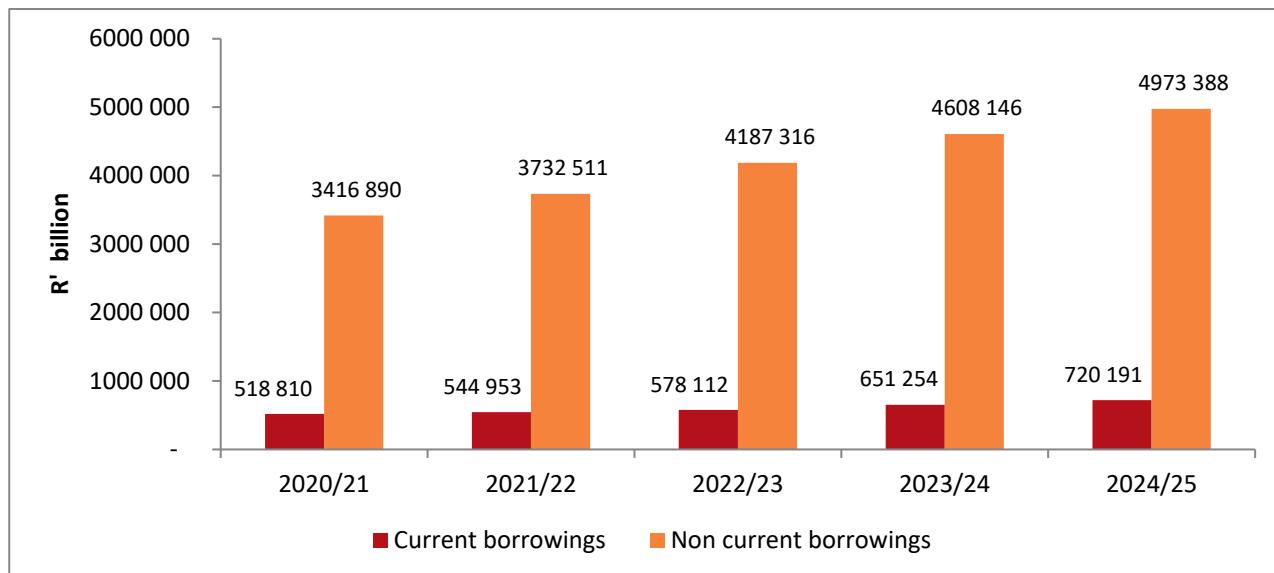


Table 37 below shows government debt split between domestic and foreign debt. In addition, government's debt is also disclosed on a gross and net basis. Net loan debt consists of total domestic and foreign debt less the cash balances of the NRF. Gross government debt as per cent of GDP, has decreased from 76 per cent in 2023/24 to 74 per cent in 2024/25.

Table 37: National government debt

	2020/21	2021/22	2022/23	2023/24	2024/25
<i>R' million</i>					
Domestic debt	3 543 266	3 865 359	4 209 771	4 667 776	5 091 761
Foreign debt	392 434	412 104	555 657	591 623	601 902
Gross loan debt	3 935 700	4 277 463	4 765 428	5 259 400	5 693 663
Less: National Revenue Fund bank balances	-251 690	-310 114	-259 832	-174 057	-213 448
Net loan debt	3 684 010	3 967 349	4 505 596	5 085 342	5 480 215
As percentage of GDP:	4 910 808	6 691 651	6 104 775	6 721 750	7 046 878
Gross loan debt	75	59	74	76	74
Net loan debt	8	6	9	9	8



REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NATIONAL DEPARTMENTS



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

QUALIFIED OPINION

1. I have audited the consolidated financial statements of the national departments set out on pages 52 to 112, which comprise the consolidated statement of financial position as at 31 March 2025, consolidated statement of financial performance, consolidated statement of changes in net assets and the consolidated cash flow statement for the year then ended, as well as notes to the consolidated financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matters described in the basis for qualified opinion section of this audit report, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of national departments as at 31 March 2025 and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) as prescribed by National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 24 of 2024 (DoRA).

BASIS FOR QUALIFIED OPINION

TRANSFERS AND SUBSIDIES

Department of Social Development

3. The department recorded items that did not meet the definition of transfers and subsidies to households in accordance with MCS chapter 8, Expenditure. This was due to a lack of systems to identify ineligible beneficiaries. Consequently, transfers and subsidies were overstated.
4. In addition, I was unable to obtain sufficient appropriate audit evidence for transfers and subsidies as the department did not implement adequate monitoring systems to maintain supporting records. I could not determine the full extent of transfers and subsidies recorded and I could not confirm this by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to transfers and subsidies stated at R 1 543 560 554 000 in note 12 to the consolidated financial statements.

MOVABLE TANGIBLE CAPITAL ASSETS

Department of Defence

5. Not all recorded movable tangible capital assets could be identified during the physical asset verification process, as the department could not indicate where these assets are located, nor provide other information relating to their location. Furthermore, the department could not provide sufficient appropriate audit evidence that management had properly accounted for some specialised military assets that were not accounted for in the normal asset management system, due to the non-submission of registers in support of these assets. I was unable to confirm or verify these assets by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to movable tangible capital assets stated at R139

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

784 147 000 (2024: R114 995 812 000) in note 40 to the consolidated financial statements.

6. The department did not recognise all items of movable tangible capital assets in accordance with MCS chapter 11, Capital assets. I identified items of movable tangible capital assets belonging to the department that were not included in the underlying accounting records, as controls were not established to ensure that all assets are recorded on the asset registers. Consequently, I was unable to determine the full extent of the understatement of movable tangible capital assets stated at R 139 784 14 7 000 (2024: R 114 995 812 000) in note 40 to the consolidated financial statements, as it was impracticable to do so.
7. The department did not recognise all movable tangible capital assets and minor assets at cost in accordance with MCS chapter 11, Capital assets. I identified a significant number of assets acquired after 1 April 2002 that were recorded at either R1 or R0, as documentation to establish the cost is not available. This is in contravention of the MCS, which allows R1 values to be assigned only to those assets acquired before 1 April 2002. Consequently, I was unable to determine the full extent of the understatement of movable tangible capital assets stated at R139 784 147 000 (2024: R114 995 812 000) in note 40 to the consolidated financial statements, as it was impracticable to do so.
8. The department did not comply with the MCS in ensuring that all movable tangible capital assets remain at historical cost in accordance with MCS chapter 11, Capital assets. The department made adjustments to the current and prior years' additions and disposals in contravention of the MCS, which prohibits cost adjustments for appreciation and devaluation. In addition, I was unable to obtain sufficient audit evidence for these adjustments on the additions and disposals in the current and prior years, thus impacting the closing balance of movable tangible capital assets stated at R139 784 147 000 (2024: R114 995 812 000) in note 40 to the consolidated financial statements. I was unable to confirm these adjustments by alternative means.

Department of International Relations and Corporations

9. Not all movable tangible capital assets were recorded, in contravention of MCS chapter 11, *Capital assets*, resulting in movable tangible capital assets disclosed in note 40 to the consolidated financial statements being understated.
10. In addition, I was unable to obtain sufficient appropriate audit evidence to determine the full extent of the movable tangible capital assets understatement, as the department did not maintain an accurate, complete and credible asset register, due to deficiencies in the system of internal controls over asset management relating to the recording and verification of capital assets and maintenance of the asset register. I could not confirm this by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to movable tangible assets stated at R 139 784 147 000 in note 40 to the consolidated financial statements.

Department of Public Enterprises

11. I was unable to obtain sufficient appropriate audit evidence that movable tangible capital assets had been properly accounted for, due to the status of the accounting records. I was unable to confirm these assets by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to movable tangible capital assets stated at R 139 784 14 7 000 in note 40 to the consolidated financial statements.

COMPENSATION OF EMPLOYEES

Department of Defence

12. On 31 March 2024, the department did not recognise compensation of employees in accordance with MCS chapter 2, Concepts and principles, as I identified misstatements in basic salaries, housing allowances and deprivation allowances. Consequently, I was unable to determine the full extent of the overstatement of

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

the corresponding figure of compensation of employees, stated at R 195 260 823 000 in note 7 to the consolidated financial statements, as it was impractical to do so. My opinion on the financial statements for the period ended 31 March 2024 was modified accordingly. My opinion on the current year's financial statements is also modified because of the possible effects of this matter on the comparability of the compensation of employees for the current period.

GOODS AND SERVICES

Department of Defence

13. The department accounts for non-sensitive and sensitive projects expenditure in connection with the special defence activities as per section 2(2)(a) of the Defence Special Account Act 6 of 1974, as amended. I was unable to obtain sufficient appropriate audit evidence on the sensitive projects' expenditure due to the sensitivity of the environment and the circumstances under which the related transactions were incurred and recorded. I was unable to confirm goods and services by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to sensitive projects expenditure included in the expenditure of R83 634 738 000 (2024: R79 028 351 000) as per note 8 to the consolidated financial statements.

Context for opinion

14. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the consolidated financial statements section of my report.

15. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code), as well as other ethical

requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

16. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matter

17. I draw attention to the matter below. My opinion is not modified in respect of this matter.

MINISTERIAL EXEMPTION IN TERMS OF SECTION 92 OF THE PFMA FROM PREPARING A SINGLE SET OF CONSOLIDATED FINANCIAL STATEMENTS

18. As disclosed in note 46 to the consolidated financial statements, the Minister of Finance granted National Treasury exemption in terms of section 92 of the PFMA from the provisions of section 8(1) of the Act. The exemption applies to the financial periods 2020-21 to 2024-25 and allows National Treasury not to prepare a single set of consolidated financial statements for national departments and national public entities, due to the different financial reporting frameworks in use at public entities and departments.

Other matter

19. I draw attention to the matter below. My opinion is not modified in respect of this matter.

UNAUDITED SUPPLEMENTARY SCHEDULES

20. The supplementary information set out on pages 113 to 116 does not form part of the consolidated financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

Responsibilities of the accounting officer for the consolidated financial statements

21.The accounting officer is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the MCS and the requirements of the PFMA and Dora and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

22.In preparing the consolidated financial statements, the accounting officer is responsible for assessing the consolidated national departments' ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

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

23.My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these consolidated financial statements.

24.A further description of my responsibilities for the audit of the consolidated financial statements is included in the annexure to this auditor's report. This description, which is located on page 50, forms part of my auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

25.In terms of section 8 of the PFMA, National Treasury is not required to prepare a consolidated annual performance report.

REPORT ON COMPLIANCE WITH LEGISLATION

26.The audit of compliance with legislation is not required, as the consolidation of national departments does not fall within the audit of compliance with the legislation scope included in the audit directive issued under section 13(3)(b) of the Public Audit Act 25 of 2004 on 20 February 2025, per General Notice 52149.

OTHER INFORMATION IN THE ANNUAL REPORT

27.The accounting officer is responsible for the other information included in the annual report. The other information does not include the consolidated financial statements and the auditor's report.

28.My opinion on the consolidated financial statements does not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

29.My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

30.I did not receive the other information before the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected, this will not be necessary.

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

INTERNAL CONTROL DEFICIENCIES

- 31.I considered internal control relevant to my audit of the consolidated financial statements; however, my objective was not to express any form of assurance on it.
- 32.The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion.
- 33.The accounting officers of individual departments did not implement adequate oversight or enforce effective quality assurance controls over the financial statement preparation process, which negatively affected the credibility of the financial statements. The action plans developed to address prior year audit findings were not adequate, nor were they effectively implemented and monitored, resulting in recurring audit findings. Ineffective records management system at the individual department level to ensure that complete, relevant and accurate information is accessible and available to support financial reporting.
- 34.There is a slow response by management and the accounting officers in addressing the significant deficiencies that have been repeatedly reported in relation to financial reporting, as well as related internal controls.

Auditor-General

Pretoria

10 December 2025



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

- The auditor-general's responsibility for the audit

THE AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

PROFESSIONAL JUDGEMENT AND PROFESSIONAL SCEPTICISM

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

In addition to my responsibility for the audit of the consolidated financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of National Treasury's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of

accounting estimates and related disclosures made.

- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the consolidated financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the national departments' ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the [consolidated and separate] financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the consolidated financial statements. My conclusions are based on the information available to me as of the date of this auditor's report. However, future events or conditions may cause the consolidated position of national departments to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and determine whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. I am responsible for the direction, supervision and review of audit work performed for the group audit. I remain solely responsible for my audit opinion.

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

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

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

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
OPERATING INCOME			
Revenue from Taxes, Levies & Duties	2	1 775 985 524	1 677 197 574
Departmental revenue	3	233 742 402	46 409 629
Other Revenue	4	2 732 266	6 982 350
Aid assistance		5 595 763	4 678 054
TOTAL REVENUE		2 018 055 955	1 735 267 607
REVENUE FUND EXPENDITURE			
Appropriated Funds	6	447 842 237	433 913 820
CARA payments		446 217 201	433 035 981
		1 625 036	877 839
DEPARTMENTAL EXPENDITURE			
Current Expenditure			
Compensation of employees	7	293 588 156	276 842 084
Goods and services	8	206 540 731	195 260 823
Interest and rent on land	9	83 634 738	79 028 351
Aid assistance		333 026	297 392
		3 079 661	2 255 518
Transfers and subsidies			
Transfers and subsidies	12	1 543 597 979	1 395 102 639
Aid assistance		1 543 560 554	1 394 976 880
		37 425	125 759
Expenditure for capital assets			
Tangible assets	10.1	16 684 670	16 693 363
Intangible assets	10.2	16 085 009	16 241 057
		599 661	452 306
Payments for financial assets	14	6 245 200	2 038 966
TOTAL EXPENDITURE		2 307 958 242	2 124 590 872
SURPLUS/(DEFICIT)		(289 902 287)	(389 323 265)
Foreign exchange revaluation		18 682 298	(81 475 176)
SURPLUS/(DEFICIT) FOR THE YEAR		(271 219 989)	(470 798 441)
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		(272 345 953)	(471 989 248)
Departmental revenue and NRF Receipts		-	-
Aid assistance	5	1 125 964	1 190 807
SURPLUS/(DEFICIT) FOR THE YEAR		(271 219 989)	(470 798 441)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/2025 R '000	2023/2024 R '000
ASSETS			
Current Assets		303 701 045	228 834 490
Cash and cash equivalents	15	225 310 869	187 212 296
Other financial assets	13	27 469	26 750
Prepayments and advances	16	3 305 942	1 118 204
Receivables	17	18 347 732	7 658 376
Loans	18	56 000 759	32 000 969
Aid assistance receivable	5	708 275	817 895
Non-Current Assets		1 070 166 077	1 048 150 945
Investments	19	1 067 739 604	1 045 907 181
Prepayments and advances	16	37 597	101 719
Receivables	17	2 319 600	2 069 409
Loans	18	27 391	27 395
Other financial assets	13	41 885	45 241
TOTAL ASSETS		1 373 867 122	1 276 985 435
LIABILITIES			
Current Liabilities		750 993 343	682 456 082
Bank overdraft	20	24 547 458	25 181 037
Payables	21.1	4 770 152	5 416 436
Borrowings	22	720 191 059	651 254 040
Aid assistance repayable	5	774 831	337 779
Aid assistance unutilised	5	709 841	266 787
Non-Current Liabilities		5 510 946 274	5 203 183 172
Unauthorised expenditure		222 610	220 357
Payables	21.2	1 024 923	898 800
Borrowings	23	4 973 387 581	4 608 145 670
Multi-lateral institutions	24	536 311 160	593 918 345
TOTAL LIABILITIES		6 261 939 617	5 885 639 254
NET ASSETS		(4 888 072 495)	(4 608 653 819)
Represented by:			
Capitalisation reserve		546 045 782	481 527 799
Recoverable revenue		2 106 809	1 026 466
Retained funds		(5 436 225 086)	(5 091 208 084)
TOTAL		(4 888 072 495)	(4 608 653 819)

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/2025 R'000	2023/2024 R'000
NET ASSETS			
Capitalisation Reserves			
Opening balance		481 527 800	402 127 958
Transfers:		64 517 983	79 399 842
Movement in Equity		40 517 994	47 400 000
Other movements		23 999 989	31 999 842
Closing balance		546 045 783	481 527 800
Recoverable revenue			
Opening balance		1 548 744	1 082 942
Transfers		558 065	465 802
Irrecoverable amounts written off		(112 041)	504 482
Debts revised		(51 255)	(54 439)
Debts recovered (included in departmental receipts)		(370 109)	(490 571)
Debts raised		1 091 470	506 330
Closing balance		2 106 809	1 548 744
Retained funds			
Opening balance		(5 091 730 363)	(4 541 259 881)
Transferred from voted funds to be surrendered (Parliament/Legislatures ONLY)		234 043	570 323
Utilised during the year		(720 396)	1 089 510
Other		(344 008 370)	(552 130 315)
Closing balance		(5 436 225 086)	(5 091 730 363)
TOTAL		(4 888 072 495)	(4 608 653 819)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS DISCLOSED BY THE NATIONAL REVENUE FUND		2 018 499 612	1 752 235 125
Revenue collected by SARS		1 776 090 901	1 677 103 821
Departmental Revenue collected		230 548 689	47 921 147
CARA Receipts		1 205 238	847 180
Surrenders from departments		7 922 518	19 380 627
Other revenue received by the revenue fund		2 732 266	6 982 350
RECEIPTS DISCLOSED BY NATIONAL DEPARTMENTS		222 668 660	20 832 694
Departmental revenue received		207 872 976	4 769 113
Interest received		10 327 649	12 637 472
Aid assistance received		4 468 035	3 426 109
PAYMENTS DISCLOSED BY THE NATIONAL REVENUE FUND		485 186 630	466 531 613
Statutory Appropriation		482 839 690	462 322 434
CARA Payments		1 625 036	877 839
Other		721 904	3 331 340
Net (increase)/ decrease in working capital		(2 664 554)	(1 132 277)
Surrendered to Revenue Fund		(290 873 937)	(112 960 491)
Surrendered to RDP Fund/Donor		(451 790)	(373 818)
Current payments		(293 317 085)	(276 620 342)
Interest paid		(271 071)	(247 603)
Payments for financial assets		(6 245 200)	(2 038 966)
Transfers and subsidies paid		(1 514 947 194)	(1 269 923 445)
Net cash flow available from operating activities	25	(352 789 189)	(455 514 042)
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		1 046 555	240 048
Payments for capital assets		(16 684 670)	(16 693 363)
Proceeds from sale of investments/ capital assets		350 074	193 514
(Increase)/ decrease in loans		(23 999 786)	(31 999 518)
(Increase)/ decrease in investments		(40 517 994)	(3 400 000)
(Increase)/ decrease in other financial assets		2 637	(6 040)
(Increase)/ decrease in non-current receivables		(998)	100 687
Net cash flows from investing activities		(79 804 182)	(51 564 672)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		65 433 273	35 826 646
Increase/ (decrease) in non-current payables		126 123	125 615
Increase/ (decrease) in borrowings		406 050 959	393 102 033
Net cash flows from financing activities		471 610 355	429 054 294
Net increase/ (decrease) in cash and cash equivalents		39 016 984	(78 024 420)
Cash and cash equivalents at beginning of period		162 031 259	240 536 937
Unrealised gains and losses within cash and cash equivalents		(284 833)	(481 374)
Cash and cash equivalents at end of period	26	200 763 411	162 031 142

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

1. PRESENTATION OF THE FINANCIAL STATEMENTS

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the annual Division of Revenue Act.

All departments are controlled by Government. These consolidated financial statements include the financial results of the departments and Parliament.

Government Departments apply uniform accounting policies as prescribed by the National Treasury except to the extent that a department has requested a deviation from the National Treasury.

Departmental revenue is collected by SARS and directly deposited into the National Revenue Fund which forms part of the overall consolidation revenue and is accounted for on a modified cash basis.

1.1 BASIS OF PREPARATION

The Consolidated Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid or when the final authorisation for payment is effected on the system (by no later than 31 March of each year). Under this basis, the revaluation of foreign and domestic investments and loans are also recognised.

Inter-departmental prepayment advances and payables and inter-entity transactions and balances between the departments and the National Revenue Fund (NRF) are eliminated. However, PAYE is not eliminated as it is not considered as an

interdepartmental transaction. VAT is also not eliminated as government does not pay VAT directly to the NRF and government is not a VAT vendor. National Revenue Fund only recognised material provisions that will result in the potential cash outflow to government.

1.2 PRESENTATION CURRENCY

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the departments.

1.3 ROUNDING

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

1.4 COMPARATIVE FIGURES

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

1.5 REVENUE

Appropriated funds include equitable share and conditional grants to entities in terms of an Act of Parliament / Province. Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the appropriated funds made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Total funds appropriated during the financial year are represented in the Statement of Financial Performance.

The net amount of surrenders consists of unexpended appropriated funds which are surrendered to the National Revenue Fund less amounts exceeding the approved statutory appropriation. Amounts owing to the National Revenue Fund at the end of the financial year are recognised as receivables in the Statement of

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

Financial Position and exceeding of approved statutory appropriation are recognised as a payable in the Statement of Financial Position.

1.5.1 Revenue from taxes, levies and duties

Taxpayer-assessed revenues are recognised when funds are received by South African Revenue Services (SARS). Cash in transit or over remitted as at 31 March by the SARS is included in the Statement of Financial Position as other receivables/payables.

All transfers, duties, fees and other monies collected by the South African Revenue Services (SARS) for a province are deposited into the national revenue fund and then transferred to the respective provincial revenue fund are recognised when instructed by SARS.

1.5.2 Departmental revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National Revenue Fund, unless otherwise stated. Any amount owing to the National Revenue Fund at the end of the financial year is recognised as a payable in the statement of financial position. No accrual is made for amounts receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the note to the annual financial statements. Departmental revenue includes the following:

1.5.2.1 Sales of goods and services other than capital assets

This comprises the proceeds from the sale of goods and/or services produced by the departments. Revenue is recognised in the Statement of Financial Performance on receipt of the funds by departments.

1.5.2.2 Fines, penalties & forfeits

Fines penalties and forfeits are compulsory receipts imposed by court or quasi-judicial body. Revenue is recognised in the Statement of Financial Performance on receipt of the funds from the departments.

1.5.2.3 Interest, dividends and rent on land

Interest, dividends and rent on land is recognised in the statement of financial performance when the cash is received from the departments.

1.5.2.4 Sale of capital assets

The proceeds received on sale of capital assets are recognised in the statement of financial performance when the cash is received from departments.

1.5.2.5 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds from departments.

Forex gains and losses are recognised on settlement of loans.

1.5.2.6 Transfers received

Transfers received include transfers from universities and technikons, foreign governments, international organisations, public corporations and private enterprises, households and non-profit institutions and other governmental units. Revenue is recognised in the Statement of Financial Performance on receipt of the funds from the departments.

1.5.3 Gifts, donations and sponsorships (transfers received)

All cash gifts, donations and sponsorships are paid into the National/Provincial Revenue Fund and recorded as revenue in the Statement of Financial Performance on receipts of the funds from the departments. Amounts in transit are recognised as a receivable at the reporting date.

1.5.4 CARA receipts

Funds received derived from the execution of confiscation and forfeiture orders contemplated, in accordance with section 64 of the Prevention of Organized Crime Act, 1998 (Act 121 of 1998). Amounts are recognised by the revenue fund in the Statement of Financial Performance when the cash is received.

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

1.5.5 Aid assistance

Aid assistance is recognised as revenue when received. All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexures to the Annual Financial Statements.

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year).

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

1.5.6 Direct exchequer receipts

This includes revenue fund receipts. Revenue is recognised when the cash is received. This revenue represents receipts other than departmental receipts that are not expected to occur frequently. These items are not included in departmental revenue as they are inclined to distort comparative analysis of the revenue figures. Amounts received by revenue funds are recognised in the Statement of Financial Performance.

1.6 EXPENDITURE

1.6.1 Appropriated funds

Appropriated funds include annual appropriation, statutory appropriation, conditional grant and own funds appropriated to entities in terms of an Act of Parliament / Provincial Legislature. Appropriated funds are recognised in the financial records when approved by Parliament.

Unexpended appropriations surrenders by departments are recognised at financial year-end in the Statement of Financial Position. Expenses incurred where the funds have not been requested against the appropriation are reflected as expenditure.

1.6.2 Compensation of employees

1.6.2.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment [i.e. on the date on which the expenditure is authorised for payment (by no later than 31 March of each year)].

Employee costs are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time on the project. These payments form part of expenditure for capital assets in the statement of financial performance.

1.6.2.2 Social contributions

Employer contributions to post employment benefit plans in respect of current employees are expensed in the statement of financial performance on the date of payment (by no later than 31 March of each year).

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of the employer department.

Employer contributions made by the department for certain of its ex-employees (such as medical benefits) are classified as transfers to households in the statement of financial performance.

1.6.3 Goods and services

Payments made for goods and/or services are recognised as an expense in the statement of financial performance on the date of payment (by no later than 31 March of each year). The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently, R5,000). All other expenditures are classified as current. Rental paid for the use of buildings or other fixed structures is classified as goods and services and not as rent on land.

1.6.4 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

on the date of payment (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount is recorded under goods and services.

1.6.5 Payments for financial assets

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts, but an estimate is included in the notes to the financial statements amounts.

All other losses are recognised when authorisation has been granted for the recognition thereof.

1.6.6 CARA payments

Funds are transferred to departments, when approved by Cabinet, in accordance with section 65 of the Prevention of Organized Crime Act, 1998 (Act 121 of 1998). Amounts transferred by the revenue fund are recognised in the Statement of Financial Performance when approved by Cabinet.

1.6.7 Transfers and subsidies

Transfers and subsidies are recognised as an expense on the date of payment (by no later than 31 March of each year).

1.6.8 Expenditure for capital assets

Payments made for capital assets are recognised as an expense in the statement of financial performance on the date of payment (by no later than 31 March of each year).

1.6.9 Revaluation gains/(losses)

Foreign liabilities, foreign investments and Multilateral Institutions liabilities are re-valued at the closing exchange rate on 31 March. Associated gains and losses are recognised in the Statement of Financial Performance. Gains and losses due to the revaluation of inflation-linked bonds are also included in the Statement of Financial Performance.

1.6.10 Unauthorised expenditure

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

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

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

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

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

1.6.11 Fruitless and wasteful expenditure

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

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

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

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

1.6.12 Irregular expenditure

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

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

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

1.6.13 Direct exchequer payments

This includes revenue fund payments. Expenditure is recognised when funds are transferred to the departments. Expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the departments and therefore are not expected to occur frequently. Amounts transferred by revenue funds are recognised in the Statement of Financial Performance when transferred to the departments.

1.6.14 Other expenditure and RDP Funds due prior to Amendment Act no. 79 of 1998

Expenditure is recognised when payment becomes payable.

1.7 ASSETS

1.7.1 Cash and cash equivalents

Domestic cash and cash equivalents are carried in the statement of financial position at cost.

Bank overdrafts are shown separately on the face of the statement of financial position.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand,

deposits held, other short-term highly liquid investments and bank overdrafts.

Foreign cash and cash equivalents are carried in the statement of finance position at the closing rate of 31 March. Gains and losses on revaluation are recognised in the statement of financial performance.

1.7.2 Other financial assets

Other financial assets are carried in the statement of financial position at cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset

1.7.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made and are derecognised as and when the goods/services are received, or the funds are utilised.

Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

1.7.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party (including departmental employees) and are derecognised upon recovery or write-off.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest, where interest is charged, less amounts already settled or written-off. Amounts that are potentially irrecoverable are included in the notes.

1.7.5 Other receivables

The net of profits and losses arising from exchange forward cover provided by the South African Reserve Bank; including the periodic revaluation of the Reserve Bank's foreign exchange reserves, foreign loans and gold reserves are included in other receivables.

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

1.7.6 Loans

Loans are recognised in the statement of financial position when the cash is paid to the beneficiary. Loans that are outstanding at year-end are carried in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written off.

Amounts that are potentially irrecoverable are included in the notes.

1.7.7 Settlement period of assets and liabilities

1.7.7.1 Current and Non-Current Assets

This represents domestic and foreign assets and should be classified as a current asset when it:

- Is expected to be realised in, or is held for sale or consumption in the normal course of the operating cycle; or
- Is held primarily for trading purposes or for the short-term and expected to be realised within 12 months of the reporting date; or
- Is a Cash and cash equivalent asset.

All other assets with a remaining term longer than one year are classified as non-current assets.

1.7.7.2 Current and Non-Current Liabilities

This represents domestic and foreign liabilities and should be classified as a current liability when it:

- Is expected to be settled in the normal course of the entity's operating cycle; or
- Is due to be settled within twelve months of the reporting date.

All other liabilities with a remaining term longer than one year are classified as non-current liabilities.

1.7.8 Investments

Domestic investments are recognised and measured at face value in the Statement of Financial Position.

Foreign investments represent South Africa's membership/shareholding in the African Development Bank, the International Bank for Reconstruction and Development, the International Finance Corporation, New Development Bank and Multilateral Investment Guarantee Agency. These investments are initially

recognised at face value (i.e., the issue price) and are subsequently revalued using the closing exchange rate at 31 March.

The International Monetary Fund (IMF) quota represents South Africa's membership subscription to the IMF. The investment is denominated in special drawing rights (SDR) and is recognised in the Statement of Financial Position in Rand, converted at the closing SDR exchange rate published by the IMF as at 31 March.

Any gains and or losses on the revaluation of investments and financial liabilities are recognised in the Statement of Financial Performance.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the notes.

1.7.9 Inventory

Inventories that qualify for recognition are recognised initially at cost. Where inventories are acquired as part of non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

All inventory items at year-end are reflected using either the weighted average cost or FIFO cost formula.

1.7.10 Capital assets

1.7.10.1 Movable capital assets

Initial recognition

"A capital asset is recorded in the asset register on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1."

All assets acquired prior to 1 April 2002 are included in the register at R1.

Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "expenditure for capital asset" and is capitalised in the asset register of the department on completion of the project.

ACCOUNTING POLICIES

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Repairs and maintenance are expensed as current "goods and services" in the statement of financial performance.

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

1.7.10.2 Immovable capital assets

Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at fair value.

Subsequent recognition

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

1.7.10.3 Project costs: Work-in-progress

Work-in-progress of a capital nature is recorded in the statement of financial performance as "expenditure for capital asset" when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in the asset register of the department that is accountable for the asset.

Subsequent payments to complete the project are added to the capital asset in the asset register.

Repairs and maintenance are expensed as current "goods and services" in the statement of financial performance.

1.7.10.4 Intangible assets

Initial recognition

An intangible asset is recorded in the asset register on receipt of the item at cost. Cost of an intangible asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the intangible asset is stated at fair value. Where the fair value cannot be determined, the intangible asset is included in the asset register at R1.

All intangible assets acquired prior to April 2002 can be included in the asset register at R1.

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

Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "expenditure for capital asset" and is capitalised in the asset register of the department.

Maintenance is expensed as current "goods and services" in the statement of financial performance.

1.8 LIABILITIES

1.8.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

1.8.2 Lease commitments

Finance lease

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as an expense in the statement of financial performance and are not apportioned between the capital and interest portions. The finance lease liability is disclosed in the notes to the financial statements.

Operating lease

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the discloser notes to the financial statements at:

- (a) the fair value of the leased asset or if lower,
- (b) the present value of the minimum lease payments,

Each determined at the inception of the lease. The discount rate to be used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine; if not, a reasonable proxy rate such as the prime lending rate at inception of the lease can be used.

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

1.8.3 Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

1.8.4 Contingent liabilities

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

1.8.5 Contingent assets

Contingent assets are recorded in the notes to the financial statements when it is probable that an inflow of economic benefits will flow to the National revenue fund. Contingent assets include the Gold and Foreign Exchange Contingency Reserve Account that is initially measured at cost as it does not have a fixed maturity date and is subsequently revalued with the profits and losses incurred on gold and foreign exchange transactions.

1.8.6 Commitments

Contracted Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes at cost.

1.8.7 Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the notes to the financial statements. These amounts are not recognised in the statement of financial performance or the statement of financial position.

1.8.8 Provisions

Provisions are recorded in the notes to the financial

statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

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

1.8.9 Multilateral Institutions

The callable portions of South Africa's subscription in the African Development bank, the International Bank for Reconstruction and Development, the International Finance Corporation, New Development Bank and Multilateral Investment Guarantee Agency are recognised as a financial liability and are initially measured at face value (i.e. the issue price) and are subsequently revalued using the closing exchange rate at 31 March.

1.9 BORROWINGS

1.9.1 Domestic Borrowings

Domestic current borrowings consist mainly of Treasury bills with a term-to-maturity varying between 1 to 365 days, CPD borrowings and long-term domestic loans due to be settled within 12 months of the reporting date. Treasury bills and CPD borrowings are recognised at face value.

Domestic non-current borrowings consist of fixed-rate, inflation-linked, retail bonds. All these instruments except for inflation-linked bonds are recognised at face value. Inflation-linked bonds are recognised at transaction amount. Inflation-linked bonds have been revalued using the relevant "reference CPI" at year end (settlement value).

The face value and / or settlement value represents the amount that will be paid to the bond holder at maturity of the instrument.

1.9.2 Foreign Loans and Bonds

Foreign loans and bonds are initially recognised at face value and subsequently revalued to rand using the closing exchange rates as at 31 March. Foreign

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

loans are not hedged against foreign currency movements.

1.10 FOREIGN LOANS

Foreign loans are uncovered and converted to rand using the closing exchange rates as at 31 March.

1.11 NET ASSETS

1.11.1 Capitalisation reserve

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

1.11.2 Recoverable revenue

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

1.12 RELATED PARTY TRANSACTIONS

Specific information with regards to related party transactions is included in the notes.

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

The number of individuals and full compensation of key management personnel (including compensation paid to their family members where relevant) is recorded in the notes to the financial statements.

1.13 PUBLIC PRIVATE PARTNERSHIPS

A public private partnership (PPP) is a commercial

transaction between the department and a private party in terms of which the private party:

- Performs an institutional function on behalf of the institution; and/or
- acquires the use of state property for its own commercial purposes; and
- assumes substantial financial, technical and operational risks in connection with the performance of the institutional function and/or use of state property; and
- receives a benefit for performing the institutional function or from utilizing the state property, either by way of:
 - consideration to be paid by the department which derives from a Revenue Fund;
 - charges fees to be collected by the private party from users or customers of a service provided to them; or
 - a combination of such consideration and such charges or fees.

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

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the notes to the financial statements.

1.14 RESTATEMENTS AND ADJUSTMENTS

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

1.15 EVENTS AFTER THE REPORTING DATE

Subsequent events that are both favourable and unfavourable which occurred between the reporting date and the date when the financial statements are authorised for issue, are included as a note to the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
2	Revenue from Taxes, levies and Duties		
	Taxation		
Income tax		1 100 538 031	1 008 563 649
Value-added tax / Sales tax		457 788 790	447 556 730
Fuel levies		85 882 627	91 508 106
Customs duties		75 136 294	69 363 764
Excise duties		64 126 253	58 732 533
Skills Development Levy		24 447 989	22 604 347
Environmental levies		14 095 403	13 229 764
Transfer duties		11 366 699	9 581 333
Securities transfer tax		5 958 032	5 484 989
Southern African Customs Union member duties		4 085 446	3 321 859
Estate duty		4 035 861	3 532 501
State miscellaneous revenue		2 442 952	2 639 347
Health promotion levy		2 422 665	2 359 484
Donations Tax		1 144 498	801 097
Air Passenger Tax		1 021 318	945 694
Export Duty and Scrap Metal		467 243	411 108
Other Taxation Revenue		318 156	241 424
Total Taxation		1 855 278 257	1 740 877 729
	Non-taxation revenue		
Road accident fund levy		47 347 385	48 545 535
Unemployment Insurance Fund (UIF)		25 570 180	24 414 477
Mineral and Petroleum Resource Royalty		10 636 083	15 979 465
Other non-taxation revenue		(26 959)	
Total Non-taxation		83 526 689	88 939 477
Total Gross Revenue		1 938 804 946	1 829 817 206
	Less		
Less: South African Customs Union Agreement		89 874 115	79 810 981
Less: Payment to UIF		23 326 062	22 266 261
Less: Payable by SARS to UIF		2 244 118	2 148 216
Less: Payment to RAF		47 357 882	48 573 277
Less: Payable by SARS to RAF		17 245	(179 103)
Total		162 819 422	152 619 632
Total Net Revenue for the Year		1 775 985 524	1 677 197 574
3	Departmental Revenue		
NRF receipts		8 453 607	19 027 097
Sales of goods and services other than capital assets		9 554 495	12 529 797
Fines, penalties and forfeits		384 530	376 376
Interest, dividends and rent on land		11 280 361	12 821 257
Sales of capital assets		350 191	192 334
Transactions in financial assets and liabilities		202 296 631	862 901
Transfer received		1 422 587	599 867
Total Revenue Collected		233 742 402	46 409 629
Less: Own revenue included in appropriation		-	-
Total		233 742 402	46 409 629

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
4	Other Revenue		
Surrenders		2 537 782	6 614 885
Other revenue received		194 484	367 465
Total		2 732 266	6 982 350
5	5.1 Aid assistance		
Opening Balance		506 639	261 788
Prior period error		-	-
As restated		506 639	261 788
Transferred from statement of financial performance		1 125 964	1 190 807
Transferred to/from retained funds		164 390	(572 138)
Paid during the year		(478 138)	(373 818)
Closing Balance		1 318 855	506 639
5.2 Analysis of balance by source			
Aid assistance from RDP		657 189	295 569
Aid assistance from other sources		6 752	24 392
CARA		654 914	186 678
Closing Balance		1 318 855	506 639
	Analysis of Balance		
Aid assistance receivable		(139 475)	(97 927)
Aid assistance prepayments		(26 342)	-
Aid assistance unutilised		709 841	266 787
Aid assistance repayable		774 831	337 779
Closing Balance		1 318 855	506 639
6	Appropriated funds		
Annual appropriation		(7 952 001)	(3 023 172)
Statutory appropriation		454 169 207	436 059 151
Total appropriation		446 217 206	433 035 979
7	Compensation of employees		
Salaries and Wages			
Basic Salary		132 668 452	127 545 107
Performance Award		109 505	111 254
Service Based		669 759	695 295
Compensative/circumstantial		9 271 380	8 176 205
Periodic Payments		239 920	204 361
Other non-pensionable allowances		27 149 330	25 491 166
Total		170 108 346	162 223 388

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/25 R'000
Social Contributions			
Employer contributions			
Pension		19 357 386	18 526 728
Medical		16 988 800	14 433 259
UIF		2 616	2 692
Bargaining Council		15 794	15 384
Official unions and associations		21 725	20 332
Insurance		46 064	39 040
Total		36 432 385	33 037 435
Total compensation of employees		206 540 731	195 260 823
Average number of employees		387 660	392 064
 8 Goods and services			
Administrative fees		545 613	586 403
Advertising		355 286	347 192
Minor assets	8.1	184 108	362 070
Bursaries (employees)		122 647	105 643
Catering		212 820	235 180
Communication		1 333 770	1 337 203
Computer services	8.2	8 354 634	8 595 036
Consultants, contractors and outsourced services		3 950 076	4 363 112
Infrastructure and planning services		267 628	255 830
Laboratory services		99 142	104 376
Scientific and technological services		801 204	688 969
Legal services		1 464 724	1 342 256
Contractors		7 597 500	7 342 879
Agency and support / Outsourced services		5 416 967	5 419 300
Entertainment		7 067	14 003
Audit cost – external	8.3	673 434	663 866
Fleet services		6 214 936	5 998 136
Inventory	8.4	9 125 766	7 373 554
Consumables	8.5	2 763 709	2 981 509
Operating leases		12 812 544	11 183 369
Property payments	8.6	9 742 258	8 713 406
Rental and hiring		97 320	109 497
Transport provided part of departmental activities		82 569	94 247
Travel and subsistence	8.7	7 597 545	7 965 003
Venues and facilities		517 247	560 734
Training and staff development		620 922	601 680
Other operating expenditure	8.8	2 673 302	2 618 325
Total		83 634 738	79 028 351
 8.1 Minor Assets			
Tangible assets		183 862	361 848
Buildings and other fixed structures		51	54
Biological assets		-	191
Machinery and equipment		183 779	361 506
Specialised military assets		32	97
Intangible assets		246	222
Software		246	222
Total		184 108	362 070

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
8.2 Computer services			
SITA computer services		3 643 889	3 215 212
External computer service providers		4 710 745	5 379 824
Total		8 354 634	8 595 036
8.3 Audit cost – external			
Regularity audits		626 325	623 487
Performance audits		-	1 300
Investigations		19 480	20 588
Computer audits		27 629	18 491
Total		673 434	663 866
8.4 Inventory			
Clothing material and accessories		665 830	467 406
Farming supplies		1 071 758	672 768
Food and food supplies		3 155 766	2 790 602
Fuel, oil and gas		740 596	828 239
Learning and teaching support material		1 427 664	1 264 801
Materials and supplies		820 637	239 014
Medical supplies		89 087	94 465
Medicine		256 664	313 216
		897 764	703 043
Total		9 125 766	7 373 554
8.4.1 Other Supplies			
Ammunition and security supplies		60 335	79 266
Assets for distribution		146 917	223 948
Machinery and equipment ⁹		49 659	160 173
Sports furniture		-	6 622
Sports and recreation		11 330	16 866
Other assets for distribution		85 928	40 287
Other		690 512	399 829
Total		897 764	703 043
8.5 Consumables			
Consumable supplies		1 259 276	1 367 240
Uniform and clothing		135 404	158 254
Household supplies		408 367	443 100
Building material and supplies		75 767	118 915
Communication accessories		1 049	10 726
IT consumables		87 052	81 787
Other consumables		551 637	554 458
Stationery, printing and office supplies		1 504 433	1 614 269
Total		2 763 709	2 981 509

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
8.6	Property payments		
	Municipal services	6 359 892	5 631 296
	Property management fees	1 057 749	960 073
	Property maintenance and repairs	602 052	535 324
	Other	1 722 565	1 586 713
	Total	9 742 258	8 713 406
8.7	Travel and subsistence		
	Local	6 333 273	6 704 039
	Foreign	1 264 272	1 260 964
	Total	7 597 545	7 965 003
8.8	Other operating expenditure		
	Professional bodies, membership and subscription fees	168 017	174 767
	Resettlement costs	146 817	177 469
	Other	2 358 468	2 266 089
	Total	2 673 302	2 618 325
9	Interest and Rent on Land		
	Interest expense	271 071	247 603
	Rent on land	61 955	49 789
	Total interest and rent on land	333 026	297 392

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		Notes	2024/25 R'000	2023/24 R'000
10	Expenditure on capital assets			
10.1	Tangible assets			
	Buildings and other fixed structures		16 085 009	16 241 057
	Heritage assets		9 912 814	10 454 499
	Machinery and equipment		122 021	64 215
	Specialised military assets		5 141 417	5 102 490
	Land and subsoil assets		180 729	197 016
	Biological assets		725 348	410 127
			2 680	12 710
10.2	Intangible assets			
	Computer software		599 661	452 306
	Patents, licences, copyright, brand names, trademarks		599 661	452 259
			-	47
	Total		16 684 670	16 693 363
	Compensation for capital expenditure			
	Compensation of employees		6 793	6 511
	Goods and services		33 258	10 209
	Total		40 051	16 720
	Analysis of funds utilised to acquire capital assets			
	Tangible assets			
	Voted Funds		15 940 726	15 999 157
	Buildings and other fixed structures		9 740 687	10 446 485
	Heritage assets		122 021	64 215
	Machinery and equipment		5 169 261	4 868 604
	Specialised military assets		180 729	197 016
	Land and subsoil assets		725 348	410 127
	Biological assets		2 680	12 710
	Aid assistance		144 283	241 899
	Buildings and other fixed structures		19	8 015
	Machinery and equipment		144 264	233 884
	TOTAL		16 085 009	16 241 056
	Software and other intangible assets			
	Voted Funds		596 469	435 416
	Computer software		596 469	435 416
	Aid assistance		3 192	16 891
	Computer software		3 192	16 891
	TOTAL		599 661	452 307
10.3	Finance lease expenditure included in expenditure for capital assets			
	Tangible assets			
	Buildings and other fixed structures		383 994	359 830
	Machinery and equipment		400 520	386 460
	Total		784 514	746 290

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
12	Transfers and subsidies		
Provinces and municipalities		898 624 749	864 285 112
Departments agencies and accounts		166 415 716	165 650 816
Higher education institutions		52 650 194	49 722 078
Foreign governments and international organisations		3 438 066	2 973 473
Public corporations and private enterprises		137 984 996	42 090 990
Non-profit institutions		3 273 673	3 522 891
Households		281 173 160	266 731 520
Total		1 543 560 554	1 394 976 880
13	Other financial assets		
Current			
Local			
Total		-	-
Foreign			
Rental deposits for employees based abroad		27 469	26 750
Total		27 469	26 750
Total Current other financial assets		27 469	26 750
Non-current			
Local			
Municipality deposit		100	100
Total		100	100
Foreign			
Rental deposits for employees based abroad		41 785	45 141
Total Non-current		41 785	45 141
Total Non-Current other financial assets		41 885	45 241
14	Payments for financial assets		
Material losses through criminal conduct		68	613
Theft		31	613
Other material losses		37	-
Purchase of equity		204 000	1 000 000
Extension of loans policy purposes		816 900	950 841
Other materials losses written off		22 417	16 753
Debt written off		148 678	69 156
Forex losses		32 050	1 603
Debt take overs		5 021 087	-
Total		6 245 200	2 038 966

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
15 Cash and Cash equivalents			
Consolidated Paymaster General Account		11 204 533	12 078 229
Cash receipts		20	20
Disbursements		(78 738)	(20 879)
Cash on hand		125 366 855	73 381 378
Investments (Domestic)		555 676	779 059
Investments (International)		41 315	96 395
Foreign Currency Investment, Cash with SARB		88 285 045	101 199 516
Other		(63 837)	(301 422)
Total Cash and cash equivalents		225 310 869	187 212 296
16 Prepayments and Advances			
Staff advances		4 500	31 273
Travel and subsistence		339 940	310 830
Prepayments (Not expensed)	16.2	881 218	166 662
Advances paid (Not expensed)	16.1	2 117 881	711 158
Total		3 343 539	1 219 923
16.1 Advances paid (Not expensed)			
Balance at the beginning of the year			
National departments		499 041	456 962
Provincial departments		33 809	87 025
Public entities		337 204	470 332
Other institutions		54 534	120 028
Total		924 588	1 134 347
Less: Amount expensed in current year			
National departments		(2 017 858)	(1 164 608)
Provincial departments		(166 620)	(100 053)
Public departments		(2 844 034)	(1 899 423)
Other institutions		(489 459)	(997 264)
Total		(5 517 971)	(4 161 348)
Add/Less: Other			
National departments		(33 589)	(23 828)
Provincial departments		-	(29 314)
Public entities		420	(7 591)
Other institutions		(45 623)	(119 782)
Total		(78 792)	(180 515)
Add: Current year advances			
National departments		2 260 808	1 230 515
Provincial departments		161 855	76 151
Public entities		3 684 608	1 773 886
Other institutions		796 025	1 051 552
Total		6 903 296	4 132 104
Closing Balance at Year End			
National departments		595 162	285 611
Provincial departments		29 044	33 809
Public entities		1 178 198	337 204
Other institutions		315 477	54 534
Total		2 117 881	711 158

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
16.2 Prepayments (Not expensed)			
Balance at the Beginning of the Year			
<i>Listed by economic classification</i>			
Goods and services		113 122	169 146
Transfers and subsidies		4 625	43 556
Capital assets		45 806	48 683
Other		3 109	2 630
Total		<u>166 662</u>	<u>264 015</u>
Less: Amount expensed in current year			
<i>Listed by economic classification</i>			
Goods and services		(1 819 744)	(1 613 096)
Transfers and subsidies		(296 238)	(496 848)
Capital assets		(65 015)	(127 153)
Total		<u>(2 180 997)</u>	<u>(2 237 097)</u>
Add/Less: Other			
<i>Listed by economic classification</i>			
Goods and services		76 575	(5 649)
Capital assets		-	2 496
Total		<u>76 575</u>	<u>(3 153)</u>
Add: Current year payments			
<i>Listed by economic classification</i>			
Goods and services		2 379 810	1 562 721
Transfers and subsidies		316 635	457 917
Capital assets		122 125	121 780
Other		408	479
Total		<u>2 818 978</u>	<u>2 142 897</u>
Closing Balance at Year End			
<i>Listed by economic classification</i>			
Goods and services		749 763	113 122
Transfers and subsidies		25 022	4 625
Capital assets		102 916	45 806
Other		3 517	3 109
Total		<u>881 218</u>	<u>166 662</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
16.3 Prepayments (Expensed)			
Balance at the Beginning of the Year			
<i>Listed by economic classification</i>			
Goods and services		616 674	954 303
Transfers and subsidies		811	16 991
Capital assets		20 438	93 557
Total		<u>637 923</u>	<u>1 064 851</u>
Less: Received in the current year			
<i>Listed by economic classification</i>			
Goods and services		(433 959)	(1 109 039)
Transfers and subsidies		(632)	(16 180)
Capital assets		(3 008)	(44 602)
Total		<u>(437 599)</u>	<u>(1 169 821)</u>
Add/Less: Other			
<i>Listed by economic classification</i>			
Goods and services		(15 114)	(422 616)
Transfers and subsidies		(179)	-
Capital assets		(16 753)	(31 256)
Total		<u>(32 046)</u>	<u>(453 872)</u>
Add: Current Year prepayments			
<i>Listed by economic classification</i>			
Goods and services		-	1 194 026
Capital assets		-	2 739
Total		<u>-</u>	<u>1 196 765</u>
Closing Balance at Year End			
<i>Listed by economic classification</i>			
Goods and services		167 601	616 674
Transfers and subsidies		-	811
Capital assets		677	20 438
Total		<u>168 278</u>	<u>637 923</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
16.4	Advances paid (Expensed)		
	Balance at the Beginning of the Year		
National departments		560 484	801 987
Provincial departments		17 246	14 010
Public entities		6 434 918	5 961 140
Other institutions		1 473 241	902 223
Total		<u>8 485 889</u>	<u>7 679 360</u>
	Less: Received in the current year		
National departments		-	44 017
Provincial departments		-	2 766
Public entities		(1 700 704)	(1 210 598)
Other institutions		(212 956)	57 509
Total		<u>(1 913 660)</u>	<u>(1 106 306)</u>
	Add/Less: Other		
National departments		(560 484)	(1 070 294)
Provincial departments		(17 246)	(108 261)
Public entities		(1 057 194)	(227 432)
Other institutions		(103 641)	293 865
Total		<u>(1 738 564)</u>	<u>(1 112 122)</u>
	Add: Current Year advances		
National departments		-	784 774
Provincial departments		-	108 731
Public entities		-	1 911 808
Other institutions		-	219 644
Total		<u>-</u>	<u>3 024 957</u>
	Closing Balance at Year End		
National departments		560 484	
Provincial departments		17 246	
Public entities		3 677 020	6 434 918
Other institutions		1 156 644	1 473 241
Total		<u>4 833 664</u>	<u>8 485 889</u>
17	Receivables		
Claims recoverable	17.1	6 313 857	6 157 425
Trade receivables	17.2	15 563	17 860
Recoverable expenditure	17.3	351 905	338 014
Staff debt	17.4	851 862	754 590
Other receivables	17.5	2 461 712	1 968 626
Voted funds to be surrendered to the Revenue Fund		11 427	501 788
Departmental Revenue to be surrendered to the Revenue Fund		2 734 902	(292 309)
Other		<u>7 926 104</u>	<u>281 790</u>
Total		<u>20 667 332</u>	<u>9 727 784</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
Current			
Claims recoverable		5 816 531	5 601 330
Trade receivables		27	3 390
Recoverable expenditure		310 231	283 692
Staff debt		493 918	458 228
Other receivables		1 054 592	820 466
Departmental Revenue to be surrendered to the Revenue Fund		2 734 902	(292 309)
Other		7 926 104	281 790
Total Current		<u>18 347 732</u>	<u>7 658 375</u>
Non-current			
Claims recoverable		497 326	556 095
Trade receivables		15 536	14 470
Recoverable expenditure		41 674	54 322
Staff debt		357 944	296 362
Other receivables		1 407 120	1 148 160
Total Non-current		<u>2 319 600</u>	<u>2 069 409</u>
17.1 Claims Recoverable			
National departments		2 856 514	2 536 333
Provincial departments		2 717 614	2 405 753
Foreign government		4 831	3 558
Public entities		690 713	1 036 092
Private enterprises		40 271	167 974
Higher education institutions		73	-
Households and non-profit institutions		3 631	1 547
Local governments		210	6 168
Total		<u>6 313 857</u>	<u>6 157 425</u>
17.2 Trade receivables			
Trade receivables		15 563	17 860
Total		<u>15 563</u>	<u>17 860</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
17.3	Recoverable expenditure		
	Salary related Disallowance	39 587	43 315
	Damages and Losses	69 835	60 265
	Disallowance Miscellaneous	215 350	195 633
	Debt and Suspense account	21 957	32 697
	Other	5 176	6 104
	Total	351 905	338 014
17.4	Staff debt		
	Debt Account	312 817	249 758
	Salary and other related debt	495 109	460 660
	Bursary & Student Debt	43 936	44 172
	Total	851 862	754 590
17.5	Other debtors		
	Salary related	111 207	348 413
	Receivable Related Line Items	1 821 969	1 090 662
	Bursaries	83 922	90 793
	Miscellaneous	444 614	438 758
	Total	2 461 712	1 968 626
17.6	Impairment of receivables		
	Estimate of impairment of receivables	4 151 364	3 072 177
	Total	4 151 364	3 072 177
18	Loans		
	Public corporations	56 028 000	32 028 203
	Higher education institutions	150	161
	Total Loans Balance	56 028 150	32 028 364
	Less: Current	(56 000 759)	(32 000 969)
	Total Non-Current	27 391	27 395
	Analysis of Total Loans Balance		
	Opening balance	32 028 364	28 846
	New Issues	64 000 006	76 000 032
	Repayments	(220)	(514)
	Write-offs	(40 000 000)	(44 000 000)
	Closing balance	56 028 150	32 028 364

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
19 Investments			
Non-Current Investments			
Foreign		577 614 198	596 299 770
Shares and other equity		490 125 406	449 607 412
Total non-current		<u>1 067 739 604</u>	<u>1 045 907 182</u>
Analysis of non-current investments			
Opening balance		449 607 412	402 207 412
Additions in cash		204 000	3 400 000
Non-cash movements		40 313 994	44 000 000
Closing balance		<u>490 125 406</u>	<u>449 607 412</u>
Impairment of Investments			
Estimate of impairment of Investments		<u>146 337 122</u>	<u>125 408 647</u>
Total		<u>146 337 122</u>	<u>125 408 647</u>
Number of shares			
International Finance Corporation		132 805	132 805
International Bank for Reconstruction and Development		20 793	20 793
Multilateral Investment Guarantee Agency		1 662	1 662
African Development Bank		732 928	729 818
New Development Bank		100 000	100 000
Special Drawing Rights			
International Monetary Fund Quota-Subscription		3 051 200	3 051 200
International Monetary Fund SDR Holding		4 450 382	4 399 303
Issue price per share			
Foreign:			
<i>Issued in American dollars</i>			
International Finance Corporation		18 369	19 037
International Bank for Reconstruction and Development		2 215 932	2 296 504
Multilateral Investment Guarantee Agency		198 751	205 978
New Development Bank		1 836 890	1 903 680
<i>Issued in unit of account</i>			
African Development Bank		221 593	229 650
Exchange rates as at year end used to convert issue price			
American dollar (USD)		18	19
Special Drawing Rights (SDR)		24	25

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
Non-Current Investments- Shares and other equity			
Major investments per National Department:			
Agriculture, Land Reform and Rural Development			
Onderstepoort Biological Products Ltd	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>
Communications and Digital Technologies			
Telkom SA Limited		2 070 381	2 070 381
South African Post Office Limited		10 564 116	10 564 116
Sentech (Pty) (Ltd)		75 892	75 892
Vodacom Group Limited			3 743
Broadband Infraco		1 351 130	1 351 130
SABC		3 200 000	3 200 000
	<u>17 261 519</u>	<u>17 265 262</u>	<u>17 265 262</u>
Environment, Forestry and Fisheries			
SAFCOL SOC Ltd		318 013	
	<u>318 013</u>		
Human Settlements			
National Housing Finance Corporation		2 363 635	2 363 635
SERVCON		604	604
	<u>2 364 239</u>	<u>2 364 239</u>	<u>2 364 239</u>
Mineral Resources and Energy			
Nuclear Energy Corporation of South Africa		2 205	2 205
	<u>2 205</u>	<u>2 205</u>	<u>2 205</u>
National Treasury			
Development Bank of Southern Africa		200 000	200 000
Public Investment Corporation Limited		1	1
Sasria		22 000 000	22 000 000
Land Bank		13 397 655	7 397 655
	<u>35 597 656</u>	<u>29 597 656</u>	<u>29 597 656</u>
Public Enterprises			
Alexkor SOC Ltd		400 000	400 000
Denel SOC Ltd		15 203 961	11 621 262
Eskom SOC Ltd		325 550 000	285 550 276
Safcol SOC Ltd		318 013	318 013
Transnet SOC Ltd		18 497 986	18 497 986
South African Express SOC Ltd		2 277 395	2 277 395
South African Airways SOC Ltd		61 144 102	61 144 102
	<u>423 391 457</u>	<u>383 391 733</u>	<u>383 391 733</u>
Defence			
ARMSCOR		75 000	75 000
Special Defence activities		104 156	104 156
	<u>179 156</u>	<u>179 156</u>	<u>179 156</u>
Trade, Industry and Competition			
IDC A Shares 1 000 000 at cost (100% shareholding)		1 000	1 000
IDC B Share 1 391 969 357 at cost (100% shareholding)		1 391 969	1 391 969
	<u>1 392 969</u>	<u>1 392 969</u>	<u>1 392 969</u>
Transport			
Passenger Rail Agency of South Africa Ltd.		4 248 259	4 248 259
Airports Company Ltd.		2 884 242	2 884 242
Air Traffic and Navigational Services Company Ltd.		394 646	190 646
S.A. National Roads Agency Ltd.		1 091 044	1 091 044
	<u>8 618 191</u>	<u>8 414 191</u>	<u>8 414 191</u>
Total Investments - Shares and other equity		490 125 406	449 607 412

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/2024 R'000
20	Bank Overdraft		
	Consolidated Paymaster General Account	24 547 453	25 181 028
	Overdraft with commercial banks (Local)	5	9
		<u>24 547 458</u>	<u>25 181 037</u>
21	Payables		
21.1	Payables- Current		
	Amounts owing to other entities	19 641	139 507
	Advances received	21.1.1 1 666 484	1 006 986
	Clearing accounts	21.1.2 59 962	43 894
	Other payables	21.1.3 1 014 975	1 505 581
	Voted funds to be transferred	-	696 043
	Other	<u>2 009 090</u>	<u>2 024 425</u>
	Total	<u>4 770 152</u>	<u>5 416 436</u>
21.1.1	Advances received		
	Provincial departments	877 492	742 834
	Public entities	779 278	236 821
	Other institutions	9 714	27 331
	Total	<u>1 666 484</u>	<u>1 006 986</u>
21.1.2	Clearing accounts		
	Clearing accounts	10 807	6 602
	Government Employee Housing Scheme	3 503	5 461
	Salary related	31 078	23 516
	Salary Income tax	6 145	4 446
	Supplier, Payables and Other	8 429	3 869
	Total	<u>59 962</u>	<u>43 894</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
21.1.3 Other payables			
Restitution Bank Account and Unclaimed Vouchers		1 476	294 575
Agency services		222 902	150 854
Disallowance and Salary related		189 111	342 173
Suppliers & Creditors		179 220	99 450
Payables & suspense account		210 563	423 425
Vouchers		211 703	195 104
Total		1 014 975	1 505 581
21.2 Payables-Non-current			
Advances received	212.1	212	212
Other payables	212.2	1 024 711	898 588
Total		1 024 923	898 800
One to two years			
Other payables		69 055	-
Total		69 055	-
Two to three years			
Other payables		69 335	-
Total		69 335	-
More than three years			
Advances received		212	-
Other payables		886 321	-
Total		886 533	-
21.2.1 Advances received			
Provincial departments		212	212
Total		212	332

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
21.2.2 Other Payables			
Debt receivable income		841 258	748 296
Debt receivable interest		106 086	92 789
SASSA related		34 474	33 652
Salary related		35 271	14 884
Vukuphile Epwp projects	687 687	687	687
Other		6 935	8 280
Total		1 024 711	898 588
22 Borrowings			
Current			
Domestic		661 919 791	612 818 270
Foreign		58 271 268	38 435 771
Total Current Borrowings		720 191 059	651 254 041
22.1 Domestic short-term bonds, debentures and other loans			
Debt as at 1 April		612 818 270	533 206 240
Created		15 114 004	12 019 995
Reduced		(133 953 789)	(134 728 368)
Transfer from long-term		128 709 741	89 416 231
Revaluation premium on inflation-linked bonds		-	24 316 547
Treasury bills		39 231 565	88 587 625
		661 919 791	612 818 270
Composition of short-term bonds, treasury and other loans			
22.1.1			
Composition of short-term bonds, treasury bills and other loans			
1-day Treasury bills		72 585	72 585
91-day Treasury bills		16 042 940	14 255 000
182-day Treasury bills		94 157 750	84 830 000
273-day Treasury bills		179 063 000	166 358 160
365-day Treasury bills		260 222 510	245 111 420
CPD borrowing		876 305	576 361
Fixed-rate bonds		108 520 681	-
Inflation-linked bonds		-	100 587 538
Retail Bonds		2 957 053	1 020 240
Other		6 967	6 966
Total		661 919 791	612 818 270
22.2 Foreign short-term bonds, debentures and other loans			
Debt as at 1 April		38 435 771	44 906 079
Reduced		(38 926 628)	(44 906 079)
Transfer from long-term		40 706 377	35 260 792
Revaluation of foreign loans		18 055 747	3 174 979
Total		58 271 268	38 435 771

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
23	Non-current Borrowings		
	Long Term		
	Domestic	4 429 756 878	4 054 958 170
	Foreign	543 630 703	553 187 500
	Total Long-Term Borrowings	4 973 387 581	4 608 145 670
	Domestic long-term bonds, debentures and other loans		
23.1	Debt as at 1 April	4 054 958 170	3 676 564 988
	Created	466 579 435	468 176 280
	Reduced	(265 343 632)	(249 067 229)
	Transfer to short-term	(128 709 741)	(88 395 990)
	Revaluation premium on inflation-linked bonds	302 272 646	247 680 121
	Total	4 429 756 878	4 054 958 170
23.1.1	Composition of long-term bonds and other loans		
	Fixed-rate bonds	3 120 589 257	2 962 423 732
	Inflation-linked bonds	1 077 950 268	926 935 200
	Floating-linked bonds	183 515 000	118 340 000
	Retail bonds	27 277 486	26 834 371
	Sukuk bonds	20 386 000	20 386 000
	Former Regional Authorities	38 867	38 867
		4 429 756 878	4 054 958 170
23.1.2	Redemption Analysis		
	Financial year(s)		
	2025-2028	322 378 990	265 414 208
	2028-2031	680 610 264	728 436 885
	2031-2034	833 895 155	681 866 904
	2034-2037	786 805 517	529 467 507
	2037-2041	495 838 193	682 610 064
	2041-2044	290 038 807	185 434 167
	2044-2047	427 114 560	335 052 078
	2047-2051	510 568 334	472 310 957
	2051-2054	75 165 509	172 023 787
	2054-2059	7 341 549	2 341 613
		4 429 756 878	4 054 958 170

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
23.2 Foreign long-term bonds and other loans			
Debt as at 1 April		419 824 316	510 750 845
Created		67 487 326	45 662 970
Transfer to short-term		(40 627 577)	(38 435 771)
Revaluation premium on inflation-linked bonds		96 946 639	35 209 457
		543 630 703	553 187 500
23.2.1 Redemption analysis			
Financial years(s)			
2025-2028		51 267 141	100 720 739
2028-2031		99 192 060	119 647 911
2031-2034		26 944 593	81 026 565
2034-2037		62 968 351	26 387 939
2037-2041		50 742 593	21 406 809
2041-2044		11 924 539	23 901 943
2044-2047		54 669 345	26 280 382
2047-2051		128 978 492	122 609 790
2051-2054		29 390 240	31 205 421
2054-2059		27 553 350	-
		543 630 703	553 187 500
23.2.2 Currency analysis			
South African Rand		4 685 057	5 008 164
Euro		43 681 189	40 890 442
Special Drawing Rights		-	19 217 886
United States dollar		494 036 325	486 390 240
Canadian Dollar		1 228 133	1 680 768
		543 630 703	553 187 500
24 LIABILITIES IN MULTI-LATERAL INSTITUTIONS			
IMF- Securities Account		76 985 328	118 089 410
IMF – SDR Allocations		154 650 133	160 273 269
International Bank for Reconstruction and Development		146 951 200	152 294 400
Multilateral Investment Guarantee Agency		114 687 509	118 659 436
African Development Bank		42 769 370	44 324 481
New Development Bank		267 618	277 349
Total Multi-lateral Institutions		536 311 160	593 918 345

These liabilities in multi-lateral institutions are revalued at closing exchange rate as at 31 March.

INTERNATIONAL MONETARY FUND-SECURITIES

24.1 ACCOUNT	76 985 328	118 089 410
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This commitment represents the balance of securities in the International Monetary Fund's (IMF) General Resources Account held with the South African Reserve Bank.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
24.2 AFRICAN DEVELOPMENT BANK		42 769 370	44 324 481
		This commitment represents the callable portion of a country's subscription available to the African Development Bank to meet its obligations on borrowing of funds or guarantees chargeable.	
24.3 NEW DEVELOPMENT BANK		267 618	277 349
		This commitment represents the callable portion of a country's subscription available to New Development Bank to meet its obligations on borrowing of funds or guarantees chargeable.	
	INTERNATIONAL MONETARY FUND – SDR ALLOCATIONS	154 650 133	160 273 269
		The special drawing rights deposit at the South African Reserve Bank is the Rand equivalent of South Africa's special drawing right liability towards the International Monetary Fund, in terms of the Finance and Financial Adjustments Acts, Consolidation Act 11 of 1977.	
24.5 INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT		146 951 200	152 294 400
		This commitment represents the callable portion of a country's subscription available to the International Bank for Reconstruction and Development (IBRD) to meet its obligations for funds borrowed or loans guaranteed by it.	
24.6 MULTI-LATERAL INVESTMENT GUARANTEE AGENCY		114 687 509	118 659 436
		This commitment represents the callable portion of a country's subscription available to the Multilateral Investment Guarantee Agency (MIGA) to meet its obligations on foreign investment guarantees to investors that are planning investments in developing member countries.	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
25	Net cash flow available from operating activities		
	Net surplus/(deficit) as per Statement of Financial Performance	(271 292 103)	(470 798 441)
	Add back non-cash/cash movements not deemed operating activities	(73 876 608)	(19 661 885)
	(Increase)/decrease in receivables – current	7 420 506	(18 582 492)
	(Increase)/decrease in prepayments and advances	(2 853 981)	176 385
	(Increase)/decrease in other current assets	3 810 239	1 907 485
	Increase/(decrease) in payables – current	(35 096)	(2 546 608)
	Proceeds from sale of capital assets	(349 288)	(193 514)
	Proceeds from sale of investments	(193 761)	(256 829)
	(Increase)/decrease in other financial assets	719	17 202
	Expenditure on capital assets	16 684 670	16 693 363
	Surrenders to Revenue Fund	(290 873 937)	(112 960 491)
	Surrenders to RDP Fund/Donor	(451 796)	(373 818)
	Voted funds not requested/not received	(7 881 965)	(3 111 668)
	Own revenue included in appropriation	100 000 000	-
	Other non-cash items	100 847 082	99 569 100
	Net cash flow generated by operating activities	(352 789 189)	(455 514 042)
26	Reconciliation of cash and cash equivalents for cash flow purposes		
	Consolidated paymaster General Account	(13 342 920)	(13 102 799)
	Cash receipts	20	20
	Disbursements	(78 738)	(20 879)
	Cash on hand	140 060	222 255
	Cash with commercial banks (Local)	125 782 466	73 938 173
	Cash with commercial banks (Foreign)	88 326 360	101 295 911
	ALM PMG Balance	(63 837)	(301 539)
	Total cash and cash equivalents for cash flow purposes	200 763 411	162 031 142

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
27	Reconciliation of prior year net surplus to current comparatives		
	Net surplus as reported in prior year	(471 243 202)	
	Restatement	444 761	
	Restated Net Surplus for the Year	(470 798 441)	
	Reconciliation of cash and cash equivalents reported in prior year and Restated cash and cash equivalents in the current year		
	Cash and cash equivalents as reported in prior year	187 102 479	
	Restatement	109 817	
	Restated cash and cash equivalents	187 212 296	
	Reconciliation of statement of position reported in prior year and Restated amounts in current year		
	ASSETS		
	Current assets as reported in prior year	228 675 448	
	Restatement	159 042	
	Restated current assets for the financial year	228 834 490	
	Non-current Assets		
	Non-current assets as reported prior year	1 048 150 946	
	Restated non-current assets for the financial year	1 048 150 946	
	LIABILITIES		
	Current liabilities		
	Current liabilities as reported in prior year:	683 321 375	
	Restatement	(865 293)	
	Restated current liabilities for the financial year	682 456 082	
	Non-Current Liabilities		
	Non-current liabilities as reported prior year	5 203 193 956	
	Restatement	(10 784)	
	Restated non-current liabilities for the financial year	5 203 183 172	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
NET ASSETS/(LIABILITIES)			
Net Liabilities as reported in prior year (Capital Reserves)		481 527 799	
Restatement			
Restated net liabilities for the year		481 527 799	
Net Liabilities as reported in prior year (Recoverable Revenue)		919 436	
Restatement		107 030	
Restated net liabilities for the year		1 026 466	
Net Liabilities as reported in prior year (Retained Funds)		(5 092 136 175)	
Restatement		928 091	
Restated net liabilities for the year		(5 091 208 084)	
Net Liabilities as reported in prior year (Total)		(4 609 688 940)	
Restatement		1 035 121	
Restated net liabilities for the year		(4 608 653 819)	
28	Contingent liabilities and contingent Assets		
28.1	Housing loan guarantees	973	1 407
	Other guarantees	442 791 676	433 062 506
	Claims against the department	39 324 650	39 495 773
	Other departments (interdepartmental unconfirmed balances)	10 611 181	5 505 474
	Environmental rehabilitation liability	1 631 771	1 580 977
	Other	1 112 162	869 664
	Total	495 472 413	480 515 801
	Other		
	QCC, EOH /IDEMIA	330 914	115 200
	SITA, Public Works	65 802	63 893
	Claims and Disputes	138 082	145 428
	Pension and Injury on Duty	511 612	488 722
	Miscellaneous	65 752	56 421
	Total	1 112 162	869 664

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
<i>Underwritten by government</i>			
Absa		20 000	20 000
KFW		139 043	150 654
S.A. National Roads Agency Ltd.		23 426 113	28 941 628
KOBWA (21)		371 996	371 996
Land Bank (30)		34 647	34 647
TCTA		10 357 533	7 894 222
Development Bank of Southern Africa		6 671 021	6 172 286
South African Reserve Bank		4 461 740	7 045 473
Denel		-	5 456
Transnet		44 382 636	25 390 994
Eskom		352 595 417	356 924 802
SAA		331 531	110 348
Total		442 791 676	433 062 506

The National Government furnishes guarantees to various institutions. The guarantees furnished to parastatal institutions are disclosed under the relevant functional government departments. These guarantees will realise as liabilities to the State only if the institutions on whose behalf the guarantees were furnished, are unable to meet their commitments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
Road Accident Fund		32 305 295	32 305 295
This represents the underfunding of the Fund's future commitment in respect of claims against the Fund according to the actuarial valuation. Actuarial valuations are conducted every year.			
Export Credit Insurance Corporation of South Africa Ltd		9 261 105	11 965 192
The Export Credit Insurance Corporation of South Africa Ltd and its predecessor, the Credit Guarantee Insurance Corporation of Africa Ltd, provide export credit and foreign investment cover to South African exporters. In terms of the Export Credit and Foreign Investment Act, 1957, as amended, the Government of South Africa acts as a guarantor for the liabilities of the company. The Government's commitment represents the net of the total underwriting exposure of the company and its total assets.			
South African Reserve Bank (SARB)		111 446	111 446
This contingent liability in respect of old coinage still in circulation is limited to 73,67% of the net cost of disposal of the old coins when they are returned to the SARB. A portion of the coinage will probably never be returned. The Government's related costs are set-off against surpluses of the SARB paid to Government. The SARB raises the full liabilities for old coinage in their books.			
28.2 Contingent Assets			
Legal claims		557 974	569 039
Dispute on Guarantee payments		104 901	129 492
Refunds / rental overpayment		131 372	127 203
Breach of contract / Noncompliance with Procurement processes		108 979	108 473
Advisory Services		17 900	17 900
Bucket Eradication Project		15 095	15 095
Giyani Project		4 749 971	4 298 617
Other		63 591	66 510
Total		5 749 783	5 332 328

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		Notes	2024/25 R'000	2023/24 R'000
29	Post-retirement benefit			
	Post-employment Health Care Fund		85 481 914	85 481 914
29.1	Pension funds			
	Governments Employees Pension Fund			
	This commitment represents the underfunding of the pension fund according to the most recent actuarial valuations. Actuarial valuations are conducted at least every three years.			
	Funding Levels			
	Government Employees Pension Fund		119.1%	119.1%
	Temporary Employees Pension Fund		115.8%	115.8%
	Associated Institutions Pension Fund		153.3%	153.3%
	Valuation Dates			
	Government Employees Pension Fund		31 March 2024	31 March 2024
	Temporary Employees Pension Fund		31 March 2021	31 March 2021
	Associated Institutions Pension Fund		31 March 2021	31 March 2021
30	Capital Commitments			
	Buildings and other fixed structures		24 645 153	25 574 011
	Heritage assets		91 002	200 516
	Machinery and equipment		1 241 646	877 537
	Specialised military assets		10 019 232	9 094 068
	Land and subsoil assets		2 410	850
	Biological assets		16 877	12 196
	Intangible assets		241 818	461 557
	Total Commitments		36 258 138	36 220 735

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
31	Accruals and Payable not recognised		
	Accruals not recognised		
	Goods and services	2 717 780	2 656 973
	Interest and rent on land	2 948	3 103
	Transfers and subsidies	2 789 080	6 049 668
	Capital assets	447 175	518 584
	Other	104 257	102 191
	Total	6 061 240	9 330 518
	30 Days		
	Accruals not recognised		
	Goods and services	1 959 290	
	Interest and rent on land	2 948	
	Transfers and subsidies	321 234	
	Capital assets	336 506	
	Other	63 667	
	Total	2 683 646	
	30+ Days		
	Accruals not recognised		
	Goods and services	758 489	
	Transfers and subsidies	2 467 846	
	Capital assets	110 669	
	Other	40 590	
	Total	3 377 594	
	Payables not recognised		
	Goods and services	4 047 135	3 967 995
	Interest and rent on land	-	3 115
	Transfers and subsidies	207 793	99 131
	Capital assets	1 176 253	1 221 418
	Other	4 544	5 076
	Total	5 435 726	5 296 735
	30 Days		
	Payables not recognised		
	Goods and services	2 425 382	
	Transfers and subsidies	84 964	
	Capital assets	720 979	
	Other	571	
	Total	3 231 896	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
30+ Days			
Payables not recognised			
Goods and services		1 621 753	
Transfers and subsidies		122 829	
Capital assets		455 274	
Other		3 973	
Total		<u>2 203 829</u>	
Confirmed balances			
Confirmed balances with departments		1 365 294	1 765 145
Confirmed balances with other government entities		1 805 285	1 229 848
Total		<u>3 170 579</u>	<u>2 994 993</u>
32 Employee benefits			
Leave entitlement		8 358 360	7 760 116
Service bonus		5 495 109	5 273 804
Performance awards		459	1 240
Capped leave		4 206 807	4 728 882
Other		549 862	500 052
Total		<u>18 610 597</u>	<u>18 264 093</u>
33 Lease commitments			
33.1 Operating lease expenditure			

2024/2025	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	31 033	2 568 802	424 302	3 024 136
Later than 1 year and not later than 5 years	-	10 002	4 157 927	224 741	4 392 669
Later than five years	-	36 610	696 212	-	732 822
Total lease commitments	-	77 645	7 422 941	649 042	8 149 628

2023/2024	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	50 838	2 655 752	411 533	3 118 123
Later than 1 year and not later than 5 years	-	20 999	4 033 611	258 404	4 313 014
Later than five years	-	39 963	395 728	-	435 691
Total lease commitments	-	111 800	7 085 091	669 937	7 866 828

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

33.2 Finance lease expenditure

2024 / 2025	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	478 735	478 735
Later than 1 year and not later than 5 years	-	-	-	460 528	460 528
Later than five years	-	-	-	-	-
Total lease commitments				939 263	939 263

2023 / 2024	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	284 197	284 197
Later than 1 year and not later than 5 years	-	-	-	365 023	365 023
Later than five years	-	-	-	-	-
Total lease commitments				649 219	649 219

33.3 Operating lease revenue

2024 / 2025	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	15 198	-	1 781	16 979
Later than 1 year and not later than 5 years	-	68 724	-	621	69 345
Later than five years	-	2 290 320	-	-	2 290 320
Total operating lease revenue receivable		2 374 242		2 402	2 376 644

2023 / 2024	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	13 656	-	2 467	16 123
Later than 1 year and not later than 5 years	-	78 826	-	2 402	81 228
Later than five years	-	2 284 411	-	-	2 284 411
Total operating lease revenue receivable		2 376 893		4 869	2 381 762

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
34 Accrued departmental revenue			
Sales of goods and services other than capital assets		594 555	1 034 564
Fines, penalties and forfeits		268 060	310 974
Interest, dividends and rent on land		1 783 056	1 070 354
Sale of capital assets		70	97
Transactions in financial assets and liabilities		50 157 824	46 184
Transfers received (incl. conditional grants to be repaid by Provincial depts)		178 753	239 060
Other		<u>14 180</u>	<u>18 437</u>
Total		<u>52 996 498</u>	<u>2 719 670</u>
Analysis of accrued departmental revenue			
Opening balance		2 672 727	3 836 574
Less: Amounts received		1 754 136	2 565 571
Add: Amounts recognised		52 177 283	1 590 416
Less: Amounts written off/reversed as irrecoverable		95 414	134 743
Other		<u>(3 962)</u>	<u>(7 006)</u>
Closing balance		<u>52 996 498</u>	<u>2 719 670</u>
Accrued departmental revenue written off			
Trade and Lease Debtors		162	450
Conveyancers		210	138
Long outstanding prospecting fees		-	69 196
Penalty imposed by the United Nations		<u>94 768</u>	<u>64 761</u>
Total		<u>95 140</u>	<u>134 545</u>
Impairment of accrued departmental revenue			
Estimate of impairment of accrued departmental revenue		<u>767 550</u>	<u>631 297</u>
Total		<u>767 550</u>	<u>631 297</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

35	Related-party transactions	Notes	2024/25	2023/24
			R'000	R'000
Revenue received (paid)				
Sales of goods and services other than capital assets				5 365
Interest, dividends and rent on land			94 966	40 626
Transactions in financial assets and liabilities			6 676	7 859
Total			101 642	53 850
Payments made				
Compensation of employees			323 387	324 518
Goods and services			2 283 996	2 411 814
Expenditure for capital assets			1 032	-
Payments for financial assets			5 230 895	6 514
Transfers and subsidies			4 038 645	4 243 228
Total			11 877 955	6 986 074
Year end balances arising from revenue/payments				
Receivables from related parties			94 308	197 622
Payables to related parties			4 635	14 105
Total			98 943	211 727
Loans to/from related parties				
Interest bearing loans to/(from)			27 391	27 391
Total			27 391	27 391
Guarantees issued				
Mineral Resources and Energy - Necsa			20 000	20 000
Guarantees issued - CGS			22 500	22 500
S.A. National Roads Agency (SOC) Ltd.			23 426 113	28 941 628
Total			23 468 613	28 984 128
In kind goods and services provided/received				
Office space and professional services			(55 920)	(122 930)
Deeds Registration Trading account has rendered services			372 249	301 216
Compensation of employees			3 348	3 027
Goods and Services			47 402	26 206
Total			367 079	207 519

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

36	Notes	2024/25	2023/24
		R'000	R'000
36	Key management personnel		
36.1 Description			
Political office bearers		233 607	174 905
Officials:		16 682	9 518
Salary level 15 to 16		797 355	797 587
Salary level 14		1 313 360	1 280 397
Salary level 13		252 370	259 758
Family members of key management personnel		57 445	55 870
Total		2 670 819	2 578 037
Description			
Speaker to Parliament/the Legislature		6 249	5 996
Deputy Speaker to Parliament/the Legislature		3 413	4 196
Secretary to Parliament/ the Legislature		7 779	8 729
Deputy Secretary		2 607	2 453
Chief Financial Officer		2 408	2 408
Legal Advisor		2 790	2 634
Other		56 136	63 882
Total		81 382	90 298
37	Public Private Partnership		
Unitary fee paid			
Fixed component		1 185 746	1 088 338
Indexed component		1 693 402	1 440 363
Analysis of indexed component			
Goods and Services (excluding lease payments)		1 514 381	1 279 508
Operating leases		15 893	-
Interest		177 618	160 920
Capital/ (Liabilities)			
Property		2 306 225	2 302 211
Plant and equipment		57 470	57 470
Other			
Other Obligations		13 731 596	18 555 087
		13 731 596	18 555 087

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25	2023/24
		R'000	R'000
38	Impairment		
	Debtor	32 932	39 580
	Investments	2 196	2 686
	Ex-employee debtors	42 688	42 812
		<u>77 816</u>	<u>85 078</u>
39	Provisions		
	Claims	694 216	937 662
	Armscor	328 781	427 046
	Environmental Liability	255 837	249 346
	Damages and Losses	48 870	58 159
	Retention Costs	469 675	577 345
	Infrastructure Provisions	79 223	48 860
	Pension and Long service awards	63 055	58 783
	Medical Benefits	53 061	74 291
	Social Assistance	14 525	14 525
	Total	2 007 243	2 446 017

39.1 Reconciliation in movement in provisions – 2024/25

	Claims and Admin R'000	Environment and related R'000	Fees R'000	Other R'000	TOTAL R'000
Opening balance	692 402	717 991	695 595	340 028	2 446 016
Increase in provision	371 397	301 043	20 457	116 524	809 420
Settlement of provision	(567 460)	(246 558)	(135 381)	(282 819)	(1 232 218)
Unused amount reversed	(40 780)	(17 471)	(22 295)	(40 523)	(121 069)
Change in provision due to change in estimation of inputs	244 478	(32 007)	(107 049)	(329)	105 093
Closing balance	700 037	722 998	451 326	132 881	2 007 243

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

39.2 Reconciliation in movement in provisions – 2023/24

	Claims and Admin R'000	Environment and related R'000	Fees R'000	Other R'000	TOTAL R'000
Opening balance	1 106 106	745 111	565 907	92 144	2 509 268
Increase in provision	505 999	228 330	21 651	355 992	1 111 972
Settlement of provision	(671 434)	(243 488)	(143 534)	(108 108)	(1 166 564)
Unused amount reversed	(65 587)	(21 782)	(518)		(87 887)
Change in provision due to change in estimation of inputs	(182 682)	9 820	252 089		79 227
Closing balance	692 403	717 991	695 595	340 028	2 446 017

40 Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH

40.1 2025

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
HERITAGE ASSETS	375 418	-	-	1 198	374 220
Heritage assets	375 418	-	-	1 198	374 220
MACHINERY AND EQUIPMENT	62 664 527	-	26 576 940	2 909 969	86 331 498
Transport assets	28 811 135	-	2 214 691	2 038 208	28 987 618
Computer equipment	12 300 923	-	20 976 676	422 708	32 854 891
Furniture and office equipment	2 765 533	-	967 141	65 800	3 666 875
Other machinery and equipment	18 786 936	-	2 418 432	383 253	20 822 115
SPECIALISED MILITARY ASSETS	51 159 119	-	996 615	3	52 155 731
Specialised military assets	51 159 119	-	996 615	3	52 155 731
BIOLOGICAL ASSETS	174 867	(2 510)	12 564	35 874	149 047
Biological assets	174 867	(2 510)	12 564	35 874	149 047
FINANCE LEASE ASSETS	621 882	-	200 850	49 081	773 651
Finance lease assets	621 882	-	200 850	49 081	773 651
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	114 995 812	(2 510)	27 786 969	2 996 124	139 784 147

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

40.2 MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Opening balance R'000	Prior Period Error R'000	Additions R'000	Disposals R'000	Closing balance R'000
HERITAGE ASSETS	375 763	(159)	-	186	375 418
Heritage assets	375 763	(159)	-	186	375 418
MACHINERY AND EQUIPMENT	60 317 680	(51 493)	4 796 956	2 398 617	62 664 527
Transport assets	28 206 084	(106 345)	2 384 383	1 672 988	28 811 135
Computer equipment	11 513 496	(16 081)	1 281 997	478 489	12 300 923
Furniture and office equipment	2 646 769	972	164 649	46 857	2 765 533
Other machinery and equipment	17 951 330	69 961	965 927	200 283	18 786 936
SPECIALISED MILITARY ASSETS	51 150 115	-	177 089	168 085	51 159 119
Specialised military assets	51 150 115	-	177 089	168 085	51 159 119
BIOLOGICAL ASSETS	184 041	305	25 027	34 506	174 867
Biological assets	184 041	305	25 027	34 506	174 867
FINANCE LEASE ASSETS	282 524	50 920	294 879	6 441	621 882
Finance lease assets	282 524	50 920	294 879	6 441	621 882
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	112 310 123	(427)	5 293 951	2 607 835	114 995 812

41 Minor assets

41.1 MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Finance lease assets R'000	Total R'000
Opening balance	-	4 523	4 764	5 210 341	14 283	25 839	5 259 750
Value adjustments	-	-	-	-	(1 922)	-	(1 922)
Additions	-	-	11	115 410	3 911	2 780	122 112
Disposals	-	95	17	174 710	6 917	3 738	185 478
TOTAL MINOR ASSETS	-	4 428	4 758	5 151 041	9 355	24 881	5 194 463

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

41.2

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Finance lease assets R'000	Total R'000
Opening balance	-	5 803	4 788	5 337 016	16 145	20 169	5 383 921
Value adjustments	-	(120)	(20)	(6 779)	517	1 808	(4 594)
Additions	-	150	-	206 827	4 937	4 321	216 235
Disposals	-	1 310	4	326 723	7 316	459	335 812
TOTAL MINOR ASSETS	-	4 523	4 764	5 210 341	14 283	25 839	5 259 750

41.3

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2025

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Finance lease assets R'000	Total R'000
Assets written off	95	28	-	2 251 759	39 989	2 256	2 294 127
	95	28	-	2 251 759	39 989	2 256	2 294 127

41.4

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2024

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Finance lease assets R'000	Total R'000
Assets written off	-	7 133	186	1 778 929	43 034	-	1 829 281
	-	7 133	186	1 778 929	43 034	-	1 829 281

42 Intangible Capital Assets

42.1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
Software	9 233 218	-	534 022	131 505	9 635 736
Mastheads and Publishing titles	36	-	-	-	36
Patents, Licences, Copyright, Brand names, Trademarks	89 208	-	2 088	496	90 800
Recipes, Formulae, Prototypes, Designs, Models	5 043 415	-	156 311	-	5 199 726
Services and Operating rights	-	-	-	-	-
TOTAL INTANGIBLE CAPITAL ASSETS	14 365 877	-	692 421	132 001	14 926 298

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

42.2 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Opening balance R'000	Prior Period Error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Software	8 887 263	90 515	406 837	151 397	9 233 218
Mastheads and Publishing titles	36	-	-	-	36
Patents, Licences, Copyright, Brand names, Trademarks	102 445	(17 112)	3 875	-	89 208
Recipes, Formulae, Prototypes, Designs, Models	4 822 355	185 105	35 955	-	5 043 415
Services and Operating rights	-	-	-	-	-
TOTAL INTANGIBLE CAPITAL ASSETS	13 812 099	258 508	446 667	151 397	14 365 877

43 Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	59 437 825		-	3 598 814	1 961 662
Dwellings	3 777 055	-	345 713	305 631	3 817 137
Non-residential buildings	28 252 588	-	1 566 640	527 886	29 291 342
Other fixed structures	27 408 182	-	1 686 461	1 128 145	27 966 498
HERITAGE ASSETS	3 109 471		-	275 086	-
Heritage assets	3 109 471	-	275 086	-	3 384 557
LAND AND SUBSOIL ASSETS	13 903 181		-	12 138	23 204
Land	13 903 181	-	12 138	23 204	13 892 115
Mineral and similar non-regenerative resources	-	-	-	-	-
FINANCE LEASE ASSETS	820 483		-	9 073	-
Finance lease assets	820 483	-	9 073	-	829 556
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	76 450 477		-	3 886 038	1 984 866
					78 351 649

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

43.2 MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Opening balance R'000	Prior Period Error R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	56 982 513	1 567 520	4 240 740	3 352 947	59 437 825
Dwellings	3 778 032	-1 618	25 609	24 968	3 777 055
Non-residential buildings	28 877 738	-252 291	1 279 324	1 652 182	28 252 588
Other fixed structures	24 326 743	1 821 429	2 935 807	1 675 797	27 408 182
HERITAGE ASSETS	3 055 539	-	59 660	5 728	3 109 471
Heritage assets	3 055 539	-	59 660	5 728	3 109 471
LAND AND SUBSOIL ASSETS	13 919 217	12 409	20 538	48 983	13 903 181
Land	13 919 217	12 409	20 538	48 983	13 903 181
Mineral and similar non-regenerative resources	-	-	-	-	-
HERITAGE ASSETS	820 483	-	-	-	820 483
Heritage assets	820 483	-	-	-	820 483
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	73 957 269	1 579 929	4 320 938	3 407 658	76 450 477

43.3 CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2025

	Opening Balance 1 April 2024 R'000	Current Year WIP R'000	Ready for use (Assets to the AR)	Closing Balance 31 March 2025 R'000
			/ Contracts terminated R'000	
Heritage assets	432 880	105 808	275 296	263 392
Buildings and other fixed structures	37 184 053	7 807 952	2 235 257	42 756 748
Land and subsoil assets	342 791	725 348	782 415	285 724
TOTAL	37 959 724	8 639 108	3 292 968	43 305 865

43.4 Accruals and payables not recognised relating to Capital WIP

	2024/25 R'000	2023/24 R'000
Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress	435 323	189 334
TOTAL	435 323	189 334

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

43.5 CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2024

	Opening Balance 1 April 2024 R'000	Prior period error R'000	Ready for use (Assets to the AR) / Contracts terminated R'000		Closing Balance 31 March 2025 R'000
			Current Year R'000	WIP R'000	
Heritage assets	434 987	-	56 829	58 936	432 880
Buildings and other fixed structures	33 161 346	(1 670 276)	8 292 243	2 599 260	37 184 053
Land and subsoil assets	783 424	-	410 127	850 760	342 791
TOTAL	34 379 757	(1 670 276)	8 759 199	3 508 956	37 959 724

	Notes	2024/25 R'000	2023/24 R'000
44	Agent-principal arrangements		
44.1	Department acting as the principal		
	Cooperative Governance	62 635	52 419
	Public Works and Infrastructure	62 836	92 769
	Agriculture, Land Reform and Rural Development	15 365	29 174
	Environment, Forestry and Fisheries	2 914	640
	Tourism	6 268	-
	Transport	4 814	-
	National Treasury	72 471	74 030
	Correctional Services	6 136	3 147
	Home Affairs	184 155	192 710
	Basic Education	117 661	179 237
	Total	535 255	624 126
44.2	Department acting as the agent		
	Revenue received for agency activities		
	National Skills Fund	15 745	9 682
	CARA	-	21 338
	Total	15 745	31 020

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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	Notes	2024/25	2023/24
		R'000	R'000
45	Prior period errors		
Correction of prior period error for secondary information			
Revenue:			
Departmental Revenue		(1 121)	
Transfers received		624	
Aid Assistance		809 530	
Net effect on the note		809 033	
Expenditure:			
Goods & Services		5 455	
Tangible Assets		(44 893)	
Intangible Assets		(34 447)	
Net effect on the note		(73 885)	
Assets:			
Cash and cash equivalents		4 321	
Prepayments and advances		(345 451)	
Receivables		246 078	
Aid assistance		533 307	
Immovable Assets		102 743	
Heritage assets		(1 173)	
Machinery & Equipment		(42 334)	
Furniture and office equipment		(1 356)	
Computer equipment		1 277	
Minor Assets		(5 473)	
Biological assets		(127 856)	
Leases		26 440	
Accrued departmental revenue		611 880	
Net effect on the note		1 002 403	
Liabilities:			
Voted funds to be surrendered		(200 000)	
Payables		(743 226)	
Provisions		(2 051 945)	
Contingent liabilities and Contingent assets		1 357 922	
Capital Commitments		(143 280)	
Lease commitments		153 098	
Accruals		62 137	
Net effect on the note		(1 565 294)	
Other:			
Fruitless and Wasteful Expenditure		56 919	
Irregular expenditure		268 956	
Unauthorised expenditure		97 795	
Contingent liabilities and Contingent assets		254 207	
Provisions		(231 068)	
Prepayments		95 487	
Related Party		(87 084)	
Principle Agent Arrangements		(47 660)	
Receivables		(465 765)	
Tangible Assets		(30 793)	
Intangible Assets		131 060	
Leases		(46 915)	
Net effect on the note		(4 861)	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Notes	2024/25	2023/24
	R'000	R'000

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Departures and Exemptions

The Minister of Finance granted exemption in terms of Section 92 of the PFMA for the National Treasury from the provisions of section 8(1) of the PFMA to the extent that it requires preparing one set of consolidated AFS for national departments and public entities. Due to the significantly different accounting bases being applied (modified cash and accrual), the Minister has now allowed the National Treasury to prepare separate sets of consolidated financial statements for departments and public entities respectively.

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Financial Sustainability

The 2025 Medium Term Budget Policy Statement (MTBPS) reaffirms government's commitment to a growth-oriented and fiscally prudent agenda, despite ongoing economic and fiscal challenges. Recent improvements, such as stronger tax revenue collections, slower growth in borrowing costs and projected stabilising debt-to-GDP ratios, supports macroeconomic stability and public investment initiatives.

The economy is projected to grow by 1.2 per cent in 2025, increasing to an average of 1.8 per cent per annum over the medium term. These modest growth prospects underscore the need for reforms that address fundamental constraints in energy supply, logistics infrastructure, digital connectivity and institutional effectiveness. Government's medium-term growth strategy is anchored by four elements namely maintaining macroeconomic stability, implementing structural reforms, building state capability and supporting growth-enhancing public infrastructure investment. The strategy seeks to shift the growth path and secure sustainable revenues.

Enhancing Macroeconomic stability

Government is delivering on its targets to return the public finances to good health by stabilising debt, reducing borrowing costs and freeing up resources to invest in growth and development. These policy measures create a strong foundation for inclusive and sustainable economic growth. Efforts to stabilise debt and narrow the budget deficit to below 3% of GDP by 2028/29 are supported by various initiatives to entrench balanced public finances, strengthen revenue collection, improve spending efficiency and a revised 3% inflation target with a ±1 percentage point tolerance. These measures reduce fiscal and operational risks, enhance investor confidence and support sustainable economic growth.

Implementing Structural Reforms and Building State Capability

Key structural reforms include increased generation capacity at Eskom, improved reliability of the energy supply, higher freight rail volumes at Transnet, and the introduction of third-party access on freight rail networks. Municipal and digital reforms, including the Metro Trading Services Reform Programme and the MzansiXchange pilot, enhance service delivery, accountability and data-driven decision-making. Operation Vulindlela's second phase further advances these reforms by promoting private investment in energy and logistics, establishing the National Water Resources Infrastructure Agency and launching the Electronic Travel Authorisation system to attract skills, investment and tourism.

Growth-Enhancing Infrastructure investment

Public investment in infrastructure is being prioritised to stimulate economic growth and attract private sector participation. Key initiatives include freight rail rehabilitation, wastewater treatment and capitalisation of a credit guarantee scheme. Measures to streamline project approval, enhance the Budget Facility for Infrastructure and develop sector-specific toolkits for public-private partnerships improve efficiency and value for money.

Fiscal strategy

The government is implementing a range of measures to strengthen fiscal outcomes and safeguard long-term public finance sustainability. Broad consultations are underway on the design of a formal fiscal anchor, with a policy proposal expected to be presented to the Minister of Finance in 2026. In parallel, a multi-year fiscal literacy campaign will be launched in 2026/27 to improve public understanding of fiscal management and encourage informed engagement with government budgeting processes. To achieve fiscal targets, curb waste and support new priorities, public spending will be directed to deliver greater value for money.

The government is taking targeted steps to strengthen revenue collection and improve efficiency. Revenue collections for the first half of 2025/26 exceeded expectations, driven by strong corporate and household activity, while lower VAT refunds and improved compliance supported overall buoyancy. Corporate tax receipts benefited from robust

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

performance in the trade, electricity and finance sectors and dividends tax collections were strengthened by significant one-off payments from the mining and retail sectors. Revenue buoyancy for 2025/26 is projected at 1.54, reflecting stronger-than-anticipated collections. Nevertheless, the medium-term outlook remains cautious, as nominal revenue growth is constrained by subdued economic growth.

The constrained fiscal position allows limited room for additions to spending. However, government still allocates about 60 per cent of consolidated non-interest spending over the next three years to the social wage, supporting low income and vulnerable households. Average annual growth in spending on learning and culture, health and economic development outpace inflation over the medium term.

After more than a decade of primary budget deficits, government began running a primary budget surplus in 2023/24. The surplus – where revenue exceeds non-interest expenditure – is expected to improve over the medium term. The growing primary surplus enables government to stabilise and then reduce debt and debt-service costs. The main budget deficit is expected to narrow from 4.6 per cent of GDP in 2024/25 to 2.7 per cent in 2028/29. Gross loan debt as share of GDP is projected to stabilise at 77.9 per cent in 2025/26.

Despite improvements, risks remain due to modest economic growth, high debt levels and potential contingent liabilities, particularly from state-owned entities. The government continues to prioritise macroeconomic stability, infrastructure investment, revenue efficiency, expenditure effectiveness and the phased removal of low-priority programmes. These measures aim to protect critical social services, strengthen institutional capacity and shift spending toward growth-enhancing infrastructure.

In summary, the government remains committed to the disciplined implementation of its four-pillar economic strategy, anchored in enhancing macroeconomic stability, implementing structural reforms, building state capability and supporting growth-enhancing public infrastructure investment. Through these efforts, it aims to stabilise public finances, improve the effectiveness and efficiency of expenditure, attract investment and promote sustainable economic growth, ultimately enhancing living standards for all South Africans.

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Subsequent Events

In the 2025 Medium-Term Budget Policy Statement (MTBPS), the gross borrowing requirement for 2025/26 has been revised downward from R588.2 billion to R568.2 billion compared to the 2025 Budget. As at 31 October 2025, a total of R288.9 billion has been raised through the issuance of domestic loans, comprising R29.9 billion in short-term instruments, R259.1 billion in long-term instruments and R45.7 billion in foreign loans. R5.5 billion in cash and cash equivalents was used to finance the gross borrowing requirement.

Following consultations with the KwaZulu-Natal Provincial Government, the National Treasury will make up to R2.2 billion available to facilitate the repayment of depositors of Ithala SOC Limited ("Ithala"). The payout process is scheduled to commence on 8 December 2025. In a memo finalized on 22 September 2025, the Minister approved the issuance of a Government guarantee in favour of First National Bank (FNB), which will act as the payment agent bank to process payments to all 223 166 Ithala depositors, totalling R2.2 billion.

Depositors will first need to be verified to ensure payments go to the correct recipients. Once verified, payments will be processed within approximately two days. First National Bank (FNB) has been appointed as the payout bank for Ithala depositors and will facilitate access to their funds. This arrangement is intended to ensure that funds are paid out in an orderly and secure manner.

On 16 May 2025, S&P Global Ratings affirmed South Africa's long-term foreign and local currency debt ratings at 'BB-' and 'BB', respectively. According to S&P, the ratings on South Africa benefit from the country's sizable and sophisticated financial system that provides a deep funding base for the government. The country also has relatively strong institutions, with good checks and balances, particularly its central bank. However, S&P says the ratings are constrained by relatively low GDP per capita and low GDP growth rates, as well as sizable fiscal deficits and high government debt.

On 12 September 2025, Fitch Ratings affirmed South Africa's 'BB-' credit rating and stable outlook. According to Fitch, South Africa's credit rating is constrained by several factors, including low real GDP growth, high poverty and inequality levels, a high and rising government debt-to-GDP ratio, and a rigid fiscal structure that hampers budget deficit reduction. However, the ratings are supported by a favourable government debt structure with long maturities and mostly local-currency-denominated, strong institutions and a credible monetary policy framework.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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On 14 November 2025, S&P upgraded South Africa's long-term foreign currency sovereign credit rating to 'BB' from 'BB-' and long-term local currency sovereign credit rating to 'BB+' from 'BB'. The outlook remains positive. According to S&P, the rating upgrade reflects South Africa's improving growth and fiscal trajectory, alongside a reduction in contingent liabilities tied to performance improvements at the state-owned electricity utility, Eskom. The government is on track to post its third annual primary surplus (revenue minus expenditure, excluding interest payments on debt) in 2025/26, while contingent liabilities are likely to ease as Eskom is being reformed.

Department of Forestry, Fisheries and the Environment (DFFE)

The contract between DFFE and Kishugu for Working on Fire was set aside by the Gauteng High Court on the first of April 2025. The department is currently in the process of implementing the court order which will be finalized within the 2025/26 FY, while the current contract is still in place.

Department of Minerals and Energy (DMRE)

Transfer of functions

The President of the Republic of South Africa announced changes to the national executive on 1 July 2024. As part of the changes, the Ministry of Mineral Resources and Energy was separated into two Ministries, being the Minister of Mineral and Petroleum Resources and the Minister of Electricity and Energy. To facilitate the President's decision, the relevant administration and powers and functions entrusted by the specified legislation, and all amendments thereto, were transferred in terms of section 97 of the Constitution of the Republic of South Africa, 1996, from the former Ministers of Mineral Resources and Energy and Public Enterprises, to the newly designated Ministers as set out in the below mentioned Proclamations:

- a) Proclamation 179 of 2024 published in the Government Gazette on 30 August 2024 transferring administration and powers and functions under former Mineral Resources and Energy legislation; and
- b) Proclamation 176 of 2024 published in the Government Gazette on 27 August 2024 transferring administration and powers and functions under former Public Enterprise legislation.

The two new departments, the Department of Mineral and Petroleum Resources (DMPR) and the Department of Electricity and Energy (DEE), were established with effect from 1 April 2025. A Memorandum of Agreement (MoA) between the transferring department (DMRE) and receiving departments (DMPR and DEE) was signed on 1 April 2025, amongst others, to- (a) ensure that the parties comply with their obligations under section 42 of the PFMA, (b) facilitate the transfer of functions and staff from the DMRE to the new DMPR and DEE, and (c) provide for transitional arrangements. The Accounting Officers for DMPR and for DEE have been appointed accordingly (Acting appointment in the case of DEE).

The financial implications of the transfer of functions are still being assessed and are not yet finalised at this stage. The complete financial impact will only be determined upon closure of the audit and finalisation of relevant adjustments within the financial system. Accordingly, no adjustments have been made in these financial statements.

South African National Petroleum Company (SANPC) official launch

The SANPC was officially launched during May 2025 formed after the merger of three of the Central Energy Fund (CEF) subsidiaries, Igas, PetroSA and Strategic Fuel Fund.

Department of Defence

As per the Presidential Proclamation, with effect from 01 April 2025, Denel SOC Ltd will be reporting to the Minister of Defence and Military Veterans. No financial impact is foreseen for the current financial year.

South African Police Services

On 13 July 2025, the President of the Republic of South Africa placed the Executive Authority of the Department of Police on special leave. Acting Executive Authorities were appointed in the interim.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

National Treasury

After the reporting date, the Western Cape High Court handed down a court order suspending the implementation of the 0.5 percentage point Value-Added Tax (VAT) increase announced by the Minister of Finance. The suspension remains in effect pending either the passing of legislation by Parliament regulating the VAT rate or a final judicial determination on the constitutionality of the VAT Act. Furthermore, the court ordered that the Minister of Finance bears 50% of the legal costs incurred by the Democratic Alliance (DA) and the Economic Freedom Fighters (EFF), with the remaining 50% to be paid jointly by the Speaker of the National Assembly and the Chairperson of the National Council of Provinces.

As this event occurred after the reporting period and does not provide evidence of conditions that existed at the reporting date, it is classified as a non-adjusting event. The potential financial implications of this court order will be assessed in future reporting periods as further developments unfold.

The department terminated its lease agreement for the building located at 240 Madiba Street. As a result, all furniture and equipment previously housed in the building have been placed in storage. A decision has been made to dispose of this furniture and equipment, as the department is in the process of securing a new leased building in collaboration with the Department of Public Works and Infrastructure. Sufficient funding has been allocated for the new accommodation over the medium-term expenditure framework period. As this decision was made after the reporting date and does not relate to the conditions that existed at the reporting date, it is treated as a non-adjusting event.

Introduction of the Infrastructure and Development Finance Bond

Following the announcement by the South African Minister of Finance, Mr Enoch Godongwana, in the 2025 Medium Term Budget Policy Statement (MTBPS), and in support of the National Treasury's initiatives to raise funds for projects under the Government Budget Facility for Infrastructure ('BFI'), the National Treasury is pleased to announce the launch of a new Infrastructure and Development Finance Bond (the 'Infrastructure and Development Bond'). Proceeds from the Infrastructure and Development Bond will be used exclusively to finance or refinance projects under the Government's BFI programme. Absa Bank Limited, in partnership with Tysys Capital Group, will act as Co-Arrangers for the transaction.

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Financial Risk Management

Market Risk

Government's debt portfolio is exposed to different risk factors. To define the tolerance levels of these risk factors, the strategic benchmarks were implemented. Government's funding strategy and overall debt portfolio / performance during 2024/25 was monitored against these benchmarks to assess the impact on inflation, currency and refinancing risks.

Strategic portfolio risk benchmarks

Description	Range or limit
Treasury bills as % of domestic debt	15
Long-term debt maturing in 5 years as % bonds	25
Inflation-linked bonds as % of domestic debt	20-25
Foreign debt as % of total debt	15
Weighted term-to-maturity of fixed-rate bonds and Treasury bills (in years)	10-14
Weighted average term-to-maturity of inflation-linked bonds (in years)	14-17

Government's gross loan debt of R5.7 trillion consists of domestic (R5.1 trillion) and foreign debt (R601.9 billion). Domestic debt comprises short-term debt (Treasury bills and borrowing from the Corporation for Public Deposits) and long-term debt (fixed-rate plus inflation-linked bonds, retail, and other loans). When calculating risk benchmarks, borrowings from the CPD, retail bonds and other non-marketable loans are excluded from the gross loan debt. This is because these items are generally small in nominal values with minimal impact.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Inflation risk

Inflation risk is the risk that adverse changes in month-on-month inflation might result in increases in the outstanding amount of inflation-linked bonds and thus result in higher future redemption amounts. This risk is managed by setting a benchmark for inflation-linked bonds (ILBs) as a percentage of domestic debt to range between 20 to 25 per cent.

Domestic debt includes Treasury bills, floating rate notes, sukuk bonds, fixed-rate- and inflation-linked bonds. Due to the redemption of the I2025 bond in January 2025, the share of ILBs as a percentage of total domestic debt decreased to 100 basis points (bps) to 21.2 per cent (as at the end of March 2025).

Inflation-linked bonds as a per cent of domestic debt

Indicator	31 March 2025	31 March 2024
Domestic debt ¹	R5 060.4 bn	R4 639.2 bn
Inflation-linked bonds	R1 077.9 bn	R1 027.5 bn
ILBs as % of domestic debt	21.2%	22,2%

1. Excludes retail bonds, borrowing from the CPD, and other loans.

Currency risk

Currency risk arises from the change in the price of the rand against major currencies in which the sovereign's foreign debt is denominated. The impact of a weaker currency affects the rand value of interest and redemption amounts on foreign loans. The risk tolerance level is expressed through the limit of 15 per cent for foreign currency debt as a percentage of total debt. Changes in the exchange rate, mainly the USD/ZAR also impact on the rand value of government's foreign currency deposits with the Reserve Bank.

Government monitors its net foreign debt exposure; foreign currency cash deposits provide a natural hedge to a portion of the foreign debt portfolio. Foreign currency deposits are held in US dollar. For the period under review, government's exposure to EURO denominated debt increased by 40 bps, from 6.9 per cent in March 2024 to 7.3 per cent as of 31 March 2025. This is because of the additional EURO denominated multi-lateral loan sourced during 2024/25. The increase to the USD proportion is attributable to the introduction of two new international bonds amounting to USD 3.5 billion. The XDR loan redeems in July 2025 and 75 per cent of the principal amount has been redeemed through amortization.

Composition of foreign debt

Indicator	31 March 2025	31 March 2024
Percentage		
As % of total debt		
- Gross foreign debt	10.6	11.3
- Net foreign debt	9.4	9.7
Currency composition		
- US Dollar	88.6	82.2
- Euro	7.3	6.9
- XDR	3.1	9.7
- ZAR	0.8	0.9
- CAD	0.2	0.3

Refinancing risk

Refinancing risk is the possibility that money cannot be borrowed to refinance maturing debt or that these borrowings take place at unfavourable rates. This risk is manifested in the concentration of large volumes of debt that needs to be repaid.

One of the aims of government's debt management strategy is to maintain a smooth debt maturity profile. One of the aims of government's debt management strategy is to maintain a smooth debt maturity profile. Refinancing risk is reduced through an active switch programme whereby shorter-dated bonds are exchanged for longer-term bonds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

During 2024/25; a sum of R86.5 billion was switched out of the FRBs (R186 and R2030) and ILBs (R197 and I2025).

Refinancing risk benchmarks

Indicator	31 March 2025	31 March 2024
Treasury bills as % of domestic debt	10.9%	11.0%
Long-term debt maturing in 5 years as % of bonds	18.8%	15.4%
Weighted term-to-maturity of fixed-rate bonds plus Treasury bills (in years)	10.1	10.6
Weighted term-to-maturity of inflation-linked bonds (in years)	14.2	13.0

Credit Risk

Credit risk exposure from explicit contingent portfolio

The explicit contingent liabilities of government consist mainly of government guarantees issued to state-owned companies (SOCs), Public-Private Partnerships (PPPs) as well as Independent Power Producers (IPPs).

The explicit contingent liability portfolio of government exposes government to credit risk, in that, should the guaranteed entities fail to settle their government guaranteed financial obligations; government as the guarantor will have to settle the obligations in default on behalf of the entities.

The total guarantee amount is expected to decrease from R498.9 billion on 31 March 2024 to R491.9 billion on 31 March 2025, and the exposure amount will increase by R6.1 billion to R439.2 billion over the same period. The reduction in the total guarantee amount is due to the termination of the Land Bank's R8 billion guarantee at the end of 2023/24.

The increase in exposure results from a R12.3 billion net drawdown on the Transnet guarantee. This increase was offset by the net repayment of the South African National Roads Agency Limited debt of R6.3 billion and repayments on the South African Reserve Bank Loan Guarantee Scheme of R3.5 billion. Eskom, the Development Bank of Southern Africa and the Trans-Caledon Tunnel Authority have made additional drawdowns, resulting in an increase in their exposure amounts.

As at 31 March 2025, government's commitment to the Renewable Energy Independent Power Producer Procurement Programme is expected to be R277.9 billion. The value of signed projects, which represents government's exposure, is expected to amount to R229.5 billion by 31 March 2025, declining to R166.4 billion by 2027/28. In 2024/25, PPP contingent liabilities fell by about R600 million to R6.2 billion as projects reached maturity.

Counterparty risk exposure from investment of government surplus cash

Government's surplus cash is invested with four South African commercial banks, namely: Standard Bank, First National Bank, ABSA and Nedbank. As at 31 March 2025, the total surplus cash invested with the banks amounted to R130.7 billion (2023/24: R92.3 billion).

The risk that emanates from government's surplus cash investments with the banks is the possibility that as a result of these banks being in financial distress; government will not be able to access its deposits when needed.

The amount of government surplus cash invested with each of the four banks is based on government's risk assessment of each bank. The bank with the highest risk out of the four banks is allocated the lowest amount of surplus cash while the bank with the lowest risk is allocated the highest amount of surplus cash. As at 31 March 2025, the prescribed ratios for the investment of surplus cash with the four banks were 25 per cent for Standard Bank and Nedbank with First National Bank and Absa Bank at 26 and 24 per cent respectively. The absolute limit of surplus cash to be invested with each bank is equal to 50 per cent of each bank's capital and reserves.

Sovereign Risk

Sovereign credit ratings play an important role in a country's ability to access capital markets, as they influence investor perceptions of the quality of its debt. Credit rating agencies carry out annual reviews of South Africa's creditworthiness. However, since the inception of the European Union's Credit Regulation Act 3 in 2013, European based credit rating agencies are obliged to review their credit ratings every six months. South Africa solicits ratings from the three major rating agencies: Moody's Investors Service (Moody's), S&P Global Ratings (S&P), and Fitch Ratings (Fitch).

On 13 September 2024, Fitch Ratings affirmed South Africa's 'BB-' credit rating and stable outlook. According to Fitch, South Africa's credit rating is constrained by low real GDP growth, high level of inequality, a high and rising

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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government debt-to-GDP ratio, and a modest path of fiscal consolidation. However, the ratings are supported by a favourable debt structure with long maturities and denominated mostly in local currency as well as a credible monetary policy framework.

On 15 November 2024, S&P Global Ratings revised South Africa's outlook to positive from stable and affirmed the sovereign's long-term foreign and local currency debt ratings at 'BB-' and 'BB', respectively. According to S&P, the positive outlook reflects the agency's view that increased political stability following the May 2024 general elections and impetus for reform could boost private investment and GDP growth. S&P further states that since the formation of the new broad coalition of 11 political parties under the Government of National Unity (GNU), debt yields and portfolio inflows have improved, leading to easing financing conditions and currency strengthening.

On 3 December 2024, Moody's Investors Service affirmed South Africa's credit rating at 'Ba2' and maintained a stable outlook. The ratings affirmation reflects South Africa's credit strengths from effective, core institutions such as the judiciary and the central bank, a robust, deep financial sector and a solid external position. However, the ratings affirmation also acknowledges chronic challenges posed by the country's inequalities which hamper reform progress and fuel social risk, as well as persistent structural constraints on economic growth, and a relatively high and costly debt.

Rating agencies remain concerned about South Africa's low economic growth, high government debt and associated high debt service costs as well as geopolitical tensions. The table below shows the current ratings from the solicited rating agencies. Credit ratings from all the credit rating agencies now carry stable outlooks.

Table: South Africa's Credit Ratings by all Solicited CRAs

Rating Agency	Latest credit rating action	Action	LTFC ¹	LTLC ²	Outlook
Moody's	13 September 2024	Affirmation	BB-	BB-	Stable
Fitch	15 November 2024	Affirmation	BB-	BB-	Positive
S&P	03 December 2024	Affirmation	Ba2	Ba2	Stable

¹LTFC = Long Term Foreign Currency Rating, ²LTLC = Long Term Local Currency Rating

50 Non-adjusting events after reporting date

In terms of section 22 of the 2024 Division of Revenue Act the approval for roll over was only after 31 March 2024. Unspent conditional grants should be surrendered by the Province to the National Revenue Fund through the relevant National Departments. As these approvals were received after June 2024 the amounts for unspent conditional grants to be surrendered were not included in the audited Annual Financial Statements of the relevant National departments. The National Revenue Fund should therefore receive the amount of R1,129 billion. See breakdown below:

Province/Agency	2024/25 R'000	2023/24 R'000
<i>Audited 2024/25</i>		
Gauteng	85 254	465 354
Free State	32 223	19 339
Mpumalanga	20 518	33 651
Western Cape	5 435	224 396
Kwazulu-Natal	385	-
<i>Preliminary 2024/25</i>		
Northern Cape	56 770	67 010
North-West	121 781	195 278
Limpopo	85 242	61 819
Eastern Cape	70 157	62 692
Total	392 511	1 129 539

UNAUDITED SUPPLEMENTARY SEGMENT REPORTS

FOR THE YEAR ENDED 31 MARCH 2025

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE (CY)

	Note	Central Cluster 2024/25	Economic Cluster 2024/25	Financial Cluster 2024/25	Justice Cluster 2024/25	Social Cluster 2024/25
REVENUE						
Annual appropriation	1	145 647 930	196 902 625	38 135 171	233 224 627	505 331 977
Statutory appropriation	2	721 431	13 128	780 730 826	3 828 829	24 137 414
Departmental revenue	3	354 829	2 268 381	110 516 961	5 004 788	1 636 450
NRF Receipts						
Aid assistance	4	16 349	260 609	79 390	1 374 579	2 659 598
TOTAL REVENUE		146 740 539	199 444 743	929 462 348	243 432 823	533 765 439
EXPENDITURE						
<i>Current expenditure</i>						
Compensation of employees	5	7 065 550	11 953 260	3 648 401	168 500 451	15 373 069
Goods and services	6	7 773 512	13 884 597	2 833 111	52 301 760	6 831 758
Interest and rent on land	7	179 282	109 421	55	4 751	39 517
Aid assistance	4	30 700	73 412	45 024	976 079	1 954 446
Total current expenditure		15 049 044	26 030 690	6 526 591	221 783 041	24 198 790
<i>Transfers and subsidies</i>						
Transfers and subsidies	9	128 976 901	154 800 303	746 182 809	13 315 886	500 332 594
Aid assistance	4		28 454			8 971
Total transfers and subsidies		128 976 901	154 828 757	746 182 809	13 315 886	500 341 565
<i>Expenditure for capital assets</i>						
Tangible assets	10	344 455	5 969 274	481 551	6 123 459	3 166 270
Intangible assets	10	4 421	172 785	4 359	392 448	25 648
Total expenditure for capital assets		348 876	6 142 059	485 910	6 515 907	3 191 918
<i>Unauthorised expenditure approved without funding</i>						
Payments for financial assets	11	8	33 944	5 287 578	825 835	41 746
TOTAL EXPENDITURE		144 408 765	192 289 084	754 021 145	241 656 580	527 788 370
SURPLUS/(DEFICIT) FOR THE YEAR						
Reconciliation of Net Surplus/(Deficit) for the year		2 331 774	7 155 659	175 441 203	1 776 243	5 977 069
<i>Voted Funds</i>						
- Annual appropriation	1	1 667 672	4 726 580	64 889 876	(3 534 702)	3 696 153
- Statutory Appropriation	37 797				(3 526 910)	3 696 153
- Conditional grants	834		5 373	64 000 000	(7 792)	
Departmental revenue and NRF Receipts	19	354 829	2 268 381	110 516 961	5 004 788	1 636 450
Aid assistance	4	-14 351	155 326	34 366	306 157	644 466
SURPLUS/(DEFICIT) FOR THE YEAR		2 331 774	7 155 659	175 441 203	1 776 243	5 977 069

UNAUDITED SUPPLEMENTARY SEGMENT REPORTS

FOR THE YEAR ENDED 31 MARCH 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CY)

	Note	Central Cluster 2024/25	Economic Cluster 2024/25	Financial Cluster 2024/25	Justice Cluster 2024/25	Social Cluster 2024/25
Assets						
Current Assets		4 436 079	3 704 894	57 275 402	9 502 097	5 025 955
Unauthorised expenditure	11	3 270 009	2 377 661	631 004	1 564 711	4 019 481
Cash and cash equivalents	12	26 784	685			
Other financial assets	13	538 280	1 250 934	528 349	973 748	127 871
Prepayments and advances	14	345 804	61 239	116 049	6 375 621	776 586
Receivables	16	231 360	609	56 000 000		150
Voted funds receivable						
Statutory Appropriation receivable	4	23 842	13 766		19 217	
Aid assistance prepayments	4	348 242	30 130 129	460 027 516	26 342	
Aid assistance receivable					542 458	101 867
Non-Current Assets						
Investments	15	5 915	29 957 137	459 989 113	179 156	
Prepayments and advances	13	301 463	390	18 664	10 908	1 720
Receivables	14		144 190	19 739	677 141	1 177 067
Loans	16	40 864	27 391			
Other financial assets	12		1 021			
TOTAL ASSETS		4 784 321	33 835 023	517 302 918	10 369 302	6 204 742
LIABILITIES						
Current Liabilities		4 529 057	5 702 935	2 509 285	8 827 462	20 316 843
Voted funds to be surrendered to the Revenue Fund	18	1916 856	4 726 571	973 180	483 805	3 696 153
Statutory Appropriation to be surrendered to the Revenue Fund		834	5 373		9 347	
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	19	410 638	106 135	10 975	610 629	28 653
Bank overdraft	20	1 082 342	639 432	1 165 756	6 466 674	15 193 254
Payables	21	1 096 633	82 737	325 007	612 045	757 880
Aid assistance repayable	4	135 935	135 935	27 782	(8 202)	619 316
Aid assistance unutilised	4	21 754	6 752	6 584	653 164	21 587
Non-Current Liabilities						
Payables	22	904	170		35 238	988 611
TOTAL LIABILITIES		4 529 961	5 703 105	2 509 285	8 862 700	21 305 454
NET ASSETS		254 360	28 131 918	514 733 633	1 506 602	(15 100 712)
Represented by:						
Capitalisation reserve		29 984 527	515 989 113	71 992	150	
Recoverable revenue		183 099	9 488	1 311 630	51 835	
Retained funds		1 542 596		10 918 282	252	
Unauthorised Expenditure		(1 838 993)	(2 035 708)	(1 204 968)	(10 795 302)	(15 152 949)
TOTAL		254 360	28 131 918	514 733 633	1 506 602	(15 100 712)

UNAUDITED SUPPLEMENTARY SEGMENT REPORTS

FOR THE YEAR ENDED 31 MARCH 2025

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE (PY)

Statement of Financial Performance	Note	Central Cluster 2023/24	Economic Cluster 2023/24	Financial Cluster 2023/24	Justice Cluster 2023/24	Social Cluster 2023/24
REVENUE						
Annual appropriation	1	140 840 961	186 995 783	39 121 517	220 157 395	477 971 896
Statutory appropriation	2	485 800	12 564	677 144 469	3 637 450	22 424 463
Departmental revenue	3	218 465	787 877	12 696 914	4 008 868	323 830
NRF Receipts						
Aid assistance	4	72 197	264 585	159 466	1 360 325	1 974 301
TOTAL REVENUE		141 617 423	188 060 809	729 122 366	229 164 038	502 694 490
EXPENDITURE						
Current expenditure						
Compensation of employees	5	7 044 241	11 961 409	3 669 941	157 723 633	14 861 599
Goods and services	6	8 327 141	13 358 827	2 559 114	48 171 910	6 611 359
Interest and rent on land	7	162 362	92 168		7 591	35 271
Aid assistance	4	12 495	69 132	141 911	385 066	1 646 914
Total current expenditure		15 546 239	25 481 536	6 370 966	206 288 200	23 155 143
Transfers and subsidies						
Transfers and subsidies	9	122 044 474	154 022 250	631 464 601	14 125 632	473 365 817
Aid assistance	4	122 044 474	49 558			76 201
Total transfers and subsidies		122 044 474	154 071 808	631 464 601	14 125 632	473 442 018
Expenditure for capital assets						
Tangible assets	10	235 767	5 790 860	358 766	6 493 836	3 361 828
Intangible assets	10	32 035	159 511	1 955	242 247	16 558
Total expenditure for capital assets		267 802	5 950 371	360 721	6 736 083	3 378 386
Unauthorised expenditure approved without funding	11					
Payments for financial assets	8	13 598	16 303	1 952 972	35 362	20 731
TOTAL EXPENDITURE		137 872 113	185 520 018	640 149 260	227 185 277	499 996 278
SURPLUS/(DEFICIT) FOR THE YEAR		3 745 310	2 540 791	88 973 106	1 978 761	2 698 212
Reconciliation of Net Surplus/(Deficit) for the year						
Voted Funds						
- Annual appropriation	3 467 143	1 623 980	76 258 637	(2 791 937)	2 151 596	
- Statutory Appropriation	2 670 831	1 618 992	256 500	(2 891 708)	2 151 596	
- Conditional grants	310 980	4 988	76 002 137	99 771		
Departmental revenue and NRF Receipts	19	218 465	787 877	12 696 914	4 008 868	323 830
Aid assistance	4	59 702	128 934	17 555	761 830	222 786
SURPLUS/(DEFICIT) FOR THE YEAR		3 745 310	2 540 791	88 973 106	1 978 761	2 698 212

UNAUDITED SUPPLEMENTARY SEGMENT REPORTS

FOR THE YEAR ENDED 31 MARCH 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (PY)

Statement of Financial Position	Note	Central Cluster 2023/24	Economic Cluster 2023/24	Financial Cluster 2023/24	Justice Cluster 2023/24	Social Cluster 2023/24
ASSETS						
Current Assets						
Cash and cash equivalents	11	4 846 622	5 323 678	1 601 848	674 999	4 120 211
Other financial assets	12	26 319	431	225 832	106 748	702 101
Prepayments and advances	13	86 834	306 124	130 213	112 420	5 365 055
Receivables	14	306 124	57 779	808	32 000 000	210 119
Loans	16					1 253 294
Voted funds receivable						161
Aid assistance prepayments	4					295 000
Aid assistance receivable	4					3 459 047
Non-Current Assets						
Investments	15	338 273	29 553 966	29 438 867	420 029 344	916 582
Prepayments and advances	13	419	3 000	419 989 389	179 156	1 013 011
Receivables	14	293 117	84 200	18 156	77 560	2 584
Loans	16	44 737	27 395	21 799	659 866	1 010 427
Other financial assets	12					
TOTAL ASSETS		5 661 951	31 526 951	452 923 511	12 118 917	4 472 058
LIABILITIES						
Current Liabilities						
Voted funds to be surrendered to the Revenue Fund	18	5 452 667	3 900 685	2 045 715	7 117 092	18 684 401
Statutory Appropriation to be surrendered to the Revenue Fund		3 165 683	1 618 993	372 808	383 970	2 151 595
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund		1 706	4 988	2 137	99 771	(288 496)
Bank overdraft		262 127	43 022	154 505	448 206	84 543
Payables	20	1 048 687	1 676 945	1 130 966	5 136 494	16 187 945
Aid assistance repayable	21	923 347	441 571	368 033	859 003	317 444
Aid assistance unutilised	4	35 870	90 774	17 265	15 233	178 637
Non-Current Liabilities		4	15 247	24 392	174 415	52 733
Payables	22					
TOTAL LIABILITIES		5 453 586	3 900 812	2 045 715	7 132 003	19 567 244
NET ASSETS		208 365	27 626 139	450 877 796	4 986 914	(15 095 186)
Represented by:						
Capitalisation reserve		28 312	29 466 257	451 989 389	71 992	161
Recoverable revenue		1 807 654	195 590	10 072	735 142	57 350
Retained funds					11 549 692	252
Revaluation reserves						
Unauthorised Expenditure						
TOTAL		(1 627 601)	(2 035 708)	(1 121 665)	(7 369 912)	(15 52 949)
		208 365	27 626 139	450 877 796	4 986 914	(15 095 186)

ANNEXURES: NAMES OF GOVERNMENT DEPARTMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Central Government Administration	
PARL	The Presidency
DIRCO	Parliament
DCOG	International Relations and Cooperation
DPWI	Cooperative Governance
DPME	Public Works and Infrastructure
DWYPD	Women, Youth and Persons with Disabilities
DTA	Planning, Monitoring and Evaluation
	Traditional Affairs
Economic Services and Infrastructure Development	
DALRRD	Agriculture, Land Reform and Rural Development
DCDT	Communications and Digital Technologies
DFFE	Forestry, Fisheries and the Environment
DHS	Human Settlements
DMRE	Mineral Resources and Energy
TOURISM	Tourism
DTIC	Trade, Industry and Competition
DOT	Transport
DWS	Water and Sanitation
DSBD	Small Business Development
Financial administration Services	
GCIS	Government Communication and Information System
NT	National Treasury
DPE	Public Enterprises
DPSA	Public Service and Administration
PSC	Public Service Commission
NSG	National School of Government
STATSSA	Statistics South Africa
CPSI	Centre for Public Service Innovation
Justice and Protection Services	
SAPS	Police
IPID	Independent Police Investigative Directorate
DCS	Correctional Services
DOJCD	Justice and Constitutional Development (Incl. National Prosecuting Authority)
DOD	Defence
DMV	Military Veterans
CSP	Civilian Secretariat
OCJ	Office of the Chief Justice
DHA	Home Affairs
Social Services	
DSAC	Sports, Arts and Culture
DBE	Basic Education
DHE	Higher Education and Training
HEALTH	Health
DOLE	Labour and Employment
DSD	Social Development
DST	Science and Innovation



REVIEW OF OPERATING RESULTS



national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

PUBLIC ENTITIES

The Consolidated Financial Statements (CFS) incorporate the financial statements of the national public entities including entities and enterprises under the ownership control of government, constitutional institutions, and trading entities as listed in the schedules to the Public Finance Management Act (PFMA), Act 1 of 1999. Where entities are identified during the year, but not yet listed, these unlisted entities are also included in the Consolidated Financial Statements.

The financial year end of all the consolidated public entities is 31 March, except for Water Boards which have a 30 June financial year end. For Water Boards, management accounts as reviewed by the entities auditors are used for consolidation purposes.

The Consolidated Financial Statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP), as issued by the Accounting Standards Board (ASB) in accordance with Section 91(1) of the Public Finance Management Act, (Act No 1 of 1999). In particular, the principles of GRAP35: Consolidated Financial Statements have been applied to the development of the accounting policies supporting this consolidation. A specific policy statement has been developed for this set of consolidated financial statements and entities are required to convert to the GRAP reporting framework and follow the National Treasury (NT) accounting policies. The consolidated financial statements have been prepared on the accrual basis of accounting and incorporate the historical cost conventions as the basis of measurement, except where specified otherwise.

The approach used by NT is as follows:

- NT makes use of a consolidation software solution in the consolidation process.
- This template is sent to the public entities for completion.
- The auditors review and sign the templates off to ensure that the figures on the template agree to the figures published in the entities' AFS, that conversion journals were identified where applicable and that inter-entity transactions and balances worksheets were completed.
- Where this process has not been performed by the auditors, the templates received from the entity are considered draft templates. The details of these templates are listed in the various annexures to the consolidated financial statements.
- NT then uses these templates as a source to the consolidation model.

CONSOLIDATIONS STATISTICS

In terms of Section 47(1)(a) and (b) of the PFMA, the Minister, by notice in the national Government Gazette, must amend Schedule 3 to include all public entities not listed and make technical changes to the list. Furthermore, per Section 47(2), the accounting authority for a public entity that is not listed in either Schedule 2 or 3, must without delay notify the National Treasury in writing that the public entity is not listed. As a result, all listed entities were identified as per the list on NT website and have thus been consolidated, except for those listed as per Annexure B.

The updated list of entities that will be consolidated is published on the Treasury website. As mentioned above, the consolidated financial statements also include some entities not listed on the PFMA Schedules but falling within the criteria to consolidate. Confirmation is sent annually to all departments to confirm the entities under control of the departments. NT continued to strive for a 100% consolidation of all listed and known public entities and the OAG placed an extra emphasis on a proactive approach in collecting financial information and assisting entities with completing the consolidation templates. In certain circumstances,

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

listed national entities and known non listed entities that must be consolidated are excluded if no templates are forwarded for reasons beyond the OAG's intervention.

All Annexures refer to the Annexures of the Consolidated Financial Statements.

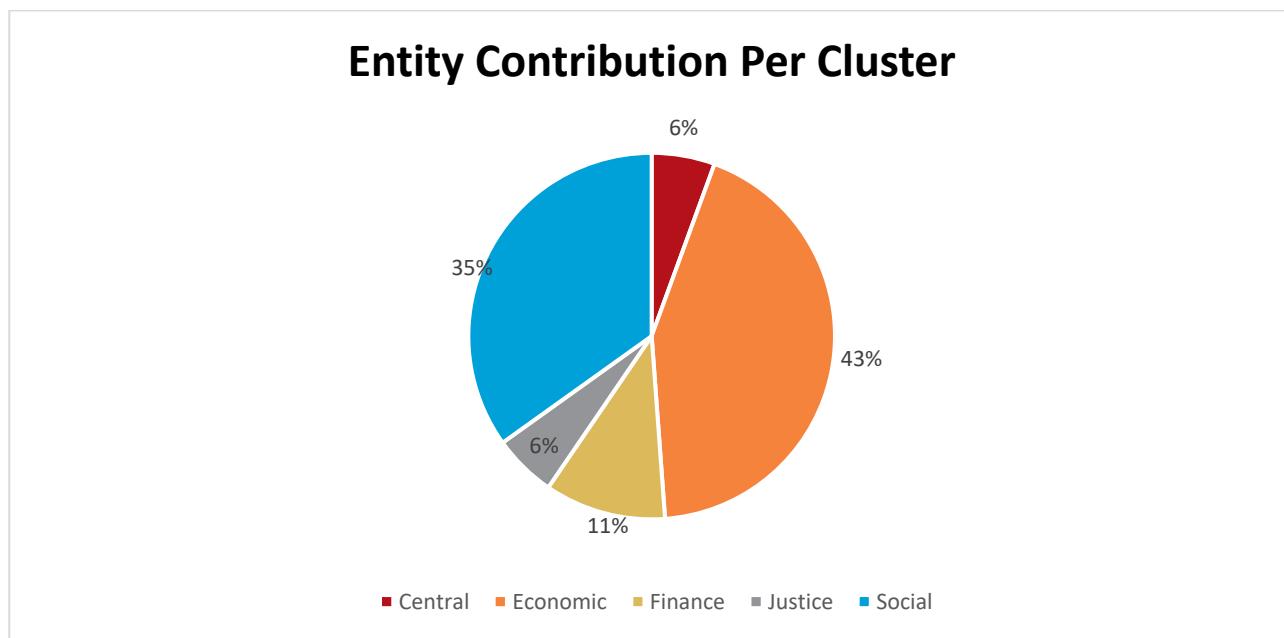
The following is a statistical consolidation summary:

	Actual 2024/25		Actual 2023/24	
	Listed entities	Non Listed entities	Listed entities	Non Listed entities
Total Entities	206	15	195	20
Consolidated	199	15	188	20
Not consolidated	7	0	7	0

In 2024/25, a total of 214 entities were consolidated, please refer to Annexure A. Of the total entities consolidated, a total of 199 (93%) are listed entities. The total number of listed consolidated entities in the current year has slightly increased from the previous year which was at 90%. A total of 15 (100%) non listed entities were consolidated in 2024/25.

There are entities whose reporting date differs from the reporting date of other public entities; however, these entities have been included as part of the consolidation. These entities are disclosed in Annexure C of this report.

The Economic and Infrastructure Services cluster contributes the largest proportion (43%) of total number of entities consolidated, followed by the Social Services cluster (35%), Finance Services cluster (11%), Central Services cluster (5%) and lastly, the Justice and Protection Services cluster (6%).



CONSISTENCY IN THE ENTITIES BEING CONSOLIDATED

Achieving consistency in the entities being consolidated every year is a challenge, as some entities were consolidated in the current year but not in the previous year and by the same token some were consolidated in the previous year but not in the current year and some were disestablished during the year. This inconsistency contributes to the variance in the opening balances or prior year figures as compared to figures published in the 2024/25 financial year.

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

The reason for consolidating public entities using draft financial information as well as not consolidating others, is because they are involved with extended audit processes or disputes with the auditors. The Water Boards have a different year-end of 30 June, and this results in National Treasury not receiving final audited financial information from them.

Below is a list of annexures to the consolidated financial statements that gives a comparative breakdown of entities consolidated, those not consolidated and other information to illustrate inconsistencies in the number of entities Consolidated and challenges related thereto.

- **Annexure A** – Lists of entities consolidated
- **Annexure B** – Lists of entities not consolidated but included in the PFMA list
- **Annexure C** – Lists of entities consolidated with year ends other than 31 March 2025
- **Annexure D** – Lists of entities consolidated based on draft annual financial statements

FINANCIAL PERFORMANCE

Total revenue

The consolidated public entities reported a total revenue of R1.065 trillion in 2024/25, reflecting a significant increase from R918 billion in 2023/24. This growth of approximately 16% year-on-year was driven by both non-exchange and exchange revenue streams.

Revenue from non-exchange transactions grew sharply by 37%, from R254.467 billion to R348.958 billion. The main contributor to this increase was Other Income, which surged from R26.542 billion to R117.007 billion. Government grants and subsidies remained the largest contributor to this category, increasing slightly from R109.969 billion to R110.628 billion, a marginal 0.6% growth. Legislative and oversight functions also rose modestly from R75.078 billion to R76.186 billion, indicating steady activity in this area. Public contributions and donations increased by 5%, from R25.934 billion to R27.223 billion, while Transfers and Sponsorships grew by 8%. Taxation revenue increased from R9.204 billion to R9.949 billion, a 8.1% rise. In contrast, Fines and penalties declined by 7%, from R2.753 billion to R2.571 billion, possibly due to improved compliance or fewer infractions.

Revenue from exchange transactions increased to R716.481 billion from R663.646 billion, an 8% rise. The main driver was the sale of goods and rendering of services, which grew from R537.801 billion to R586.307 billion. Interest earned on external investments also improved marginally to R97.864 billion, while other income increased from R14.044 billion to R17.499 billion. However, interest earned on outstanding receivables declined from R6.196 billion to R4.159 billion.

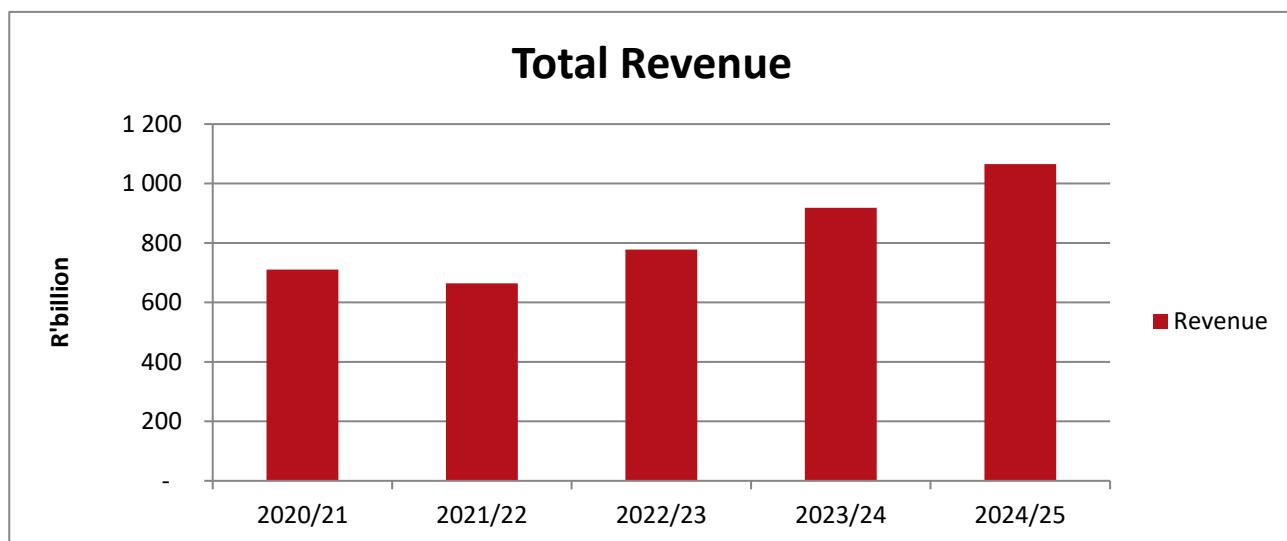
Revenue	Actual 2024/25 R'million	Actual 2023/24 R'million
Revenue from non-exchange transactions		
Government grants and subsidies	110 628	109 969
Public contributions and donations	27 223	25 934
Transfers and Sponsorships	5 218	4 820
Interest Earned - Non- Exchange	42	42
Fines and Penalties	2 571	2 753
Legislative and Oversight functions	76 186	75 078
Taxation revenue	9 949	9 204
Licences and permits	133	124
Other Income	117 007	26 542
	348 958	254 467

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Revenue	Actual 2024/25 R'million	Actual 2023/24 R'million
Revenue from exchange transactions		
Sale of Goods & Rendering of Services	586 307	537 801
Rental of facilities and equipment	9 390	8 332
Interest earned - external investments	97 864	96 067
Interest earned - outstanding receivables	4 159	6 196
Other income	17 499	14 055
Licences and permits	1 262	1 195
	716 481	663 646
TOTAL REVENUE	1 065 439	918 113

Total Revenue



Growth in revenue reflected an average growth of 12.5% in the past five years with 10% in the previous year and growth of 16% in the current year. The finance cluster is the major driver of revenue making up 59% of total revenue followed by the economic cluster making up 26% of total revenue. Approximately 56% of the revenue generated from the finance cluster is through Eskom with total revenue of R349 billion. In 2023/24 financial year, RAF, CEF (Ltd), IDC, PRASA and SANRAL collectively contributed 57% of the revenue within economic cluster. These entities derive revenue through exchange and non-exchange transactions.

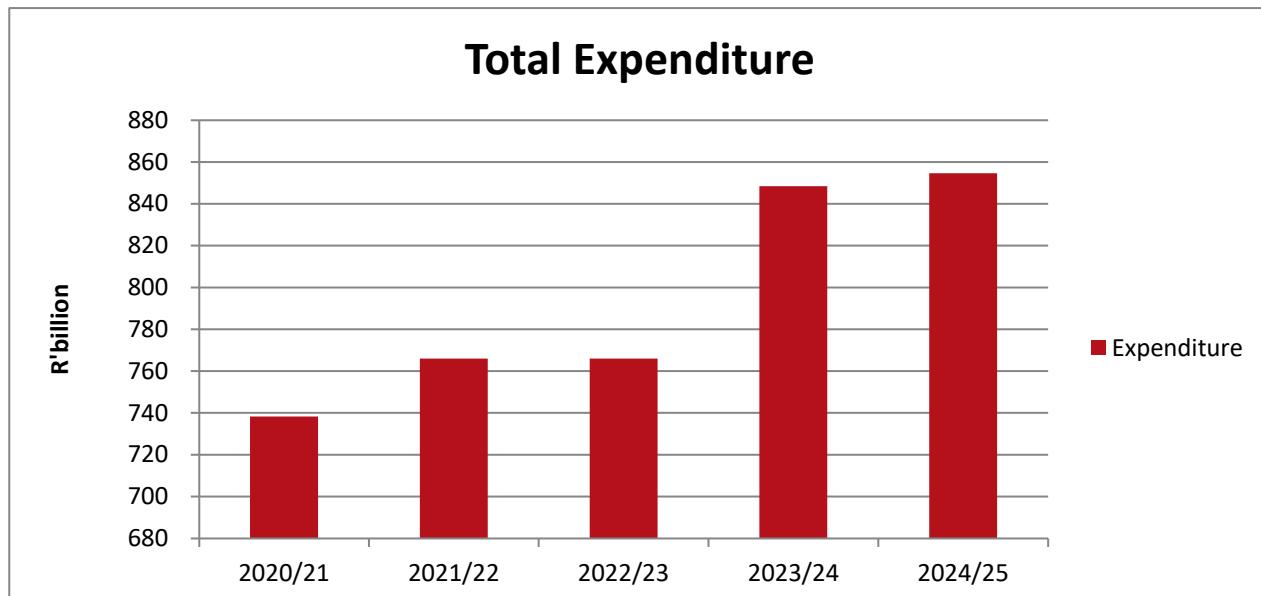
Total expenditure

Analysis of total expenditure	Actual 2024/25 R'million	Actual 2023/24 R'million
Employee related costs	175 468	158 366
Repairs and maintenance	49 410	43 865
Depreciation and amortisation expense	76 864	75 158
Contracted services	5 700	6 457
Grants and subsidies paid	32 444	27 564
Finance costs	99 376	97 895
General expenses	388 777	419 253
Bad debts	24 859	18 486
Project preparation expenditure	1 717	1 379
Total expenditure	854 615	848 422

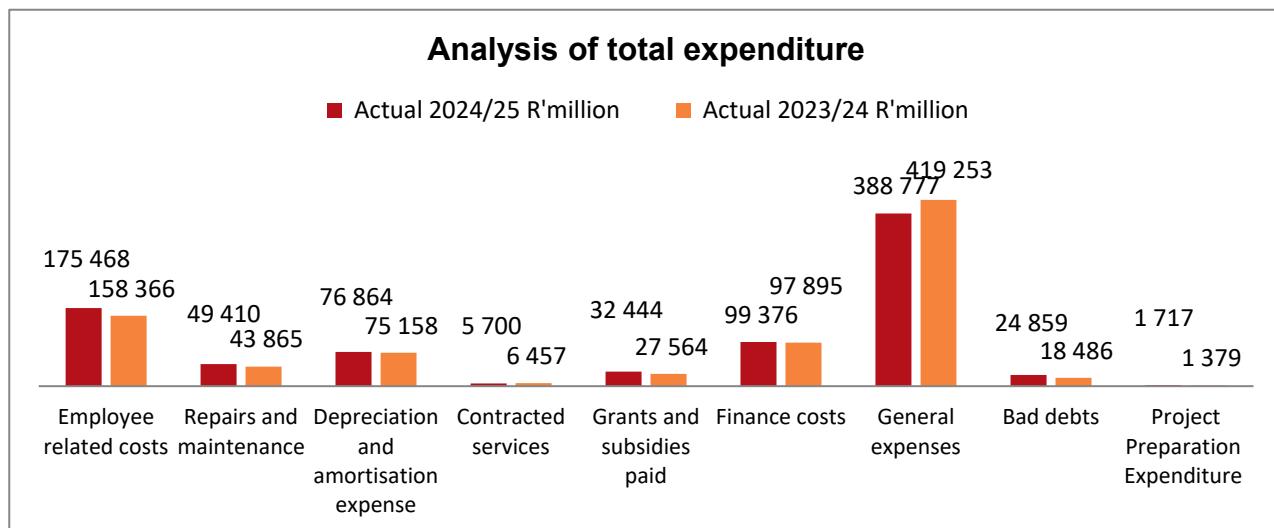
REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Total expenditure



Analysis of Total expenditure



Total expenditure amounted to R854 billion for the current year which is a R6 billion increase from the prior year's total of R848 billion. The economic cluster and the finance cluster accounts for 56% and 27% of total expenditure, respectively.

Employee related costs and general expenses account for 66% of total expenditure; with general expenses at 46% and employee related costs at 20% of total expenditure. The main expenditure item under general expenses are cost of sales (47%).

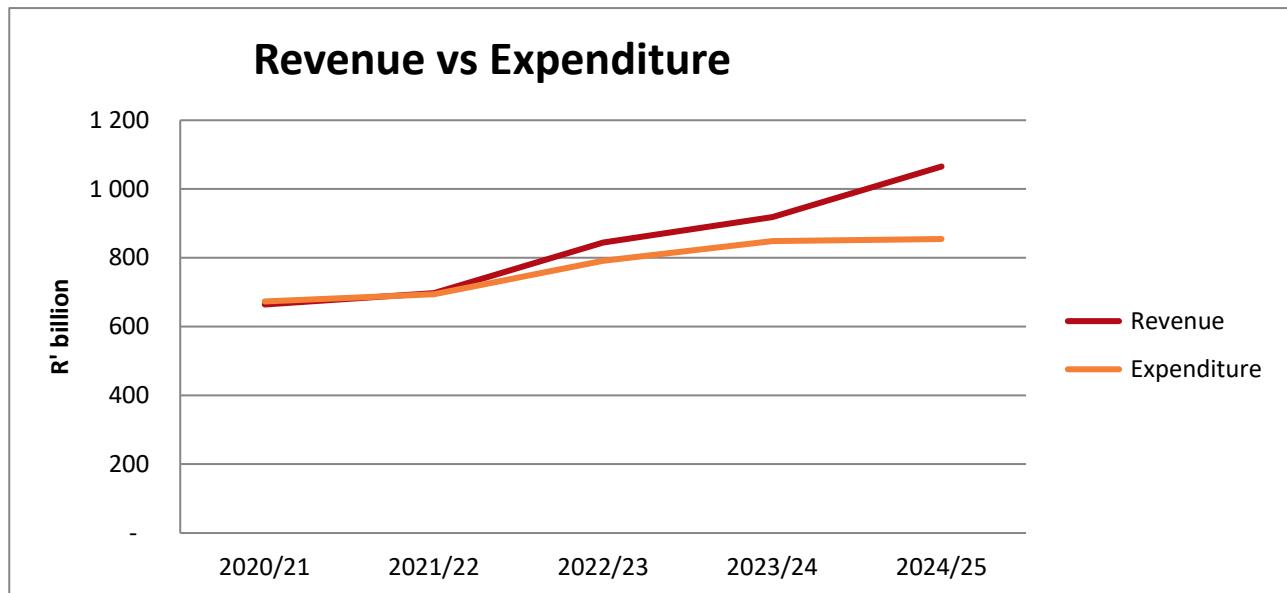
The table below shows a comparative of revenue, expenditure and the resultant surplus or (deficit) for the last five financial years.

Revenue vs. Expenditure	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
R'million					
Revenue	664 323	697 395	835 571	918 113	1 065 439
Expenditure	672 944	693 925	781 731	848 422	854 615
Surplus/(Deficit) from operations	(8 621)	3 470	53 840	69 691	210 823

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Revenue vs. Expenditure



The financial performance over the five-year period from 2020/21 to 2024/25 shows a clear and consistent improvement in the operating results of the consolidated public entities. Revenue increased steadily from R664.323 billion in 2020/21 to R1 065.439 billion in 2024/25, reflecting strong growth of about 60% over the period. Expenditure also grew, rising from R672.944 billion in 2020/21 to R854.615 billion in 2024/25, a more moderate increase of 27%. While spending has continued to rise in line with operational demands, the slower pace compared to revenue growth. As a result, the operating results shifted dramatically from a deficit of R8.621 billion in 2020/21 to a record surplus of R210.823 billion in 2024/25.

LOSS / DEFICIT MAKING PUBLIC ENTITIES

The following is a list of the entities which have disclosed losses/deficits for the current year

Name of Entity Schedule 1	2024/25 R'000	2023/24 R'000	Movement in Loss R'000
Commission for Gender Equality (CGE)	(2 680)	(2 996)	316
Independent Communications Authority of South Africa	(60 284)	(21 987)	(38 297)
Independent Electoral Commission (IEC)	(525 661)	(101 874)	(423 787)
Municipal Demarcation Board	(3 529)	(237)	(3 292)
Pan South African Language Board	(12 285)	(35 262)	22 977
Public Protector of South Africa	(27 803)	26 156	(53 959)
South African Human Rights Commission	(26 458)	(9 662)	(16 796)
Commission for Gender Equality (CGE)	(2 680)	(2 996)	316
	(658 700)	(145 862)	(512 838)

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Name of Entity Schedule 2	2024/25 R'000	2023/24 R'000	Movement in Loss R'000
Broadband Infraco	(289 513)	(194 481)	(95 032)
Independent Development Trust	(33 361)	(1 244)	(32 117)
South African Broadcasting Corporation (SABC)	(253 286)	(197 759)	(55 527)
South African Post Office Limited	(117 417)	5 399 461	(5 516 878)
Transnet Limited	(1 905 583)	(7 326 650)	5 421 067
	(2 599 160)	(2 320 673)	(278 487)

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Name of Entity	2024/25	2023/24	Movement in Loss
Schedule 3A	R'000	R'000	R'000
Accounting Standards Board	(141)	496	(637)
Agrement South Africa	(9 453)	(845)	(8 608)
Agricultural SETA	(54 059)	(24 984)	(29 075)
Amazwi South African Museum of Literature	(643)	(2 941)	2 298
Artscape	(2 363)	237	(2 600)
Border Management Authority	(90 485)	198 463	(288 948)
Brand SA	(6 065)	658	(6 723)
Chemical Industries SETA	(26 982)	(17 017)	(9 965)
Commission for Conciliation, Mediation and Arbitration	(7 008)	2 775	(9 783)
Companies and Intellectual Property Commission	(26 541)	53 374	(79 915)
Competition Commission	(19 074)	19 451	(38 525)
Competition Tribunal	(5 371)	(9 259)	3 888
Construction SETA *	(160 189)	27 150	(187 339)
Co-Operatives Banks Development Agency	(277)	3 565	(3 842)
Council for Medical Schemes	(23 682)	5 357	(29 039)
Council for the Built Environment	(4 759)	(5 339)	580
Culture, Arts, Tourism, Hospitality and Sport SETA	(168 645)	113 673	(282 318)
Ditsong: Museums of Africa	(791)	(6 431)	5 640
Fibre Processing & Manufacturing SETA	(47 584)	(80 906)	33 322
Film and Publication Board	(6 393)	(9 929)	3 536
Financial & Accounting Services SETA	(128 129)	(184 900)	56 771
Financial Intelligence Centre	(8 482)	84 387	(92 869)
Food & Beverages Manufacturing SETA	(118 297)	(98 135)	(20 162)
Freedom Park Trust	(253 128)	(247 596)	(5 532)
Human Sciences Research Council	(57 819)	(46 771)	(11 048)
Inkomati-Usuthu Catchment Management Agency	(17 327)	(2 509)	(14 818)
Insurance SETA`*	(216 675)	29 939	(246 614)
International Trade Administration Commission	(722)	11 017	(11 739)
Isimangaliso Wetland Park	(27 654)	7 460	(35 114)
Iziko Museums of South Africa	(11 401)	(5 771)	(5 630)
Legal Aid South Africa	(186 764)	(155 726)	(31 038)
Marine Living Resources Fund	(97 012)	(111 298)	14 286
Market Theatre Foundation	(7 794)	21 835	(29 629)
Mines and Works Compensation Fund	(8 826)	416 659	(425 485)
Mining Qualifications Authority	(443 544)	(116 211)	(327 333)
National Agricultural Marketing Council	(1 976)	3 085	(5 061)
National Consumer Commission	(6 378)	1 402	(7 780)
National Economic Development and Labour Council	(5 166)	(17 380)	12 214
National Electronic Media Institute of South Africa	(3 506)	(7 033)	3 527
National Energy Regulator of South Africa	(62 470)	(43 338)	(19 132)
National Film and Video Foundation	(4 227)	(9 330)	5 103
National Health Laboratory Service	(173 387)	1 510 283	(1 683 670)
National Library of South Africa	(2 841)	3 415	(6 256)
National Metrology Institute of South Africa	(40 756)	(58 715)	17 959
National School of Government	(38 892)	28 459	(67 351)
National Youth Development Agency	(74 507)	(45 230)	(29 277)
Nelson Mandela National Museum	(447)	(2 533)	2 086
Office of Health Standards Compliance	(8 283)	(19 443)	11 160
Perishable Products Export Control Board	(19 266)	(1 598)	(17 668)
Playhouse Company	(11 395)	(23 202)	11 807
Public Service SETA	(22 859)	(15 702)	(7 157)
Quality Council for Trades and Occupations	(4 911)	9 248	(14 159)
Railway Safety Regulator	(25 283)	6 913	(32 196)
Road Traffic Management Corporation	(26 360)	144 992	(171 352)
South African Diamond and Precious Metals Regulator	(18 404)	(14 107)	(4 297)
South African Institute for Drug-Free Sport	(159)	688	(847)
South African National Energy Development Institute	(9 127)	(58 736)	49 609

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Name of Entity	2024/25	2023/24	Movement in Loss
Schedule 3A	R'000	R'000	R'000
South African National Space Agency	(26 383)	(17 612)	(8 771)
South African Revenue Service (SARS)	(853 494)	793 903	(1 647 397)
Special Investigation Unit	(154 448)	(145 264)	(9 184)
Transport Education & Training Authority *	(14 679)	95 545	(110 224)
uMalusi Council for Quality Assurance	(26 388)	(838)	(25 550)
Universal Service and Access Agency of South Africa	(3 944)	8 571	(12 515)
Universal Service and Access Fund *	(457 552)	(91 827)	(365 725)
Wholesale & Retail SETA	(79 226)	(595 819)	516 593
William Humphreys Art Gallery	(1 453)	387	(1 840)
	(4 422 246)	1 309 112	(5 731 358)

Name of Entity	2024/25	2023/24	Movement in Loss
Schedule 3B	R'000	R'000	R'000
Amatola Water Board *	(141 982)	(176 125)	34 143
Onderstepoort Biological Products	(15 829)	37 283	(53 112)
Sentech Limited	(246 002)	(145 967)	(100 035)
State Diamond Trader	(17 386)	(10 353)	(7 033)
	(421 199)	(295 162)	(126 037)

Name of Entity	2024/25	2023/24	Movement in Loss
Unlisted	R'000	R'000	R'000
Property Management Trading Entity	(1 954 148)	(390 532)	(1 563 616)
Represented Political Parties Funding	(4 247)	2 349	(6 596)
Supported Employment Enterprises	(34 226)	12 893	(47 119)
	(1 992 621)	(375 290)	(1 617 331)

**Public Entities with unaudited financial information*

The improvement of Eskom and CEF in the 2024/25 period data significantly reduced total losses, but core transport and communication entities still struggle, SABC and Broadband Infraco recorded worsening losses, Post Office's swing from a R5.4 billion surplus to a R117 million loss signals challenges, Transnet improved significantly (R5.4 billion gain), partially offsetting the overall decline. Despite lower totals, the sector remains fiscally fragile. Total reported losses across public entities dropped sharply from R62.2 billion in 2023/24 to R9.9 billion in 2024/25.

After showing strong recovery in 2023/24, Schedule 1 institutions experienced a sharp deterioration in 2024/25. This decline was primarily driven by the Independent Electoral Commission (IEC), whose loss expanded by R423.8 million, the Independent Communications Authority of South Africa (ICASA), which saw its deficit deepen by R38.3 million, and the Public Protector of South Africa, which shifted from a surplus position to a R27.8 million loss. This reversal indicates renewed financial strain across constitutional institutions, largely attributable to election-related expenditure, increased operational demands, and heightened compliance costs during the period.

Schedule 3A entities moved from a period of relative stability back into substantial loss territory, with total deficits rising to over R4.4 billion in 2024/25. The most significant contributor was the South African Revenue Service (SARS), which recorded a R853 million loss, reversing from a prior surplus. Other major losses stemmed from the Mining Qualifications Authority (R443 million) and the Universal Service and Access Fund (R457 million), both reflecting large-scale financial deteriorations. In addition, several Sector Education and Training Authorities (SETAs) notably those in Insurance, Culture, Arts & Tourism, and Construction posted steep deficits, pointing to systemic inefficiencies within the skills development funding framework. Overall, the growing volatility in Schedule 3A underscores ongoing challenges related to operational mismanagement, poor financial oversight, and weak cost control among regulatory and training institutions.

REVIEW OF OPERATING RESULTS

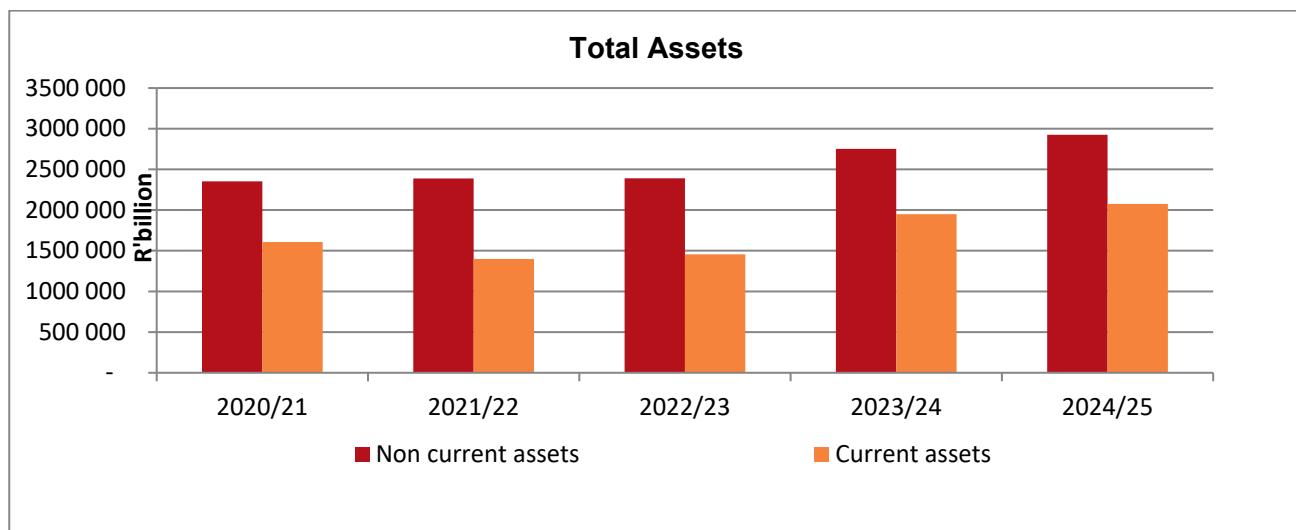
FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL POSITION

Total assets

Assets R'million	2024/25 R' million	2023/24 R' million
Non-current assets	2 939 637	2 767 353
Current assets	2 061 782	1 938 248
Total Assets	5 001 419	4 705 601

Total assets increased by R296 billion to R5.001 trillion (2023/24: R4.706 trillion) in the current year. This significant increase is mainly attributable to an increase in property plant and equipment (PPE) as well as cash and cash equivalents.



Non-current assets constitute 58% (R2.924 trillion) of total assets in the current financial year. The significant contributors of non-current assets are SANRAL (R772 billion), Eskom (R729 billion) and Transnet (R369 billion). The three entities combined contribute 64% of the total non-current assets. In addition, SARB (R1.331 trillion) and Eskom (R185 billion) significantly contributed towards current assets. The two entities combined contribute 73% of the total current assets.

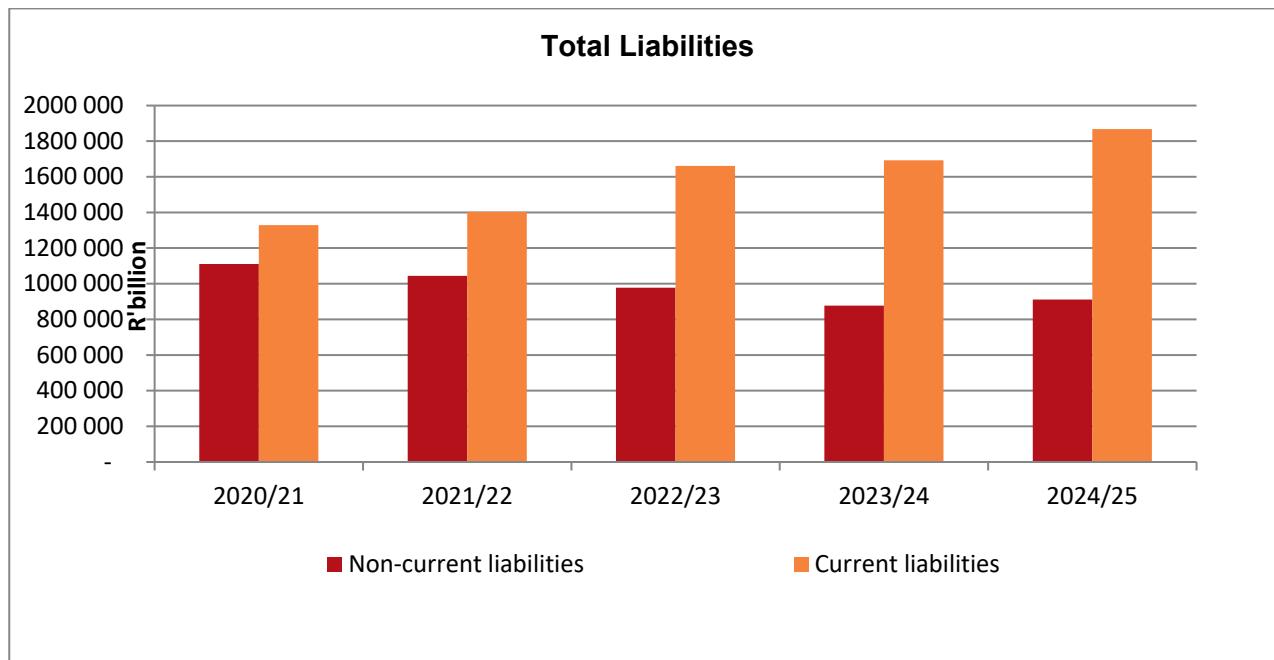
Total liabilities

Liabilities R'million	2024/25 R' million	2023/24 R' million
Non-current liabilities	910 930	876 747
Current liabilities	1 867 641	1 692 505
Total liabilities	2 778 571	2 569 252

Total liabilities increased by R209 billion to R2.778 trillion (2023/24: 2.569 trillion) in the current year. This is attributable to a 114% increase in other non-current financial liabilities, 137% increase in non-current deferred income, 90% increase in unspent conditional grants and receipts and 13% increase in other current financial liabilities. Current liabilities constitute 68% (2023/24: 67%) of total liabilities in the current year. SARB and Eskom combined contributed a significant 67% (R1.881 trillion) to total liabilities.

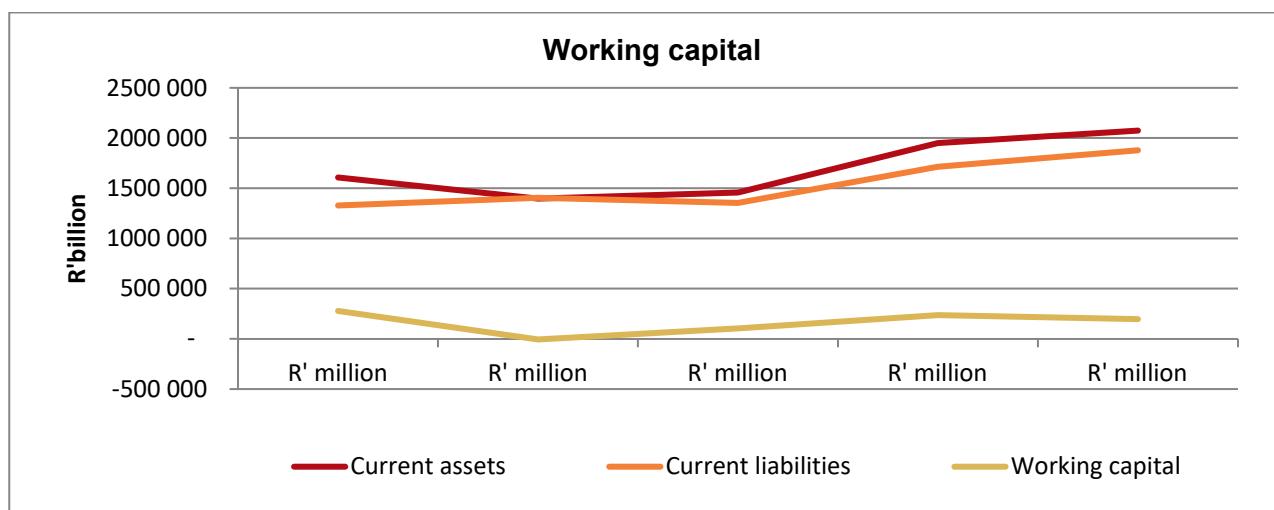
REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025



WORKING CAPITAL

Working Capital R'million	2020/21 R' million	2021/22 R' million	2022/23 R' million	2023/24 R' million	2024/25 R' million
Current assets	1 397 700	1 456 307	1 783 470	1 938 248	2 061 782
Current liabilities	1 403 459	1 353 279	1 516 668	1 692 505	1 867 641
Working capital	(5 759)	103 028	266 802	245 743	194 141



The consolidated public entities' working capital position has shown notable improvement over the five-year period, reflecting a stronger liquidity and short-term financial health trajectory. Current assets increased steadily from R1 397.700 billion in 2020/21 to R2 061.782 billion in 2024/25, representing a growth of 48%. Current liabilities also grew, rising from R1 403.459 billion in 2020/21 to R1 867.641 billion in 2024/25, an increase of 33%.

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

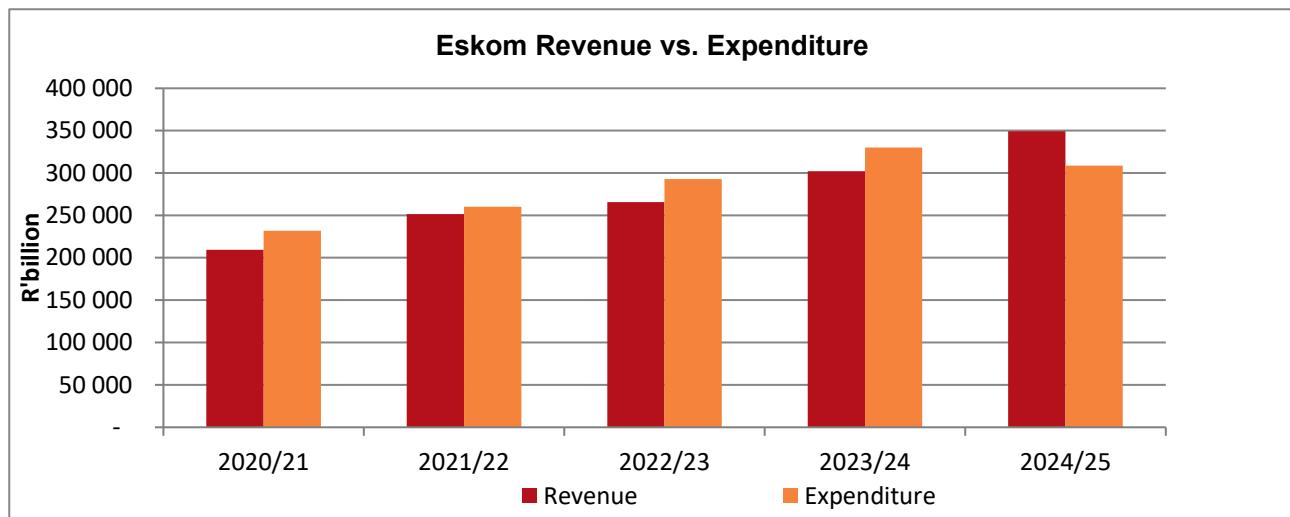
The resulting working capital position shifted from a negative R5.759 billion in 2020/21 to a positive R103.028 billion in 2021/22, and further strengthened to R245.743 billion in 2022/23. However, in 2023/24 and 2024/25, working capital declined slightly to R245.743 billion and R194.141 billion, respectively. This slight decline suggests that while liquidity remains strong, short-term liabilities have grown at a faster pace in recent years.

ESKOM

As a State-Owned Company (SOC), Eskom is answerable to the government, represented by the Minister of Public Enterprises. Eskom is South Africa's primary electricity supplier. Eskom generates, transmits and distributes electricity to industrial, mining, commercial, agricultural and residential customers. It also sells electricity to municipalities, which in turn redistribute to businesses and households within their areas.

Eskom Summary R' million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Revenue	209 397	251 461	265 666	302 004	349 304
Expenditure	231 758	260 097	292 873	329 973	308 694
Surplus/(Deficit) from Operations	(22 360)	(8 636)	(27 207)	(27 969)	40 611

* Unaudited financial information



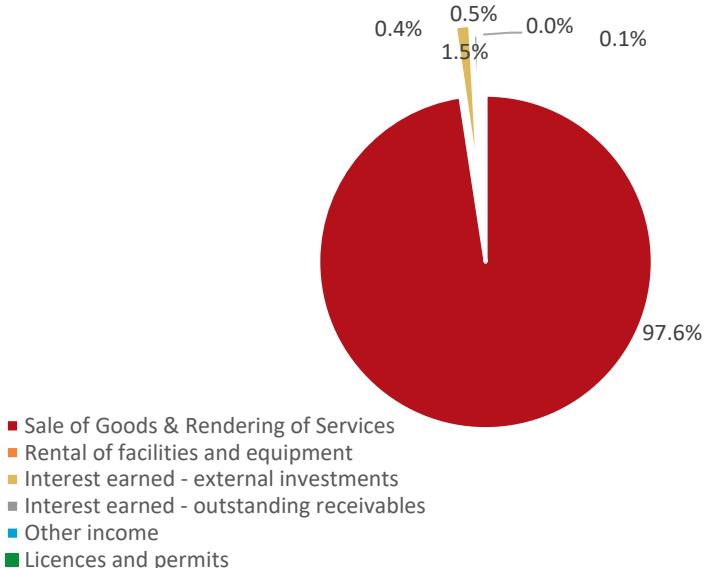
Eskom's financial performance over the five-year period shows a notable improvement in 2024/25. Revenue increased steadily from R209.4 billion in 2020/21 to R349.3 billion in 2024/25, representing a cumulative growth of approximately 67%. Expenditure also rose over the same period, peaking at R329.97 billion in 2023/24 before declining to R308.69 billion in 2024/25, indicating some cost containment efforts. The utility recorded operating deficits for four consecutive years, with the largest being R27.97 billion in 2023/24, but achieved a significant turnaround in 2024/25, reporting a surplus of R40.61 billion. This marks a major recovery, suggesting improved revenue collection, efficiency gains, and potential benefits from operational restructuring.

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

* *Unaudited financial information*

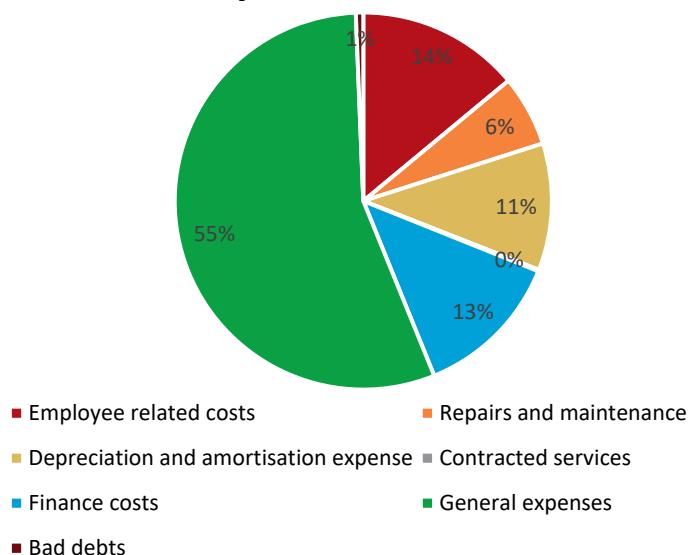
Eskom Revenue Breakdown 2024/25



Total revenue increased by R47.3 billion (15.7%), rising from R302.0 billion in 2023/24 to R349.3 billion in 2024/25. The growth was mainly driven by higher sales of goods and services, which increased by 15.2%, supported by strong demand and pricing adjustments. Sales of goods and services remain the dominant revenue contributor, accounting for about 97.6% of total revenue. Interest income increased its share slightly, indicating improved financial returns. Additional revenue growth came from interest earned on external investments and receivables, which rose by 41.9% and 37.6% respectively. Other income also improved by 23.7%, while rental income remained relatively stable.

* *Unaudited financial information*

Eskom Expenditure Breakdown 2024/25



REVIEW OF OPERATING RESULTS

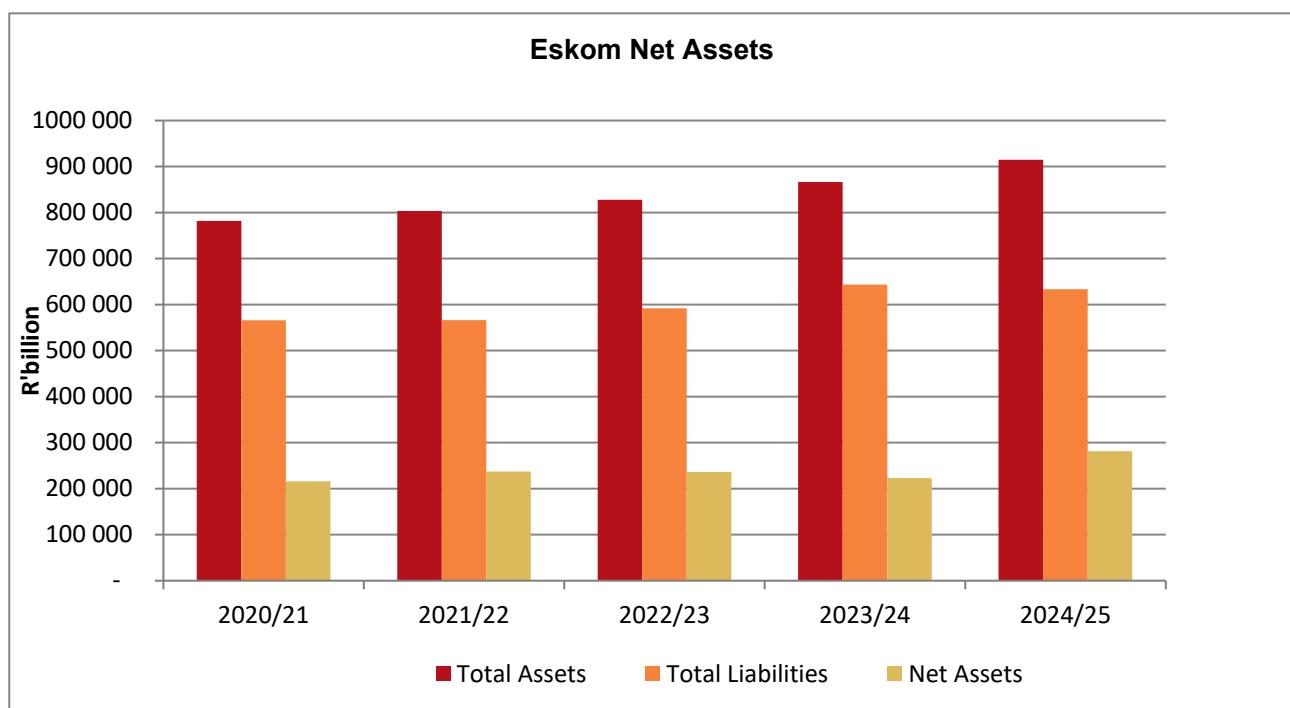
FOR THE YEAR ENDED 31 MARCH 2025

On the expense side, Eskom achieved a notable 6.4% reduction in total expenses, declining from R329.97 billion in 2023/24 to R308.69 billion in 2024/25. Key cost reductions were observed in general expenses (12.5%), finance costs (8.7%), and bad debts (43.2%), demonstrating improved expenditure and enhanced debt management. However, employee-related costs increased by 23.0%, reflecting either higher wage adjustments or staffing pressures, while repairs and maintenance rose moderately by 10.2%, consistent with Eskom's ongoing maintenance programmes to sustain reliability.

Eskom's 2024/25 expenditure is dominated by general expenses, which make up 55.5% (R171.29 billion) of total costs, indicating high operational and administrative spending. Employee-related costs account for 14% (R43.16 billion) and finance costs for 12.8% (R39.47 billion), reflecting the burden of debt and a large workforce. Depreciation and amortisation (10.9%) and repairs and maintenance (6.1%) highlight ongoing investment in infrastructure upkeep. Minor costs such as bad debts (0.6%) and contracted services (0.1%) remain minimal.

Eskom Summary R' million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Total Assets	781 645	803 323	827 888	866 320	914 569
Total Liabilities	565 809	566 266	591 800	643 462	633 428
Net Assets	215 837	237 057	236 088	222 858	281 141

* *Unaudited financial information*



Eskom's balance sheet shows steady asset growth and improving financial stability over the five-year period from 2020/21 to 2024/25. Total assets increased consistently from R781.65 billion in 2020/21 to R914.57 billion in 2024/25, a rise of 17%, reflecting continued investment in infrastructure and operational capacity. The most notable year-on-year increase occurred between 2023/24 and 2024/25, with assets growing by R48.25 billion (5.6%), suggesting renewed capital investment or asset revaluation.

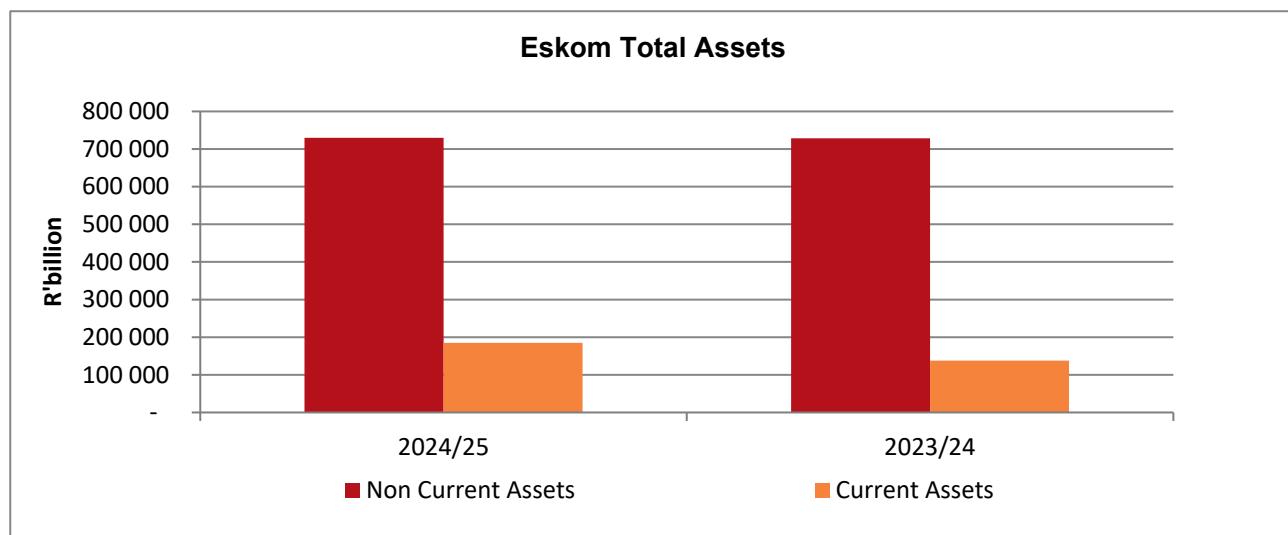
Total liabilities also rose initially, from R565.81 billion in 2020/21 to a peak of R643.46 billion in 2023/24, before declining to R633.43 billion in 2024/25. This R10 billion reduction (1.6%) indicates progress in debt repayment or liability restructuring, a positive sign for Eskom's solvency position.

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

As a result, net assets (equity) improved significantly, increasing from R215.84 billion in 2020/21 to R281.14 billion in 2024/25, a 30% overall rise. The strongest improvement came in 2024/25, where net assets grew by R58.28 billion (26%) from the prior year, reflecting Eskom's return to profitability and a strengthened balance sheet. Eskom's asset base is still heavily dominated by non-current assets, but the share of current assets has increased, improving the liquidity position.

**Unaudited financial information*



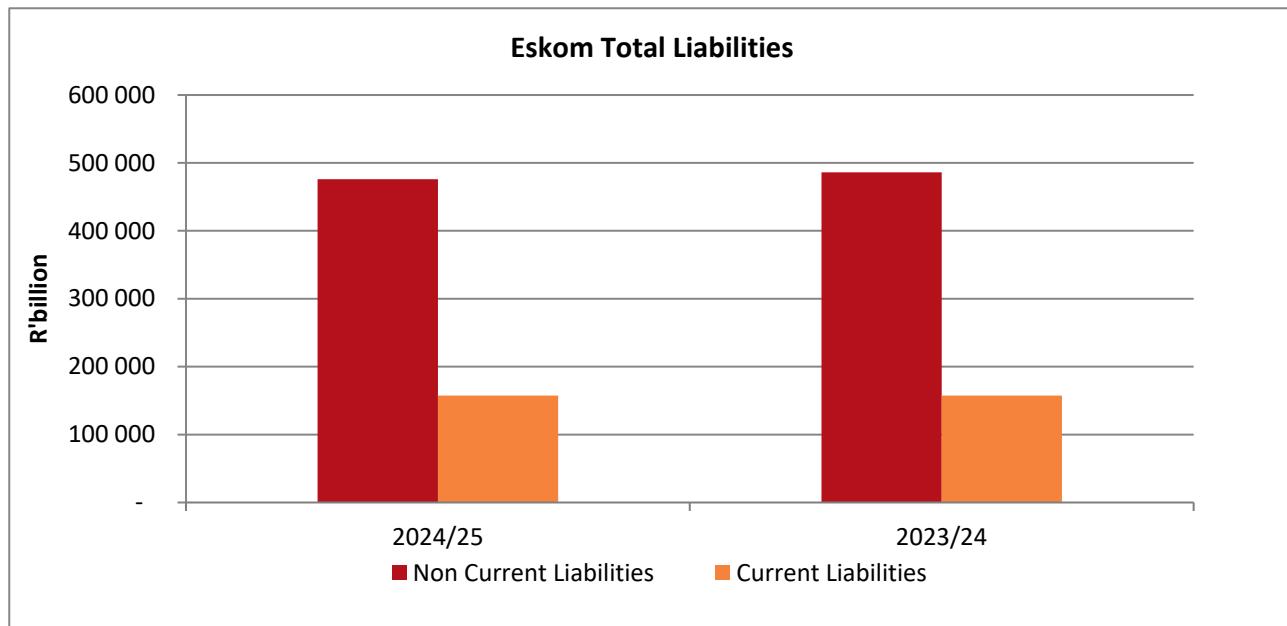
Eskom's total liabilities decreased slightly from R643.5 billion in 2023/24 to R633.4 billion in 2024/25, reflecting a 1.6% reduction year on year. The decline is primarily driven by a reduction in non-current liabilities, which fell from R486.0 billion to R476.1 billion a decrease of about R9.9 billion (2.0%).

In contrast, current liabilities remained largely stable, declining marginally from R157.5 billion to R157.4 billion. This stability suggests that Eskom's short-term financial obligations such as trade payables, current portions of debt, and accrued expenses did not change significantly over the year.

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

* *Unaudited financial information*



Transnet

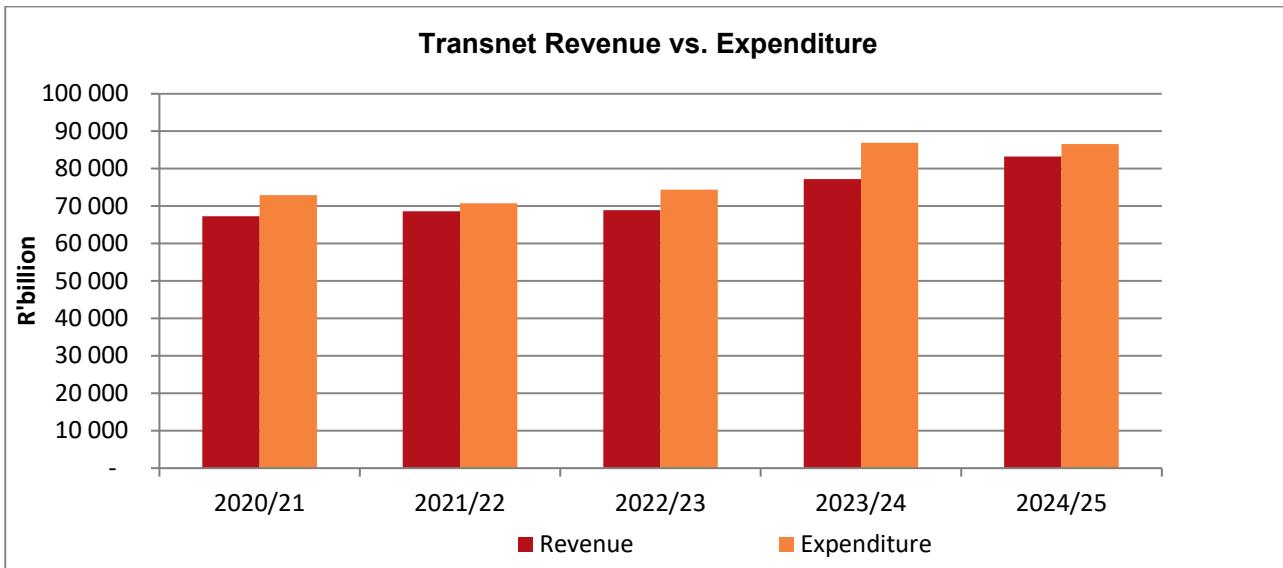
Transnet is a public company wholly owned by the Government of the Republic of South Africa and is the custodian of the country's rail, ports and pipelines. Transnet is responsible for enabling competitiveness, growth and development of the South African economy through delivering reliable freight transport in a cost-effective and efficient manner, within acceptable benchmarks.

Transnet Summary	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
R' million					
Revenue	67 273	68 585	68 901	77 208	83 219
Expenditure	72 927	70 731	74 361	86 882	86 547
Surplus/(Deficit) from Operations	(5 654)	(2 146)	(5 460)	(9 674)	(3 328)

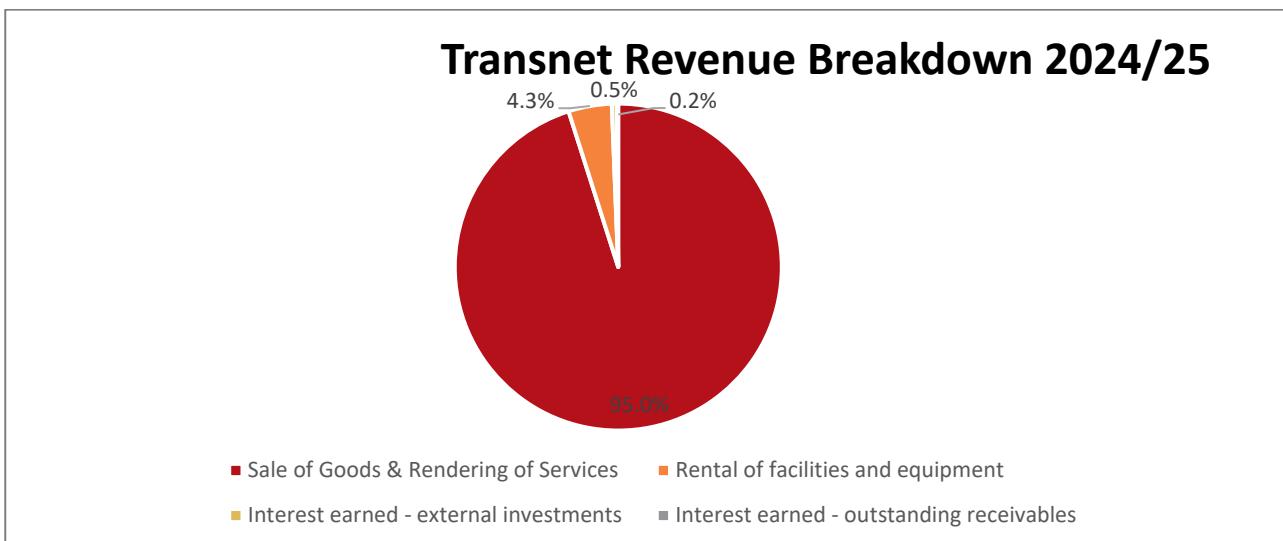
* *Unaudited financial information*

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025



Transnet's financial performance over the period 2020/21 to 2024/25 reflects a trend of persistent operating deficits, despite gradual revenue growth. Revenue increased steadily from R67.3 billion in 2020/21 to R83.2 billion in 2024/25, representing a 23.7% rise over five years. However, expenditure consistently outpaced revenue, climbing from R72.9 billion to R86.5 billion during the same period. As a result, Transnet recorded continuous operating deficits, though the magnitude of these losses fluctuated. The deficit improved slightly from R5.7 billion in 2020/21 to R2.1 billion in 2021/22, but widened again to R9.7 billion in 2023/24, before narrowing to R3.3 billion in 2024/25. This pattern suggests challenges in cost containment and operational efficiency, particularly as expenditure growth periodically exceeded revenue gains. While the smaller deficit in 2024/25 indicates some recovery, the sustained shortfall underscores the need for stronger financial management, productivity improvements, and structural reforms to restore long-term profitability and financial stability.

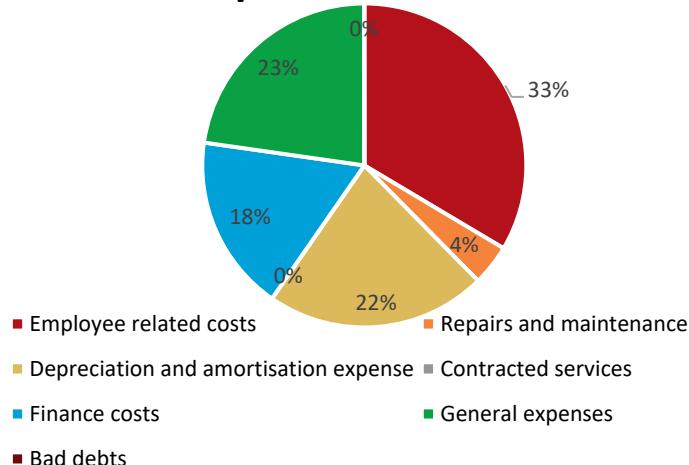


Sale of goods & rendering of services was the biggest contributor of revenue, contributing 94.7% of the total revenue. Rental of facilities and interest earned on external investments and outstanding receivables combined makes up the remaining 5.3%.

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Transnet Expenditure Breakdown 2024/25

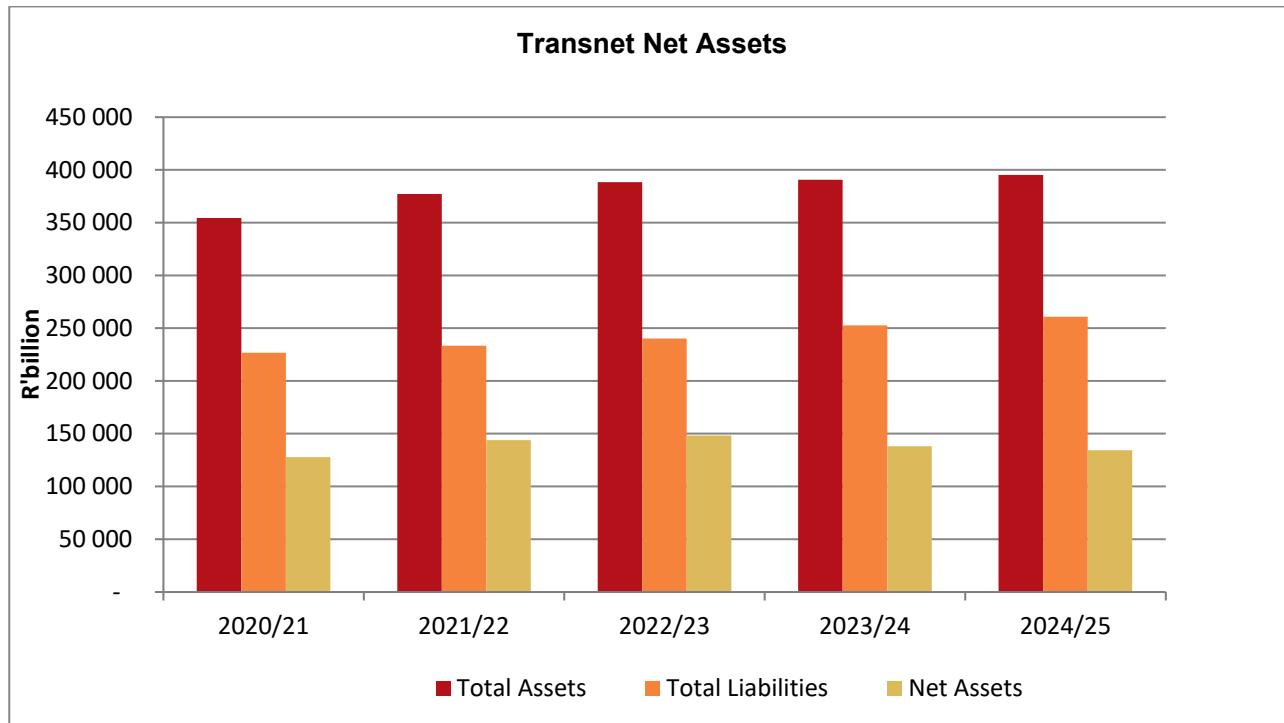


Transnet's expenditure breakdown for 2024/25, totaling R86.5 billion, highlights that employee-related costs remain the single largest expense category, accounting for 33.6% or R29.0 billion of total spending. This indicates that labour costs continue to place significant pressure on the company's financial performance. Depreciation and amortisation expenses make up 22.1% (R19.1 billion), reflecting the high capital intensity of Transnet's operations and the ongoing wear and tear of infrastructure assets. General expenses, at 22.7% (R19.7 billion), also represent a substantial portion of total costs, suggesting potential room for efficiency improvements in operational and administrative spending. Finance costs account for 17.6% (R15.2 billion), underscoring the impact of debt servicing on the company's profitability. Meanwhile, repairs and maintenance constitute a relatively small share of 4.0% (R3.5 billion), which may raise concerns about underinvestment in asset upkeep, given Transnet's infrastructure-heavy operations. Expenditure on contracted services and bad debts is negligible.

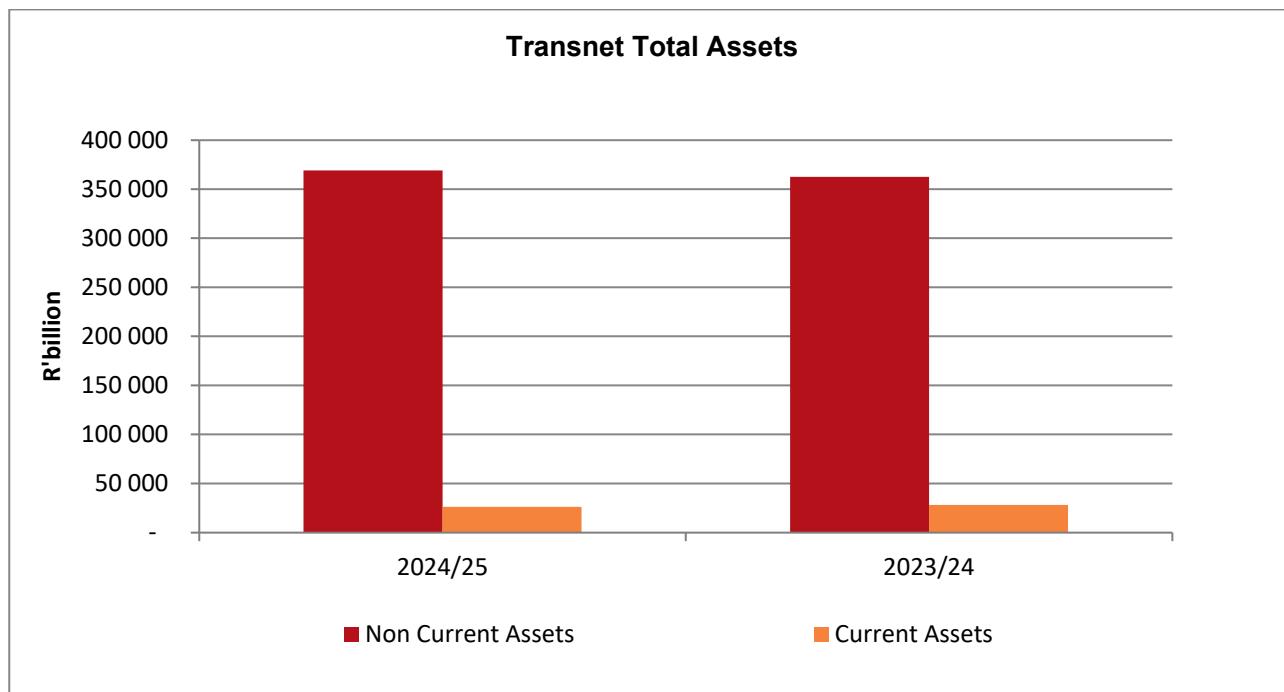
Transnet Asset vs. Liabilities	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
R' million					
Total Assets	354 457	377 179	388 349	390 661	395 117
Total Liabilities	226 637	233 401	240 121	252 566	260 768
Net Assets	127 820	143 778	148 228	138 095	134 349

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025



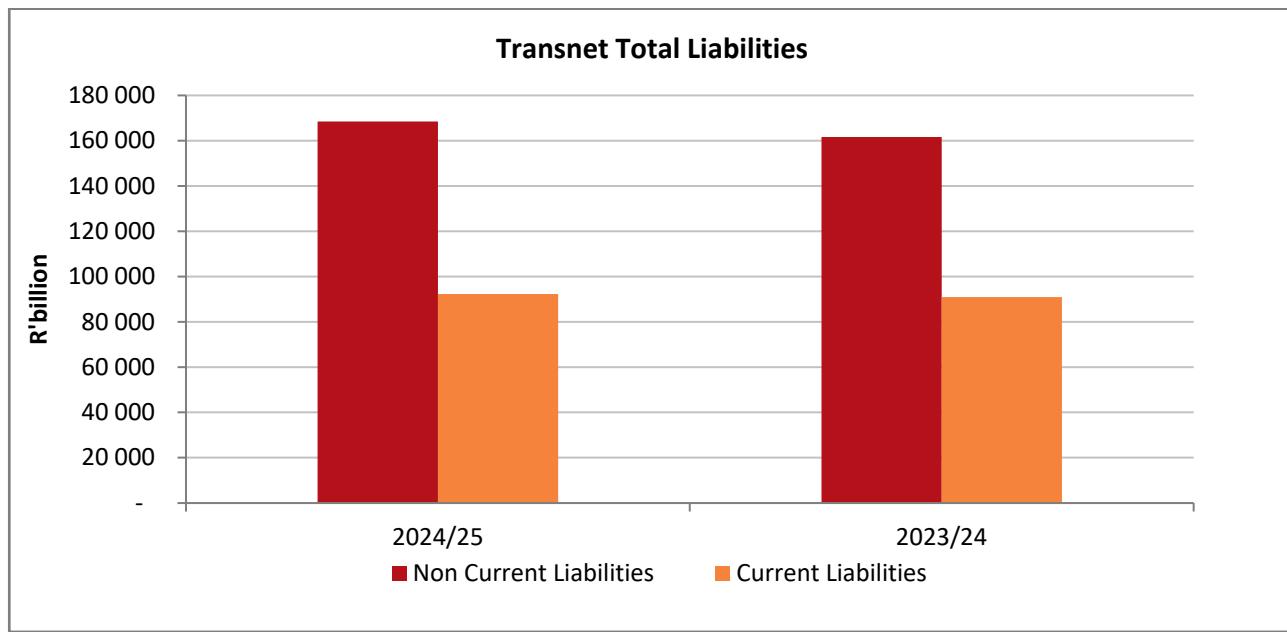
Transnet's asset and liability trends over the period 2020/21 to 2024/25 reveal steady asset growth accompanied by a faster rise in liabilities, leading to a decline in overall net assets. Total assets increased gradually from R354.5 billion in 2020/21 to R395.1 billion in 2024/25, reflecting modest investment in infrastructure and asset base expansion. However, total liabilities grew more rapidly from R226.6 billion to R260.8 billion over the same period indicating rising financial obligations. This widening gap between asset and liability growth has eroded Transnet's net asset position, which peaked at R148.2 billion in 2022/23 before declining to R134.3 billion in 2024/25.



REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Transnet total liabilities contributed 9% of the total liabilities of national public entities' liabilities. In 2023/24 total liabilities of Transnet increased by 3.25% to R260 billion (2023/24: R252 billion). The slight increase is mainly attributable to short term borrowings which increased to R88 billion (2023/24: R73 billion) recording a 21% increase.



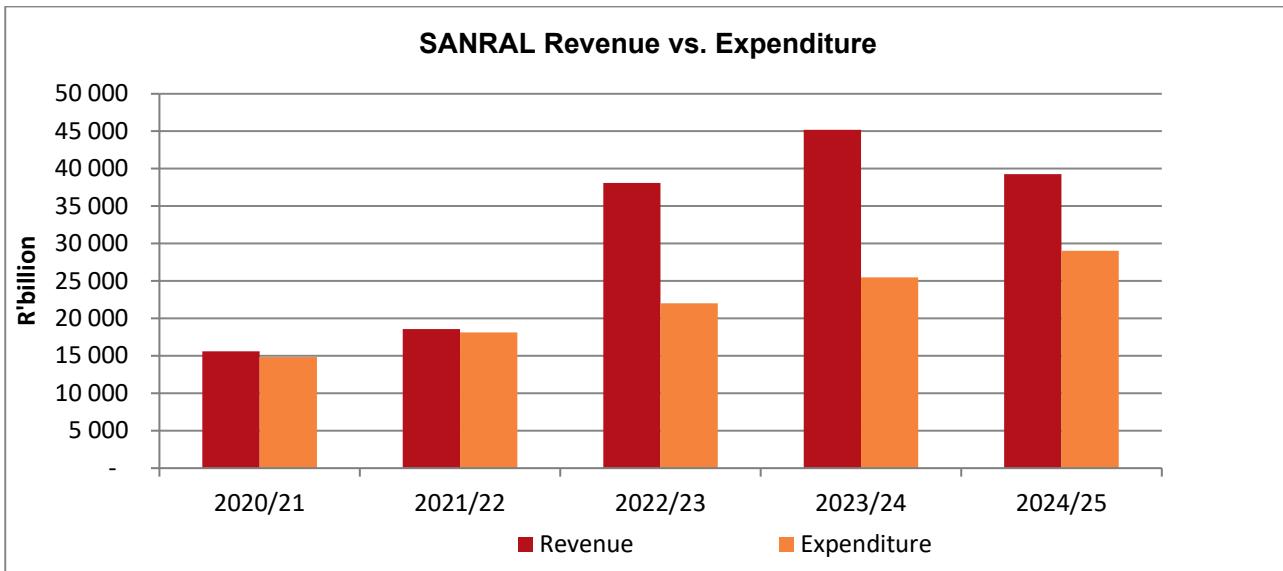
The South African National Roads Agency Soc Limited (SANRAL)

SANRAL is an independent company with its shareholder solely being the South African Government, represented by the Minister of Transport. SANRAL has a distinct mandate to finance, improve, manage and maintain the national road network of South Africa.

SANRAL Summary R' million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Revenue	15 605	18 578	38 082	45 178	39 267
Expenditure	14 832	18 119	22 000	25 479	29 009
Surplus/(Deficit) from Operations	774	458	16 082	19 700	10 258

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025



Between 2020/21 and 2024/25, SANRAL's financial performance improved dramatically, driven by sharp revenue growth and moderate expenditure control. The peak performance in 2023/24 marked the organization's most profitable year, but the slight revenue drop in 2024/25 signals the need for stabilizing income sources and managing expenditure growth to sustain surpluses.

Revenue growth observed from 2020/21 to 2023/24, with a substantial jump between 2021/22 R18.6 billion and 2022/23 R38.1 billion more than double the previous year's revenue 105% however, 2024/25 shows a decline to R39.3 billion from R45.2bn in 2023/24 (13%).

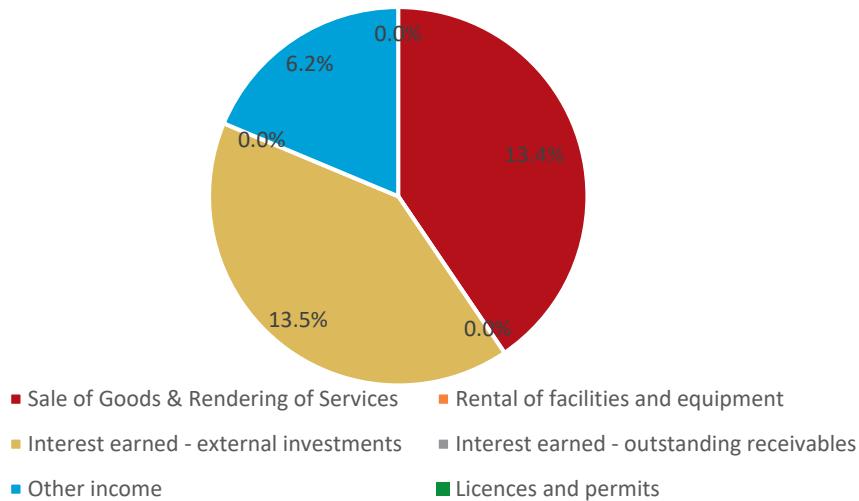
Expenditure has steadily increased each year from R14.8 billion (2020/21) to R29.0 billion (2024/25) an average annual growth rate of roughly 18%. SANRAL operated with small surpluses in 2020/21 R774 million and 2021/22 R458 million. From 2022/23 onward, there is a significant improvement surpluses of R16.1 billion, R19.7 billion, and R10.3 billion, respectively.

Below is the revenue breakdown of SANRAL. The 2024/25 revenue composition for SANRAL shows a total revenue of R39.27 billion, primarily driven by interest income and service-related sales. The Sale of Goods and Rendering of Services contributed 13.4% (R5.25 billion), reflecting income from operational activities such as toll services or related infrastructure support. Interest earned from external investments was the largest single active component, accounting for 13.5% (R5.29 billion), indicating strong returns from invested funds or accumulated reserves. Meanwhile, Other Income contributed 6.2% (R2.42 billion), likely derived from once-off transactions, grants, or miscellaneous sources.

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

SANRAL Revenue Breakdown 2024/25



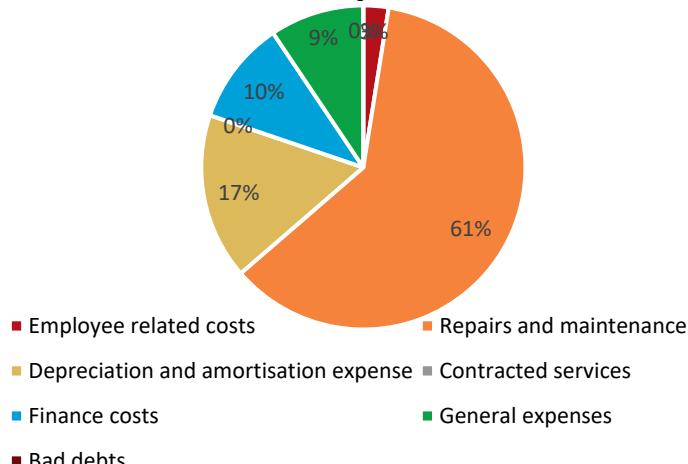
The chart below highlights a breakdown of the entity's expenditure for 2024/25. The 2024/25 expenditure composition for SANRAL totals R29.01 billion, with the majority of spending concentrated in repairs and maintenance, which accounts for a significant 61.1% (R17.74 billion) of total costs. This reflects SANRAL's core operational focus on maintaining and rehabilitating the national road network an essential driver of infrastructure sustainability. Depreciation and amortisation expenses represent 16.6% (R4.80 billion), indicating the continued consumption of capital assets over time, consistent with the nature of a capital-intensive organization. Finance costs, at 10.4% (R3.01 billion), suggesting a notable debt servicing obligations, possibly linked to infrastructure funding or long-term borrowings. General expenses make up 9.4% (R2.73 billion), covering operational overheads and administrative costs.

On the lower end, employee-related costs account for only 2.5% (R729 million). Overall, SANRAL's expenditure profile reflects a capital and infrastructure-driven cost structure, with a heavy focus on network maintenance and asset sustainability. However, the high share of repairs and maintenance suggests pressure on infrastructure upkeep budgets, underscoring the need for continued investment efficiency and cost optimization to maintain operational surpluses amid fluctuating revenue levels.

REVIEW OF OPERATING RESULTS

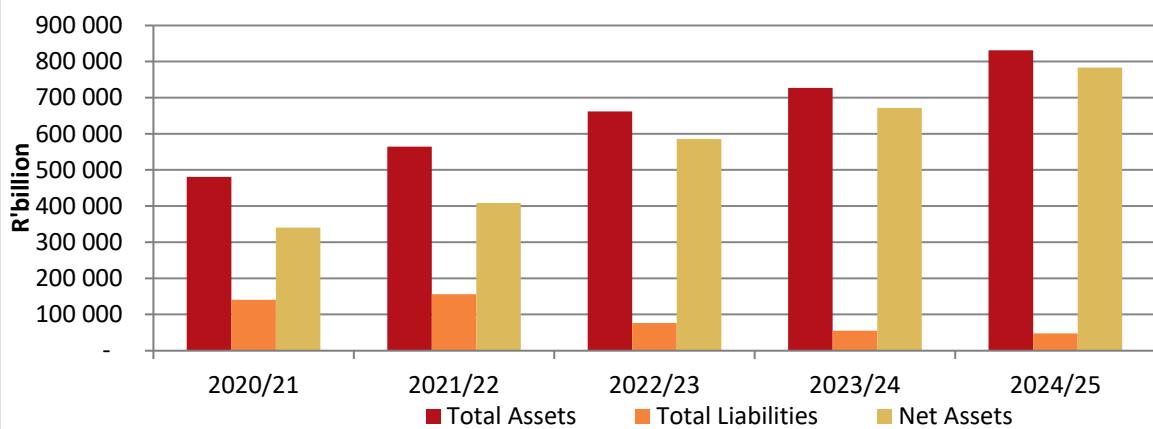
FOR THE YEAR ENDED 31 MARCH 2025

SANRAL Expenditure Breakdown 2024/25



SANRAL Summary	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
R' million					
Total Assets	480 509	564 553	661 964	727 012	830 983
Total Liabilities	140 357	156 171	76 052	55 173	47 657
Net Assets	340 152	408 382	585 912	671 839	783 326

SANRAL Net Assets



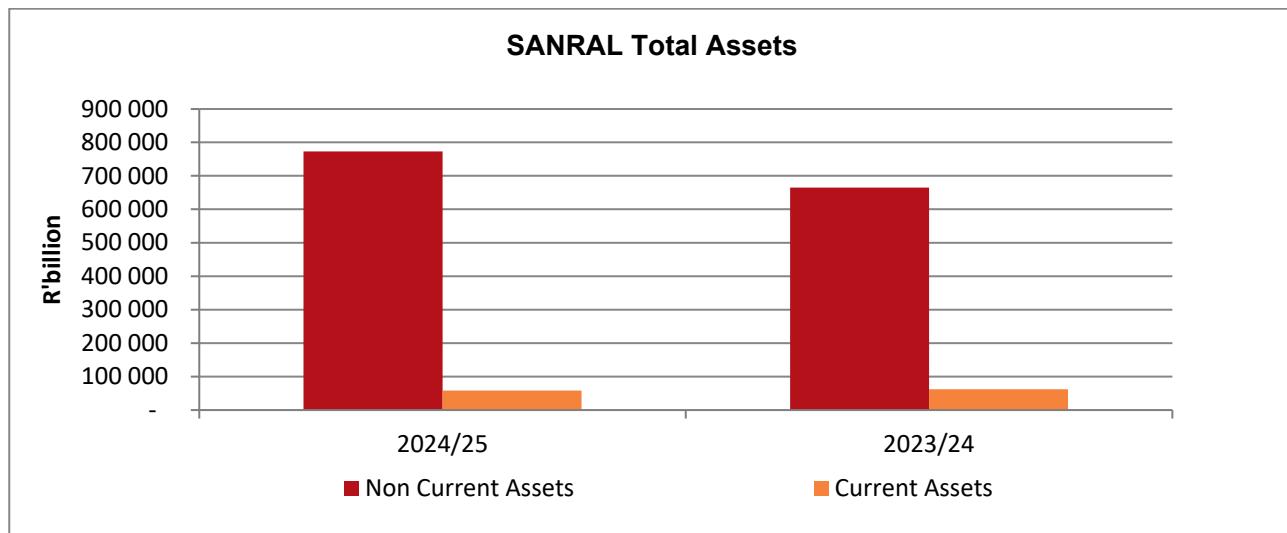
Over the five-year period from 2020/21 to 2024/25, SANRAL's financial position shows a strong upward trend in total assets and net assets, accompanied by a substantial reduction in liabilities. Total assets increased steadily from R480.5 billion in 2020/21 to R831.0 billion in 2024/25, reflecting continuous investment in infrastructure development and asset growth. In contrast, total liabilities declined sharply from R156.2 billion in 2021/22 to R47.7 billion in 2024/25, indicating significant debt repayment that strengthened the organisation's solvency. As a result, net assets more than doubled, rising from R340.2 billion to R783.3 billion over the same period.

The graph below shows the composition of SANRAL's total assets for 2024/25 and 2023/24. The analysis of SANRAL's asset composition shows a notable increase in total assets from R727.0 billion to R831.0 billion, representing a growth of approximately 14%. This growth is primarily driven by a substantial rise in non-current assets, which increased from R664.9 billion to R772.7 billion, indicating continued investment in long-

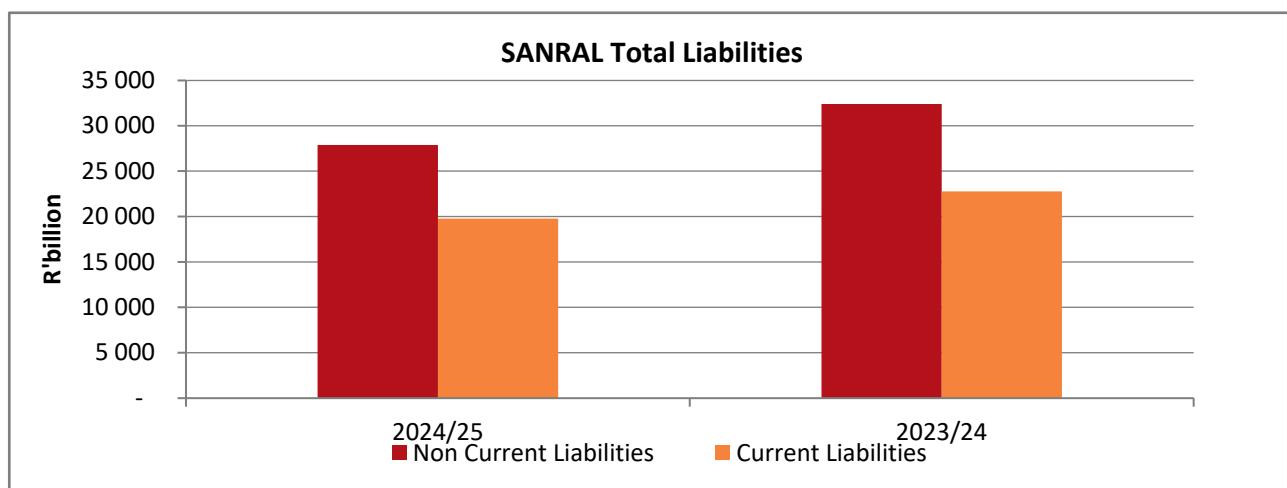
REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

term infrastructure projects and capital expansion. The dominance of non-current assets highlights SANRAL's asset-intensive nature as a national roads agency focused on long-term infrastructure development. In contrast, current assets decreased slightly from R62.1 billion to R58.3 billion, indicating lower short-term liquidity.



SANRAL's total liabilities shown in the graph below reflect a declining trend between 2023/24 and 2024/25, decreasing from R55.17 billion to R47.66 billion, a reduction of approximately 14%. Both non-current and current liabilities contributed to this improvement. Non-current liabilities dropped from R32.40 billion to R27.88 billion. Similarly, current liabilities decreased from R22.77 billion to R19.77 billion, suggesting improved short-term liquidity management and timely settlement of operational payables.



REVIEW OF OPERATING RESULTS

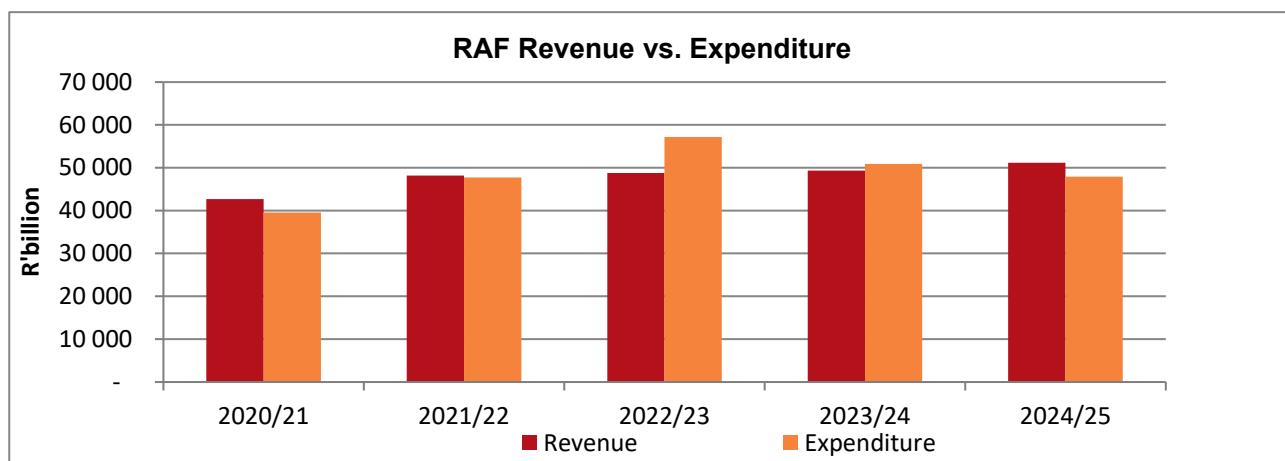
FOR THE YEAR ENDED 31 MARCH 2025

Road Accident Fund

The Road Accident Fund (RAF) is a schedule 3(A) entity, wholly owned by government. RAF is responsible for providing compulsory social insurance cover to all users of the South African roads; to rehabilitate and compensate persons injured as a result of negligence driving of motor vehicles, in a timely and caring manner; and to actively promote the safe use of South African roads. The RAF provides two types of cover, namely personal insurance cover to accident victims or their families, and indemnity cover to wrongdoers.

RAF Summary R' million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Revenue	42 687	48 155	48 758	49 312	51 154
Expenditure	39 535	47 726	57 186	50 902	47 921
Surplus/(Deficit) from Operations	3 152	428	(8 429)	(1 590)	3 233

* *Unaudited financial information*



RAF shows a mixed financial performance trend over the five-year period from 2020/21 to 2024/25. Revenue has grown steadily but modestly, increasing from R42.69 billion in 2020/21 to R51.15 billion in 2024/25, reflecting a cumulative rise of about 20%. This consistent growth indicates stable income source driven by fuel levy adjustments. However, expenditure has been more volatile, rising sharply from R39.54 billion in 2020/21 to a peak of R57.19 billion in 2022/23, before moderating to R47.92 billion in 2024/25. The sharp expenditure surge in 2022/23 resulted in a substantial operating deficit of R8.43 billion, mainly due to high claim settlements and administrative costs.

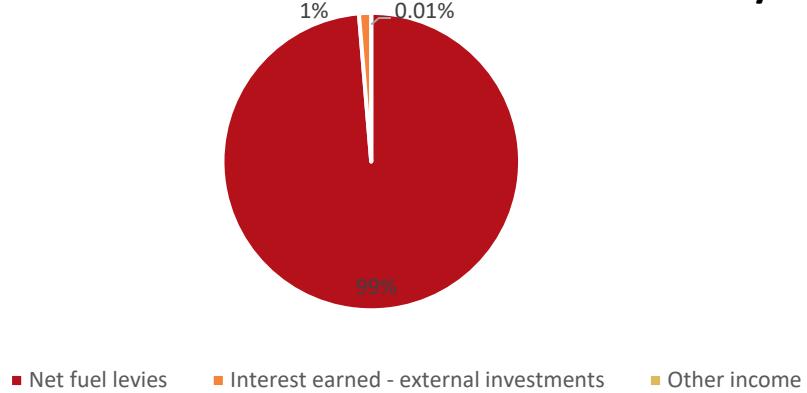
From 2023/24 onward, RAF's financial position improved, narrowing the deficit to R1.59 billion and then achieving a surplus of R3.23 billion in 2024/25 its first meaningful recovery since 2021/22. This turnaround suggests stronger cost containment, operational reforms, or improved revenue management. Overall, while RAF's long-term financial sustainability remains a challenge due to the historic volatility of claims expenditure, the recent recovery trend signals progress toward fiscal stability and operational efficiency if current reforms are maintained.

* *Unaudited financial information*

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

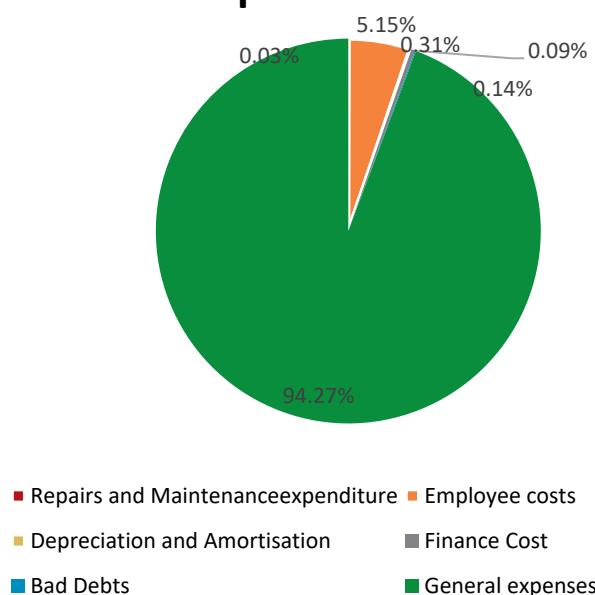
RAF Revenue Breakdown 2024/25



The 2024/25 revenue breakdown for the Road Accident Fund (RAF) above reveals a highly concentrated income structure, with net fuel levies accounting for an overwhelming 99% of total revenue R50.47 billion. This underscores the Fund's heavy reliance on the national fuel levy as its primary and almost exclusive funding source. Interest earned from external investments contributes a minimal 1% equating to R680 million, reflecting limited returns from invested funds, while other income is negligible at R3 million, making up less than 0.01% of total revenue.

*Unaudited financial information

RAF Expenditure Breakdown 2024/25



The total expenditure for the RAF amounts to R47.9 billion, with the largest portion allocated to General Expenses, which represent 94.27% of the total (R45.2 billion). This indicates that the bulk of the organization's spending is concentrated in this category, with admin expenses making R44.7 billion of general expenses. Employee Costs make up 5.15% (R2.5 billion), the second-largest expense. Smaller proportions are attributed to Finance Costs at 0.31% (R150 million), Depreciation and Amortisation at 0.14% (R67 million), Bad Debts at 0.09% (R43 million), and Repairs and Maintenance Expenditure at 0.03% (R15 million).

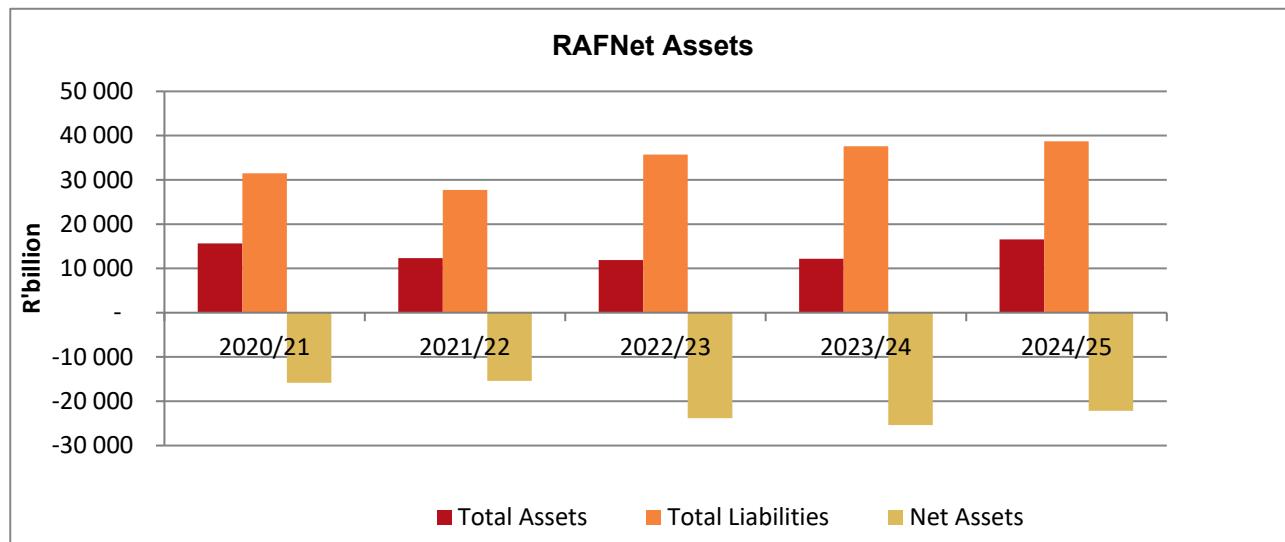
REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

The RAF's financial position over the five-year period from 2020/21 to 2024/25 below reflects a persistently strained balance sheet, characterized by liabilities that significantly exceed total assets. Total assets declined from R15.7 billion in 2020/21 to R12.2 billion in 2023/24, before improving to R16.5 billion in 2024/25, indicating some recovery in asset value in the latest year. In contrast, total liabilities have shown a consistent upward trend from R31.5 billion in 2020/21 to R38.7 billion in 2024/25 demonstrating ongoing financial pressure and increasing obligations. Consequently, net assets remain negative throughout the period, worsening from (R15.8 billion) in 2020/21 to a low of (R25.4 billion) in 2023/24, before slightly improving to (R22.2 billion) in 2024/25. This persistent negative net asset position highlights the RAF's insolvency risk, suggesting that liabilities continue to outpace asset growth.

RAF Summary R' million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Total Assets	15 663	12 314	11 878	12 194	16 549
Total Liabilities	31 497	27 713	35 701	37 594	38 709
Net Assets	(15 834)	(15 399)	(23 823)	(25 401)	(22 161)

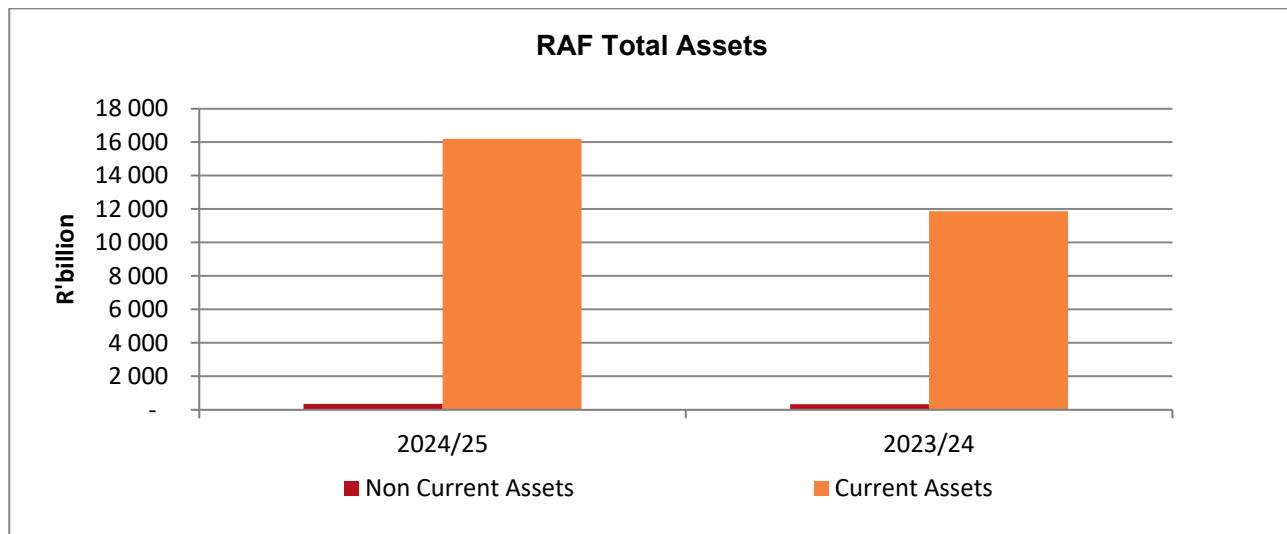
* Unaudited financial information



The RAF's total assets in a graph below increased significantly from R12.2 billion in 2023/24 to R16.5 billion in 2024/25, reflecting an overall growth of approximately R4.4 billion. This improvement was mainly driven by a substantial rise in current assets, which grew from R11.9 billion to R16.2 billion an increase of about 36.5%. The growth in current assets suggests improved liquidity and stronger short-term financial capacity, due to higher cash balances, receivables, and short-term deposits. Non-current assets also increased modestly from R328 million to R352 million, indicating limited but steady investment in long-term resources.

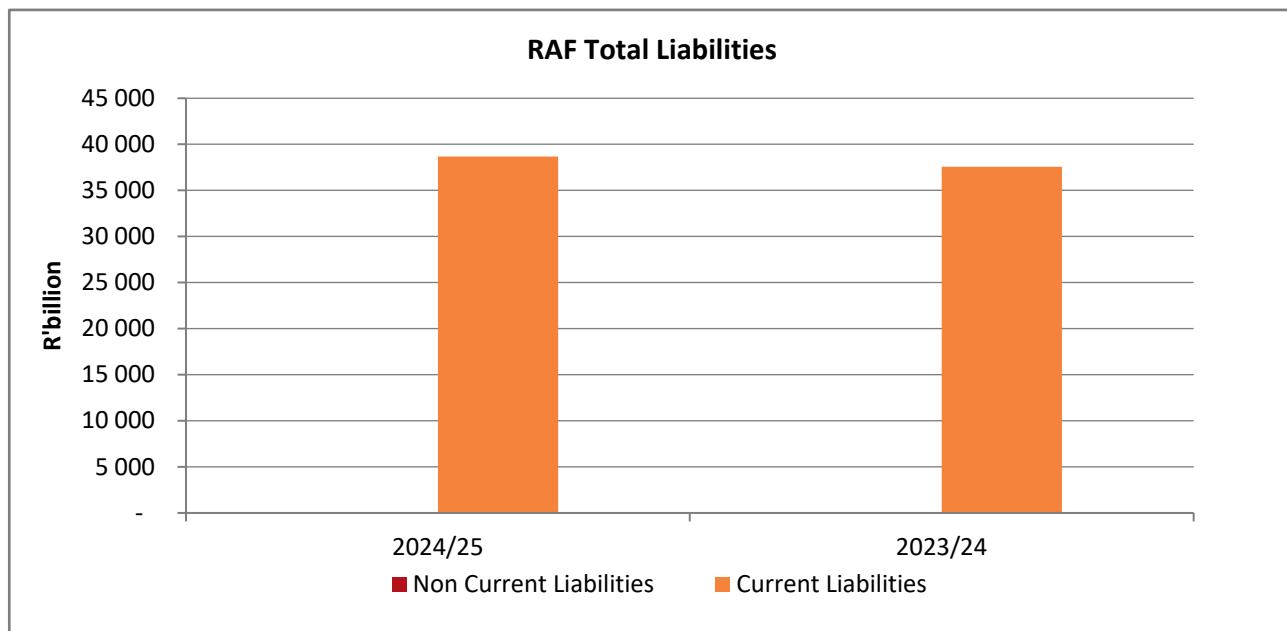
REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025



The RAF's total liabilities increased from R37.6 billion in 2023/24 to R38.7 billion in 2024/25, representing a rise of approximately R1.1 billion or 2.9% year-on-year. This growth was primarily driven by an increase in current liabilities, which climbed from R37.6 billion to R38.7 billion, indicating that the majority of the RAF's obligations remain short-term in nature. Non-current liabilities also rose modestly from R36 million to R41 million, showing limited change in the long-term debt profile. The predominance of current liabilities highlights ongoing liquidity pressures, as most of the RAF's financial obligations are due within a year. While the overall increase in liabilities is moderate, the sustained high level of short-term obligations continues to place strain on the entity's financial stability.

*Unaudited financial information



REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

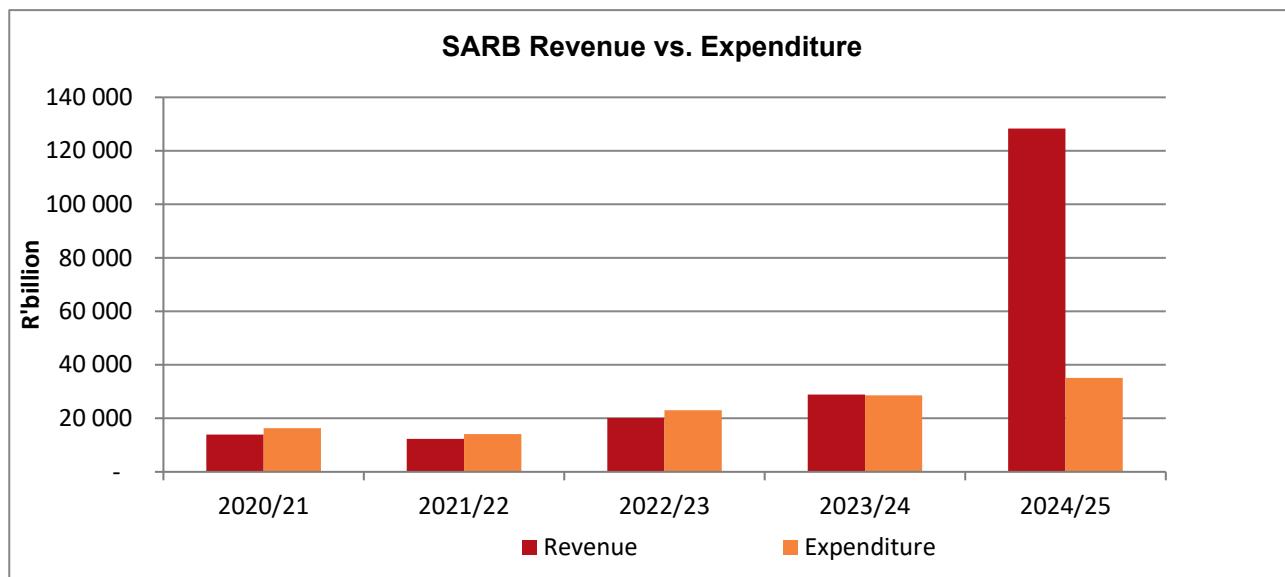
South African Reserve Bank

The South African Reserve Bank is the central bank of the Republic of South Africa. The primary objective and independence are entrenched in the Constitution (Sections 224 and 225 of the Constitution), being to achieve and maintain price stability in the interest of balanced and sustainable economic growth in South Africa. Together with other institutions, it also plays a pivotal role in ensuring financial stability in the country. The bank was established by the SARB Act, read with section 223 of the Constitution of South Africa, Act 108 of 1996 (Constitution).

Some of the Functions of the bank are:

- Issuing banknotes and coin;
- Formulating and implementing monetary policy
- Managing official gold and foreign-exchange reserves;
- Acting as banker to the government;
- Supervising the banking system;
- Acting as lender of last resort in exceptional circumstances to financial institutions.

SARB Summary R' million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Revenue	13 910	12 282	20 133	28 853	128 326
Expenditure	16 280	14 092	22 994	28 554	35 098
Surplus/(Deficit) from Operations	(2 369)	(1 811)	(2 861)	299	93 228

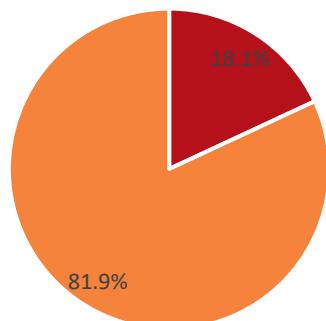


The SARB's financial performance over the five-year period from 2020/21 to 2024/25 shows a positive turnaround, particularly in the most recent year. Revenue increased significantly from R13.9 billion in 2020/21 to an exceptional R128.3 billion in 2024/25. This surge in revenue comes after NT transferred R100 billion to promote policy solvency in the SARB. Expenditure also rose over the same period from R16.3 billion in 2020/21 to R35.1 billion in 2024/25 showing consistent cost growth but at a much slower rate than revenue in the latest year. As a result, the surplus/(deficit) from operations shifted dramatically from persistent deficits in prior years ranging from (R2.4 billion) in 2020/21 to (R2.9 billion) in 2022/23 to a modest surplus of R299 million in 2023/24, and then a substantial R93.2 billion surplus in 2024/25.

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

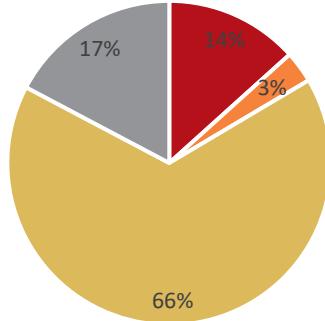
SARB Revenue Breakdown 2024/25



■ Interest earned - external investments ■ Other income

The SARB's revenue breakdown for 2024/25 reveals that total revenue amounted to R128.3 billion, with other income being the most significant contributor. This category accounted for 81.9% of total revenue, translating to R105 billion. Interest earned from external investments contributed 18.1%, or R23.1 billion. A significant portion of other income comes from a transfer received from NT to improve the solvency policy.

SARB Expenditure Breakdown 2024/25



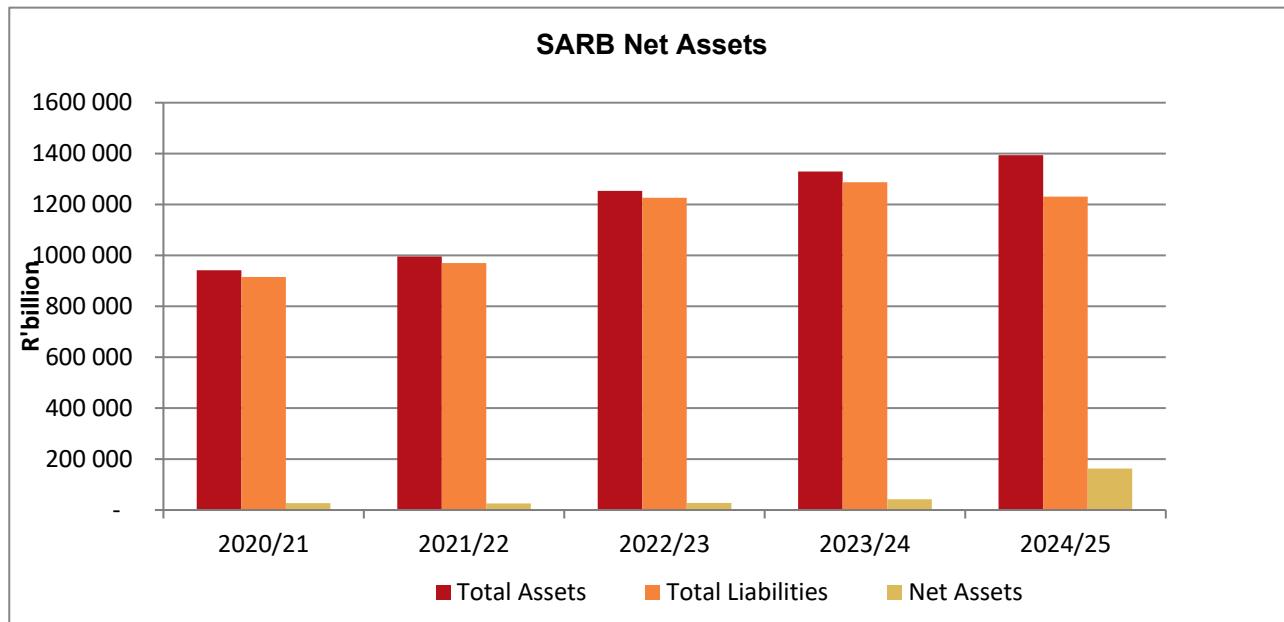
■ Employee related costs ■ Depreciation and amortisation expense ■ Finance costs ■ General expenses

The SARB reported total expenditure of R35.098 billion. The largest portion of this expenditure was attributed to finance costs, which accounted for 66.3% (R23.253 billion) of total spending. General expenses represented 17.3% (R6.061 billion), reflecting the operational and administrative costs incurred in maintaining the Bank's day-to-day functions. Employee-related costs comprised 13.3% (R4.680 billion), highlighting a moderate share of expenditure dedicated to personnel remuneration and benefits. Finally, depreciation and amortisation expenses accounted for 3.1% (R1.104 billion), indicating the cost of using the Bank's long-term assets over time. Overall, the expenditure structure shows a heavy reliance on finance costs, with operational and personnel costs forming smaller but still significant components.

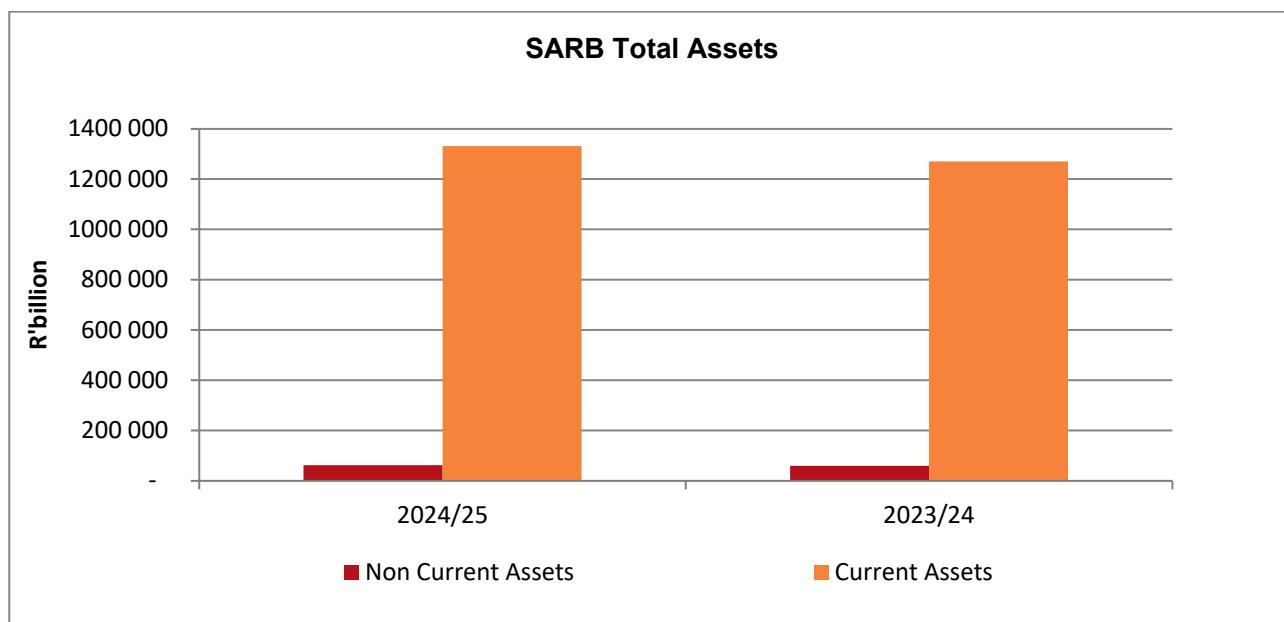
REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

SARB Summary R' million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Total Assets	941 792	995 489	1 253 408	1 329 569	1 393 716
Total Liabilities	914 967	970 018	1 226 103	1 287 583	1 230 816
Net Assets	26 824	25 471	27 305	41 986	162 900



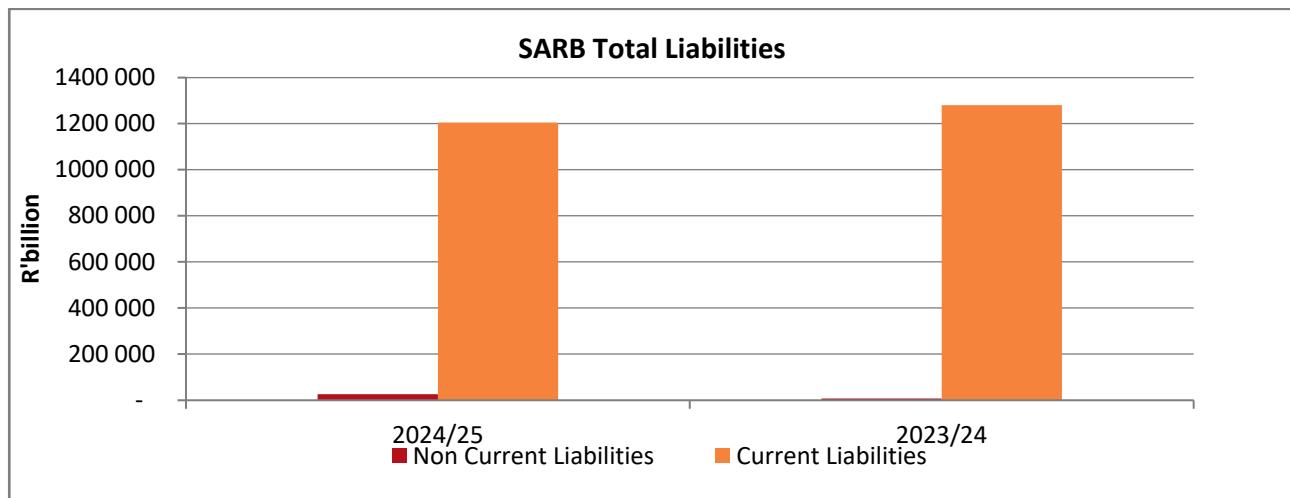
The SARB demonstrated steady balance sheet growth over the five-year period from 2020/21 to 2024/25. Total assets increased consistently from R941.8 billion in 2020/21 to R1.39 trillion in 2024/25, reflecting the Bank's expanding financial position and accumulation of reserves. Total liabilities followed a similar upward trend from R915.0 billion to R1.23 trillion over the same period, although the growth in liabilities between 2023/24 and 2024/25 showed a slight decline. Net assets showed significant improvement, rising from R26.8 billion in 2020/21 to R162.9 billion in 2024/25 a substantial increase driven largely by stronger asset growth relative to liabilities in the most recent year.



REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

The South African Reserve Bank's (SARB) total assets increased from R1.33 trillion in 2023/24 to R1.39 trillion in 2024/25, reflecting an overall growth of approximately 4.8% year-on-year. This rise was primarily driven by a notable increase in current assets, which grew from R1.27 trillion to R1.33 trillion, indicating stronger liquidity and short-term asset holdings. Non-current assets also recorded an increase, rising from R59.2 billion in 2023/24 to R62.2 billion in 2024/25.



The SARB total liabilities decreased from R1.29 trillion in 2023/24 to R1.23 trillion in 2024/25, representing a 4.4% decline year-on-year. This reduction reflects a notable improvement in the Bank's overall financial position. Current liabilities declined from R1.28 trillion to R1.20 trillion, suggesting lower short-term obligations or improved liquidity management. In contrast, non-current liabilities increased significantly from R7.3 billion in 2023/24 to R26.2 billion in 2024/25, indicating a shift toward longer-term funding structures or reclassification of certain liabilities.



REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NATIONAL PUBLIC ENTITIES



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

DISCLAIMER OF OPINION

1. I was engaged to audit the consolidated financial statements of the national public entities set out on pages 174 to 260, which comprise the consolidated statement of financial position as at 31 March 2025, the consolidated statement of financial performance, consolidated statement of changes in net assets and consolidated statement of cash flows for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. I do not express an opinion on the consolidated financial statements of the national public entities. Because of the significance of the matters described in the basis for disclaimer of opinion section of this auditor's report, I was unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

BASIS FOR DISCLAIMER OF OPINION

Basis of preparation

3. I was unable to obtain sufficient appropriate audit evidence in respect of 28ⁱ public entities whose unaudited financial information was included for consolidation because of the delayed submission of the financial statements for audit by these entities, or because the audits of these entities had not been finalised in time to prepare the consolidated financial statements. Consequently, I could not determine by alternative means whether any further adjustments to the consolidated financial information, including the comparatives and note disclosures, were necessary, as it was impracticable to do so.
4. The consolidated financial statements of national public entities do not comply with the South African Standards of Generally Recognised Accounting Practice (GRAP) 35, *Consolidated financial statements*, as it excludes sevenⁱⁱ public entities due to the non-submission of financial information for the 2024-25 financial year. The effects of the non-submission by the individual public entities on the consolidated financial statements could not be determined for the year ended 31 March 2025 and its comparative, as it was impractical to do so.

ⁱ National Youth Development Agency, Amatola Water Board, Vaal Central Water Board, Equalisation Fund, Lepelle Northern Water, Magalies Water, National Housing Finance Corporation Limited, Overberg Water, Road Accident Fund, Umgeni Water, Universal Service and Access Fund, Vaal-Orange Catchment Management Agency, DENEL, ESKOM, Government Pensions Administration Agency, LANDBANK, South African Airways (Pty) Ltd, South African Forestry Company Limited, Construction Education and Training Authority, Insurance Sector Education and Training Authority, Local Government Education and Training Authority, Media, Information and

Communication Technologies SETA, National Health Laboratory Service, Pan South African Language Board, Robben Island Museum, Transport Education and Training Authority, Mandela Bay Theatre Complex, Technology Innovation Agency

ⁱⁱ South African Bureau of Standards, Mzimvubu-Tsitsikama Catchment Management Agency, Limpopo-Olifants Catchment Management Agency, Alexkor Limited, Financial & Fiscal Commission, National Student Financial Aid Scheme, Rand Water.

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

- I was unable to obtain sufficient appropriate audit evidence that the consolidated financial statements of national public entities comply with the requirements of GRAP 35, for the completeness and accuracy of the elimination of inter-entity transactions and balances in respect of the current and prior year, as the government's systems and processes were not developed to enable credible whole-of-government consolidation. I was unable to perform alternative procedures to obtain reasonable assurance that inter-entity transactions and balances were eliminated in full. As a result, some inter-entity transactions and balances have not been fully eliminated and this has a resultant impact on the related-party disclosures required by the GRAP. These remaining transactions and balances not eliminated have not been disclosed as related-party transactions and balances as required by GRAP 20, *Related party disclosures*.

NON-CURRENT INVESTMENTS

Unemployment Insurance Fund

- I was unable to obtain sufficient appropriate audit evidence to substantiate the amount recognised as unlisted equity and unlisted investments, disclosed in note 15 to the consolidated financial statements. This was because the public entity did not implement effective internal control systems to verify the source data used to determine the fair value of the unlisted investments and unlisted equity and the resultant impairment losses and reversal of impairment. I was unable to confirm the recorded respective amounts by alternative means.
- Consequently, I was unable to determine whether any adjustments were necessary to other investments, stated at R139 868 541 000 (2024: R126 092 958 000), in note 15 to the consolidated financial statements:

Compensation Fund

- I was unable to obtain sufficient appropriate audit evidence to confirm the data used to perform the valuations of investments in unlisted instruments for the current and prior year, as the entity did not maintain proper accounting records and supporting information. I was unable to confirm investments in unlisted instruments by alternative means due to the status of the accounting records. I was unable to determine the full extent of the misstatement of other investments stated at R139 868 541 000 (2024: R126 092 958 000) in note 15 to the consolidated financial statements, as it was impractical to do so.
- I was unable to obtain sufficient appropriate audit evidence to confirm the data used to perform the valuations of unlisted investments for the current and prior year, as the entity did not maintain proper accounting records and supporting information. I was unable to confirm investments in unlisted loans by alternative means due to the status of the accounting records. Consequently, I was unable to determine whether any adjustment was necessary to the loans granted stated at R136 317 780 000 (2024: R139 988 559 000) in note 15 to the consolidated statement of financial position.

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

STATUTORY RECEIVABLES – NON-EXCHANGE

Unemployment Insurance Fund

10. The public entity did not account for revenue from non-exchange transactions in accordance with the requirements of GRAP 1, Presentation of financial statements and GRAP 23, Revenue from non-exchange transactions. The public entity did not recognise revenue from non-exchange transactions for the non-South African Revenue Service (Sars) contributions for both the current and prior years, based on declarations submitted by employers. I was unable to determine the full extent of the misstatement of the statutory receivables from non-exchange transactions stated at R23 869 340 000 (2024: R21 379 115 000) in note 13 to the consolidated financial statements, as it was impracticable to do so. Additionally, there was an impact on the surplus and deficit for the current period and the accumulated surplus.

Compensation Fund

11. I was unable to obtain sufficient appropriate audit evidence that the statutory receivables for the current and prior year had been properly accounted for, as the public entity had inadequate processes in place to ensure that employers were accurately assessed in terms of the Compensation for Occupational Injuries and Diseases Act 130 of 1993 (Coda). Furthermore, where section 85(1) of Coda was applied, the public entity did not submit supporting evidence for the assessment performed to qualify for the reduction rate. I was unable to confirm statutory receivables by alternative means due to the status of the accounting records.

12. Additionally, the public entity did not correctly account for revenue from non-exchange transactions in accordance with GRAP 23. The public entity incorrectly calculated the revenue estimate for some of the employers who met the criteria to be assessed in the current year

and notices of assessments were not issued to some employers. Furthermore, there were instances where revenue was incorrectly calculated and recognised in an incorrect period. I was unable to determine the full extent of the misstatement of revenue from non-exchange transactions and statutory receivables as it was impracticable to do so. Consequently, I was unable to determine whether any adjustment was necessary to statutory receivables stated at R23 869 340 000 (2024: R21 379 115 000) in note 13 to the consolidated financial statements. There was an impact on the surplus for the period and on the accumulated surplus.

13. The public entity did not correctly account for statutory receivables in accordance with GRAP 108, Statutory receivables. The public entity incorrectly calculated the statutory receivables. Consequently, statutory receivables stated at R23 869 340 000 (2024: R21 379 115 000) in note 13 to the consolidated financial statements were understated.

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

NON-CURRENT PROVISIONS

Compensation Fund

14. I was unable to obtain sufficient appropriate audit evidence that the provisions for outstanding claims for both the current and prior year were properly accounted for, due to the status of the accounting records. The public entity did not implement adequate internal control systems to maintain proper accounting records and information relating to the movement in the provision for outstanding claims resulting from payments and the measurement of estimates in accordance with GRAP 19, Provisions, contingent liabilities and contingent assets. I was unable to confirm the provisions for outstanding claims by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the non-current provisions stated at R103 538 467 000 (2024: R116 409 438 000) in note 30 to the consolidated financial statements.

REVENUE FROM NON-EXCHANGE TRANSACTIONS – PUBLIC CONTRIBUTIONS AND DONATIONS

Unemployment Insurance Fund

15. The public entity did not account for revenue from non-exchange transactions in accordance with the requirements of GRAP 1 and GRAP 23. The public entity did not recognise revenue from non-exchange transactions for the non-Sars contributions for both the current and prior years, based on declarations submitted by employers. I was unable to determine the full extent of the misstatement of public contributions and donations stated at R27 223 045 000 (2024: R25 934 115 000) in note 40 to the consolidated financial statements, as it was impracticable to do so. Additionally, there was an impact on the surplus and deficit for the current period and the accumulated surplus.

GRANTS AND SUBSIDIES PAID

Agricultural Sector Education and Training Authority

16. The discretionary grants were not correctly accounted for as required by GRAP 1. The public entity incorrectly accounted for transactions for the prior year in the current year. Consequently, discretionary grants included in grants and subsidies paid, stated at R32 444 495 000 (2024: R27 563 507 000) in note 53 to the consolidated financial statements, were overstated by R67 035 000. Additionally, there was an impact on the surplus for the period and on the accumulated surplus.

Compensation Fund

17. I was unable to obtain sufficient appropriate audit evidence that compensation benefits were properly accounted for in the current and prior year. The public entity did not keep adequate records to substantiate compensation benefits recorded in the financial statements. I was unable to confirm benefits paid by alternative means due to the status of the accounting records. Additionally, the compensation benefits were overstated by R119 000 000, due to incorrect calculations. Consequently, I was unable to determine whether any adjustment was necessary to compensation benefits included in grants and subsidies paid, stated at R32 444 495 000 (2024: R27 563 507 000) in note 53 to the consolidated financial statements.

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

Education, Training and Development Practices Sector Education and Training Authority

18. I was unable to obtain sufficient appropriate audit evidence for discretionary grants expenditure included in grants and subsidies paid, stated at R32 444 495 000 (2024: R27 563 507 000) in note 53 to the consolidated financial statements. The public entity did not maintain accurate and complete records to support the transactions recorded. As a result, I could not confirm the validity of the discretionary grants expenditure.

Food and Beverages Manufacturing Industry Sector Education and Training Authority

19. The project administration expenditure was not properly accounted for in accordance with GRAP 1. Administration expenditure relating to special projects was incorrectly classified as project costs. Consequently, the discretionary grants included in grants and subsidies paid, stated at R32 444 495 000 (2024: R27 563 507 000) in note 53 to the consolidated financial statements, were overstated by R7 195 337.

20. Additionally, the entity did not properly account for discretionary grants as prior year accruals were recognised as current year's expenditure. Consequently, discretionary grants included in grants and subsidies paid, stated at R32 444 495 000 (2024: R27 563 507 000) in note 53 to the consolidated financial statements, were overstated by R44 963 893.

Manufacturing Engineering and Related Services Education Training Authority

21. Discretionary grants were not accounted for in accordance with GRAP 1. The entity did not account for the discretionary grant project's direct costs in the periods in which services were rendered. Consequently, grants and subsidies paid, stated at R32 444 495 000 (2024: R27 563 507 000) in note 53 to the consolidated financial statements, were overstated by R78 386 000. Additionally, there was an impact on the surplus for the period and the accumulated surplus.

National Skills Fund

22. I was unable to obtain sufficient appropriate audit evidence that skills development funding for the current and previous years has been properly accounted for due to the status of the accounting records. I was unable to confirm the skills development funding by alternative means. Consequently, I was unable to determine whether any adjustments relating to skills development funding included in grants and subsidies paid, stated at R32 444 495 000 (2024: R27 563 507 000) in note 53 to the consolidated financial statements, were necessary.

23. Accruals from non-exchange transactions were not accounted for in accordance with GRAP 19, as the public entity incorrectly calculated the accruals from non-exchange transactions. This is because adequate records of outstanding payments for services rendered in relation to skills development funding were not maintained, which resulted in skills development funding expenditure included in grants and subsidies paid, stated at R32 444 495 000 (2024: R27 563 507 000) in note 53 to the consolidated financial statements being understated by R996 718 167.

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

Services Sector Education and Training Authority

24. The public entity did not account for discretionary grant provisions in accordance with GRAP 19 for the current and prior year. The method of estimation for discretionary grant provisions was not determined and assessed correctly. Furthermore, discretionary grant expenditure included in grants and subsidies paid, stated at R32 444 495 000 (2024: R27 563 507 000) in note 53 to the consolidated financial statements, was misstated as a result of this. I was unable to determine the full extent of the misstatement to discretionary grant expenditure included in grants and subsidies paid, stated at R32 444 495 000 (2024: R27 563 507 000) in note 53 to the consolidated financial statements, as it was impracticable to do so.

REVENUE FROM NON-EXCHANGE TRANSACTIONS – OTHER INCOME

Compensation Fund

25. I was unable to obtain sufficient appropriate audit evidence that the revenue from non-exchange transactions for the current and prior year had been properly accounted for, as the public entity had inadequate processes in place to ensure that employers were accurately assessed in terms of the Coida. Furthermore, where section 85(1) of the Coida was applied, the public entity did not submit supporting evidence for the assessment performed to qualify for the reduction rate. I was unable to confirm revenue from non-exchange transactions by alternative means due to the status of the accounting records.

26. Additionally, the public entity did not correctly account for revenue from non-exchange transactions in accordance with GRAP 23. The public entity incorrectly calculated the revenue estimate for some of the employers who met the criteria to be assessed in the current year and notices of assessments were not issued to some employers. Furthermore, there were instances where revenue was inaccurately calculated and recognised in an incorrect period. I was unable to determine the full extent of the misstatement of revenue from non-exchange transactions as it was impracticable to do so. There was an impact on the surplus for the period and on the accumulated surplus.

27. Consequently, I was unable to determine whether any adjustment was necessary to revenue from non-exchange transactions – other income, stated at R117 007 303 000 included in the amount of R134 506 571 000 (2024: R26 542 438 000 included in R40 597 005 000) in note 49 to the consolidated financial statements.

PROFIT/(LOSS) ON FAIR VALUE ADJUSTMENT

Unemployment Insurance Fund

28. I was unable to obtain sufficient appropriate audit evidence to substantiate the amount recognised as fair value adjustments, as supporting documentation was not provided to support the fair value adjustment amount. I was unable to confirm the amount for fair value adjustments by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the fair value adjustments included in gain/(loss) on fair value adjustment, stated at (R120 399 981 000) (2024: R93 182 698 000) in note 58 to the consolidated financial statements.

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

AGGREGATED UNCORRECTED MISSTATEMENTS

29. The consolidated financial statements are materially misstated due to the cumulative effect of numerous uncorrected misstatements emanating from the audited financial statements of various national public entities. These misstatements impact the statement of financial performance corresponding figures with R10 400 536 614 and the statement of financial position with R28 254 788 087 (2024: R12 446 697 090).

Emphasis of matter

30. I draw attention to the matter below. My opinion is not modified in respect of this matter.

MINISTERIAL EXEMPTION IN TERMS OF SECTION 92 OF THE PUBLIC FINANCE MANAGEMENT ACT 1 OF 1999 (PFMA) FROM PREPARING A SINGLE SET OF CONSOLIDATED FINANCIAL STATEMENTS

31. As disclosed in note 79 to the consolidated financial statements, the finance minister granted the National Treasury exemption in terms of section 92 of the PFMA from the provisions of section 8(1) of the Act. The exemption applies to the financial periods 2020-21 to 2024-25 and allows National Treasury not to prepare a single set of consolidated financial statements for national departments and national public entities, due to the different financial reporting frameworks in use at public entities and departments.

Other matter

32. I draw attention to the matter below. My opinion is not modified in respect of this matter.

UNAUDITED SUPPLEMENTARY SCHEDULES

33. The supplementary information set out on pages 165 to 173 does not form part of the consolidated financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the consolidated financial statements

34. The accounting officer is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the GRAP and the requirements of the PFMA and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

35. In preparing the consolidated financial statements, the accounting officer is responsible for assessing the consolidated national public entities' ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

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

36. My responsibility is to conduct an audit of the consolidated financial statements in accordance with the International Standards on Auditing and to issue an auditor's report. However, because of the matters described in the basis for disclaimer of opinion section of this auditor's report, I was unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.
37. I am independent of the national public entities in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code), as well as the other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

38. In terms of section 8 of the PFMA, National Treasury is not required to prepare a consolidated annual performance report.

REPORT ON COMPLIANCE WITH LEGISLATION

39. The audit of compliance with legislation is not required, as the consolidation of national departments does not fall within the audit of compliance with legislation included in the audit directive issued under section 13(3)(b) of the Public Audit Act 25 of 2004 on 20 February 2025 per General Notice 52149.

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

OTHER INFORMATION IN THE ANNUAL REPORT

40. The accounting officer is responsible for the other information included in the annual report. The other information does not include the consolidated financial statements and the auditor's report.
41. My opinion on the consolidated financial statements does not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
42. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
43. As a result of the disclaimer of opinion expressed on the consolidated financial statements, I do not conclude on material misstatements of the other information relating to the financial statements.

INTERNAL CONTROL DEFICIENCIES

44. I considered internal control relevant to my audit of the consolidated financial statements; however, my objective was not to express any form of assurance on it.
45. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the disclaimer of opinion.
46. The individual entities did not have adequate financial reporting systems to facilitate credible reporting.
47. Ineffective records management system at the individual entity level to ensure that complete, relevant and accurate information is accessible and available to support financial reporting.
48. There is a slow response by management and the accounting authorities/officers in addressing the significant deficiencies that have been repeatedly reported in relation to financial reporting as well as related internal controls.

Auditor-General

Pretoria.

10 December 2025



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Annexure A

List of entities consolidated

31 March 2025	31 March 2024
1 Amatola Water Board	1 Amatola Water Board
2 Border Management Authority	2 Border Management Authority
3 Academy of Science of South Africa	3 Academy of Science of South Africa
4 Accounting Standards Board	4 Accounting Standards Board
5 African Renaissance International Cooperation Fund	5 African Renaissance International Cooperation Fund
6 Agrément South Africa	6 Agrément South Africa
7 Agricultural Land Holding Account	7 Agricultural Land Holding Account
8 Agricultural Research Council	8 Agricultural Research Council
9 Agricultural Sector Education and Training Authority	9 Agricultural Sector Education and Training Authority
10 Air Traffic and Navigation Services Company Limited	10 Air Traffic and Navigation Services Company Limited
11 Airports Company of South Africa Ltd	11 Airports Company of South Africa Ltd
12 Amazwi South African Museum of Literature	12 Amazwi South African Museum of Literature
13 Armaments Corporation of South Africa Limited (ARSMCOR)	13 Armaments Corporation of South Africa Limited (ARSMCOR)
14 Artscape	14 Artscape
15 Auditor General of South Africa	15 Auditor General of South Africa
16 Banking Sector Education and Training Authority	16 Banking Sector Education and Training Authority
17 Boxing South Africa	17 Boxing South Africa
18 Brand SA	18 Brand SA
19 Breede-Olifants Catchment Management Agency	19 Breede-Olifants Catchment Management Agency
20 Broadband Infraco	20 Broadband Infraco
21 Castle Control Board	21 Castle Control Board
22 CEF (Pty) Ltd	22 CEF (Pty) Ltd
23 Chemical Industries Education and Training Authority	23 Chemical Industries Education and Training Authority
24 Commission for Conciliation, Mediation & Arbitration	24 Commission for Conciliation, Mediation & Arbitration
25 Commission for Gender Equality (CGE)	25 Commission for Gender Equality (CGE)
26 Commission on Restitution of Land Rights	26 Commission on Restitution of Land Rights
27 Community Schemes Ombud Services	27 Community Schemes Ombud Services
28 Companies and Intellectual Property Commission	28 Companies and Intellectual Property Commission
29 Companies Tribunal	29 Companies Tribunal
30 Compensation Fund, including Reserve Fund	30 Compensation Fund, including Reserve Fund
31 Competition Commission	31 Competition Commission
32 Competition Tribunal	32 Competition Tribunal
33 Construction Education and Training Authority	33 Construction Education and Training Authority
34 Construction Industry Development Board	34 Construction Industry Development Board
35 Co-Operatives Banks Development Agency	35 Co-Operatives Banks Development Agency
36 Council for Geoscience	36 Council for Geoscience
37 Council for Medical Schemes	37 Council for Medical Schemes
38 Council for Scientific and Industrial Research	38 Council for Scientific and Industrial Research

ANNEXURES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	31 March 2025	31 March 2024
39	Council for the Built Environment	39 Council for the Built Environment
40	Council on Higher Education	40 Council on Higher Education
41	Cross-Border Road Transport Agency	41 Cross-Border Road Transport Agency
42	Culture, Arts, Tourism, Hospitality and Sport Education and Training Authority	42 Culture, Arts, Tourism, Hospitality and Sport Education and Training Authority
43	Deeds Registration Trading Account	43 Deeds Registration Trading Account
44	Development Bank of Southern Africa	44 Development Bank of Southern Africa
45	Die Afrikaanse Taal Museum	45 Die Afrikaanse Taal Museum
46	Ditsong: Museums of Africa	46 Ditsong: Museums of Africa
47	Driving License Card Trading Account	47 Driving License Card Trading Account
48	Education, Training and Development Practices SETA	48 Education, Training and Development Practices SETA
49	Energy & Water Sector Education and Training Authority	49 Energy & Water Sector Education and Training Authority
50	Equalisation Fund	50 Equalisation Fund
51	ESKOM	51 ESKOM
52	Export Credit Insurance Corporation of South Africa Limited	52 Export Credit Insurance Corporation of South Africa Limited
53	Fibre Processing Manufacturing Sector Education and Training	53 Fibre Processing Manufacturing Sector Education and Training
54	Film and Publication Board	54 Film and Publication Board
55	Land Bank	55 Financial & Fiscal Commission
56	Financial and Accounting Services SETA	56 Financial and Accounting Services SETA
57	Financial Intelligence Centre	57 Financial Intelligence Centre
58	Financial Sector Conduct Authority	58 Financial Sector Conduct Authority
59	Food and Beverages Manufacturing Industry SETA	59 Food and Beverages Manufacturing Industry SETA
60	Government Pensions Administration Agency	60 Government Pensions Administration Agency
61	Government Printing Works	61 Government Printing Works
62	Government Technical Advisory Centre (GTAC)	62 Government Technical Advisory Centre (GTAC)
63	Health and Welfare Sector Education and Training Authority	63 Health and Welfare Sector Education and Training Authority
64	Housing Development Agency	64 Housing Development Agency
65	Human Sciences Research Council	65 Human Sciences Research Council
66	Independent Communications Authority of South Africa	66 Independent Communications Authority of South Africa
67	Independent Development Trust	67 Independent Development Trust
68	Independent Electoral Commission	68 Independent Electoral Commission
69	Independent Regulatory Board for Auditors	69 Independent Regulatory Board for Auditors
70	Industrial Development Corporation of South Africa Limited	70 Industrial Development Corporation of South Africa Limited
71	Ingonyama Trust Board	71 Ingonyama Trust Board
72	Inkomati-Usuthu Catchment Management Agency	72 Inkomati-Usuthu Catchment Management Agency
73	Insurance Sector Education and Training Authority	73 Insurance Sector Education and Training Authority
74	International Trade Administration Commission	74 International Trade Administration Commission
75	Isimangaliso Wetland Park	75 Isimangaliso Wetland Park

ANNEXURES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

31 March 2025	31 March 2024
76 Iziko Museums of South Africa	76 Iziko Museums of South Africa
77 Kwa-Zulu Natal Museum	77 Kwa-Zulu Natal Museum
78 Legal Aid South Africa	78 Legal Aid South Africa
79 Lepelle Northern Water	79 Lepelle Northern Water
80 Local Government Education and Training Authority	80 Local Government Education and Training Authority
81 Luthuli Museum	81 Luthuli Museum
82 Magalies Water	82 Magalies Water
83 Manufacturing Engineering and Related Services Education Tra	83 Manufacturing Engineering and Related Services Education Tra
84 Marine Living Resources Fund	84 Marine Living Resources Fund
85 Market Theatre Foundation	85 Market Theatre Foundation
86 Media Development Diversity Agency	86 Media Development Diversity Agency
87 Media, Information and Communication Technologies Sector Edu	87 Media, Information and Communication Technologies Sector Edu
88 Medical Research Council of South Africa	88 Medical Research Council of South Africa
89 Mine Health and Safety Council	89 Mine Health and Safety Council
90 Mines and Works Compensation Fund	90 Mines and Works Compensation Fund
91 Mining Qualifications Authority	91 Mining Qualifications Authority
92 MINTEK	92 MINTEK
93 Municipal Demarcation Board	93 Municipal Demarcation Board
94 Municipal Infrastructure Support Agency	94 Municipal Infrastructure Support Agency
95 National Agricultural Marketing Council	95 National Agricultural Marketing Council
96 National Arts Council of South Africa	96 National Arts Council of South Africa
97 National Consumer Commission	97 National Consumer Commission
98 National Consumer Tribunal	98 National Consumer Tribunal
99 National Credit Regulator	99 National Credit Regulator
100 National Development Agency	100 National Development Agency
101 National Economic Development and Labour Council	101 National Economic Development and Labour Council
102 National Electronic Media Institute of South Africa	102 National Electronic Media Institute of South Africa
103 National Empowerment Fund	103 National Empowerment Fund
104 National Energy Regulator of South Africa	104 National Energy Regulator of South Africa
105 National Film and Video Foundation of South Africa	105 National Film and Video Foundation of South Africa
106 National Gambling Board of South Africa	106 National Gambling Board of South Africa
107 National Heritage Council of South Africa	107 National Heritage Council of South Africa
108 National Home Builders Registration Council	108 National Home Builders Registration Council
109 National Housing Finance Corporation Limited	109 National Housing Finance Corporation Limited
110 National Library of South Africa	110 National Library of South Africa
111 National Lotteries Commission	111 National Lotteries Commission
112 National Metrology Institute of South Africa	112 National Metrology Institute of South Africa
113 National Museum, Bloemfontein	113 National Museum, Bloemfontein
114 National Nuclear Regulator	114 National Nuclear Regulator
115 National Radioactive Waste Disposal Institute	115 National Radioactive Waste Disposal Institute
116 National Regulator for Compulsory Specifications	116 National Regulator for Compulsory Specifications
117 National Research Foundation	117 National Research Foundation
118 National School of Government	118 National School of Government
119 National Skills Fund	119 National Skills Fund

ANNEXURES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

31 March 2025	31 March 2024
120 National Youth Development Agency	120 National Youth Development Agency
121 Nelson Mandela National Museum	121 Nelson Mandela National Museum
122 Office of Health Standards Compliance	122 Office of Health Standards Compliance
123 Office of the Ombud for Financial Services Providers	123 Office of the Ombud for Financial Services Providers
124 Office of the Pension Fund Adjudicator	124 Office of the Pension Fund Adjudicator
125 Office of the Valuer-General	125 Office of the Valuer-General
126 Ombud Council	126 Ombud Council
127 Onderstepoort Biological Products Limited	127 Onderstepoort Biological Products Limited
128 Overberg Water	128 Overberg Water
129 Pan South African Language Board	129 Pan South African Language Board
130 Passenger Rail Agency of South Africa	130 Passenger Rail Agency of South Africa
131 Performing Arts Council of the Free State	131 Performing Arts Council of the Free State
132 Perishable Products Export Control Board	132 Perishable Products Export Control Board
133 Playhouse Company	133 Playhouse Company
134 Ports Regulator of South Africa	134 Ports Regulator of South Africa
135 President's Fund	135 President's Fund
136 Private Security Industry Regulatory Authority	136 Private Security Industry Regulatory Authority
137 Productivity SA	137 Productivity SA
138 Property Management Trading Entity	138 Property Management Trading Entity
139 Property Practitioners Regulatory Authority	139 Property Practitioners Regulatory Authority
140 Public Investment Corporation Limited	140 Public Investment Corporation Limited
141 Public Protector of South Africa	141 Public Protector of South Africa
142 Public Service Sector Education and Training Authority	142 Public Service Sector Education and Training Authority
143 Quality Council for Trades and Occupations	143 Quality Council for Trades and Occupations
144 Railway Safety Regulator	144 Railway Safety Regulator
145 Mandela Bay Theatre Complex	145 Rand Water
146 Represented Political Parties Funding	146 Represented Political Parties Funding
147 Road Accident Fund	147 Road Accident Fund
148 Road Traffic Infringement Agency	148 Road Traffic Infringement Agency
149 Road Traffic Management Corporation	149 Road Traffic Management Corporation
150 Robben Island Museum	150 Robben Island Museum
151 Safety and Security Education and Training Authority	151 Safety and Security Education and Training Authority
152 Sasria Limited	152 Sasria Limited
153 Sentech Limited	153 Sentech Limited
154 Services Sector Education and Training Authority	154 Services Sector Education and Training Authority
155 Small Enterprise Development Agency	155 Small Enterprise Development Agency
156 Social Housing Regulatory Authority	156 Social Housing Regulatory Authority
157 South African Broadcasting Corporation Limited	157 South African Broadcasting Corporation Limited
158 South African Bureau of Standards	158 South African Bureau of Standards
159 South African Civil Aviation Authority	159 South African Civil Aviation Authority
160 South African Council for Educators	160 South African Council for Educators
161 South African Diamond and Precious Metals Regulator	161 South African Diamond and Precious Metals Regulator
162 South African Forestry Company Limited	162 South African Forestry Company Limited
163 South African Health Products Regulatory Authority	163 South African Health Products Regulatory Authority

ANNEXURES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

31 March 2025	31 March 2024
164 South African Heritage Resources Agency	164 South African Heritage Resources Agency
165 South African Human Rights Commission	165 South African Human Rights Commission
166 South African Institute for Drug-Free Sport	166 South African Institute for Drug-Free Sport
167 South African Library for the Blind	167 South African Library for the Blind
168 South African Local Government Association	168 South African Local Government Association
169 South African Maritime Safety Authority	169 South African Maritime Safety Authority
170 South African National Accreditation System	170 South African National Accreditation System
171 South African National Biodiversity Institute	171 South African National Biodiversity Institute
172 South African National Energy Development Institute	172 South African National Energy Development Institute
173 South African National Parks	173 South African National Parks
174 South African National Roads Agency Limited	174 South African National Roads Agency Limited
175 South African National Space Agency	175 South African National Space Agency
176 South African Nuclear Energy Corporation Limited	176 South African Nuclear Energy Corporation Limited
177 South African Post Office Limited	177 South African Post Office Limited
178 South African Postbank SOC Ltd	178 South African Postbank SOC Ltd
179 South African Qualifications Authority	179 South African Qualifications Authority
180 South African Reserve Bank	180 South African Reserve Bank
181 South African Revenue Services (SARS)	181 South African Revenue Services (SARS)
182 South African Social Security Agency	182 South African Social Security Agency
183 South African State Theatre	183 South African State Theatre
184 South African Tourism	184 South African Tourism
185 South African Weather Service	185 South African Weather Service
186 Special Investigation Unit	186 Special Investigation Unit
187 State Diamond Trader	187 State Diamond Trader
188 State Information Technology Agency	188 State Information Technology Agency
189 Supported Employment Enterprises	189 Supported Employment Enterprises
190 Takeover Regulation Panel	190 Takeover Regulation Panel
191 Technology Innovation Agency	191 Technology Innovation Agency
192 The Commission for PPRCRLC	192 The Commission for PPRCRLC
193 Thubelisha Homes	193 Thubelisha Homes
194 Trans-Caledon Tunnel Authority	194 Trans-Caledon Tunnel Authority
195 Transnet Limited	195 Transnet Limited
196 Transport Education and Training Authority	196 Transport Education and Training Authority
197 uMalusi Council for Quality Assurance in General and Further	197 uMalusi Council for Quality Assurance in General and Further
198 Umgeni Water	198 Umgeni Water
199 uMsunduzi Museum (Includes Voortrekker Museum)	199 uMsunduzi Museum (Includes Voortrekker Museum)
200 Unemployment Insurance Fund	200 Unemployment Insurance Fund
201 Universal Service and Access Agency of South Africa	201 Universal Service and Access Agency of South Africa
202 Universal Service and Access Fund	202 Universal Service and Access Fund
203 Vaal Central Water Board	203 Vaal Central Water Board
204 War Museum of the Boer Republics	204 War Museum of the Boer Republics
205 Water Research Commission	205 Water Research Commission

ANNEXURES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	31 March 2025		31 March 2024
206	Water Trading Account	206	Water Trading Account
207	Wholesale and Retail Sector Education and Training Authority	207	Wholesale and Retail Sector Education and Training Authority
208	William Humphreys Art Gallery	208	William Humphreys Art Gallery
209	Freedom Park Trust		
210	National Health Laboratory Service		
211	Vaal -Orange Catchment Management Agency		
212	DENEL		
213	Pongola-uMzimkhulu Catchment Management Agency		
214	Small Enterprise Development Agency		

ANNEXURES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Annexure B

PFMA listed and unlisted entities not consolidated

31 March 2025	31 March 2024
1 Alexkor Limited	1 Alexkor Limited
2 Rand Water	2 DENEL
3 South African Bureau of Standards	3 LANDBANK
4 Mzimvubu-Tsitsikama Catchment Management Agency	4 South African Airways (Pty) Ltd
5 Limpopo-Olifants Catchment Management Agency	5 Freedom Park Trust
6 Financial & Fiscal Commission	6 National Health Laboratory Service
7 National Student Financial Aid Scheme	7 National Student Financial Aid Scheme

ANNEXURES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Annexure C

List of entities consolidated with year ends other than 31 March

31 March 2025	31 March 2024
1 Amatola Water Board	1 Amatola Water Board
2 Lepelle Northern Water Board	2 Lepelle Northern Water
3 Magalies Water	3 Magalies Water
4 Overberg Water	4 Overberg Water
5 Rand Water	5 Rand Water
6 Umgeni- uThukela Water	6 Umgeni Water Board
7 Vaal- Central Water Board	7 Vaal- Central Water Board

ANNEXURES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Annexure D

List of entities consolidated based on draft AFS

31 March 2025	31 March 2024
1 National Youth Development Agency	1 Independent Development Trust
2 Equalisation Fund	2 Property Management Trading Entity
3 Amatola Water Board	3 Amatola Water Board
4 Vaal Central Water Board	4 Vaal Central Water Board
5 Media, Information and Communication Technologies Sector Edu	5 Export Credit Insurance Corporation of South Africa Limited
6 Lepelle Northern Water	6 Lepelle Northern Water
7 Magalies Water	7 Magalies Water
8 National Housing Finance Corporation Limited	8 National Lotteries Commission
9 Overberg Water	9 Overberg Water
10 Road Accident Fund	10 Rand Water
11 Universal Services and Access Fund	11 Road Traffic Infringement Agency
12 Vaal- Orange Catchment Management Agency	12 South African Postbank SOC Ltd
13 Denel	13 South African Post Office Limited
14 Umgeni Water	14 Umgeni Water
15 Government Pensions Administration Agency	15 Broadband Infraco
16 South African Airways (Pty) Ltd	16 State Information Technology Agency
17 ESKOM	17 ESKOM
18 South African Forestry Company Limited	18 South African Forestry Company Limited
19 Insurance Sector Education and Training Authority	19 Border Management Authority
20 Local Government Education and Training Agency	20 South African Library for the Blind
21 Construction Education and Training Authority	21 Unemployment Insurance Fund
22 National Health Laboratory Service	22 Construction Education and Training Authority
23 Pan South African Language Board	23 Independent Development Trust
24 Robben Island Museum	
25 Transport Education and Training Authority	
26 Mandela Bay Theatre Complex	
27 Technology Innovation Agency	
28 Land Bank	

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2024/25 R '000	2023/24 R '000
REVENUE			
REVENUE FROM NON-EXCHANGE TRANSACTIONS		348 957 563	254 467 381
Government grants and subsidies	39	110 627 906	109 969 081
Public contributions and donations	40	27 223 045	25 934 115
Transfers and Sponsorships	41	5 218 013	4 819 714
Interest Earned		42 247	42 176
Fines and Penalties	42	2 571 227	2 752 807
Legislative and Oversight functions	43	76 185 989	75 078 202
Taxation revenue	44	9 949 274	9 204 477
Licences and permits		132 558	124 371
Other income	49	117 007 303	26 542 438
REVENUE FROM EXCHANGE TRANSACTIONS		716 480 970	663 646 081
Sale of Goods & Rendering of Services	45	586 306 741	537 800 504
Rental of facilities and equipment	46	9 390 285	8 332 495
Interest earned - external investments	47	97 863 788	96 066 579
Interest earned on receivables	48	4 158 612	6 196 442
Licences and permits		1 262 275	1 195 495
Other income	49	17 499 268	14 054 567
TOTAL REVENUE		1 065 438 532	918 113 463
EXPENSES			
Employee related costs	50	(175 467 960)	(158 365 874)
Repairs and maintenance	33,6	(49 409 989)	(43 864 715)
Depreciation and amortisation expense	51	(76 863 734)	(75 158 052)
Contracted services	52	(5 700 224)	(6 457 063)
Grants and subsidies paid	53	(32 444 495)	(27 563 507)
Finance costs	54	(99 375 854)	(97 895 003)
General expenses	55	(388 777 014)	(419 253 116)
Bad debts		(24 859 048)	(18 486 118)
Project Preparation Expenditure		(1 717 169)	(1 378 601)
TOTAL EXPENSES		(854 615 488)	(848 422 050)
OTHER GAINS / (LOSSES)		(142 140 467)	74 038 535
Gain / (Loss) on sale of assets	56	(1 412 617)	(251 805)
Impairment (Loss) / Reversal of impairment loss	57	(19 953 093)	(23 075 018)
Gain / (Loss) on fair value adjustment	58	(120 399 981)	93 182 698
Gain / (Loss) on revaluation of assets	59	(364 022)	2 938 428
Gain / (Loss) on sale of shares		(21 757)	1 010 000
Inventories: Reversal of write-down to net realisable value		7 943	232
Inventories: Write-down to net realisable value		3 060	234 000
Share of surplus/ (deficit) of joint venture using equity method	17	109 720	110 284
Share of surplus/ (deficit) of associate	18	4 703 282	4 350 369
Share of surplus/ (deficit) of joint operation	19	395	4 267

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2024/25 R '000	2023/24 R '000
Continuing Operations Surplus/ (Deficit) before tax		73 495 580	148 190 600
Taxation	60	(15 816 616)	(34 426 211)
Continuing Operations Surplus/ (Deficit) after tax		57 678 964	113 803 867
DISCONTINUED OPERATIONS SURPLUS / (DEFICIT) AFTER TAX	61	130 773	39 478
TOTAL SURPLUS / (DEFICIT) FOR THE PERIOD NET OF TAX		57 809 737	113 803 867
<i>Attributable to:</i>			
<i>Owners of the controlling entity</i>		57 773 404	113 668 921
<i>Non-Controlling Interests</i>		36 333	134 946

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2024/25 R '000	2023/24 R '000
ASSETS			
Current assets		2 061 781 943	1 938 248 443
Cash and cash equivalents	1	415 542 362	351 872 699
Trade and other receivables from exchange transactions	2	106 340 636	100 736 520
Trade and other receivables from non-exchange transactions	3	6 545 328	7 052 253
Other current financial assets	4	1 344 493 817	1 281 899 664
Current portion of non-current receivables	5	2 269 641	2 084 253
VAT receivable	6	2 272 297	1 581 154
Inventories	7	64 648 350	59 341 232
Prepayments	8	22 991 328	21 861 442
Investments	9	67 435 289	86 614 998
Construction contract receivables	10	678 015	854 526
Finance lease receivable	11	524 822	611 450
Statutory Receivables - Exchange	12	4 148 474	2 335 469
Statutory Receivables - Non Exchange	13	23 869 340	21 379 115
Operating Lease Asset		22 245	23 667
		2 939 637 158	2 767 352 556
Non-current assets			
Receivables from exchange transactions	14	24 465 047	20 547 030
Receivables - Statutory Receivables - Exchange	12	4 512 903	3 578 808
Receivables - Statutory Receivables - Non-Exchange	13	425	88
Non-current Investments	15	462 539 808	443 578 670
Finance Lease Receivable	11	547 923	474 240
Other non-current financial assets	16	43 072 595	55 662 706
Investments in Joint Ventures	17	617 021	605 885
Investments in Associates	18	51 973 804	50 494 909
Deferred Tax Assets	20	38 881 550	36 224 536
Defined benefit assets	33	6 117 365	4 250 676
Property, plant and equipment	34	2 155 653 794	2 014 118 762
Heritage assets	35	38 278 897	38 181 143
Intangible assets	36	52 985 893	43 850 764
Investment property	37&38	51 097 531	48 388 744
Biological assets	39,1	5 017 273	4 736 897
Living resources	39,2	13 007	13 593
Operating Lease Assets		3 862 323	2 645 104
TOTAL ASSETS		5 001 419 101	4 705 600 999

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2024/25 R '000	2023/24 R '000
LIABILITIES			
Current liabilities		1 867 640 961	1 692 505 329
Bank overdraft	1.1	4 556 701	3 954 686
Trade and other payables from exchange transactions	21	181 891 138	161 480 455
VAT payable	22	11 541 774	11 284 023
Taxes and transfers payable	23	4 283 227	3 646 421
Other current financial liabilities	24	1 403 768 825	1 246 223 360
Current provisions	25	82 027 859	81 325 094
Current portion of unspent conditional grants and receipts	26	14 542 973	14 155 181
Current portion of long-term borrowings	27	107 277 131	115 938 608
Short-Term Borrowings	28	41 242 672	39 115 636
Current portion of finance lease liability	29	2 918 379	2 324 175
Current portion of operating lease liability		664 618	731 071
Service Concession Arrangement	74	2 033 970	1 722 961
Deferred Income	49,1	10 891 694	10 603 658
Non-current liabilities		910 930 245	876 746 667
Deferred Tax Liabilities	20	88 036 880	90,531,146
Unspent conditional grants and receipts	27	9 448 494	4,976,823
Long-term borrowings	28	564 341 831	569,155,759
Finance lease liability	29	13 588 529	13,621,164
Non-current provisions	30	103 719 473	116,550,276
Other non-current financial liabilities	31	43 253 105	20,241,531
Defined benefit liability	32	31 465 038	28,522,114
Deferred Income	49,1	40 777 986	17,196,109
Operating lease liability		8 281 096	6,958,336
Service Concession Arrangement	73	8 017 814	8,993,410
TOTAL LIABILITIES		2 778 571 206	2 569 251 996
NET ASSETS		2 222 847 895	2 136 349 002
Ordinary Shares		464 969 248	424 765 248
Preference Shares		2 800 000	2 650 000
Revaluation Reserve		755 723 407	672 555 834
Contributed Capital		61 847 004	47 623 730
Translation Reserve		8 364 198	8 472 126
Other Reserves		242 170 913	114 452 954
Accumulated Surplus/ (Deficit)		686 884 677	865 813 818
Non-Controlling Interests		88 448	15 292
TOTAL NET ASSETS AND LIABILITIES		5 001 419 101	4 705 600 998

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 31 MARCH 2025

		Attributable To Owners Of The Controlling Entity								
		Ordinary Shares R '000	Preference Shares R '000	Revaluation Reserve R '000	Contributed Capital R '000	Translation Reserve R '000	Other reserves R '000	Accumulated Surplus/ (Deficit) R '000	Non-Controlling Interests R '000	Total Net Assets R '000
FOR THE YEAR ENDED										
31 MARCH 2023		378 674 205	250 000	125 382 072	26 978 624	8 927 020	96 804 570	652 459 779	(144 068)	1 289 332 203
Changes in accounting policy										186 729
Correction of prior period error		1 091 043		493 448 961	8 980 000		(65 979)	89 292 001		592 746 026
FOR THE YEAR ENDED										
1 APRIL 2023		379 765 248	250 000	618 831 033	35 958 624	8 927 020	96 738 591	741 938 509	(144 068)	1 882 264 958
Net of Tax Surplus / (Deficit) on revaluation of Property, Plant & Equipment					57 900 135					57 900 135
Net of Tax Surplus / (Deficit) on revaluation of heritage assets					(4 150 300)					(4 150 300)
Net Of Tax Currency Translation Differences				(380 236)		(629 557)	7 204	422 105		(571 661)
Increase / (Decrease) in Share Capital / Capital Contributions Surplus / (Deficit) for the period as per Statement of Financial Performance		44 000 000		98	11 167 566		(1 075 865)	(207 407)		53 884 392
Transfers to / from accumulated surplus/(deficit)								113 68 921		113 803 867
Dividends Paid (Net Of STC)		20 201			27 693	19 370 068	(19 260 721)	(6 058)		151 183
Cash flow hedges							(141 000)			(141 000)
Contributions introduced		1 000 000	2 400 000	334 903	497 540		(302 290)			(302 290)
Other Movements										3 897 559
										29 430 599

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 31 MARCH 2025

Attributable To Owners Of The Controlling Entity								Non-Controlling Interests	
	Ordinary Shares R '000	Preference Shares R '000	Revaluation Reserve R '000	Contributed Capital R '000	Translation Reserves R '000	Other reserves R '000	Accumulated Surplus/ (Deficit) R '000	Total Net Assets R '000	
FOR THE YEAR ENDED 31 MARCH 2024	424 765 248	2 650 000	672 555 834	47 623 730	8 472 126	114 271 344	865 813 867	15 292	2 136 167 442
Changes in accounting policy						181 610	(49)		181 561
BALANCE AT 1 APRIL 2024	424 765 248	2 650 000	672 555 834	47 623 730	8 472 126	114 452 954	865 813 818	15 292	2 136 349 002
Net of Tax Surplus / (Deficit) on revaluation of Property, Plant & Equipment			91 896 239						91 896 239
Net of Tax Surplus / (Deficit) on revaluation of Intangible Assets			1 059 189						1 059 189
Net of Tax Surplus / (Deficit) on revaluation of heritage assets			153 019						153 019
Net of Tax Surplus / (Deficit) on Revaluation of Investments Available For Sale			(9 687 381)						(9 687 381)
Net Of Tax Currency Translation Differences				(18 579)					(18 579)
Transfers to / from other reserves			177 499			(1 554 230)			(1 707 892)
Increase / (Decrease) in Share Capital / Capital Contributions Surplus / (Deficit) for the period as per Statement of Financial Performance			40 204 000			8 609 945			48 813 945
Transfers to / from accumulated surplus/(deficit)							57 773 404		36 333
Dividends Paid (Net Of STC)			41 403		(88 798)	124 225 858	(124 299 555)		57 809 737
Cash flow hedges							(1 237 927)		
Contributions introduced			150 000	1	5 613 329	(551)	417 255		(3 434) (124 526)
Other Movements			(472 396)			3 701 921	927 155		(1 237 927) 417 255
FOR THE YEAR ENDED 31 MARCH 2025	464 969 248	2 800 000	755 723 407	61 847 004	8 364 198	242 170 913	686 884 677	88 448	2 222 847 895

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2024/25 R '000	2023/24 R '000
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS		930 356 415	874 591 050
Transfers and Subsidies		163 432 746	168 632 472
Taxation Revenue		5 301 895	5 966 693
Sale of goods and rendering of services		584 177 085	520 897 603
Other Operating Revenue		9 849 608	13 188 849
Service charges		4 415 111	4 568 935
Grants		23 203 440	23 891 518
Interest, Dividends and Rent on land		63 052 605	63 933 584
Fines, penalties and forfeits		62 320	69 187
Service in kind receipts		1 549 618	1 310 274
Other Receipts		75 311 987	72 131 936
PAYMENTS		(779 136 786)	(756 970 510)
Employee related costs		(168 869 237)	(155 104 729)
Goods and Services		(328 519 177)	(334 311 442)
Interest and Rent on land		(91 086 539)	(86 923 376)
Taxation Paid		(8 563 256)	(8 243 307)
Service in kind payments		(3 539 274)	(2 691 153)
Other payments		(178 559 302)	(169 696 504)
Net cash flows from operating activities	62	151 219 630	117 620 540
CASH FLOWS FROM INVESTING ACTIVITIES			
		(136 708 085)	(158 077 718)
Purchase of Property, Plant and Equipment		(119 709 121)	(109 112 421)
Purchase of Intangible Assets		(8 478 830)	(2 374 664)
Purchase of Investment Property		(416 803)	(644 050)
Purchase of Heritage Assets		(81 298)	(100 659)
Purchase of Living Resources		(1 341)	(1 646)
Proceeds on Disposal of Property, Plant and Equipment		1 922 665	1 639 951
Proceeds on Disposal of Intangible Assets		(432)	(1 225)
Proceeds on Disposal of Investment Property		9 143	111 179
Proceeds on Disposal of Heritage Assets			120
Proceeds on Disposal of Living Resources			(58)
Purchase of available-for-sale financial assets		(7 054 236)	(2 785 299)
Proceeds from sale of Investments		71 104 458	71 233 560
Dividend income		3 592 942	2 578 521
Movement in pension fund assets / liabilities		330 641	(89 262)
Loans granted to associates / other economic entities		(16 449 227)	(46 220 348)
Loan repayments received from associates / other economic entities		17 131 007	13 217 549
Borrowing costs capitalised		(1 592 000)	(1 359 000)
Acquisition of investments		(88 558 164)	(100 420 347)
Additional movements		11 542 509	16 250 382
Net cash flows from investing activities		(136 708 085)	(158 077 718)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2024/25 R '000	2023/24 R '000
CASH FLOWS FROM FINANCING ACTIVITIES		42 627 768	68 494 203
Cash received from loans raised		112 093 691	182 484 842
Repayment of borrowings		(92 698 695)	(116 598 761)
Proceeds from issuance of ordinary shares / contributed capital		5 692 087	4 033 000
Proceeds from issuance of redeemable preference shares		(119 096)	
Proceeds from service concession arrangements		302 266	171 521
Repayment / issuance of financial guarantee contracts		18 847 930	(234 051)
Finance lease payments		(1 392 724)	(1 906 226)
Distribution / dividends paid		(97 691)	543 879
Net cash flows from financing activities		42 627 768	68 494 203
Net increase/(decrease) in cash and cash equivalents		57 139 312	28 037 025
Cash and cash equivalents at the beginning of the year		347 918 012	319 225 660
Effect of exchange rate movement on cash balances		5 928 336	655 327
Cash and cash equivalents at the end of the year	1	410 985 661	347 918 012

GROUP ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

BASIS OF PREPARATION

The National Public Entity Consolidated Annual Financial Statements are prepared in accordance with the principles of GRAP. In particular, the principles of GRAP 35: Consolidated and Separate Financial Statements have been applied to the development of the accounting policies supporting the consolidation. More information is provided in the accounting policies in this regard. In the absence of an identifiable reporting entity, the scope of the consolidation has been determined with reference to the requirements of the Public Finance Management Act, read with GRAP 35.

The public entities' annual financial statements included in this set of consolidated annual financial statements have been prepared in accordance with South African Standards of Generally Recognised Accounting Practice (GRAP), as issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act, (Act No 1 of 1999). Entities reporting on accounting frameworks other than GRAP were adjusted accordingly to ensure uniform accounting policies for like transactions in similar circumstances.

The annual financial statements have been prepared on an accrual basis of accounting and incorporate the historical cost conventions as the basis of measurement, except where specified otherwise.

The different accounting bases for departments and public entities (modified cash versus accrual) necessitates the preparation of two separate consolidations, one for government departments and one for public entities. Government is however in the process of implementing systems that will eventually enable consistent reporting across these two groups, and consequently the preparation of a single consolidation of national government accounts based on Standards of GRAP.

The principal accounting policies, applied in the preparation of these annual financial statements, are set out below. These accounting policies are consistent with those applied in the preparation of the prior year annual financial statements, unless specified otherwise.

DETERMINING THE BASIS OF PREPARATION

The Accounting Officer is required to prepare financial statements based on Standards of GRAP. For the purposes of Departmental financial statements, the Modified Cash Basis of Accounting is currently considered to be an appropriate form of generally recognised accounting practice, whereas for public entities, constitutional institutions, and certain legislatures, the Standards of GRAP issued by the ASB shall apply. Government Business Enterprises (GBEs) currently prepare the financial statements on either GRAP or IFRS.

The Minister of Finance granted exemption in terms of Section 92 of the PFMA for the National Treasury from the provisions of section 8(1) of the PFMA to the extent that it requires preparing one set of consolidated AFS for national departments and public entities. The exemption applies to the financial periods 2020-21 to 2024-25 and allows the National Treasury to not prepare a single set of consolidated financial statements for departments and public entities.

Ultimately, it is the intention of the Accounting Officer to prepare a single central government consolidation for all national departments and public entities combined. However, until all the entities are able to report on a substantially similar basis of accounting, it is considered to be impracticable and without benefit to the users to do so. Consequently, until such time that departments are in a position to prepare financial statements on an accrual basis, two separate consolidations are prepared – one for entities reporting on the Modified Cash Basis, and one for entities reporting on an accrual basis.

Accounting policies of entities are adjusted to be on a uniform basis where the effect thereof is deemed to be material to the consolidated financial statements.

SCOPE OF CONSOLIDATION

There is no specific identifiable controlling entity as envisaged in GRAP 35. The motivation behind preparing these financial statements is not to show what is directly controlled, but rather to present a combined view of entities considered to be a part of

GROUP ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

government as envisaged by the PFMA. The decision to include or exclude entities cannot be based solely on an analysis of control where this would deviate from the objectives of the consolidation, and hence the users' needs; it must therefore be further based on some other suitable criteria that are in line with the needs of users. In accordance with the definition of a public entity in the PFMA, the Accountant-General has determined that accountability to Parliament for the use of public funds must be the primary driver and considers this to be the primary criterion for including entities in the consolidation, with ownership control by government being assumed to exist in such cases.

Consequently, if an entity has a legal obligation to account to Parliament on its finances, it is deemed to also be under the control of the National Executive and shall be included in the national public entity consolidation. This approach is expected to prudently ensure a more complete consolidation.

TREATMENT OF DEPARTMENTAL TRADING ENTITIES AND OTHER UNLISTED ENTITIES, TRUSTS AND FUNDS

It is the policy of the Accountant-General to treat trading entities on a similar basis to ordinary public entities for the purposes of this consolidation, where such entities operate on a similar basis in the normal course of business and where they prepare separate financial statements based on Standards of GRAP.

Similarly, unlisted public entities, trusts and funds that meet the criteria as set out in the scope of the consolidation shall also be included in the consolidation.

BUDGET INFORMATION

As there is no publicly available budget that is reconcilable with the group of entities for the purposes of the National Public Entity Consolidation, it is deemed inappropriate to present a comparison between actual and budget information at this level of consolidation.

PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand, which is the functional currency of the entity.

GOING CONCERN ASSUMPTION

These annual financial statements were prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

COMPARATIVE INFORMATION

PRIOR YEAR COMPARATIVES

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are also reclassified and restated, unless such comparative reclassification and / or restatement is not required by a Standard of GRAP. The nature and reason for such reclassifications and restatements are also disclosed.

Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

The presentation and classification of items in the current year is consistent with prior periods.

STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The following Standards of GRAP and / or amendments thereto have been issued by the Accounting Standards Board but will only become effective in future periods or have not been given an effective date by the Minister of Finance. The entity has not early adopted any of these new Standards or

GROUP ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

amendments thereto, but has referred to them for guidance in the development of accounting policies in accordance with GRAP 3 as read with Directive 5.

When an entity has not applied a new Standard of GRAP that has been issued but is not yet effective, the entity shall disclose: (a) this fact; and (b) known or reasonably estimable information relevant to assessing the possible impact that application of the new Standard will have on the entity's financial statements in the period of initial application. The impact of these standards on the consolidated AFS is still being assessed.

GRAP 104 Financial Instruments

This Standard deals with the measurement of financial assets and financial liabilities. Residual interests evidence an interest in the assets of an entity after deducting all of its liabilities.

The Standard requires the presentation of financial assets and financial liabilities on a net basis when doing so reflects an entity's expected future cash flows from settling two or more separate financial instruments. When an entity has the right to receive or pay a single net amount and intends to do so, it has, in effect, only a single financial asset or financial liability. In other circumstances, financial assets and financial liabilities are presented separately from each other consistently with their characteristics as resources or obligations of the entity.

The standard has the proposed implementation date from the financial year commencing on 1 April 2025 according to the Government Gazette_13 August 2021, however early adoption is permitted

IGRAP 22 Foreign Currency Transactions and Advanced Consideration

This Interpretation applies to a foreign currency transaction (or part of it) when an entity recognises a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration before the entity recognises the related asset, expense or revenue (or part of it).

The interpretation applies to a foreign currency transaction (or part of it) when an entity recognises a non-monetary asset or non-monetary liability arising from the payment or receipt of advance

consideration before the entity recognises the related asset, expense or revenue (or part of it)

The Interpretation further addresses how to determine the date of the transaction for the purpose of determining the exchange rate, to use on initial recognition of the related asset, expense or revenue (or part of it), on the derecognition of a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration in a foreign currency.

The Interpretation has the proposed implementation date from the financial year commencing on 1 April 2025 and early adoption is encouraged.

Other standards that have been approved and are mandatory for entities but are not yet effective are as follows:

- **GRAP 1- Presentation on Financial Statements** (effective date to be determined)
- **GRAP 103 – Heritage Assets** (effective date to be determined)
- **GRAP 105 – Transfer of Functions Between Entities Under Common Control** (effective date to be determined)
- **GRAP 106 - Transfer of Functions Between Entities Not Under Common Control** (effective date to be determined)
- **GRAP 107 – Mergers** (effective date to be determined)

GROUP ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

SIGNIFICANT JUDGEMENTS AND ESTIMATES

The use of judgment, estimates and assumptions is inherent to the process of preparing annual financial statements. These judgements, estimates and assumptions affect the amounts presented in the annual financial statements. Uncertainties about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the relevant asset or liability in future periods.

Judgements

In the process of applying these accounting policies, management has made the following judgements that may have a significant effect on the amounts recognised in the financial statements.

Estimates

Estimates are informed by historical experience, information currently available to management, assumptions, and other factors that are believed to be reasonable under the circumstances. These estimates are reviewed on a regular basis. Changes in estimates that are not due to errors are processed in the period of the review and applied prospectively.

In the process of applying the entity's accounting policies the following estimates, were made:

Other provisions

Provisions are measured as the present value of the estimated future outflows required to settle the obligation. In the process of determining the best estimate of the amounts that will be required in future to settle the provision management considers the weighted average probability of the potential outcomes of the provisions raised. This measurement entails determining what the different potential outcomes are for a provision as well as the financial impact of each of those potential outcomes. Management then assigns a weighting factor to each of these outcomes based on the probability that the outcome will materialise in future. The factor is then applied to each of the potential outcomes and the factored outcomes are then added together to arrive at the weighted average value of the provisions.

Pension and medical post-employment benefits

Post-employment benefits offered by the entity take the form of defined benefit plans.

The cost of defined benefit pension plans, other post-employment medical benefits, and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Depreciation and amortisation

Depreciation and amortisation recognised on property, plant and equipment and intangible assets are determined with reference to the useful lives and residual values of the underlying items. The useful lives and residual values of assets are based on management's estimation of the asset's condition, expected condition at the end of the period of use, its current use, and expected future use and the entity's expectations about the availability of finance to replace the asset at the end of its useful life.

In evaluating how the condition and use of the asset informs the useful life and residual value management considers the impact of technology and minimum service requirements of the assets.

GROUP ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

Allowance for doubtful debts

The measurement of receivables is derived after consideration of the allowance for doubtful debts. Management makes certain assumptions regarding the categorisation of debtors into groups with similar risk profiles so that the effect of any impairment on a group of receivables would not differ materially from the impairment that would have been determined had each debtor been assessed for impairment on an individual basis. The determination of this allowance is predisposed to the utilisation of estimates, assumptions and management judgements. In determining this allowance, the estimates are made about the probability of recovery of the debtors based on their past payment history and risk profile.

Fair value determination of properties (excluding heritage assets)

In determining the fair value of investment property (and / or property, plant and equipment) the entity applies a valuation methodology to determine the fair value of the properties based on any one of, or a combination of the following factors:

- The market related selling price of the property; or
- The market related rental that can be earned for the property; or
- The market related selling price of similar properties in the area; or
- The rentals currently or previously earned by the property.

Heritage assets

Heritage assets, which are culturally significant resources, and which are shown at cost, are not depreciated due to the uncertainty regarding their estimated useful lives. The valuation of heritage assets is dependent on the type of the asset and the availability of reliable information. Management makes estimates and assumptions about factors such as the restoration cost, replacement cost and cash flow generating ability in estimating fair value.

Impairments of non-financial assets

In testing for and determining the value-in-use of non-financial assets, management is required to rely on the use of estimates about the asset's ability to continue to generate cash flows (in the case of cash-generating assets). For non-cash-generating assets, estimates are made regarding the depreciated replacement cost, restoration cost, or service units of the asset, depending on the nature of the impairment and the availability of information.

FINANCIAL INSTRUMENTS

INITIAL RECOGNITION

The entity recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, the entity becomes a party to the contractual provisions of the instrument. This is achieved through the application of trade date accounting.

Upon initial recognition the entity classifies financial instruments or their component parts as financial liabilities, financial assets or residual interests in conformity with the substance of the contractual arrangement and to the extent that the instrument satisfies the definitions of a financial liability, a financial asset or a residual interest.

Financial instruments are evaluated, based on their terms, to determine if those instruments contain both liability and residual interest components (i.e. to assess if the instruments are compound financial instruments). To the extent that an instrument is in fact a compound instrument, the components are classified separately as financial liabilities and residual interests as the case may be.

GROUP ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

INITIAL MEASUREMENT

When a financial instrument is recognised, the entity measures it initially at its fair value plus, in the case of a financial asset or a financial liability not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

SUBSEQUENT MEASUREMENT

Subsequent to initial recognition, financial assets and financial liabilities are measured at fair value, amortised cost or cost.

All financial assets and financial liabilities are measured after initial recognition using the following categories:

Financial instruments at fair value

- Derivatives.
- Compound instruments that are designated at fair value i.e., an instrument that includes a derivative and a non-derivative host contract.
- Instruments held for trading.
- Non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition.
- An investment in a residual interest for which fair value can be measured reliably.
- Financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Financial instruments at amortised cost

Non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that the entity designates at fair value at initial recognition or are held for trading.

Financial instruments at cost

Investments in residual interests, which do not have quoted market prices and for which fair value cannot be determined reliably.

The entity assesses which instruments should be subsequently measured at fair value, amortised cost or cost, based on the definitions of financial instruments at fair value, financial instruments at amortised cost or financial instruments at cost as set out above.

CONCESSIONARY LOANS

The part of the concessionary loan that is a social benefit or non-exchange revenue is determined as the difference between the fair value of the loan and the loan proceeds, either paid or received.

After initial recognition, an entity measures concessionary loans in accordance with the subsequent measurement criteria set out for all financial instruments.

DERECOGNITION

A financial asset is derecognised at trade date, when: The cash flows from the asset expire, are settled or waived; a) Significant risks and rewards are transferred to another party; or b) Despite having retained significant risks and rewards, the entity has transferred control of the asset to another entity.

A financial liability is derecognised when the obligation is extinguished. Exchanges of debt instruments between a borrower and a lender are treated as the extinguishment of an existing liability and the recognition of a new financial liability. Where the terms of an existing financial liability are modified, it is also treated as the extinguishment of an existing liability and the recognition of a new liability.

GAINS AND LOSSES

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired or through the amortisation process.

GROUP ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

OFFSETTING

The entity does not offset financial assets and financial liabilities in the Statement of Financial Position unless a legal right of set-off exists and the parties intend to settle on a net basis.

IMPAIRMENTS

All financial assets measured at amortised cost, or cost, are subject to an impairment review. The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

For financial assets held at amortised cost:

The entity first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant and individually or collectively for financial assets that are not individually significant. If the entity determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in the collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the

previously recognised impairment loss shall be reversed either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

For financial assets held at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

POLICIES RELATING TO SPECIFIC FINANCIAL INSTRUMENTS

Investments at amortised cost

Investments, which include listed government bonds, unlisted municipal bonds, fixed deposits and short-term deposits invested in registered commercial banks are categorised as financial instruments at amortised cost and are subsequently measured at amortised cost.

Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

GROUP ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

Investments at fair value

Investments, which represent investments in residual interest for which fair value can be measured reliably, are subsequently measured at fair value.

Gains and losses in the fair value of such investments are recognised in the Statement of Financial Performance.

Investments at cost

Investments at cost, which represent investments in residual interest for which there is no quoted market price and for which fair value cannot be measured reliably, are subsequently measured at cost.

Cash and cash equivalents

Cash and cash equivalents are measured at amortised cost.

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand and deposits held on call with banks.

Trade and other receivables

Trade and other receivables are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition and subsequently stated at amortised cost, less provision for impairment. All trade and other receivables are assessed at least annually for possible impairment. Impairments of trade and other receivables are determined in accordance with the accounting policy for impairments. Impairment adjustments are made through the use of an allowance account.

Bad debts are written off in the year in which they are identified as irrecoverable. Amounts receivable within 12 months from the reporting date are classified as current. Interest is charged on overdue accounts.

Trade and other payables

Trade payables are initially measured at fair value plus transaction costs that are directly attributable to the acquisition and are subsequently measured at amortised cost using the effective interest rate method.

INVENTORIES

INITIAL RECOGNITION AND MEASUREMENT

Inventories comprise current assets held for sale, consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost refers to the purchase price, plus taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Where inventory is acquired by the entity for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

SUBSEQUENT MEASUREMENT

Inventories, consisting of consumable stores, raw materials, work-in-progress (WIP) and finished goods (FG), are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. The basis of determining cost is the weighted-average method.

Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values.

A provision is maintained for obsolete or damaged inventory. The level of the provision for obsolete inventory is equivalent to the value of the difference between the cost of the inventory and its net

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realisable value or current replacement cost at financial year-end.

Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction of inventories recognised as an expense in the period in which the reversal occurs.

DERECOGNITION

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

PROPERTY, PLANT AND EQUIPMENT

INITIAL RECOGNITION AND MEASUREMENT

Property, plant and equipment are tangible non-current assets including infrastructure assets that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes and are expected to be used during more than one year.

Items of property, plant and equipment are recognised as assets when it is probable that future economic benefits or service potential associated with the item will flow to the entity and the cost or fair value of the item can be measured reliably.

Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost where acquired through exchange transactions. However, when items of property, plant and equipment are acquired through non-exchange transactions, those items are initially measured at their fair values as at the date of acquisition.

The cost of an item of property, plant and equipment is the purchase price and other costs directly

attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the entity. Trade discounts and rebates are deducted in arriving at the cost at which the asset is recognised. The cost also includes the estimated costs of dismantling and removing the asset and restoring the site on which it is operated.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. These major components are depreciated separately over their useful lives.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value is not determinable, its deemed cost is the carrying amount of the asset(s) given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the entity expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

Subsequent measurement

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

Subsequent to initial recognition, certain classes of property, plant and equipment are measured using the revaluation model. Application of the revaluation model results in carrying classes of property, plant and equipment at re-valued amounts. Depreciation for these classes of property, plant and equipment is adjusted proportionately for the revaluation increases and decreases upon revaluation of the items of property, plant and equipment. Revaluation increases / decreases are recognised in the revaluation reserve within the

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Statement of Changes in Net Assets. Where the revaluation model is applied, it is done so consistently for the entire class of assets. The following classes of property, plant and equipment are measured using the revaluation model:

Subsequent expenditure

Where the entity replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component.

Subsequent expenditure including major spare parts and servicing equipment qualifies as property, plant and equipment if the recognition criteria are met.

Depreciation

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The depreciable amount is determined after taking into account an assets' residual value, where applicable to entity.

The assets' residual values, useful lives and depreciation methods are assessed at each reporting date and change(s) is/are accounted for as a change in an accounting estimate in accordance with the relevant Standard of GRAP.

The annual depreciation rates are based on the following estimated asset useful lives:

CATEGORY OF ASSET	USEFUL LIFE RANGE IN YEARS
<i>Water Supply & Reticulation</i>	10 – 50
<i>Dams & Treatment Works</i>	25 – 100
Other Assets	
<i>Bins & Containers</i>	10
<i>Emergency & Medical Equipment</i>	15
<i>Vehicles</i>	5
<i>Plant, machinery & Equipment</i>	30
<i>Furniture & Fittings</i>	10
<i>Office Equipment</i>	10
Community Assets	
<i>Landfill Sites</i>	50
<i>Security Systems</i>	5 – 15
<i>Tip Sites</i>	30
<i>Computer Equipment</i>	4 – 8
<i>Libraries</i>	15 - 50
<i>Fire Stations</i>	15 - 50
<i>Cemeteries</i>	15 - 50
<i>Clinics</i>	15 - 50
<i>Community Centers</i>	15 - 50
<i>Public Conveniences</i>	15 - 50
<i>Swimming Pools</i>	15 - 50
<i>Recreational Facilities</i>	15 - 50
<i>Selling & Letting Schemes</i>	15 - 50

Impairments

The entity tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of the

CATEGORY OF ASSET	USEFUL LIFE RANGE IN YEARS
Land & Buildings	
<i>Buildings</i>	15 - 50
<i>Land</i>	Indefinite Life
Infrastructure Assets	
<i>Roads, Sidewalks & Storm water Networks</i>	5 – 100
<i>Beach Developments</i>	30 – 50
<i>Electricity Reticulation & Supply</i>	10 – 80
<i>Sewerage Mains & Purification Works</i>	15 – 80
<i>Waste Disposal Facilities</i>	20 – 100

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impairment is recognised in the Statement of Financial Performance.

Derecognition

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Heritage assets

Heritage assets, which have **cultural**, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations are shown at cost. They are not depreciated due to the uncertainty regarding their estimated useful lives, as reflected in the table below:

CATEGORY OF HERITAGE ASSET	USEFUL LIFE RANGE IN YEARS
Memorials & Statues	<i>Indefinite Life</i>
Heritage Sites	<i>Indefinite Life</i>
Museums	<i>Indefinite Life</i>
Art Works	<i>Indefinite Life</i>
Collections (Rare books, coins, stamps, etc.)	<i>Indefinite Life</i>

Heritage asset shall not be depreciated but an entity shall assess at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the entity shall estimate the recoverable amount or the recoverable service amount of the heritage asset.

Subsequent measurement

Subsequent expenditure relating to Heritage Assets is capitalised if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the entity and the cost or fair value of the subsequent expenditure can be reliably measured. Subsequent expenditure incurred on an asset is only capitalised when it increases the capacity or future economic

benefits associated with the asset. Where the entity replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component.

After recognition as an asset, a class of heritage assets shall be carried at its cost less any accumulated impairment losses.

■ INTANGIBLE ASSETS

INITIAL RECOGNITION AND MEASUREMENT

An intangible asset is an identifiable non-monetary asset without physical substance. The entity recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity and the cost or fair value of the asset can be measured reliably.

Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Research expenditure is never capitalised, while development expenditure is only capitalised to the extent that:

- The entity intends to complete the intangible asset for use or sale.
- It is technically feasible to complete the intangible asset.
- The entity has the resources to complete the project.
- It is probable that the entity will receive future economic benefits or service potential.
- The entity has the ability to measure reliably the expenditure during development.

Intangible assets are initially recognised at cost.

Where an intangible asset is acquired by the entity for no or nominal consideration (i.e., a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

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Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value is not determinable, its deemed cost is the carrying amount of the asset(s) given up.

SUBSEQUENT MEASUREMENT

Intangible assets are subsequently carried at cost less accumulated amortisation and impairments.

The cost of an intangible asset is amortised over the useful life where that useful life is finite. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Financial Performance in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life assumption continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in Statement of Financial Performance in the expense category consistent with the function of the intangible asset. During the period of development, the asset is tested for impairment annually.

AMORTISATION AND IMPAIRMENT

Amortisation is charged to write off the cost of intangible assets over their estimated useful lives using the straight-line method.

The annual amortisation rates are based on the following estimated average asset lives:

CATEGORY OF INTANGIBLE ASSET	USEFUL LIFE RANGE IN YEARS
Computer Software	3 – 5

IMPAIRMENTS

The entity tests intangible assets with finite useful lives for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is performed at each reporting date. Where the carrying amount of an item of an intangible asset is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

DERECOGNITION

Intangible assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

INVESTMENT PROPERTY

INITIAL RECOGNITION AND MEASUREMENT

Investment property includes property held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services or the sale of an asset in the ordinary course of operations.

Investment Property is initially recognised when future economic benefits or service potential are probable, and the cost or fair value can be determined reliably.

At initial recognition, the entity measures investment property at cost including transaction costs once it meets the definition of investment property.

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Where an investment property was acquired through a non-exchange transaction (i.e., where it acquired the investment property for no or a nominal value), its cost is its fair value as at the date of acquisition.

The cost of self-constructed investment property is the cost at date of completion.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property (property, plant and equipment), the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the entity accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

The cost of day-to-day servicing of investment property is recognised in the Statement of Financial Performance as incurred.

The investment property's residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, at each financial year-end.

Fair value model

Investment property is measured using the fair value model. This entails determining the fair value of investment properties on a regular basis. To the extent that the fair value model is applied investment property is not depreciated. Fair value gains / losses that result from the revaluation are recognised in the Statement of Financial Performance.

Impairments

The entity tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an Investment Property is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Performance.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of the impairment is recognised in the Statement of Financial Performance.

Derecognition

An Investment Property is derecognised when there is a disposal, or no future economic benefits or service potential are to be derived from the property. All gains or losses, which result from the derecognition, are recognised in the Statement of Financial Performance.

BIOLOGICAL ASSETS

RECOGNITION

Biological assets that are not managed as part of an agricultural activity are accounted for as property, plant and equipment where they are expected to be used for longer than 12 months (refer to accounting

CATEGORY OF INVESTMENT PROPERTY	USEFUL LIFE RANGE IN YEARS
<i>Investment Property</i>	15 - 50
<i>Land</i>	<i>Indefinite Life</i>

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policy for property, plant and equipment).

Biological assets that are managed as part of an agricultural activity, and agricultural produce are recognised when:

- The entity controls the asset; and
- Future economic benefits or service potential from the asset is probable; and

The fair value or cost of the asset can be determined.

MEASUREMENT

Biological assets are measured at fair value less estimated point-of-sale costs at initial recognition as well for subsequent reporting periods. Agricultural produce (as harvested from biological assets) is recognised at the point of harvest. Accordingly, agricultural produce is measured at fair value less point-of-sale costs at the point of harvest. When this agricultural produce is transferred to inventory (for the purpose of consumption or resale) the fair value less point-of-sale costs, becomes the cost of the agricultural produce inventory.

Where there is no active market for biological assets and it is not possible to determine the fair value of the biological assets reliably through the use of other valuation techniques, the biological assets are measured at cost less accumulated depreciation and accumulated impairment losses. Should the fair value of the biological asset become available or reliably determinable in subsequent periods, the biological asset will be measured at its fair value less point-of-sale costs.

When measuring the biological asset at fair value less point-of-sale costs at initial recognition, gain may arise on that asset. This gain is recognised in surplus or deficit for the period during which the biological asset was initially recognised. Any subsequent changes to the fair value less point-of-sale costs (which arise as a result of re-measurements at subsequent reporting dates) are also recognised in the surplus or deficit for the period.

The gain or loss that arises on the initial recognition of agricultural produce at fair value less point-of-sale costs is also recognised in surplus or deficit in the period that it arises.

DERECOGNITION

Agricultural produce is derecognised at the point of reclassification to inventory. As the fair value less point-of-sale costs becomes the cost of the inventory, no gain or loss is derecognised at the point of reclassification.

Biological assets are derecognised when the entity disposes thereof or when it is no longer probable that future economic benefits or service potential will be generated from the biological asset. Any gain or loss that arises at the point of derecognition is recognised in surplus or deficit at the point of derecognition.

IMPAIRMENT OF NON-FINANCIAL ASSETS

RECOGNITION

The entity assesses at each reporting date whether there is an indication that an asset may be impaired. Where the carrying amount of an asset exceeds its recoverable amount (or recoverable service amount in the case of non-cash-generating assets), the asset is considered impaired and is written down to its recoverable amount (or recoverable service amount). An assets recoverable amount (or recoverable service amount) is the higher of the fair value less costs to sell, and the value-in-use of the asset.

MEASUREMENT

An asset's recoverable amount (or recoverable service amount) is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value-in-use. This recoverable amount (or recoverable service amount) is determined for individual assets, unless those individual assets are part of a larger cash generating unit, in which case the recoverable amount (or recoverable service amount) is determined for the whole cash generating unit.

An asset is part of a cash generating unit where that asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

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In determining the recoverable amount (or recoverable service amount) of an asset the entity evaluates the assets to determine whether the assets are cash generating assets or non-cash generating assets.

For cash generating assets the value in use is determined as a function of the discounted future cash flows from the asset.

Where the asset is a non-cash generating asset the value in use is determined through one of the following approaches:

- Depreciated replacement cost approach – The current replacement cost of the asset is used as the basis for this value. This current replacement cost is depreciated for a period equal to the period that the asset has been in use so that the final depreciated replacement cost is representative of the age of the asset.
- Restoration cost approach - Under this approach, the present value of the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment.
- Service units' approach - the present value of the remaining service potential of the asset is determined by reducing the current cost of the remaining service potential of the asset before impairment, to conform with the reduced number of service units expected from the asset in its impaired state.

The decision as to which approach to use is dependent on the nature of the identified impairment.

In assessing value-in-use for cash-generating assets, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, other fair value indicators are used.

Impairment losses of continuing operations are recognised in the Statement of Financial

Performance in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the entity makes an estimate of the assets or cash-generating unit's recoverable amount.

REVERSAL OF IMPAIRMENT LOSSES

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Financial Performance unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

EMPLOYEE BENEFITS

SHORT TERM EMPLOYEE BENEFITS

Short term employee benefits encompass all those benefits that become payable in the short term, i.e., within a financial year or within 12 months after the financial year. Therefore, short term employee benefits include remuneration, compensated absences and bonuses.

Short term employee benefits are recognised in the Statement of Financial Performance as services are rendered, except for non-accumulating benefits, which are recognised when the specific event occurs. These short-term employee benefits are measured at their undiscounted costs in the period the employee renders the related service, or the specific event occurs.

POST-EMPLOYMENT BENEFITS

The entity provides post-employment benefits for its officials. These benefits are provided as either

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defined contribution plans or defined benefit plans. The entity identifies as defined contribution plans any post-employment plan in terms of which it has no obligation to make further contributions to the plan over and above the monthly contributions payable on behalf of employees (for example in the event of a funding shortfall). Any other plans are considered to be defined benefit plans.

DEFINED CONTRIBUTION PLANS

Contributions made towards the fund are recognised as an expense in the Statement of Financial Performance in the period that such contributions become payable. This contribution expense is measured at the undiscounted amount of the contribution paid or payable to the fund. A liability is recognised to the extent that any of the contributions have not yet been paid. Conversely an asset is recognised to the extent that any contributions have been paid in advance.

DEFINED BENEFIT PLANS

Pursuant to the entity's obligation to fund the post-employment benefits provided through a defined benefit plan, the entity recognises a defined benefit obligation or asset with reference to the fund's financial position. To the extent that the future benefits payable under the fund exceeds the value of assets held to finance those benefits, the entity recognises as defined benefit obligation. To the extent that the value of plan assets exceeds the future benefits payable by the fund the entity recognises as defined benefit asset. Plan assets are assets that are held by long-term employee benefit funds or qualifying insurance policies. Plan assets are not available to the creditors of the entity, nor can they be paid directly to the entity.

The defined benefit asset or obligation is recognised as the net difference between the value of the plan assets and plan liabilities and also taking past service cost into consideration (further detail is available in the notes to the financial statements – post-employment benefits note)

Plan assets included in the defined benefit plan asset or liabilities recognised are measured at their fair values. Fair value is based on market price

information and in the case of quoted securities is the published bid price. The value of any defined benefit asset recognised is limited to the sum of any past service costs and actuarial gains and losses not yet recognised and the present value of any economic benefits available in the form of refunds from the plan or reductions in the future contributions to the plan.

The plan liabilities are measured at the present value of the future benefits payable. This present value of the plan liabilities is determined through actuarial valuation techniques.

The entity operates a number of defined benefit pension plans, all of which require contributions to be made to separately administered funds. The cost of providing benefits under the defined benefit plans is determined separately for each plan, using the projected unit credit method.

Actuarial valuations are conducted on an annual basis by independent actuaries for each plan. Actuarial gains and losses are recognised in full in the Statement of Financial Performance in the year that they occur.

The past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. If the benefits have already vested, immediately following the introduction of, or changes to, a pension plan, past service costs are recognised immediately.

LEASES

THE ENTITY AS LESSEE

Recognition

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the entity through the lease agreement. Assets classified as finance leases are recognised in the Statement of Financial Position at the inception of the lease, as is the corresponding finance lease liability.

Assets classified as operating leases, i.e., those leases where substantially all of the risks and rewards of ownership are not transferred to the

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lessee through the lease, are not recognised in the Statement of Financial Position. The operating lease expense is recognised over the course of the lease arrangement.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date; namely whether fulfilment of the arrangement is dependent on the use of a specific asset or assets, or the arrangement conveys a right to use the asset.

For arrangements entered into prior to 1 January 2005, the date of inception is deemed to be 1 January 2005, in accordance with the transitional requirements of IGRAP 3.

Measurement

Assets subject to a finance lease, as recognised in the Statement of Financial Position, are measured (at initial recognition) at the lower of the fair value of the assets and the present value of the future minimum lease payments. Subsequent to initial recognition these capitalised assets are depreciated over the contract term.

The finance lease liability recognised at initial recognition is measured at the present value of the future minimum lease payments. Subsequent to initial recognition this liability is carried at amortised cost, with the lease payments being set off against the capital and accrued interest. The allocation of the lease payments between the capital and interest portion of the liability is affected through the application of the effective interest method.

The finance charges resulting from the finance lease are expensed, through the Statement of Financial Performance, as they accrue. The finance cost accrual is determined using the effective interest method.

The lease expense recognised for operating leases is charged to the Statement of Financial Performance on a straight-line basis over the term of the relevant lease. To the extent that the straight-lined lease payments differ from the actual lease payments the difference is recognised in the Statement of Financial Position as either lease payments in advance (operating lease asset) or lease payments payable (operating lease liability) as the case may be. This

resulting asset and / or liability is measured at the undiscounted difference between the straight-line lease payments and the contractual lease payments.

Derecognition

The finance lease liabilities are derecognised when the entity's obligation to settle the liability is extinguished. The assets capitalised under the finance lease are derecognised when the entity no longer expects any economic benefits or service potential to flow from the asset.

The operating lease liability is derecognised when the entity's obligation to settle the liability is extinguished. The operating lease asset is derecognised when the entity no longer anticipates economic benefits to flow from the asset.

THE ENTITY AS LESSOR

Recognition

For those leases that meet the definition of a finance lease, where the entity is the lessor, the entity recognises the asset subject to the lease at the inception of the lease. Along with the recognition of the asset the entity recognises a finance lease receivable. Finance lease income is allocated between the finance lease receivable and finance income using the effective interest rate method and the resulting finance income is recognised in the Statement of Financial Performance as it accrues.

For those leases classified as operating leases the asset subject to the lease is not recognised and no lease receivable is recognised at the inception of the lease. Lease payments received under an operating lease are recognised as income, in the Statement of Financial Performance, in the period that the income accrues.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date; namely, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets, or the arrangement conveys a right to use the asset.

Measurement

Finance lease receivables are recognised at an

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amount equal to the entity's net investment in the lease. This net investment in the lease is calculated as the sum of the minimum future lease payments and unguaranteed residual value discounted over the lease term at the rate implicit in the lease.

Rental Income from operating leases is recognised on a straight-line basis over the term of the relevant lease. The difference between the straight-lined lease payments and the contractual lease payments are recognised as either an operating lease asset or operating lease liability. An operating lease liability is raised to the extent that lease payments are received in advance (i.e., the straight-line lease payments are more than the contractual lease payments). The operating lease asset and / or operating lease liability are measured as the undiscounted difference between the straight-line lease receipts and the contractual lease receipts.

Derecognition

Finance lease receivables are derecognised when the entity's right to the underlying cash flows expire or when the entity no longer expects economic benefits to flow from the finance lease receivable.

Operating lease liabilities are derecognised when the entity's obligation to provide economic benefits or service potential under the lease agreement expires. Operating lease assets are derecognised when the entity's right to the underlying cash flows expire, or the entity no longer expects economic benefits to flow from the operating lease asset.

REVENUE

REVENUE FROM EXCHANGE TRANSACTIONS

Revenue from exchange transactions refers to revenue that accrues to the entity directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable, excluding indirect taxes, rebates and discounts.

RECOGNITION

Revenue from exchange transactions is only

recognised once all of the following criteria have been satisfied:

- The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably; and
- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue arising out of situations where the entity acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the entity as compensation for executing the agreed services.

Grants, transfers and donations received, or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset and there is not a corresponding liability in respect of related conditions.

Measurement

An asset that is recognised as a result of a non-exchange transaction is recognised at its fair value at the date of the transfer. Consequently, revenue arising from a non-exchange transaction is measured at the fair value of the asset received, less the amount of any liabilities that are also recognised due to conditions that must still be satisfied.

Where there are conditions attached to a grant, transfer or donation that gave rise to a liability at initial recognition, that liability is transferred to revenue as and when the conditions attached to the grant are met.

Grants without any conditions attached are recognised as revenue in full when the asset is recognised, at an amount equalling the fair value of the asset received.

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Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor.

Expenditure relating to non-exchange transactions

The accounting policy for expenditure arising from non-exchange transactions is similar to policy for non-exchange revenue.

BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised to the cost of that asset unless it is inappropriate to do so. The entity ceases the capitalisation of borrowing costs when substantially all the activities to prepare the asset for its intended use or sale are complete. It is considered inappropriate to capitalise borrowing costs where the link between the funds borrowed and the capitals asset acquired cannot be adequately established. Borrowing costs incurred other than on qualifying assets are recognised as an expense in the Statement of Financial Performance when incurred.

FOREIGN CURRENCY TRANSACTION

Transactions in foreign currencies are initially accounted for at the rate of exchange ruling on the date of the transaction. Exchange differences arising on the settlement of creditors or on reporting of creditors at rates different from those at which they were initially recorded are expensed.

Transactions in foreign currency are accounted for at the spot rate of the exchange ruling on the date of the transaction.

Gains and losses arising on the translation are dealt with in the Statement of Financial Performance in the year in which they occur.

SURPLUS OR DEFICIT

GAINS AND LOSSES

Gains and losses arising from fair value adjustments on investments and loans, and from the disposal of assets, are presented separately from other revenue in the Statement of Financial Performance.

Income, expenditure, gains and losses are recognised in surplus or deficit except for the exceptional cases where recognition directly in net assets is specifically allowed or required by a Standard of GRAP.

IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Public Finance Management Act (PFMA) or is in contravention of the entity's supply chain management policies. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is disclosed as such in the notes to the annual financial statements and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is disclosed as such in the notes to the annual financial statements and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

RECOVERY OF IRREGULAR, FRUITLESS & WASTEFUL EXPENDITURE

The recovery of irregular and fruitless and wasteful expenditure is based on legislated procedures and is recognised when the recovery thereof from the responsible officials is probable. The recovery of irregular and fruitless and wasteful expenditure is treated as other income.

GROUP ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

■ POST-REPORTING DATE EVENTS

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amounts recognised in the financial statements to reflect adjusting events after the reporting date once the event has occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

■ RELATED PARTIES

The entity has processes and controls in place to aid in the identification of related parties. A related party is a person or an entity with the ability to control or jointly control the other party or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Related party relationships where control exists are disclosed regardless of whether any transactions took place between the parties during the reporting period.

Related party transactions that took place during the financial periods covered by the financial statements are disclosed in the financial statements where those transactions were not within:

- normal supplier and/or client/recipient relationships on terms and conditions that are more or less favourable than those which it is reasonable to expect the entity to have adopted

if dealing with that individual entity or person in the same circumstances; and

- terms and conditions within the normal operating parameters established by the reporting entity's legal mandate.

Further details about those transactions, outstanding balances including commitments are disclosed in the notes to the financial statements.

■ INVESTMENT IN AN ASSOCIATE

The entity's investment in its associate is accounted for using the equity method. An associate is an entity in which the entity has significant influence.

Under the equity method, the investment in the associate is carried on the Statement of Financial Position at cost plus post-acquisition changes in the entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The Statement of Financial Performance reflects the entity's share of the results of operations of the associate. When there has been a change recognised directly in the net assets of the associate, the entity recognises its share of any changes and discloses this, when applicable, in the statement of changes in net assets.

Unrealised gains and losses resulting from transactions between the entity and the associate are eliminated to the extent of the interest in the associate.

The entity's share of the net surplus or deficit of an associate is shown on the face of the Statement of Financial Performance. This is the surplus attributable to holders of the residual interest in the associate and, therefore, is surplus after tax and minority interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the same reporting period as the entity. When necessary, adjustments are made to bring the accounting policies in line with those of the entity.

GROUP ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2025

■ SEGMENT REPORTING

Operating segments are identified and aggregated into reportable segments on the basis of the consolidated financial statements. For each of the reportable segments identified, details of the financial performance and financial position will be disclosed as additional disclosures.

For consolidation purposes, the National Treasury will report on these segments based on service segments, which is a distinguishable component of an entity that is engaged in providing related outputs or achieving particular operating objectives consistent with the overall mission of each entity. These are the 5 clusters that were approved by the South African government.

■ STATUTORY RECEIVABLES

INITIAL RECOGNITION AND MEASUREMENT

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means and require settlement by another entity in cash or another financial asset. The accounting policy followed for the recognition of statutory receivables is the same as the policy followed for receivables that arise from exchange and non-exchange transactions. When the statutory receivable does not arise from an exchange or non-exchange transaction, it is recognised as an asset when it is probable that future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Statutory receivables are initially measured at their transaction amount. The transaction amount of a statutory receivable is the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations or similar means.

Subsequent measurement

Subsequent to initial recognition, statutory receivables are measured at cost – i.e., the initial measurement of the receivable is changed to reflect interest or other charges that may have accrued on

the receivable, impairment losses and amounts derecognised.

Impairment

The entity tests for impairment where there's an indication that the statutory receivable, or a group of statutory receivables, may be impaired. An assessment of whether there is an indication that a statutory receivable or a group of statutory receivables may be impaired, is done at each reporting date. If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the entity measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount of the statutory receivable or a group of statutory receivables is higher than the estimated future cash flows, the carrying amount of the statutory receivable or a group of statutory receivables is reduced to the estimated future cash flows and the impairment loss is charged to the Statement of Financial Performance.

An impairment is reversed to the extent that the carrying amount of the receivable or a group of receivables does not exceed the carrying amount of the receivable(s) that would have been determined had the impairment loss not been recognised. The reversal of the impairment loss is recognised in the Statement of Financial Performance.

Derecognition

A statutory receivable, or a part thereof is derecognised when the entity's rights to the cash flows from the receivables are settled, expire or waived; significant risks and rewards of ownership of the receivable are transferred to another party; or despite having retained some significant risks and rewards, the entity has transferred control of the receivable to another entity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R '000	2023/24 R '000
1 Cash and Cash Equivalents		
Cash and cash equivalents consist of the following:		
Cash on hand	3 307 477	6 558 617
Cash at bank	141 499 051	131 543 732
Call deposits	258 496 247	200 952 506
Call investments	12 239 587	12 817 844
<i>Less: Bank Overdraft</i>	(4 556 701)	(3 954 686)
Total Cash and cash Equivalents	410 985 661	347 918 012

	Gross Balances R '000	Provision for Doubtful Debts R '000	Net Balance R '000
2 Trade and Other Receivables from Exchange Transactions			
Balance As At 31 March 2025			
Recoveries of staff expenses	58 907	(19 177)	39 730
Other Trade Receivables	179 513 714	(82 531 601)	96 982 114
Employee advances	63 940		63 940
Provincial Government	15 112 167	(9 972 670)	5 139 498
National Government	16 054 630	(12 603 800)	3 450 829
Municipalities/ Municipal Entity	987 643	(323 117)	664 526
Total Trade & Other Receivables From Exchange Transactions As At 31 March 2025	211 791 001	(105 450 365)	106 340 636
Balance As At 31 March 2024			
Recoveries of Staff Expenses	71 373	(18 710)	52 663
Other Trade Receivables	168 200 713	(76 925 031)	91 275 682
Employee Advances	51 038		51 038
Provincial Government	13 813 832	(8 065 416)	5 748 417
National Government	13 424 189	(10 373 297)	3 050 892
Municipalities/ Municipal Entity	876 234	(318 405)	557 829
Total Trade & Other Receivables From Exchange Transactions As At 31 March 2024	196 437 379	(95 700 859)	100 736 520

	2024/25 R '000	2023/24 R '000
Ageing of Trade & Other Receivables from Exchange Transactions (Net of Provision For Doubtful Debts)		
Current (0 – 30 days)	82 313 994	76 034 141
31 - 60 Days	5 476 387	8 874 508
61 - 90 Days	3 815 521	4 407 737
91 - 120 Days	4 160 388	3 090 876
121 + Days	10 574 346	8 329 257
Total	106 340 636	100 736 520

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Summary of Debtors by Classification	Recoveries of Staff Expenses R '000	Other Trade Receivables R '000	Employee Advances R '000	Provincial Government R '000	National Government R '000	Municipality/Municipal Entity R '000
Balance as at 31 March 2025						
Current (0 – 30 days)						
34 959	99 446 883	44 629	1 439 574	15 965 222		68 464
31 - 60 Days	2 257	8 297 484	5 689	587 307	115 964	24 198
61 - 90 Days	447	5 727 232	2 489	5 138 846	93 675	41 266
91 - 120 Days	5	10 261 977	77	(1 339)	90 556	551 651
121 - 365 Days	21 239	55 780 139	11 056	7 947 780	(210 787)	302 064
Total Debtors before Provision For Doubtful Debts	58 907	179 513 714	63 940	15 112 167	16 054 629	987 643
Less: Provision for doubtful debts	(19 177)	(82 531 601)		(9 972 670)	(12 603 800)	(323 117)
Total Debtors by Classification as at 31 March 2025	39 730	96 982 113	63 940	5 139 498	3 450 829	664 526
Summary of Debtors by Classification	Recoveries of Staff Expenses R '000	Other Trade Receivables R '000	Employee Advances R '000	Provincial Government R '000	National Government R '000	National Government R '000
Balance as at 31 March 2024						
Current (0 – 30 days)						
41 777	96 692 928	31 598	1 408 723	12 365 618		111 418
31 - 60 Days	1 891	8 907 952	7 365	920 912	78 165	21 775
61 - 90 Days	971	4 307 354	951	4 763 016	48 082	33 813
91 - 120 Days	1 066	8 789 345	4 837	325 626	224 835	91 554
121 - 365 Days	25 668	49 503 133	6 287	6 395 554	707 489	617 674
Total Debtors before Provision For Doubtful Debts	71 373	168 200 713	51 038	13 813 833	13 424 189	876 234
Less: Provision for doubtful debts	(18 710)	(76 925 031)		(8 065 416)	(10 373 297)	(318 405)
Total Debtors by Classification as at 31 March 2024	52 662	91 275 682	51 038	5 748 417	3 050 892	557 829
2024/25						
R '000						
2.1 Reconciliation of the doubtful debt provision						
Balance at beginning of the year				(95 700 859)		(72 085 135)
Contributions to provision				(16 319 923)		(25 421 209)
Doubtful debts written off against provision				6 673 006		4 138 966
Reversal of provision				(77 358)		(29 111)
Amounts used				(405 285)		40 059
Increase/ (Decrease) due to change in estimate				381 037		(2 323 646)
Change due to correction of errors				(984)		(20 782)
Balance at end of year				(105 450 365)		(95 700 859)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R '000	2023/24 R '000	
3 Trade and Other Receivables from Non-Exchange Transactions			
BALANCE AS AT 31 MARCH 2025			
	Gross Balances R'000	Provision for Doubtful Debts R'000	Net Balance R'000
Subsidies	37 462	-	37 462
Fruitless expenditure	2	-	2
Other receivables	7 522 912	(1 480 124)	6 042 788
Provincial Government	128 881	(33 971)	94 909
National Government	370 167	-	370 167
Total Other receivables	8 059 423	(1 514 095)	6 545 328
BALANCE AS AT 31 MARCH 2024			
	Gross Balances R'000	Provision for Doubtful Debts R'000	Net Balance R'000
Subsidies	71 504	-	71 504
Fruitless expenditure	2	-	2
Other receivables	7 963 077	(1 379 271)	6 583 806
Provincial Government	108 939	(27 456)	81 483
National Government	315 459	-	315 459
Total Other receivables	8 458 981	(1 406 728)	7 052 253
2025 R'000			
2024 R'000			
<u>Ageing of Other Receivables from Non-Exchange Transactions (Net of Provision For Doubtful Debts)</u>			
Current (0 – 30 days)	2 924 757	3 066 152	
31 - 60 Days	2 086 179	2 457 005	
61 - 90 Days	119 390	64 498	
91 - 120 Days	62 596	167 275	
121 + Days	1 352 405	1 297 323	
Total	6 545 328	7 052 253	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Summary of Debtors by Classification

BALANCE AS AT 31 MARCH 2025				
Subsidies	Fruitless expenditure	Other receivables	Provincial Government	National Government
R'000	R'000	R'000	R'000	R'000
37 154		3 286 053	65 032	358 488
308		1 506 987	31 553	10 463
	2	267 212	6 044	
		920 646	26 252	
		1 542 014		1 216
37 462	2	7 522 912	128,881	370 167
-	-	(1 480 124)	(33 971)	-
37 462	2	6 042 788	94 910	370 167

BALANCE AS AT 31 MARCH 2024				
Subsidies	Fruitless expenditure	Other receivables	Provincial Government	National Government
R'000	R'000	R'000	R'000	R'000
70 673		3 973 825	60,502	260 552
831	2	1 341 255	21 558	41 036
		140 216	515	
		248 569	26 364	
		2 259 212		13 871
71,504	2	7 963 077	108,939	315 459
-	-	(1 379 271)	(27 456)	-
71,504	2	6 583 806	81 483	315 459

	2025 R'000	2024 R'000
<u>Reconciliation of the doubtful debt provision</u>		
Balance at beginning of the year	(1 406 728)	(690 646)
Contributions to provision	(177 448)	(119 275)
Doubtful debts written off against provision	76 465	(563 822)
Reversal of provision	(1 610)	(309)
Amounts used	663	665
Increase/ (Decrease) due to change in estimate	(5 438)	(25 969)
Change due to correction of errors	(7 372)	
Balance at end of year	(1 514 096)	(1 406 728)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R '000	2023/24 R '000
4	Other Current Financial Assets		
	Other current financial assets	<u>1 344 493 817</u>	<u>1 281 899 664</u>
5	Current Portion of Non-Current Receivables		
	Staff loans	1 795	334
	Other Current Portion of Non-Current Receivables	<u>2 267 846</u>	<u>2 083 918</u>
	Current Portion of Non-Current Receivables	<u>2 269 641</u>	<u>2 084 253</u>
6	VAT Receivable		
	VAT receivable	<u>2 272 297</u>	<u>1 581 154</u>
7	Inventories		
7.1	Carrying value of inventory		
	Consumable stores	64 648 350	59 341 232
	Raw Materials	3 550 700	3 181 494
	Work in Progress	29 692 900	26 444 008
	Finished Goods	2 519 246	2 092 968
	Maintenance materials	3 685 152	5 113 561
	Spare parts	24 774 928	22 154 311
	Other goods held for resale	16 676	(19 569)
	Water	412 467	377 335
		(3 718)	(2 876)
	Inventory carried at Net Realisable Value		
	The following classes of inventory are carried at net realisable value:		
	Consumable stores	3 658 788	3 321 863
	Raw Materials	29 487 965	26 092 812
	Work in Progress	2 532 758	2 125 572
	Finished Goods	3 800 968	5 233 432
	Maintenance materials	24 754 225	22 121 397
	Spare parts	22 832	61 620
	Other goods held for resale	317 268	368 603
	Water	4 101	2 521
	Total	64 578 905	59 327 821

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R '000	2023/24 R '000	
7.2	Inventory carried at current replacement cost			
	The following classes of inventory are carried at current replacement cost:			
	Consumable stores	3 131	2 722	
	Raw Materials	63 611	7 344	
	Finished goods	2 703	3 345	
	Total	69 445	13 411	
7.3	Additional disclosure			
	The carrying amount of inventories at fair value less cost to sell	82	80	
	The CA of inventories recognised as an expense during the period	718 192	572 444	
	Write-down of inventory to Net Realisable Value	(33 138)	(29 217)	
		685 136	543 307	
8	Prepayments			
	Prepaid expenses	22 991 328	21 861 442	
9	Current Investments			
	Deposits	31 679 752	51 654 373	
	Equity investments	29 653 745	28 919 209	
	Other Investments	6 101 791	6 041 415	
		67 435 289	86 614 998	
10	Construction Contract Receivables			
	Contracts in progress at reporting date:			
	Construction contract receivables	678 015	854 526	
11	Finance Lease Receivable			
	2024/25	Minimum Lease Receivable	Future Finance Charges	Present Value of Minimum Lease Receipts
	Amounts receivable under finance leases	R '000	R '000	R '000
	Within after one year	544 989	(26 686)	518 303
	Within two to five years	536 810	(70 179)	466 630
	Later than five years	110 054	(22 242)	87 812
		1 191 853	(119 108)	1 072 745
	Less: Amount due for settlement within 12 months (current portion)	(551 508)	26 686	(524 822)
		640 345	(92 421)	547 924
	2023/24	Minimum Lease Receivable	Future Finance Charges	Present Value of Minimum Lease Receipts
	Amounts receivable under finance leases	R '000	R '000	R '000
	Within after one year	657 065	(31 366)	625 699
	Within two to five years	436 702	(80 277)	356 425
	Later than five years	129 497	(25 931)	103 566
		1 223 264	(137 574)	1 085 690
	Less: Amount due for settlement within 12 months (current portion)	(642 816)	31 366	(611 450)
		580 448	(106 208)	474 240

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R '000	2023/24 R '000
12	Statutory Receivables - Exchange		
	Current statutory receivables		
	Opening balance	2 335 469	2 257 791
	Current year receivables	2 492 690	543 410
	Accrued interest, fines, penalties or other charges	(1 648)	-
	Accumulated Impairment losses	(143 643)	(102 755)
	Impairment reversal	(7 280)	(4 707)
	Amounts derecognised/ Settled amounts	(527 114)	(358 269)
	Closing balance at year end	4 148 474	2 335 469
	Non- Current statutory receivables		
	Opening balance	3 578 808	3 002 347
	Current year receivables	1 186 203	1 169 472
	Accumulated Impairment losses	(252 108)	-
	Impairment reversal		(593 011)
	Closing balance at year end	4 512 903	3 578 808
13	Statutory Receivables – Non - Exchange		
	Current statutory receivables		
	Opening balance	21 379 115	11 138 273
	Current year receivables	28 281 348	37 124 314
	Accrued interest, fines, penalties or other charges	2 275 137	2 504 848
	Accumulated Impairment losses	(3 341 962)	(6 082 922)
	Impairment reversal	(980 092)	(1 135 723)
	Amounts derecognised/ Settled amounts	(23 744 206)	(22 169 675)
	Closing balance at year end	23 869 340	21 379 115
	Non- Current statutory receivables		
	Opening balance	88	-
	Current year receivables	337	88
	Closing balance at year end	425	88
14	Non-Current Receivables from Exchange Transactions		
	Staff loans	1 216	348
	Other non-current receivables	24 463 830	20 546 682
	Total Non-Current Receivables after transfers to current receivables	24 465 047	20 547 030
15	Non-Current Investments		
	Fixed Deposits	364 342	84 343
	Listed Investments	69 948 694	78 407 487
	Other Investments	139 868 541	126 092 958
	Loans Granted	136 317 780	139 988 559
	Debt Securities	116 040 451	99 005 322
		462 539 808	443 578 670
16	Other Non-Current Financial Assets		
	Other Non-Current Financial Assets	43 072 595	55 662 706

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R '000	2023/24 R '000
17	Investments in Joint Venture		
	Share of the joint venture's statement of financial position:		
Current Assets		396 105	383 752
Non current assets		221 540	222 643
Current liabilities		(624)	(510)
Equity		617 021	605 885
	Share of the joint venture's revenue and profit:		
Revenue		63 339	36 724
Administrative expenses		(32 598)	(27 074)
Other Expenses		(24 321)	(5 319)
Finance Income		1 695	1 124
Finance cost			(126)
Profit before tax		8 115	5 329
Income tax expense		101 605	104 955
Profit for the year from continuing operations		109 720	110 284
	Net Profit for the year	109 720	110 284
18	Investments in Associates		
	Share of the associate's statement of financial position:		
Current Assets		451 277	395 109
Non current assets		53 412 194	51 646 856
Current liabilities		(156 007)	(82 085)
Non current liabilities		(1 733 661)	(1 464 970)
Equity		51 973 804	50 494 909
	Share of the associate's revenue and profit:		
Revenue		3 422 705	3 717 402
Cost of sales		(10 376)	(9 506)
Administrative expenses		(12 720)	(13 538)
Other Expenses		(151 821)	(228 309)
Other Income		52 823	37 952
Finance Income		(15 505)	(15 139)
Finance cost		(189 453)	(169 126)
Profit before tax		3 095 653	3 319 736
Income tax expense		4 928	(4 407)
Profit for the year from continuing operations		3 100 581	3 315 329
Profit from discontinued operations		1 602 702	1 035 039
Net Profit for the year		4 703 282	4 350 369
19	Interest in Joint Operations		
	Share of the associate's revenue and profit:		
Other Income		395	4 267
Profit before tax		395	4 267
Profit for the year from continuing operations		395	4 267
Net Profit for the Year		395	4 267

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R '000	2023/24 R '000
20	Deferred taxation		
	Deferred taxation liabilities/(assets)	49 155 330	54 306 611
	- Opening balance	53 803 007	29 873 710
	- Recognised in taxation	(501 268)	28 326 879
	- Raised through Equity	(626 199)	(1 074 895)
	- Raised through Other	(3 520 209)	(2 819 082)
	Analysis of temporary differences:		
	Deferred taxation assets	38 881 550	36 224 536
	- Provisions	8 787 545	19 816 955
	- Employee benefit obligations	8 089 016	7 066 078
	- Revenue received in advance and deferred income	4 243 516	3 985 156
	- Capitalised lease liability	1 000 095	1 113 214
	- Doubtful debts	23 859 091	19 834 002
	- Other	(7 097 713)	(15 590 870)
	Deferred taxation liabilities	88 036 880	90 531 146
	- Deferred expenditure	(61 776)	(688 684)
	- Property, Plant and Equipment	84 548 494	80 952 555
	- Future expenditure allowance	60 103	68 691
	- Other	3 490 059	10 198 584
	Net deferred taxation liability/(asset)	49 155 330	54 306 611
21	Trade and Other Payables from Exchange Transactions		
	Trade payables	104 307 622	92 977 226
	Payments received in advance	12 105 227	16 283 997
	Retentions	4 775 248	4 427 608
	Staff leave accrual	6 085 739	5 402 153
	Accrued interest	3 821 962	4 115 265
	Defined contribution plan payments that were not paid before year end.	55 680	43 740
	Other payables	50 739 659	38 230 467
	Total payables	181 891 138	161 480 455

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R '000	2023/24 R '000
22	VAT Payable		
	VAT payable	<u>11 541 774</u>	<u>11 284 023</u>
23	Taxes and Transfers Payable		
	Taxes and transfers payable (Non-Exchange)	3 502 109	3 207 130
	Income Tax Payable	781 118	439 291
	Total Taxes and transfers payable	<u>4 283 227</u>	<u>3 646 421</u>
24	Other Current Financial Liabilities		
	Notes and Coins in Circulation	167 771 000	169 504 000
	Forward Exchange Contract Liabilities	448 669	394 305
	Gold and Foreign Exchange financial liabilities	363 901 000	531 989 000
	Deposit Accounts	591 129 612	486 922 452
	Foreign loans and deposits	88 338 000	101 224 000
	Other Current Financial liabilities	192 180 544	(43 810 397)
	Total Other Current Financial Liabilities	<u>1 403 768 825</u>	<u>1 246 223 360</u>

NOTES TO THE

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

25

Current Provisions

25.1 Reconciliation of Movement in Current Provisions – 2024/25

	Performance Bonus	Provision for Leave Pay	Other Provisions	Current Portion of Other Non-Current Provisions	TOTAL
	R '000	R '000	R '000	R '000	R '000
Opening Balance	3 710 280	4 407 730	17 428 647	55 778 437	81 325 094
Provisions Raised	8 864 995	2 364 882	4 514 997	26 250 829	41 995 703
Unused Amounts Reversed	(248 159)	(46 370)	(936 304)	(101 132)	(1 331 965)
Unwinding of Time Value of Money	(66 003)		(1 747)	61 164	(6 586)
Amounts Used	(4 953 988)	(1 761 558)	(757 738)	(28 462 335)	(35 935 619)
Exchange differences		(20 334)	(12 964)		(33 298)
Settlement of Provision without cost to entity	(20 515)	(5 416)	(2 238)		(28 169)
Transfer from Non-Current Provision		(26)	(1 549)	(3 677 575)	(3 679 150)
Change in Provision due to change in Estimation inputs	11 312	8 751	(734 500)	199 157	(515 280)
Other Movements	503 542	4 907	(222 054)	(49 266)	237 129
Closing Balance	7 801 463	4 952 566	19 274 552	49 999 279	82 027 860

25.2 Reconciliation of Movement in Current Provisions – 2023/24

	Performance Bonus	Provision for Leave Pay	Other Provisions	Current Portion of Other Non-Current Provisions	TOTAL
	R '000	R '000	R '000	R '000	R '000
Opening Balance	3 638 581	4 191 622	30 320 495	48 004 396	86 155 094
Provisions Raised	3 458 412	1 963 681	2 594 508	28 352 570	36 369 171
Unused Amounts Reversed	(83 337)	1 880	(648 798)	(1 984)	(732 239)
Unwinding of Time Value of Money	(52 374)	(27 019)	(18 356)	65 558	(32 192)
Amounts Used	(3 135 242)	(1 747 893)	(3 761 349)	(25 107 928)	(33 752 413)
Exchange differences			15 839		15 839
Settlement of Provision without cost to entity			(1 145)		(1 145)
Transfer from Non-Current Provision		(518)	1 549	4 736 024	4 737 055
Change in Provision due to change in Estimation inputs	(88 814)	2 846	(884 034)	(354 118)	(1 324 120)
Other Movements	(26 945)	23 130	(10 190 062)	83 920	(10 109 957)
Closing Balance	3 710 280	4 407 730	17 428 647	55 778 437	81 325 094

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		2024/25 R '000	2023/24 R '000
26	Unspent Conditional Grants and Receipts		
	Non-current unspent conditional grants and receipts	9 448 494	4 976 823
	Current portion of unspent conditional grants and receipts	14 542 973	14 155 181
27	Long-Term Borrowings		
	Long-term interest bearing loans	467 976 329	466 490 969
	Government Loans: Other	101 611	27 390
	Other borrowings	203 541 022	218 576 008
	Less: current portion transferred to current liabilities	(107 277 131)	(115 938 608)
		564 341 831	569 155 759
28	Short-Term Borrowings		
	Long-term interest bearing loans	41 232 400	39 109 623
	Government Loans: Other	2 382	761
	Other borrowings	7 890	5 252
		41 242 672	39 115 636
29	Finance Lease Liability		
	2024/25		
	Amounts payable under finance leases	Minimum Lease Payment R '000	Present Value of Minimum Lease Payments R '000
	Within one year	4 504 161	(1 394 625)
	Within two to five years	14 313 857	(3 615 261)
	Later than five years	3 573 082	(874 305)
		22 391 100	(5 884 191)
	Less: Amount due for settlement within 12 months (current portion)	(4 014 978)	1 096 598
		18 376 122	(4 787 593)
			13 588 529
	2023/24		
	Amounts payable under finance leases	Minimum Lease Payment R '000	Present Value of Minimum Lease Payments R '000
	Within one year	4 235 454	(1 309 961)
	Within two to five years	13 553 782	(4 383 812)
	Later than five years	4 240 630	(390 754)
		22 029 865	(6 084 527)
	Less: Amount due for settlement within 12 months (current portion)	(3 624 279)	1 300 104
		18 405 587	(4 784 423)
			13 621 164

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Non-Current Provisions**Reconciliation of Movement in Non-Current Provisions – 2024/25**

	Provision for long-service awards R '000	Other Non- Current Provisions R '000	TOTAL R '000
Opening Balance	140 838	116 409 440	116 550 278
Provisions Raised	113 504	9 557 325	9 670 829
Unused Amounts Reversed	(359)	(15 750 527)	(15 750 886)
Unwinding of Time Value of Money	1 280	4 317 924	4 319 204
Amounts Used	(70 332)	(14 828 065)	(14 898 397)
Exchange differences		(700 073)	(700 073)
Settlement of Provision without cost to entity		3 689	3 689
Transfer to Current Provision		3 819 330	3 819 330
Change in Provision due to change in Estimatation inputs	(1 316)	352 843	351 527
Other Movements	(2 609)	356 581	353 972
Closing Balance	181 006	103 538 467	103 719 473

Reconciliation of Movement in Non-Current Provisions – 2023/24

	Provision for long-service awards R '000	Other Non- Current Provisions R '000	TOTAL R '000
Opening Balance	56 920	115 287 899	115 344 820
Provisions Raised	79 021	24 038 344	24 117 365
Unused Amounts Reversed	(439)	(11 446 217)	(11 446 656)
Unwinding of Time Value of Money	993	8 807 195	8 808 188
Amounts Used	(22 297)	(8 923 637)	(8 945 934)
Exchange differences		87 727	87 727
Settlement of Provision without cost to entity		(1 147 257)	(1 147 257)
Transfer to Current Provision		(5 264 881)	(5 264 881)
Change in Provision due to change in Estimatation inputs	26 640	(5 688 837)	(5 662 197)
Other Movements		659 102	659 102
Closing Balance	140 838	116 409 438	116 550 276

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		2024/25 R '000	2023/24 R '000
31	Other Non-Current Financial Liabilities		
	Other non-current financial liabilities	43 253 105	20 241 531
32	Defined Benefit Plan		
	Defined Benefit Plans		
	Statement of Financial Position		
	Present value of Defined benefit obligation	31 465 038	28 522 114
	Fair value of plan assets	(6 117 365)	(4 250 676)
	Total Defined benefit plan Liability/(Asset)	25 347 673	24 271 438
	Pension benefits		
	Present value of unfunded obligations	740 274	783 934
	Present value of funded obligations	119 033 822	109 247 359
	Total present value of obligations	119 774 096	110 031 293
	Fair value of plan assets	(114 879 271)	(105 326 493)
	Unrecognised past service costs	(4 481 929)	(2 822 054)
	Defined pension benefit obligation/(asset) disclosed in Statement of Financial Position	412 895	1 882 746
	Medical benefits		
	Present value of unfunded obligations	23 980 607	21 465 242
	Present value of funded obligations	1 044 321	1 006 186
	Total present value of obligations	25 024 928	22 471 428
	Fair value of plan assets	(90 151)	(82 736)
	Defined medical benefit obligation/(asset) disclosed in Statement of Financial Position	24 934 777	22 388 692
32.1	Changes in the present value of the defined benefit obligation are as follows:		
		Pension Plan(s) R '000	Medical Plan(s) R '000
	Defined benefit obligation as at 1 April 2024	110 031 293	22 471 428
	Service Costs		
	Current service costs	2 408 705	441 761
	Contributions by plan participants	1 711 002	9 133
	Past Service Cost	1 149	35 405
	Curtailments	(812)	(978)
	Settlements	(3 526 762)	(75 193)
	Total Service Costs	110 624 576	22 881 556
	Net Interest Expense/Revenue		
	Interest costs	20 083 822	3 180 869
	Benefits Paid	(10 506 235)	(1 134 379)
	Net Interest (Exepense)/Revenue	9 577 587	2 046 489

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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	Pension Plan(s) R '000	Medical Plan(s) R '000
Remeasurements		
Return on plan assets	18 744	(34 859)
Exchange differences	2 521	824
Actuarial losses/(gains)	(1 085 743)	101 654
Change in the effect of asset ceiling		3 764
Other	636 412	25 499
Total Remeasurements	(428 066)	96 882
 Defined benefit obligation plan as at 31 March 2025	 119 774 096	 25 024 928
 Defined benefit obligation as at 1 April 2023	 118 483 650	 21 254 547
Service Costs		
Current service costs	1 875 702	977 445
Contributions by plan participants	1 500 243	(25 257)
Past Service Cost	397 037	54 422
Curtailments		(56 309)
Settlements	(27 121 979)	(1 100 839)
Total Service Costs	95 134 653	21 104 008
 Net Interest Expense/Revenue	 16 656 733	 2 837 745
Interest costs	(1 296 324)	281 555
Benefits Paid		
Net Interest (Exepense)/Revenue	15 360 409	3 119 300
 Remeasurements	 91 167	 (189 609)
Return on plan assets	22 000	
Exchange differences	(1 901 265)	(1 612 776)
Actuarial losses/(gains)		(343)
Change in the effect of asset ceiling	1 324 329	50 848
Other	(463 769)	
Total Remeasurements	(1 751 880)	
 Defined benefit obligation plan as at 31 March 2024	 110 031 293	 22 471 428

32.2 Changes in the fair value of plan assets are as follows:

	Pension Plan(s) R '000	Medical Plan(s) R '000
Fair Value of Plan Assets as at 1 April 2024	(108 148 547)	(82 736)
Expected return on plan assets	(15 354 742)	(10 535)
Actuarial losses/(gains)	3 046 417	(2 712)
Employer contributions	(3 194 769)	(2 293)
Employee contributions	(1 603 939)	
Benefits paid	6 807 554	10 338
Entity combinations	17 457	
Other	(930 631)	(2 213)
Fair Value of Plan Assets as at 31 March 2025	(119 361 200)	(90 151)

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FOR THE YEAR ENDED 31 MARCH 2025

	Pension Plan(s) R '000	Medical Plan(s) R '000
Fair Value of Plan Assets as at 1 April 2023	(111 663 710)	(75 002)
Expected return on plan assets	(12 611 148)	(12 254)
Actuarial losses/(gains)	1 399 579	(1 689)
Exchange differences	(20 000)	
Employer contributions	(2 471 066)	(1 209)
Employee contributions	(1 420 563)	
Benefits paid	6 247 783	9 164
Entity combinations	12 404 088	
Other	(13 508)	(1 746)
Fair Value of Plan Assets as at 31 March 2024	(108 148 547)	(82 736)

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CONSOLIDATED FINANCIAL STATEMENTS

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Reconciliation of Carrying Value

	2024/25			2023/24		
	Cost R '000	Accumulated Depreciation & Impairment R '000	Carrying Value R '000	Cost R '000	Accumulated Depreciation & Impairment R '000	Carrying Value R '000
Land	97 037 870	(3 074 481)	93 963 389	93 317 504	(2 846 029)	90 471 475
Capital Work in Progress (Land)	110 294	-	110 294	134 045	-	134 045
Service Concession Assets	-	-	-	-	-	-
Capital Work in Progress (Service Concession Asset)	214 706 187	(68 349 597)	146 356 591	211 800 596	(65 254 497)	146 546 099
Buildings (Buildings)	4 972 460	(94 041)	4 878 419	4 781 477	(233 434)	4 548 043
Vehicles	16 966 069	(10 590 731)	6 375 339	15 737 182	(10 739 127)	4 998 055
Infrastructure	1 308 540 615	(474 663 473)	833 877 142	1 151 699 510	(412 107 822)	739 591 688
Capital Work in Progress (Infrastructure)	108 753 320	(4 399 681)	104 353 639	84 714 746	(5 818 189)	78 896 557
Finance Lease Assets	21 028 450	(10 952 505)	10 075 945	16 900 100	(7 099 250)	9 800 850
Furniture & Fittings	4 934 875	(3 637 993)	1 296 882	4 857 670	(3 626 892)	1 230 778
Plant, Machinery & Equipment	996 567 818	(374 150 190)	622 417 627	922 719 886	(345 547 333)	577 172 553
Capital Work in Progress (Plant, Mach & Equip)	124 827 272	(1 327 723)	123 499 549	154 396 012	(1 305 133)	153 090 879
Office Equipment	8 357 123	(5 686 354)	2 670 770	8 092 428	(5 338 984)	2 753 444
Computer Equipment	20 523 697	(13 241 837)	7 281 861	19 263 432	(12 428 517)	6 834 915
Aircraft	5 244 909	(4 627 766)	617 143	4 287 032	(3 702 968)	584 064
Capital Work in Progress (Aircraft)	-	-	-	-	-	-
Ships	6 875 274	(2 832 206)	4 043 068	5 924 692	(2 617 491)	3 307 201
Capital Work in Progress (Ships)	-	-	-	-	-	-
Other Assets	372 715 361	(180 735 182)	191 980 179	364 179 420	(171 621 592)	192 557 828
Capital Work in Progress (Other Assets)	1 914 226	(58 269)	1 855 957	1 652 824	(52 537)	1 600 287
Total	3 314 075 823	(1 158 422 029)	2 155 653 794	3 064 458 557	(1 050 339 795)	2 014 118 762

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33.1 Reconciliation of Property, Plant and Equipment – 2024/25

	Carrying Value	Additions	Disposals	Transfers	Depreciation	(Loss) / Reversal of impairment loss	Impairment	Revaluation	Discontinued Operations	Carrying Value Closing Balance R '000
Opening Balance R '000	R '000									
Land	90 471 475	2 359 075	(168 387)	289 534	(280 000)	(3 536)	1 295 228			93 963 388
Capital Work in Progress (Land)	134 045	27 161	(46 738)	(473)				(3 701)	110 294	
Service Concession Asset										
Capital Work in Progress (Service Concession Asset)	146 546 097	3 898 375	(306 249)	(12 607)	(5 751 287)	(171 045)	1 506 617		(1)	146 356 592
Buildings	4 548 042	1 384 098	(1)	(1 053 666)	(640 644)	(55)				4 878 418
Capital Work in Progress (Buildings)	4 998 056	1 907 626	(71 909)	189 305	(1 711 929)	(7 037)	44		(104)	6 375 338
Vehicles	739 591 685	5 539 146	(1 711 929)	12 833 777	(11 973 082)	(470 660)	90 068 204			833 877 141
Infrastructure										
Capital Work in Progress (Infrastructure)	78 896 556	44 956 993	(134 148)	(19 357 910)	(4 698)	(3 155)				104 353 638
Finance Lease Assets	9 800 851	2 563 976	(22 442)	84 962	(2 348 841)	(1 970)				10 075 946
Furniture & Fittings	1 230 777	399 108	(33 441)	9 255	(284 647)	(23 671)				1 296 884
Plant, Machinery & Equipment	577 172 557	14 226 635	(2 449 929)	70 679 053	(36 749 428)	(378 815)	(82 444)			622 417 629
Capital Work in Progress (Plant, Mach & Equip)	153 090 879	57 430 568	(13 608 350)	(71 256 981)	(88 061)	(2 066 475)	464		(2 495)	123 499 549
Office Equipment	2 753 442	283 622	(13 998)	64 575	(417 723)	1 165	(313)			2 670 770
Computer Equipment	6 834 915	1 909 052	(119 255)	346 243	(1 676 409)	(12 613)	71		(143)	7 281 861
Aircraft	584 064	141 693	(11 541)	8 024	(120 396)	(470)	(7 314)			617 142
Capital Work in Progress (Aircraft)										
Ships	3 307 202	966 052	(847)		(241 337)	11 999				4 043 069
Capital Work in Progress (Ships)										
Other Assets	192 557 831	5 943 095	(216 032)	6 755 564	(13 003 887)	3				
Capital Work in Progress (Other Assets)	1 600 288	974 215	(338 388)	(373 648)	(6 509)	(185 728)	129 217		119	191 980 179
Total	2 014 118 762	144 926 615	(19 230 503)	(160 912)	(73 590 465)	(3 312 066)	92 908 244			1 855 958
										(5 882) 2 155 653 794

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333.2 Reconciliation of Property, Plant and Equipment - 2023/24

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	2024/25 R '000	2023/24 R '000
33.3 Property Plant and Equipment – additional disclosure		
Contractual commitments for the acquisition of PPE	8 774 553	10 388 831
Compensation from third parties for PPE impaired, lost or given up which are included in surplus or deficit	89	21 220

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	2024/25 R '000	2023/24 R '000
33.4 Disclosure on assets in the process of being constructed or developed		
Cumulative expenditure recognised in the carrying value of PPE per class of asset	234 697 858	238 269 811
The carrying value of PPE that is taking a significantly longer period of time to complete than expected	4 933 081	4 237 203
The carrying value of PPE where construction or development has been halted either during the current or previous reporting period(s).	359 878	358 519
33.5 Property plant and equipment held for sale		
Carrying values of the assets	511 570	400 890
33.6 Repairs and Maintenance		
Property, plant and equipment	45 621 820	40 214 441
- Land	36 492	21 299
- Service Concession	12 993	7 999
- Buildings	2 744 649	2 883 907
- Vehicles	100 720	86 945
- Infrastructure	1 006 127	919 406
- Capital Work in Progress	-1 457 540	-1 376 591
- Finance Lease Assets	2 971	104
- Furniture & Fittings	1 612	1 618
- Plant, Machinery & Equipment	41 171 928	36 215 188
- Office Equipment	56 790	54 707
- Computer Equipment	1 177 538	1 044 109
- Aircraft	767 455	355 696
- Ships	86	53
Heritage Assets	1 408	1 103
Intangible Assets	381 222	378 489
Investment Property	205	153
Other Assets	3 405 334	3 270 529
	49 409 989	43 864 715

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Reconciliation of Carrying Value

	2024/25			2023/24		
	Cost R '000	Accumulated Impairment R '000	Carrying Value R '000	Cost R '000	Accumulated Impairment R '000	Carrying Value R '000
Art Collections	2 588 235	(180)	2 588 055	2 593 663	(172)	2 593 491
Stamp Collections	39 366	-	39 366	39 365	-	39 365
Collections of rare books or manuscripts	2 022 753	(293)	2 022 461	2 020 929	(293)	2 020 636
Historical Buildings	31 352 060	(25 442)	31 326 618	31 314 858	(25 314)	31 289 544
Other Assets	2 302 491	(93)	2 302 398	2 238 311	(204)	2 238 107
Total	38 304 905	(26 008)	38 278 897	38 207 126	(25 983)	38 181 143

34.1 Reconciliation of Heritage Assets – 2024/25

	Carrying Value Opening Balance	Additions	Disposals	Transfers	Impairment (Loss) / Reversal of impairment loss	Revaluation	Other	Carrying Value Closing Balance
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Art Collections	2 593 492	5 696	(31 468)	(265)	20 600			2 588 055
Stamp Collections	39 365	1						39 366
Collections of rare books or manuscripts	2 020 635	1 843	(18)					2 022 460
Historical Buildings	31 289 545	58 128	(25 824)	1 354	(128)	3 544		31 326 618
Other Assets	2 238 107	48 764	(1)			16 636	(1 108)	2 302 398
Total	38 181 143	114 432	(57 311)	1 354	(393)	40 780	(1 108)	38 278 897

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34.2 Reconciliation of Heritage Assets – 2023/24

	Carrying Value	Additions	Disposals	Transfers	Impairment	Revaluation	Other	Discontinued Operations	Carrying Value
	Opening Balance				Reversal of impairment				Closing Balance
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Art Collections	2 589 842	1 949	(7 169)	59	(25)	9 216	(380)		2 593 492
Stamp Collections	39 357	8							39 365
Collections of rare books or manuscripts	126 177	245	(235)			25	1 894 423		2 020 635
Historical Buildings	31 192 219	96 533	(40)	(4 206)	(53)	5 092			31 289 545
Other Assets	2 230 349	27 286	(120)		(4)		(19 404)		2 238 107
Total	36 177 943	126 021	(7 564)	(4 147)	(82)	14 333	1 874 639	-	38 181 143

34.3 Heritage assets – additional disclosure

Contractual commitments for the acquisition of Heritage assets

34.4 Disclosure on assets in the process of being constructed or developed

	2024/25 R '000	2023/24 R '000
Cumulative expenditure recognised in the carrying value of heritage assets per class of asset The carrying value of heritage assets where construction or development has been halted either during the current or previous reporting period(s).	161 672	89 145

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	Reconciliation of Carrying Value			2024/25			2023/24			
	Cost	Accumulated Amortisation & Impairment	Carrying Value	Cost	Accumulated Amortisation & Impairment	Carrying Value				
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	
Computer Software	17 317 124	(11 494 730)	5 822 394	16 933 666	(11 227 364)	5 706 302				
Copy rights	87 754	(85 632)	2 122	87 754	(83 779)	4 024				
Internally Generated Software	2 546 086	(1 729 684)	816 402	1 769 341	(735 095)	1 034 246				
Licenses	4 242 874	(3 459 451)	783 424	4 101 088	(3 292 095)	808 993				
Service Concession Asset	-	-	-	-	-	-				
Servitudes	3 795 658	(229 648)	3 566 011	3 698 100	(224 932)	3 473 168				
Patents and models	57 484	(55 512)	1 973	61 063	(56 266)	4 798				
Trademarks	44 626	(13 964)	30 662	18 506	(9 795)	8 711				
Research assets	-	-	-	-	-	-				
Other	48 442 284	(6 479 378)	41 962 906	39 607 554	(6 797 032)	32 810 522				
Total	76 533 891	(23 547 998)	52 985 893	66 277 072	(22 426 398)	43 850 764				
35.1 Reconciliation of Intangible Assets – 2024/25										
	Carrying Value Opening Balance	Additions	Disposals	Transfers	Amortisation	Impairment (Loss) / Reversal of impairment loss	Revaluation	Internally Developed Operations	Discontinued Operations	Carrying Value Closing Balance
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Computer Software	5 706 302	1 400 187	(46 181)	(4 137)	(1 219 775)	(21 291)	1 267	6 021		5 822 393
Copy rights	4 024				(1 902)					2 122
Internally Generated Software	1 034 244	246 381	(45 000)	236 666	(612 478)	(3 039)	(42 898)	2 526		816 402
Licenses	808 995	222 884	(21)	44 130	(294 491)	1 928				783 425
Service Concession Assets	-			1 083 032	(1 083 032)					-
Servitudes	3 473 168	41 302	(1 459)	58 622	(5 622)					3 566 011
Patents and models	4 798		(2)		(280)					1 972
Trademarks	8 712	26 034	1	3 430	(4 169)					30 662
Research assets	32 810 522	8 439 248	(95)	(284 397)	(34 634)	(3 263)	1 059 189			-
Other					(26 927)					41 962 906
Total	43 850 764	10 376 038	(92 758)	1 137 346	(3 256 554)	(52 592)	1 015 014	8 632	-	52 985 893

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35.2 Reconciliation of Intangible Assets – 2023/24

	Carrying Value	Additions	Disposals	Transfers	Amortisation	Impairment (Loss) / Reversal of impairment loss	Revaluation	Internally Developed	Dis-continued Operations	Carrying Value
	Opening Balance				R '000	R '000	R '000	R '000	R '000	Closing Balance
Computer Software	4 909 301	1 193 417	(140 102)	550 795	(914 131)	(40 415)	147 916	20	(499)	5 706 302
Copy rights	6 325				(2 301)					4 024
Internally Generated Software	498 942	348 207	(50 510)	495 734	(242 424)	(18 116)	(9)	2 419		1 034 244
Licenses	750 963	322 271		23 403	(269 642)	(18 000)				808 995
Service Concession Assets										-
Servitudes	3 434 302	24 388	(4 090)	23 234	(4 666)					3 473 168
Patents and models	120 056	1		(114 606)	(653)					4 798
Trademarks	12 256	1			(4 169)					-
Research assets	29 035 309	6 086 537	(26 606)	(811 991)	(1 187 857)	(296 901)	12 031			8 712
Other										32 810 522
Total	38 767 454	7 974 821	(221 308)	166 569	(2 625 842)	(373 432)	159 938	3 063	(499)	43 850 764

35.3 Intangible assets – additional disclosure

Intangible assets pledged as security	Contractual commitments for the acquisition of intangible assets	2024/25 R '000	2023/24 R '000
		352	444
		453 967	254 183

35.4 Disclosure on assets in the process of being constructed or developed

Cumulative expenditure recognised in the carrying value of intangible assets per class of asset	142 191	160 868
The carrying value of intangible assets that is taking a significantly longer period of time to complete than expected, including reasons for any delays.	33 406	29 911
The carrying value of intangible assets where construction or development has been halted either during the current or previous reporting period(s).	416	416

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

36.1 Reconciliation of Investment Property Carried at Cost – 2024/25						
	Carrying Value Opening Balance R '000	Additions Disposals	Transfers	Depreciation	Impairment (Loss) / Reversal of impairment loss R '000	Revaluation Carrying Value Closing Balance R '000
Total	7 155 133	159 279	(12 721)	(15 320)	(15 294)	(63)
						83 105
						7 354 119

Contractual commitments for the acquisition of Investment property

NOTES TO THE

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

37 Investment Property Carried at Fair Value

Reconciliation of carrying value			2024/25		2023/24	
	Cost	Fair Value Adjustments R '000	Carrying Value R '000	Cost	Fair Value Adjustments R '000	Carrying Value R '000
Total	44 053 472	(310 059)	43 743 413	41 698 345	(464 734)	41 233 611

37.1 Reconciliation of Investment Property Carried at Fair Value – 2024/25

Carrying Value			Additions		Disposals		Transfers		Fair Value Adjustment R '000		Carrying Value Closing Balance R '000	
	Opening Balance	R '000		R '000		R '000		R '000		R '000		
Total	41 233 611		252 815		(183 008)		226 479		2 213 516		43 743 413	

37.2 Reconciliation of Investment Property Carried at Fair Value – 2023/24

Carrying Value			Additions		Disposals		Transfers		Fair Value Adjustment R '000		Carrying Value Closing Balance R '000	
	Opening Balance	R '000		R '000		R '000		R '000		R '000		
Total	39 523 262		188 344		(51 623)		782 601		791 027		41 233 611	

38.1 Biological Assets

			2024/25		2023/24	
	Cost	Carrying Value R '000	Cost	Carrying Value R '000	Cost	Carrying Value R '000
Dairy Cattle	181	181			186	186
Other Assets	5 017 093	5 017 093			4 736 711	4 736 711
Total	5 017 273	5 017 273			4 736 897	4 736 897

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

38.1.1 Reconciliation of Biological Assets – 2024/25

	Carrying Value	Purchases	Decrease due to harvest/ sales	Gains/losses from changes in fair value less estimated point of sales costs	Other movements	Carrying Value
	R '000	R '000	R '000	R '000	R '000	R '000
Dairy Cattle	186		(33)	37	(9)	181
Other Assets	4 736 711	256	(141)	280 029	237	5 017 092
Total	4 736 897	256	(174)	280 066	228	5 017 273

38.1.2 Reconciliation of Biological Assets – 2023/24

	Carrying Value Opening Balance	Purchases to harvest/ sales	Decrease due from changes in fair value less estimated point of sales costs	Gains/losses from changes in fair value less estimated point of sales costs	Other movements	Carrying Value Closing Balance
	R '000	R '000	R '000	R '000	R '000	R '000
Dairy Cattle	201			24	(39)	186
Other Assets	4 211 354		(159)	525 548	(32)	4 736 711
Total	4 211 555	-	(159)	525 572	(71)	4 736 897

NOTES TO THE

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

38.2 Living Resources

Reconciliation of Carrying Value			2024/25		2023/24	
	Cost	Accumulated Depreciation and Impairment	Carrying Value	Cost	Accumulated Depreciation and Impairment	Carrying Value
	R '000	R '000	R '000	R '000	R '000	R '000
Service Concession	-	-	-	-	-	-
Animals	11 165	(3 045)	8 120	13 081	(3 184)	9 897
Other Assets	6 488	(1 601)	4 887	5 126	(1 429)	3 696
Total	17 653	(4 646)	13 007	18 206	(4 613)	13 593

38.2.1 Reconciliation of Living resources – 2024/25

	Carrying Value	Purchases	Decrease due to harvest/ sales	Gains/losses from charges in fair value less estimated point of sales costs	Depreciation	Impairment	Other movements	Transfers	Carrying Value Closing Balance
	Opening Balance								
Service Concession	-								-
Animals	9 897	1 079	(1 719)	319	(1 140)	(183)	(134)		8 120
Other Assets	3 696	1 475			(284)				4 887
Total	13 593	2 554	(1 719)	319	(1 424)	(183)	(134)	-	13 007

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

38.2.2 Reconciliation of Living resources – 2023/24

	Carrying Value Opening Balance	Purchases	Decrease due to harvest/ sales	Gains/losses from changes in fair value less estimated point of sales costs	Depreciation	Impairment (Loss) / Reversal of impairment loss	Other move- ments	Transfers	Carrying Value Closing Balance
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Service Concession	29					(29)			-
Animals	8 000	1 828	(737)	2 363	(1 146)	(635)			9 897
Other Assets	3 842	912	(781)		(277)			224	3 696
Total	11 871	2 739	(1 517)	2 363	(1 452)	(635)	224	224	13 593

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

39 Government Grants and Subsidies

	Balance unspent at beginning of year	Current year receipts	Conditions met - transferred to revenue	Conditions still to be met - remain liabilities
Reconciliation of Movement in Grant – 2025	R '000	R '000	R '000	R '000
Other Government Grants and Subsidies	(33 257 805)	60 963 188	110 627 906	(82 922 523)
Total Government Grant and Subsidies	(33 257 805)	60 963 188	110 627 906	(82 922 523)

	Balance unspent at beginning of year	Current year receipts	Conditions met - transferred to revenue	Conditions still to be met - remain liabilities
Reconciliation of Movement in Grant – 2024	R '000	R '000	R '000	R '000
Other Government Grants and Subsidies	14 259 949	62 451 327	109 969 081	(33 257 805)
Total Government Grant and Subsidies	14 259 949	62 451 327	109 969 081	(33 257 805)

	2024/25 R '000	2023/24 R '000
40 Public contributions and donations		
Public contributions – Conditional	26 795 184	25 570 232
Public contributions – Unconditional	195 091	146 202
Donations	232 770	217 681
Total	27 223 045	25 934 115

41 Transfers and Sponsorships

Transfer payment from controlling entity	3 769 544	3 525 012
Transfer payment from other departments/entities	759 529	725 343
Local and foreign aid assistance	160 926	94 433
Gifts, donations and sponsorships received	418 714	380 096
Other Transfers and Sponsorships	109 300	94 829
Total	5 218 013	4 819 714

42 Revenue from Fines and Penalties

Fines	245 809	253 498
Penalties (including forfeits)	2 325 418	2 499 309
Total	2 571 227	2 752 807

43 Legislative and oversight functions

Administration	9 830 745	11 198 262
Legislation and Oversight	54 066 309	51 897 322
Public and International Participation	184 406	143 460
Associated Services	4 519 510	4 499 689
Statutory Appropriation	7 585 019	7 339 469
Total	76 185 989	75 078 202

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R '000	2023/24 R '000
44	Taxation Revenue		
	Taxes on payroll and workforce (incl SDL)	9 932 298	9 198 310
	Domestic taxes on goods and services	16 976	6 168
	Total	9 949 274	9 204 477
45	Revenue from Exchange Transactions – Sale of goods and services		
	Revenue from Exchange Transactions - Sale of goods and services	586 306 741	537 800 504
46	Income from Rental of Facilities and Equipment		
	Rental of facilities	3 975 876	3 689 778
	Rental of equipment	467	303
	Other rentals	5 413 942	4 642 413
	Total	9 390 285	8 332 495
47	Interest Earned - External Investments		
	Bank	18 968 875	17 505 902
	Financial assets	75 583 464	75 806 856
	Other	3 311 449	2 753 822
	Total	97 863 788	96 066 579
48	Interest Earned - Outstanding Receivables		
	Interest Earned – Outstanding Receivables	4 114 742	6 212 461
	Interest Earned – Finance lease receivables	23 909	28 260
	Interest Earned from Statutory Receivables	19 962	(44 279)
	Total	4 158 612	6 196 442
49	Other income		
	Other income	130 680 742	35 081 248
	Revenue from Exchange Transactions - Sundry income	2 700 733	2 394 106
	Insurance commissions	277 676	35 808
	Bad debt recoveries	327 798	334 439
	Revenue from non-exchange transactions – sundry income	519 520	2 739 905
	Recovery of unauthorised, irregular, fruitless and wasteful expenditure	102	11500
	Total Other Income	134 506 571	40 597 005
	49.1 Deferred Income		
	Non-Current Portion of Deferred Income	40 777 986	17 196 109
	Current Portion of Deferred Income	10 891 694	10 603 658
	Total	51 669 679	27 799 766

NOTES TO THE

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R '000	2023/24 R '000
50	Employee Related Costs		
Salaries - Employees - Salaries and Wages	120 152 651	112 020 910	
Salaries - Employees - UIF, Pensions and Medical Aid	12 079 516	11 264 060	
Salaries - Employees - Performance and other bonuses	4 476 684	4 228 613	
Salaries - Employees - Overtime payments	7 833 944	7 336 993	
Salaries - Employees - Other employee related costs	9 446 463	10 179 219	
Salaries - Employees - Long-service awards	106 979	97 718	
Salaries - Employees - Housing benefits and allowances	2 741 447	2 547 780	
Salaries - Employees - Paid annual leave	70 642	68 250	
Salaries - Employees - Allowances	4 352 846	3 961 794	
Salaries - Benefits Paid - Post-retirement medical aid contributions	446 931	367 104	
Salaries - Benefits Paid - Movement in long-term employee benefits	(339 484)	(298 253)	
Salaries - Accounting Authority - Basic remuneration	175 309	167 740	
Salaries - Accounting Authority - Performance awards	9 462	9 039	
Salaries - Accounting Authority - UIF	2 615	2 737	
Salaries - Accounting Authority - Periodic payments	2 077	1 202	
Salaries - Accounting Authority - Pension	15 821	14 290	
Salaries - Accounting Authority - Other non-pensionable allowances	14 190	13 220	
Salaries - Accounting Authority - Medical	3 882	3 175	
Salaries - Accounting Authority - Insurance	5 842	5 166	
Salaries - Accounting Authority - Gratuities	4 450	5 553	
Salaries - Accounting Authority - Compensative or circumstantial	13 278	14 948	
Employee benefits expensed - liability for long service leave	7 935	4 214	
Employee benefits expensed - termination benefits	1 139 794	1 019 517	
Employee benefits expensed - Other	870 420	713 779	
Movement in Provision - Provision for Performance Bonus	6 565 896	1 975 584	
Movement in Provision - Provision for Leave Pay	1 400 378	1 190 365	
Movement in Long-term Provisions - Provision for Long Service Awards	64 328	17 131	
Movement in Long-term Provisions - Other Long-term employee related provisions	3 803 665	1 434 027	
Total	175 467 960	158 365 874	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R '000	2023/24 R '000
51	Depreciation and Amortisation Expense		
Property, plant and equipment		73 590 464	72 517 708
Intangible assets		3 256 551	2 625 842
Investment property carried at cost		15 295	13 049
Living resources		1 424	1 452
Total Depreciation and Amortisation		76 863 734	75 158 052
52	Contracted Services		
Consultants on various projects		4 460 211	4 647 881
Agency fees		856 381	1 439 846
Research		383 632	369 336
Total grants and subsidies paid		5 700 224	6 457 063
53	Grants and Subsidies Paid		
Total grants and subsidies paid		32 444 495	27 563 507
54	Finance Costs		
Borrowings		77 374 718	74 592 581
Interest Charged on Overdue Trade and other payables		374 631	813 810
Finance leases		1 922 032	1 939 436
Other financial liabilities		19 217 133	20 679 678
Bank overdrafts		48 160	66 003
Total Finance Costs		99 375 854	97 895 003

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R '000	2023/24 R '000
55	General Expenses		
	Included in general expenses are the following:		
Advertising	2 770 218	2 395 071	
Admin fees	52 356 648	48 743 760	
Audit fees	1 782 122	1 619 305	
Bank charges	339 532	364 680	
Bursaries	175 172	144 249	
Cleaning	1 063 043	997 455	
Conferences and delegations	588 710	379 069	
Connection charges	219 106	273 431	
Consulting fees	6 319 829	5 260 175	
Consumables	(6 271 541)	(13 502 314)	
Cost of sales	185 528 727	219 555 497	
Debt collection commission	11 434	10 319	
Departmental consumption	9 572	840	
Entertainment	79 127	106 111	
Electricity	11 680 395	10 086 156	
Financial management grant	371 753	321 566	
Fuel and oil	7 672 667	7 488 747	
Insurance	2 560 838	2 657 009	
Legal expenses	2 180 252	2 128 739	
Levies paid	450 657	3 310 644	
Licence fees – vehicles	25 166	24 089	
Licence fees – computers	1 837 673	1 379 452	
Membership fees	146 677	136 721	
Movement in other provisions	(3 245 595)	2 990 165	
Parking	37 551	32 106	
Postage	290 342	263 747	
Printing and stationery	621 277	611 745	
Professional fees	3 188 129	2 787 910	
Rental of buildings	8 879 659	8 539 149	
Rental of office equipment	207 471	216 498	
Rental of computer equipment	60 769	59 768	
Other rentals	2 646 851	2 064 030	
Security costs	7 117 186	6 591 486	
Skills development levies	606 774	581 039	
Stocks and material	10 683 978	9 295 624	
Subscription & publication	154 440	167 069	
Telephone cost	1 456 864	1 351 730	
Training	1 649 232	1 391 404	
Transport claims	306 925	198 068	
Travel and subsistence – Local	7 700 189	7 025 737	
Travel and subsistence – Foreign	406 435	368 208	
Uniforms & overalls	70 556	55 137	
Valuation costs	19 540	21 339	
Water	876 436	861 902	
Other	73 144 225	79 898 483	
	388 777 014	419 253 116	
56	Gain / (Loss) on Sale of Assets		
Property, plant and equipment	(2 291 372)	(330 082)	
Intangible assets	(184)	(349)	
Investment property	(43)	(22 915)	
Biological assets	-	842	
Heritage assets	-	(7 377)	
Other financial assets	878 982	108 075	
Total Gain / (Loss) on Sale of Assets	(1 412 617)	(251 805)	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R '000	2023/24 R '000
57	Impairment (Loss) / Reversal of impairment loss		
Property, plant and equipment		(2 532 643)	(561 585)
Intangible assets		(95 435)	(288 332)
Investment property		(63)	(380)
Living resources		(183)	(635)
Other financial assets		(13 688 220)	(9 371 971)
Heritage assets		(105)	(37)
Statutory Receivables		(3 601 725)	(12 852 713)
Total Impairment (Loss) / Reversal of impairment loss		(19 918 373)	(23 075 653)
58	Profit / (Loss) on Fair Value Adjustment		
Investment property carried at fair value		2 024 381	710 408
Biological Assets Carried at Fair value		(1 927)	7 352
Other financial assets		(4 822 360)	12 766 152
Other financial liabilities		6 039 440	(12 367 735)
Other fair value adjustment gain/(loss)		(123 639 515)	92 066 520
Total Profit / (Loss) on Fair Value Adjustment		(120 399 981)	93 182 698
59	Profit / (Loss) on Revaluation of Assets		
Gain/ (loss) on revaluation of property, plant and equipment		19 669	7 558
Gain/ (loss) on revaluation of investment property		329 158	243 095
Gain/ (Loss) on revaluation on other financial assets		(712 848)	2 687 775
Total Profit / (Loss) on Revaluation of Assets		(364 022)	2 938 428
60	Taxation		
Income tax expense			
South African normal taxation			
Current tax		15 801 300	8 162 970
Deferred taxation		(10 467)	26 175 974
- Movement in temporary differences		1 316 514	33 353 933
- Unused tax loss created		(1 053 309)	(7 448 017)
- Recognition of unused tax loss not previously recognised		(1 057 044)	(1255 318)
- Unused tax loss utilised		881 208	1 845 449
- Other movements in deferred taxation		(97 835)	(320 072)
SA normal tax		15 790 833	34 338 944
Foreign taxation		25 783	87 267
TOTAL INCOME TAX EXPENSE		15 816 616	34 426 211
Tax rate reconciliation		160 294 609	(5 057 572)
Accounting profit		43 279 544	(1 365 545)
Tax effect of non-taxable/non-deductible items		(27 463 276)	35 773 271
- Dividends not taxable		(2 416 858)	(2 220 419)
- Fines not deductible		842 950	1 009 291
- Donations not deductible		219 040	42 180
- Depreciation not deductible		277 914	290 863
- Unused tax loss not recognised		122 557	(205 253)
- Other movements of non-taxable/non-deductible items		(26 508 879)	36 856 608
Change in taxation rate		348	18 485
INCOME TAX EXPENSE		15 816 616	34 426 211

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FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R '000	2023/24 R '000
61	Surplus / (Deficit) from discontinued operations		
Revenue		253 610	262 046
Net Operating Expenses Excluding Depreciation And Amortisation		(87 864)	(177 222)
Surplus / (deficit) From Operations Before Depreciation, Amortisation and Other Items		165 746	84 824
Administrative Expenses		(10 710)	(12 996)
Depreciation And Amortisation		(12 578)	(12 997)
Fair Value Adjustments		(2 272)	(101)
Profit/ (loss) Before Taxation		165 342	84 724
Taxation		(34 569)	(45 246)
Surplus / (Deficit) For The Year From Discontinued Operations		130 773	39 478
62	Cash flows from operating activities		
Surplus/(deficit) for the year from:			
Continuing operations		57 678 964	113 764 389
Discontinued operations		130 773	39 478
Adjustment for :			
(Gain) / loss on sale of tangible Assets		1 263 376	666 875
(Gain) / loss on sale of Intangible Assets		(238 038)	322 375
Amortisation		4 000 724	4 809 053
Contribution to provisions – current		1 076 482	978 338
Contribution to provisions - non-current		(104 623)	159 794
Depreciation		72 598 980	71 309 678
Discount on bonds amortised		118 843	71 860
Dividend Income		(5 793 763)	(6 959 070)
Fair value adjustments		(12 627 946)	3 351 415
Fair value losses on financial instruments		2 973 020	(5 039 197)
Finance Costs		24 994 370	25 780 572
Finance Costs: Service Concession		(950 690)	(897 204)
Finance Income		(18 355 677)	(17 322 072)
Foreign exchange (gains)/losses on operating activities		227 530	(351 089)
Increase/(decrease) in provisions		(13 740 409)	8 199 773
Interest received-Held-to-maturity investments		(9 687 661)	(10 178 976)
Increase in provision for post-retirement benefit obligation		802 710	666 197
Movements in other employee benefit items		(1 779 745)	(1 487 430)
Movement in rehabilitation liability		30 404	(3 471)
Net foreign exchange losses on translation		(2 245)	777
Provision for inventory obsolescence		70 017	175 509
Release of firm commitments		223 537	192 722
Revaluation of Assets		(56 622)	(991 152)
Share of (income)/loss from associates and Joint Ventures		(1 747 621)	(4 297 238)
Unrealised foreign exchange losses/(gains)		(1 273 062)	3 244 838
Impairment loss / (reversal of impairment loss)		17 134 771	20 019 453
Service costs: Service Concession		1 013 709	4 228 245
Other non-cash item		(6 906 683)	13 124 482

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R '000	2023/24 R '000
Operating surplus before working capital changes:	114 632 918	223 578 923
(Increase)/decrease in inventories	(2 791 880)	(5 613 925)
(Increase)/decrease in trade and other receivables	(18 890 436)	(27 542 261)
(Increase)/decrease in statutory receivables	(8 594 074)	(8 183 006)
(Increase)/decrease in other operating lease assets	18 685	(21 219)
(Increase)/decrease in prepayments	(4 844 442)	(1 794 485)
Increase/(decrease) in conditional grants and receipts	3 350 990	5 181 599
Increase/(decrease) in consumer deposits	(4 877)	4 002
Increase/(decrease) in deferred income	390 649	(934 452)
Increase/(decrease) in trade and other payables	15 039 170	4 728 499
Increase/(decrease) in other payables	3 467 568	6 423 682
Increase/(decrease) in payments received in advance	6 120 318	7 320 187
Other working capital movements	43 325 040	(85 527 004)
Net cash flows from operating activities	151 219 630	117 620 539

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Change in Accounting Policy

Financial statement line items affected as a result of a change in accounting policy:

Changes in Equity / Reserves	16 636	
Other	3 263	
	16 636	3 263

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Correction of Prior Period Error

The Net effect of prior period error(s) relating to the Statement of Financial Performance are as follows:

	Amount before error correction	Prior period error	Restated amount
Depreciation	(5 165 812)	223 167	(4 934 015)
Employee cost related, General expenses, Revenue related	84 732 823	1 786 562	86 611 486
Operating expenses, ICT expenses, authorised capex	(7 555 254)	454 173	(1 900 936)
Write-offs and Opex	9 980 256	(178 095)	9 815 761
Net effect on surplus/(deficit) for the year	81 992 013	2 285 808	89 592 297

The Net effect of prior period error(s) relating to the Statement of Financial Position are as follows:

Property, plant and equipment	(34 953 448)	3 261 509	(31 691 411)
VAT receivable not previously recognised	(28 495)	18 626	(9 869)
Non current and current receivables.	13 857 857	2 436 683	16 295 981
Provisions	519 240	(759 526)	(240 286)
Living resources		193	193
Accruals	(8 819 732)	4 650 377	(4 170 969)
Assets and equity	183 414 330	2 640 450	186 053 338
Net effect on Statement of Financial Position	153 989 752	12 248 311	166 236 976

The Net effect of prior period error(s) relating to the Statement of changes in Net Assets are as follows:

Accumulated Surplus/(Deficit)	(14 720 910)	448 525	(14 272 387)
Reserves, accumulated surplus, provisions	149 896 190	4 251 528	152 412 982
Retained earnings and unspent government funds	9 506 332	1 682 337	11 188 669
Net Effect on Statement of changes in Net Assets	144 681 612	6 382 389	149 329 264

NOTES TO THE

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FOR THE YEAR ENDED 31 MARCH 2025

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Change in Estimate

During the year the following changes were made to the estimations employed in the accounting for transactions, assets, liabilities, events and circumstances:

	Value derived using the original estimate (R '000)	Value derived using amended estimate (R '000)	Value impact of change in estimate (R '000)
Change in depreciation / amortisation resulting from reassessment of useful lives. The following categories are affected:			
Buildings	114 102	113 702	(1 874)
Infrastructure assets	(16 339)	12 509	(14 866)
Machinery	115 107	115 843	389
Office equipment	6 654	4 216	(4 198)
Furniture	58 640	57 860	(717)
Vehicles	26 429	25 900	(1 152)
Computer equipment	282 445	302 123	(38 579)
Computer software	8 433	7 248	2 835
Other intangible asset	33 677	32 828	767
Plant and Equipment, intangible assets	11 965	1 010 066	(999 385)
Change in depreciation resulting from reassessment of residual values. The following categories are affected:			
Buildings	11 719	14 707	(2 988)
Machinery	791		1 043
Office equipment	233	374	149
Furniture	23	6	(16)
Computer equipment	36	18	(4)
Property, Plant and Equipment			11
Change in depreciation / amortisation resulting from a change in the depreciation / amortisation method. The following categories are affected:			
Buildings	2	(2)	
Office equipment	584	140	(239)
Furniture	2 084	1 030	(1 038)
Vehicles	104	137	59
Computer equipment	28 758	23 845	(365)
Intangible assets	11 685	11 240	(3)
Change in estimate resulting from the re-evaluation of the inputs in the calculation of provisions:			
Rehabilitation provision	472 807	319 801	153 006
- Other movements	472 807	319 801	153 006
Leave Pay	-	14 193	14 193
- Other movements		14 193	14 193
Performance and other bonus provision	3 411	769	4 181
- Performance Bonus	3 411	769	4 181

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R '000	2023/24 R '000
66	Irregular, Fruitless and Wasteful Expenditure		
	Irregular Expenditure	17 412 287	23 261 239
	Fruitless and Wasteful Expenditure	425 707	481 703
	Total	17 837 994	23 742 942
67	Capital Commitments		
	Commitments in respect of capital expenditure:		
	- Approved and contracted for	268 384 148	263 840 541
	Buildings and other fixed structures	158 269 644	128 313 282
	Heritage assets	161 672	89 145
	Machinery and equipment	2 194 404	1 801 046
	Land and subsoil assets	76 491	8 512
	Living resources	792 000	1 093 000
	Intangible assets	1 969 371	1 744 622
	Other	104 920 565	130 790 934

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R '000	2023/24 R '000
68	Operating leases		
	At the reporting date the entity has outstanding commitments under operating leases which fall due as follows:		
	Operating lease arrangements		
	Lessee		
	At the reporting date the entity had outstanding commitments under non-cancellable operating leases, which fall due as follows:		
	Up to 1 year	87 017 287	67 978 918
	1 to 5 years	103 623 499	104 193 444
	More than 5 years	24 436 665 390	26 099 916 003
		24 627 306 176	26 272 088 365
	At the reporting date the entity had the total of future minimum sublease payments expected to be received under non-cancellable subleases at the reporting date as follows:		
	Up to 1 year	9 875 425	8 873 079
	1 to 5 years	12 253 103	15 539 919
	More than 5 years	8 982 991	7 241 345
		31 111 520	31 654 343
	Lessor		
	At the reporting date the entity had contracted with tenants for the following future minimum lease payments:		
	Up to 1 year	3 337 787	3 460 353
	1 to 5 years	5 562 889	5 970 018
	More than 5 years	933 638	1 024 699
		9 834 313	10 455 070
69	Contingent Liabilities		
69.1	Guarantees		
	Guarantees	29 101 237	16 662 086
69.2	Court proceedings		
	Legal court proceedings	62 153 470	62 157 895
69.3	Insurance claims		
	Insurance claims	317 733	277 482
69.4	Forensic investigation		
	Forensic investigation	18 548	17 642
69.5	Other contingent liabilities		
	Other contingent liabilities	129 372 194	129 237 839
	Total contingent liabilities	220 963 181	208 352 944
70	Contingent Assets		
70.1	Court proceedings		
	Legal court proceedings	4 643 067	3 408 714
70.2	Insurance claims		
	Insurance claims	11 145	9 114
70.3	Forensic investigation		
	Forensic investigation related contingent assets	487	
70.4	Other contingent assets		
	Other contingent assets	17 491 315	164 666 287
	Total contingent assets	22 146 014	168 084 115

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R '000	2023/24 R '000
71 Contributed Capital		
Opening balance	241 588 355 794	241 598 663 450
Increases and reductions in contributions	(22 000 000)	
Contributions	84 000 204 000	11 692 344
	325 588 559 794	241 588 355 794

72 Events After Reporting Date

Adjusting Events

Air Traffic and Navigation Services Company Limited:

Additional employees signed the three-year retention agreement with resulted in additional payment of R25m. The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

CEF (Pty) Ltd

DAS - Engen Purchase

On 7 May 2025, Webber Wentzel issued PetroSA with a Letter of Demand for the DAS amount of R17 million and the interest of R6.3 million. PetroSA responded to Engen by 21 May 2025 with the assistance of their legal representative Cliffe Dekker. The two parties reached a settlement agreement of R8.6 million being the 50% of the capital claim of R17.3 million excluding interest on the 14 July 2025.

IGAS: Subsequent to year end, the iGas Board declared a dividend to its shareholder, CEF SOC Ltd, of R448 million based on the positive cash, solvency and liquidity position as at year-end.

CEF TRADING - On 4 June 2025, we have received a formal claim concerning the rights obtained by CEF Trading pertaining to the crude oil included in the assets acquired as part of the refinery purchase prior to 28 February 2025. The crude oil was recognized as inventory in the CEF Trading's financial statements at a value of R443 million. A detailed assessment of the claim is underway.

Community Scheme Ombuds Services:

The CCMA arbitration, concluded on 10 July 2025, ruled in favour of the entity. The applicant was found to have been fairly dismissed. The arbitration award, dated 21 July 2025 and received by the entity on 24 July, confirmed that no compensation or reinstatement was due. As a result, the matter, which was previously disclosed as a contingent liability, has been subsequently removed.

Export Credit Insurance Corporation of South Africa Limited (ECIC)

One of the Corporations mining sector project client encountered significant challenges due to the low quality of diamonds extracted and the limited quantity of available reserves. These issues resulted in the project been placed under care and maintenance. The Corporation expecting a claim in September 2025 amounting to R178 million.

Lepelle Northern Water

Lepelle Northern Water entered into an agreement with a debtor that stipulates revised, extended repayment terms, providing evidence of the receivables's recoverable amount at the reporting date. Consequently, the financial statements have been adjusted to reclassify part of the receivable to non current assets.

National Nuclear Regulator:

On 23 May 2024, the Audit and Risk Management Committee (ARMCOM) approved the writing off of all debts considered irrecoverable. The committee (ARMCOM) satisfied itself that all reasonable steps were taken to recover the debt, and it was considered that it is uneconomical to further pursue or recover the debt, it is not in the best interest of the NNR and that the debtor cannot be located or traced. The total irrecoverable debt of R4 510 551,41 was subsequently written off as irrecoverable.

Road Traffic Management Agency (RTMC):

Nkwatsi, Oliphant, Ntombela, Likhoele, Meje, Kokozela vs RTMC, respective plaintinggs issued summons for unlawful arrest against the RTMC. The RTMC has defended the matters and filed its plea. Judgement was handed down in favour of the complainants to the collective amount of R200,000 with interest at prime of 10.5% from 26 April 2024 to date to the total amount

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

paid by the RTMC of R220,549.43 paid on 15 April 2025. An administrative error occurred during the preparation of a deviation submission that sought approval for the lease agreement for a building occupied by the Corporation. The leased area was erroneously captured as 903m² in the approval submission instead of the 1123m².

Small Enterprise Development Agency (SEDA):

The Board of SEDFA appointed Mr N Mbatha as acting CEO effective from 1 October 2024. In line with the President of the Republic of South Africa minute number 251 of 2024 dated 10 September 2024, it was proclaimed that the effective date of the merger would be effective on 1 October 2024. All assets, liabilities, rights and obligations of the sefa, SEDA and CDBA, as the case may be, including the unexpended balance of appropriations, authorisations, allocations and other funds employed, held or used in connection with the furtherance of its objectives and functions, pass to SEDFA.

Water Research Commission

A settlement agreement was signed on 25 April 2025 in respect of the contingent liability for the WRC Azure subscription that was raised in the prior financial year. A payable has been raised in the current year amounting to R 637 038. An Arbitration Award was issued by the CCMA on the 17th of April 2025. A payable and related employee cost expense has been raised in the current year. The WRC is currently taking the award on review in terms of Section 145 of the Labour Relations Act, Act 166 of 1995 (the LRA). To suspend enforcement, the employer must apply for a stay of enforcement, and furnish security to the satisfaction of the Labour Court. The WRC has applied for a stay of enforcement and furnished security.

Government Technical Advisory Centre (GTAC)

Condonement of the Irregular Expenditure - During the 2023/24 financial year, GTAC were in the process of applying for irregular expenditure condonement and as at 31 March 2024 the conditions existed relating to the application of condonement of Irregular expenditure. The approval has been received on the 25 June 2024, and the Annual Financial Statements are authorised for issue on the 31 July 2024. Effects on the 2023/24 financial year period, Increase in Irregular expenditure condoned of R1,732,672.

Mines and Works compensation fund:

A settlement agreement for R9 266 273 was signed on 21 July 2025 in settlement of a legal claim for long outstanding debts. The amount relates to the settlement of the outstanding assessment balances in terms of section 62 and section 63 of the ODMWA for the 2017/2018 financial year. Outstanding interest to the value of R6 743 629 in relation to the assessments that were settled has been written off in the 2024/2025 financial year and the long outstanding debt which had been included in the provision for debt impairment was reversed due to the subsequent event.

Construction Education and Training Authority

The term of office for the Accounting Authority ended on 31 March 2025. The Minister of the Department of Higher Education and Training Authority (DHEA) is yet to appoint the new Accounting Authority for the SETAs. Appointment of CETA Chairperson was made on 9 May 2025, and the appointment was subsequently withdrawn on 16 May 2025.

Quality Council for Trades and Occupations

There is reportable subsequent event identified as QCTO, PSETA, SAQA and DIRCO received a Notice of withdrawal from the High Court on 26 May 2025. The matter is about the SA School of Diplomacy challenging the QCTO, PSETA, SAQA and Minister of International Relations for the loss of income in relation to the decision of not granting them accreditation to offer 2 diplomatic qualifications. The Plaintiff was claiming R203 701 233.75 against QCTO and the other Defendants.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Non-Adjusting Events

African Renaissance International Corporation Fund

During April 2025, the signed concurrence letter relating to the request for the closure of the below projects was received from National Treasury:

The transactions below are non-adjusting events as there was no indication/condition that existed by year-end indicating that approval to rescind will be granted by the Minister of Finance. Humanitarian assistance to Syria - R50 million Humanitarian assistance to Turkey - R50 million

The Commission for PPRCRLC

The operating lease contract for the head office of the CRL Commission expired on the 31 May 2024. Management advertised a tender for office accommodation. The tender process closed unsuccessfully. Management then approached National Treasury which provided guidance that the Accounting Officer may extend the lease lease agreement. Subsequently, the landlord submitted an offer to extend the lease contract at a beneficial rate. Management opted to renew the lease for the period of 5 years.

Central Energy Fund (Pty) Ltd :

AEMFC - Burning Inventory - As at 31 March 2025, a portion of coal inventory was affected by spontaneous combustion, and an estimated loss was recognised in the financial statements for the year then ended. After year end, the combustion continued to progress, resulting in additional inventory losses amounting to R2,640,734.04. These additional losses relate to the continued burning beyond the reporting date and will be accounted for in the subsequent financial period.

Shareholder Support- On 25 July 2025, the shareholder of the company, Central Energy Fund SOC Ltd (CEF), passed a special board resolution authorising financial assistance to African Exploration Mining and Finance Corporation SOC Ltd (AEMFC), its wholly-owned subsidiary. The resolution approved an initial loan amount of R111.5 million and further committed to providing financial support to AEMFC for as long as such support is required.

Council for GeoScience:

Subsequent to the reporting date, the entity reached a mutual separation agreement. This event did not present an obligation at year-end. As such, a contingent liability of R3.3m has been recognised in the financial year ended 31 March 2025.

Independent Development Corporation of South Africa Limited

Dividend declaration: The Board has declared a deemed distribution of R2,6 billion to the shareholder on 29 July 2025. This distribution is as a result of the disestablishment of the Small Enterprises Finance Agency (Sefa).

Appointment of new board of directors: On 26 June 2025, the Cabinet of South Africa announced the following appointments to the IDC board. Refer to page 15 (Director's Report). The effective date of the Board changes will be announced in due course.

Lepelle Northern Water

The term of office of the Board of Directors (Accounting Authority - section 49 of the PFMA) was due to end on 31 July 2025. Prior to authorisation of these AFS, the Minister approved an extension of the Board's term to 31 October 2025.

National Consumer Commission

Labour Matter: N Netshitomboni against NCC - The matter was at labour court as at 31 March 2025. This relate to a former employee who sought the court to grant reinstatement for employment. The judgement was granted in favour of the NCC on 29 May 2025 with no cost to the NCC. The initial estimated costs of R350 000 will no longer be incurred.

National Home Builders Registration Council (NHBRC)

On 30th May Council approved investment of structured products valued at R 1 882 Billion. The investment was successfully implemented with the recommended service provider i.e. ABSA R1,412 billion and Investec R 470 million on 3rd of July 2025.

National Housing Finance Corporation Limited

No Board at year-end. Subsidiaries deregistered per CIPC. One entity is placed under voluntary liquidation.

Road Traffic Management Corporation (RTMC)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

A Shareholders resolution was taken to donate five MVTS units to the Western Cape. A deposit of R5,970,800 was paid at year end however delivery has taken place in April 2025 with the total amounting to R29,854,000. Further, the RTMC is in the process to procure five Mobile Testing Stations for the Westernb Cape Province, two were delivered in April 2025 amounting to R11,941,600 and the rest are yet to be delivered.

South African National Biodiversity Institute (SANBI)

Subsequent to the reporting period SANBI's proposal on The Scaling up ecosystem-based approaches to managing climate intensified disaster risks in vulnerable regions of South Africa (Eco-DRR) project proposal was approved by the Green Climate Fund (GCF). The aim of the project is to scale up ecosystem-based approaches to managing climate intensified disaster risks, specifically floods, droughts and wildfires, in vulnerable regions of South Africa. Its objective is that almost 4 million people who are vulnerable to the impacts of climate change intensified floods, droughts and wildfires will have improved resilience resulting from the implementation of ecosystem-based approaches to disaster risk reduction. The EcoDRR project is valued at USD 50 million (~ZAR R900 105 000 million), including USD 9 million of in kind co-financing (~ZAR 162 018 900 million) and USD 41 million (~ZAR 738 086 100 million) in donor funding.

South African National Roads Agency Limited (SANRAL)

Subsequent to the reporting date approval was granted by the Minister of Transport on 16 April 2025 for the waiver of toll fees at Oribi toll ramp plazas (north and south) due to a temporary closure of the Umzimkhulu river bridge (1221) on provincial road P3-1 in the Ugu district municipality (Port Shepstone). The waiver was requested by the MEC of the KZN provincial department of Transport and Human settlement on 11 March 2025, in terms of section 27(1) (e) of the SANRAL Act. It is effective for a maximum of five months, from the beginning of May to the earlier of the end of September 2025 or until the re-opening of the bridge. The waiver is expected to result in a reduction of toll revenue for the affected period. Management is currently assessing the impact which will be disclosed in the interim financial statements for the period ending 30 September 2025. No adjustment was made to the 2024/25 annual financial statements. On 22 April 2025, the GFA was finalized and signed by both.

Co-operative Banks Development Agency

In line with the President of the Republic of South Africa's minute number 251 of 2024 dated 10 September 2024, it was proclaimed that the effective date of the merger would come be effective on 1 October 2024. All assets, liabilities, rights and obligations of the sefa, SEDA and CDBA, as the case may be, including the unexpended balance of appropriations, authorisations, allocations and other funds employed, held or used in connection with the furtherance of its objectives and functions, pass to SEDFA. National Treasury approved R13 562 million from the 2023/24 surplus funds to be used towards the stabilisation fund, Indaba 2024, digitisation, training materials and 2nd phase implementation of sector strategy. The proclamation of the Act has brought SEDFA into operation on 1 October 2024, whereby all CBDA assets and liabilities need to be transferred. From 1st December 2024, CBDA would be disestablished through delisting as a national public entity and the CBDA Board is dissolved.

Development Bank of Southern Africa (DBSA)

On 26 June 2025, the Board authorised an annual dividend of R160 million (31 March 2024:R48 million) to be distributed to the shareholder (National Treasury). The payment of the dividend is subject to approval by Shareholder at the next AGM in line with the DBSA Act.

Public Investment Corporation Limited (PIC)

After the reporting date of 31 March 2025, the Company granted a loan of R150 million to Daybreak Foods (Pty) Limited . The purpose of loan was to assist with the liquidity requirements of the business rescue process and the preservation of sustainable jobs which is not in normal course of our business but its allowed. Due to the Daybreak financial position, management has concluded that the loan is impaired at initial recognition and expects to record a full impairment loss (day 1 impairment). As the loan was granted after the reporting period, it is a non-adjusting event and has not been recognized in the financial statements as of 31 March 2025. The impact of this impairment will be reflected in the financial statements for the financial year ending 31 March 2026.

Transnet Limited

Wabtec portion of 1 064 locomotive supply agreement high court judgement- On 14 April 2025, the High Court of South Africa made the settlement agreements Transnet and Wabtec concluded the just and equitable remedy in respect of the review application Transnet had brought to set aside the 1 064 locomotive supply agreements. Wabtec delivered in full in terms of the locomotive supply agreement and Transnet is to retain the locomotives delivered. This had no impact on the annual financial statement balances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Ballast waste exclusion from environmental waste definition- On 22 April 2025, the Department of Forestry, Fisheries and Environment (DFFE) issued a formal decision stating that ballast waste has been excluded from the definition of environmental waste. Transnet Freight Rail had previously petitioned to the DFFE to exclude ballast waste from the definition of environmental waste. Accordingly, the environmental provision relating to ballast waste of R423 million has been reversed.

South African Human Rights Commission:

During the review of reports submitted to the Finance Department on the 08 June 2025 following the submission of the annual financial statements on 31 May 2025, a CCMA matter was identified relating to the dismissal of personnel in the Eastern Cape due to allegations of misconduct lodged by the applicant. The CCMA issued a arbitration report on the 03 June 2025 instructed the Commission to pay the applicant an amount of R485,271.12. In terms of GRAP 19, this amount should be recognised as a payable, as the obligating event occurred during the reporting period under review. However, the applicants representative subsequently challenged the decision. As a result, the likelihood of payment is now considered possible rather than probable, and the obligation to be reclassified from a liability to a contingent liability.

Border Management Authority (BMA)

BMA and the South African Police Service (SAPS) have initiated discussion for the transfer of border access control functions, which are currently being performed by SAPS, to the BMA. An estimate of the financial effect cannot be made at this stage.

Compensation Fund, including Reserve:

After the reporting date of 31 March 2025 and prior to the approval of these financial statements, media reports surfaced relating to allegations of governance and financial irregularities at Daybreak Farms, one of the Fund's investee entities. Management has taken note of these developments and has engaged with the stakeholders to assess any potential impact of the Fund's investment portfolio. As of the date of approval of these financial statements, there has been no formal impairment assessment issued, and the financial impact, if any, cannot be reliably estimated. The Fund will continue to monitor the situation and obtain clarity from the relevant stakeholders. Any required accounting adjustment will be considered, should the information become available that affects the valuation of the investment or the Fund's exposure.

Food and Beverages Manufacturing SETA:

The CEO was appointed to assume the duties of the Accounting Authority for the entity effective from 22 May 2025 for a period of three months or until the Accounting Authority is appointed, whichever comes first. This follows a request to the National Treasury dated 28 March 2025 seeking to appoint SETA Chief Executive Officers in terms of section 49 (1), (2) (a) & (b) and (3) of the Public Finance Management Act ("PFMA").

Energy and Water SETA:

The CEO was appointed to assume the duties of the Accounting authority for the entity effective from 22 May 2025 for a period of three(3) months or until the Accounting Authority is appointed, whichever comes first. This follows approval by National Treasury to appoint SETA Chief Executive Officers in terms of section 49 (1), (2)(a) & (b) and (3) of the Public Finance Management Act ('PFMA').

Manufacturing Engineering and Related Services SETA:

The last term of the Accounting Authority expired 31 March 2025. At the time of reporting, the Minister of Higher Education and Training had not appointed the new Accounting Authority. On 22 May 2025, the Minister issued a letter appointing SETA CEOs to resume duties of the Accounting Authority until the new Board has been appointed.

Media, Information and Communication Technologies SETA:

The MICT SETA Accounting Authority was appointed on the 1st April 2020 for a period of 5 years to serve on the MICT SETA Board, their term ended on the 31st of March 2025. The Department of Higher Education and Training is in the process of appointing new Accounting Authority members for the next term. The Minister has appointed the Chief Executive officer to act as an interim Accounting Authority for a period of 3 months effective 22 May 2025.

Performing Arts Council of Free State:

Discontinuation of grant funding for the incubator programme, on 9 April 2025 the Acting Director: General pronounced the discontinuation of the incubator grant effective 1 April 2025 due to the fiscal constraints and budgetary challenges.

Application for one of the major litigation matters has been struck off the roll due to lack of urgency.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Services Sector Education and Training Authority:

As at 31 March 2025 the only known non-adjusting event after reporting date is the requirement for Services SETA to submit to the National Treasury as application for the rollover of accumulated surpluses by 30 September 2025.

South African Heritage Resources Agency:

On 11 June 2025 a service provider, Mavhuso Service Provider submitted through email correspondence their withdrawal of their awarded two construction contracts -

- (i) the award on Bid number SAHRA/PFU/PO/09/2024 awarded on 06 February 2025 for the construction and execution of the perimeter fence and related works to the Paarl Offices for R 1 520 155,10 and;
- (ii) the award on Bid number SAHRA/PFU/GRF/09/2024 awarded on 06 February 2025 for the construction and execution of the perimeter fence and related works to the Goede Rust Farm for R 1 312 937,75.

These two awards form part of the commitments at year end and have been included in the commitment disclosure note 37. No expenditure had been incurred from award date to cancellation date. The cancellation of the awarded bids by Mavhuso Service Provider for the two bids, bid number SAHRA/PFU/PO/09/2024 of R 1 520 155,10 and bid number SAHRA/PFU/GRF/09/2024 for R 1 312 937,75 is an event that occurred after year-end.

South African Qualifications Authority (SAQA):

The SAQA Legal Unit was notified on 26 May 2025, that the Plaintiff withdrew from laying charges due to financial constraints relating to a court case against SAQA and three other government entities. The total contingent liability disclosed as Matter 1 (Court cases) amounted to R50,925,309.

South African National Space Agency(SANSA):

In July 2025, SANSA and Denel Dynamics, a division of Denel SOC Ltd ("Denel") concluded an terms of the agreement, the prepayments will be recovered by SANSA through deduction from invoices to be issued by Denel under a new contract for the completion of the EO SAT-1 satellite development project. Save as disclosed above, no events or transactions have occurred since 31 March 2025 or are pending, that would have a material effect on the financial statements at that date or for the year then ended 31 March 2026.

Council for Scientific and Industrial Research (CSIR):

In mid-April 2025, the CSIR announced its intention to implement a targeted operational efficiency plan. This initiative is focused on optimising specific operational areas to enhance future performance and ensure long-term sustainability. The plan is expected to include workforce adjustments in selected areas. Associated costs of the restructuring are estimated at approximately R38,9 million. These costs will be recognised in the 2025/26 financial year when the detailed implementation plan is finalised and communicated to affected parties, creating a constructive obligation. This strategic initiative is part of CSIR's proactive management approach to strengthen its financial position and operational effectiveness. The organisation maintains adequate financial resources to implement these changes while continuing to fulfill its core operational objectives.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

73 Service Concession Arrangements

	2024/25 R '000	2023/24 R '000
Leased Service Arrangement Assets		
Minimum future payments		
No later than one year- Service concession	2 252	1 800
Present value of finance lease liability	2 252	1 800
Service Concession Liability	10 051 784	10 716 370
Total Service Concession Liability		
Current Liability	2 033 970	1 722 961
Non-Current Liability	8 017 814	8 993 409
10 051 784	10 716 370	

NOTES TO THE

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

2024/25		STATEMENT OF FINANCIAL POSITION						2023/24							
		CENTRAL		ECONOMIC		FINANCE		JUSTICE		SOCIAL		ELIMINATIONS		TOTAL	
ASSETS															
Segment assets	162 101 280	1 478 062 399	2 914 404 579	16 731 775	403 381 619	(25 853 375)	4 948 828 277								
Investment in associates and joint ventures	-	43 430 920	5 699 173	11 805	3 448 926	-	-	52					590 825		
Total assets	162 101 280	1 521 493 319	2 920 103 752	16 743 580	406 830 545	(25 853 375)	5 001 419 101								
LIABILITIES															
Segment liabilities	19 318 899	287 061 450	2 227 323 732	4 335 731	88 052 062	152 479 333	2 778 571 207								
Total liabilities	19 318 899	287 061 450	2 227 323 732	4 335 731	88 052 062	152 479 333	2 778 571 207								
OTHER INFORMATION															
Capital expenditure	2 383 783	76 996 038	73 895 476	632 237	-	1 924 456	155 831 989								
Non-cash items excluding depreciation and amortisation	(26 269)	(6 113 984)	(2 072 856)	(253 702)	(1 949 885)	(14 442 351)	(24 859 048)								
Deferred Revenue	5 621 292	5 910 593	42 960 215	36 409	897 797	(3 756 626)	51 669 679								
ASSETS															
Segment assets	162 854 851	1 346 364 870	2 794 218 601	16 849 492	355 109 687	(20 897 297)	4 654 500 204								
Investment in associates (equity method)	-	41 814 030	5 456 789	9 565	3 820 411	-	51 100 794								
Total assets	162 854 851	1 388 178 900	2 799 675 391	16 859 056	358 930 098	(20 897 297)	4 705 600 999								
LIABILITIES															
Segment liabilities	18 259 936	287 359 799	2 300 536 715	4 073 966	85 160 997	(126 139 417)	2 569 251 996								
Total liabilities	18 259 936	287 359 799	2 300 536 715	4 073 966	85 160 997	(126 139 417)	2 569 251 996								
OTHER INFORMATION															
Capital expenditure	2 560 594	69 903 662	74 336 058	679 417	-	2 342 386	149 822 116								
Non-cash items excluding depreciation and amortisation	(5 222)	(4 783 605)	(3 627 391)	(415 881)	(99 711)	(8 656 109)	(18 486 118)								
Deferred Revenue	5 857 156	5 209 802	43 230 534	39 771	812 870	(27 350 366)	27 799 766								

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NOTES TO THE

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

2023/24 STATEMENT OF FINANCIAL PERFORMANCE	CENTRAL	ECONOMIC	FINANCE	JUSTICE	SOCIAL	ELIMINATIONS	TOTAL
REVENUE							
Revenue from non-exchange transactions	6 368 857	136 027 678	15 336 869	8 953 509	84 493 199	3 245 093	254 425 206
Revenue from exchange transactions	13 974 365	130 793 290	402 115 969	3 131 232	17 210 291	(5 842 087)	561 383 060
Inter-entity transfers	2 054	24 092 735	31 020 373	266 975	3 379 712	(58 761 850)	-
Share of surplus/ (deficit) of associate	-	4 273 625	290 176	-	(213 432)	-	4 350 369
Interest Revenue	1 212 753	28 249 323	48 209 187	666 403	25 301 819	(1 334 289)	102 305 197
Total Segment Revenue	21 558 029	323 436 651	496 972 574	13 018 120	130 171 589	(62 693 132)	922 463 831
EXPENSES							
Employee related costs	(3 210 080)	(42 597 496)	(85 837 652)	(6 835 462)	(20 780 352)	915 167	(158 365 874)
Depreciation and amortisation expense	(3 092 049)	(16 090 883)	(54 853 559)	(375 355)	(1 017 503)	271 297	(75 158 052)
Other expenses	(13 449 881)	(170 659 348)	(267 863 859)	(5 190 534)	(63 509 818)	3 670 318	(517 003 122)
Interest expenses	(2 695)	(12 862 248)	(83 759 903)	(72 047)	(2 562 499)	1 364 391	(97 895 003)
Total segment expenses	(19 754 706)	(242 209 974)	(492 334 972)	(12 473 398)	(87 870 172)	6 221 173	(848 422 050)
Total segment surplus/deficit	1 803 323	81 226 677	4 637 601	544 722	42 301 417	(56 471 959)	74 041 781
Other unallocated revenue						(3 931 283)	
Unallocated expenses						6 221 173	
Net Surplus/Deficit for the period						2 289 890	
Reconciliation of above surplus with surplus disclosed in the CFS							
Surplus/Deficit for the period per segment report						76 331 672	
Reversal of inter segment expenses eliminated						(2 289 890)	
Other items not included in the segment						39 762 086	
TOTAL SURPLUS / (DEFICIT) FOR THE PERIOD NET OF TAX AS PER CFS						176 640 784	

Net Surplus/Deficit for the period

Reconciliation of above surplus with
surplus disclosed in the CFSSurplus/Deficit for the period per segment report
Reversal of inter segment expenses
eliminatedOther items not included in the
segment**TOTAL SURPLUS / (DEFICIT) FOR THE PERIOD NET OF TAX AS PER CFS**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

75 Risk Management

Risks associated with the financial instruments of the public entities included in this consolidation are managed on an individual entity level in line with the requirements of the PFMA. In this note we describe the general high-level practices employed by entities in managing the risks that they are exposed to as a result of their financial instrument holdings.

Maximum credit risk exposure

The public entities included in this consolidation are exposed to credit risk mainly as a result of holding cash equivalents, long term receivables, finance lease receivables and trade receivables. To manage the credit risk that the entities are exposed as a result of holding these classes of financial assets the following steps are generally taken. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty.

A. CASH AND CASH EQUIVALENTS

Public entities bank with major banks with high credit standing. Furthermore, the cash holdings with banks are spread amongst a variety of banks to reduce the concentration of their credit risk exposure.

The minimum counterparty credit rating for placing deposits and investing in government bonds is 'A' by Standard & Poor's or its Moody's or Fitch's rating equivalents, while the minimum rating for investments in corporate bonds is 'AA-'. The rating of certain investment securities was below 'A' at year-end due to downgrading of instruments or institutions by the rating agencies and due to the tightening of investment guidelines by the Bank, which resulted in passive breaches on some of the financial assets in the Bank's portfolios.

B. TRADE RECEIVABLES

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used.

Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the individual boards of directors of each of the public entities. The utilisation of credit limits is regularly monitored. Credit guarantee insurance is purchased when deemed appropriate.

C. FINANCE LEASE RECEIVABLES

The exposure to credit risk arising from finance lease receivables is limited by using the underlying assets of the finance leases as collateral. Also, finance lease receivables comprise a widespread customer base to reduce the concentration of credit risk exposure.

D. LONG TERM RECEIVABLES

Long term receivables consist exclusively of loans and advances made to the employees of participating public entities. Repayment of these receivables is ensured through properly authorised payroll deductions. Where an employee leaves the services of the public entity the remaining balance is deducted from the employee benefits payable to the employee in accordance with the loan agreements signed with the employees.

	2024/25 R '000	2023/24 R '000
75.1 Financial Assets carried at Amortised Cost		
The financial assets carried at amortised cost expose the entity to credit risk. The value of the maximum exposure to credit risk are as follows for each of classes of financial assets at amortised cost:		
Cash and cash equivalents	415 542 362	351 872 699
Trade and other receivables from exchange transactions	101 403 391	106 340 636
Other receivables from non-exchange transactions	6 545 328	7 052 253
Other current financial assets	1 344 493 817	1 281 899 664
Current Investments	67 435 289	86 614 998
Construction contracts and receivables	678 015	854 526
Finance lease receivable	1 085 691	1 072 745
Non-current receivables from exchange transactions	24 465 047	20 547 030
Non-Current Investments	462 539 808	443 578 670
Other non-current financial assets	43 072 595	55 662 706

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R '000	2023/24 R '000
75.2 Collateral held and other credit enhancements		
The credit risk exposure, as posed by the financial assets held at amortised cost detailed above, is further mitigated by the collateral held in relation to these instruments:		
Bank - collateral held	2 916 912	4 416 819
Financial guarantees	1 152 921	715 145
Trade and other receivables	49 930 940	43 088 327
Other	41 747 286	41 724 560

75.3 Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the entity's financial liabilities into relevant maturity groupings based on the remaining period at the Statement of Financial Position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

2024/25	Not later than one month	Later than one month and not later than three months	Later than three months and not later than one year	Later than one year and not later than five years
Gross finance lease obligations	97 209	878 147	3 211 819	34 301 877
Borrowings	(2 193 847)	7 597 328	84 982 883	323 438 653
Trade and other payables	18 487 074	71 064 389	77 291 831	35 860 395
Bank overdraft	4 377 973	-	(161 643)	
Other	255 420 873	1 139 831	99 654 347	112 128 708

2023/24	Not later than one month	Later than one month and not later than three months	Later than three months and not later than one year	Later than one year and not later than five years
Gross finance lease obligations	459 309	604 848	3 139 249	33 035 690
Borrowings	(1 535 225)	8 532 115	144 711 382	335 897 440
Trade and other payables	19 820 827	55 335 130	72 725 239	68 756 045
Bank overdraft	3 741 208		69 690	-
Other	257 373 591	996 021	100 112 772	625 893 797

75.4 Collateral held and other credit enhancements

The entity holds the following collateral and / or credit enhancements that aid in the mitigation of the liquidity risk it is exposed to:

Pledged collateral	6 766 247	8 865 794
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75.5 Interest rate risk

The public entities included in this consolidation are exposed to interest rate risk as a result of interest-bearing bank accounts. At year end, financial instruments exposed to interest rate risk were as follows:

Call deposits: With the exception of South African Government bonds, the rand-denominated financial assets and liabilities of the Bank respectively earn and bear interest at rates linked to South African money-market rates. The level of these rates is closely linked to the Bank's repurchase (repo) rate, which is set by the Monetary Policy Committee

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(MPC). The re-pricing of these assets and liabilities, therefore, occurs at approximately the same time as changes to the repo rate are announced by the MPC.

Notice deposits: The Bank is exposed to interest rate risk in respect of its foreign investments. The risk tolerance and return expectations in respect of these financial instruments are embodied in the strategic asset allocation approved by the Reserves Management Committee (Resmanco) and the risk budget approved by the GEC.

Finance lease obligations: The majority of the finance leases entered into by the public entities is subject to variable interest rates linked to the prime rate of interest in South Africa.

Long term loans: These loans are obtained from a variety of sources and consist of a mixture of variable interest rate loans and fixed rate loans. This mixture of fixed and variable rate loans are intended to offset the overall exposure to variability in interest rates on an entity-by-entity basis.

Bank overdraft: These borrowings are obtained exclusively at variable interest rates from the major banks in South Africa.

75.6 Credit quality of financial assets carried at amortised cost

Method of determining credit quality of other non-current financial assets

The credit quality of trade and other receivables from exchange transactions are determined and monitored with reference to credit ratings obtained, for the customers included in the balance, from external credit ratings agencies.

The credit quality of trade and other receivables from exchange transactions are determined and monitored with reference to historical payment trends. Accordingly, the credit quality of the customers included in the balance of trade and other receivables from exchange transactions is determined internally through application of the entity's own credit policy. Based on the evaluation of the historical payment trends, customers included in the balance are categorised into the following:

High credit quality - Customers included in this category have evidenced no defaults or breaches in the contractual repayments.

Medium credit quality - Customers included in this category are prone to late payments, but seldom default on the entire balance owing.

Low credit quality - Customers included in this balance includes customers that frequently default on their outstanding balances and breach contract.

Other method - Any other method applied to evaluate the credit quality.

76	Principal-agent arrangements	2024/25 R'000	2023/24 R'000
76.1	Entity acting as the principal		Fee Paid
	Deeds Registration Trading Account		1 108
	Road Traffic Management Corporation	436 062	323 075
	South African Maritime Safety Authority	11 169	9 745
	South African National Energy Development Institute	11 800	10 946
	Office of the Valuer-General	1 108	14 138
	Government Pensions Administration Agency	1 731 321	1 306 685
	Office of the Ombud for Financial Services Providers		15 640
	Public Investment Corporation Limited	1 307 928	1 261 755
	Government Technical Advisory Centre (GTAC)	1 998	2 342
	Government Printing Works	3 064	258
	Compensation Fund, including Reserve Fund	84 043	92 078
	Robben Island Museum	120 428	121 611
	Construction Industry Development Board	100 000	
	Total	3 808 921	3 159 381

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

76.2	Entity acting as the agent	2024/25 R'000	2023/24 R'000		
76.2.1	Revenue received for agency activities				
Construction Industry Development Board	417	1			
Deeds Registration Trading Account	1 108				
Mine Health and Safety Council	154	273			
National Agricultural Marketing Council		507			
Road Traffic Management Corporation	90 798	178 240			
South African Maritime Safety Authority	339 089	377 223			
South African National Energy Development Institute	10 946	11 800			
Small Enterprise Development Finance Agency	423 701	7 989			
Development Bank of Southern Africa	1 306 685	449 325			
Government Pensions Administration Agency	2 315 112	1 731 321			
Government Technical Advisory Centre (GTAC)	5 966	1 490 282			
Council on Higher Education		3 586			
Financial and Accounting Services SETA		4 850			
National Library of South Africa		350			
Total	4 255 747	4 493 976			
76.2.2	Reconciliation of funds and disbursements				
	2024/25	Total funds received R'000	Expenditure incurred against funds R'000		
National departments	779 992	1 008 326			
Public Entities	7 229 364	(4 572 053)			
Municipalities	6 696	3 459			
Total	8 016 052	(3 560 268)			
	Reconciliation of funds and disbursements 2023/24				
		Total funds received R'000	Expenditure incurred against funds R'000		
National departments	1 127 602	1 656 907			
Public Entities	7 456 516	(4 889 924)			
Municipalities	8 298	11 536			
Total	8 592 416	(3 221 481)			
76.2.3	Reconciliation of carrying amount of receivables and payables – 2024/25				
	Opening balance	Revenue/Expen se R'000	Less: (Write offs/settlements)/C ash Paid R'000	Cash received on behalf of principal R'000	Closing balance R'000
Receivables					
National departments	(7 866)	1 223 568	(942 574)	253 974	19 154
Public Entities	1 520 555	1 027 024	(1 431 448)	(343 993)	1 460 124
Other	128 069	526 095	(3 516)	512 478	138 170
	1 640 758	2 776 687	(2 377 538)	422 459	1 617 448

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Opening balance R'000	Expenses incurred on behalf of principal R'000	Cash paid on behalf of principal R'000	Closing balance R'000
Payables				
National departments	929 103	163 645	423 002	669 747
Public Entities	2 295 635	2 602 355	2 231 394	2 666 596
Other	450 811	328 058	377 739	401 130
	3 675 549	3 094 058	3 032 134	3 737 473

Reconciliation of carrying amount of receivables and payables – 2023/24

	Opening balance R '000	Revenue/Expe nse R '000	Less: (Write offs/settlements)/ Cash Paid R '000	Cash received on behalf of principal R '000	Closing balance R '000
Receivables					
National departments	(7 504)	1 097 155	(1 072 418)	38 327	21 094
Public Entities	268 291	1 011 689	(1 218)	921 553	357 209
Municipalities	-	8 298	-	11 536	3 237
Other	-	92 459	-	88 688	3 771
	260 787	2 209 601	(1 073 636)	1 060 104	336 648

	Opening balance R'000	Expenses incurred on behalf of principal R'000	Cash paid on behalf of principal R'000	Closing balance R'000
National departments	869 458	(482 400)	275 821	111 237
Public Entities	2 678 845	491 879	936 851	2 233 873
Other	1 095 300	(718 656)	-	376 645
Payables	4 643 604	(709 177)	1 212 672	2 721 755

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Related Party

Relationships

Constitutional Institutions, Schedule 2, 3A and 3B Public Entities and Trading Accounts

Transactions and balances

2024/25

Controlling entities
Entities with joint control or significant influence over another entity
Close Members of Family or Significant Influence
Controlled entities
Associates
Joint ventures in which the entity is a venturer
Management
Other related parties

Transactions	Balances/ Commitments	Provisions for doubtful debts	Bad/ Doubtful debts
368 440 844	(324 847 498)	(261 449)	
165 892 753	(1 345 110)		
155 165	1 804		
327 567	1 313 356	(46 292)	
172 076	2 347 392		
(5 227 829)	481 500		
34 330 983	4 265		
70 914 424	373 737 383	1 988 851	(39 718)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

2023/24

Controlling entities	311 618 145	(284 598 309)	(228 661)	(23 621)
Entities with joint control or significant influence over another entity	37 197 992	279 665	-	-
Close Members of Family and Significant Influence	2 830	651	(523)	-
Controlled entities	271 759	3 313 732	(2 138 262)	
Associates	71 891	2 445 729		
Joint ventures in which the entity is a venturer	(4 793 553)	407 758		
Management	27 992 377	6 254		
Other related parties	69 299 317	339 634 679	2 151 795	(40 825)

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Financial Sustainability

The 2025 Medium Term Budget Policy Statement (MTBPS) reaffirms government's commitment to a growth-oriented and fiscally prudent agenda, despite ongoing economic and fiscal challenges. Recent improvements, such as stronger tax revenue collections, slower growth in borrowing costs and projected stabilising debt-to-GDP ratios, supports macroeconomic stability and public investment initiatives.

The economy is projected to grow by 1.2 per cent in 2025, increasing to an average of 1.8 per cent per annum over the medium term. These modest growth prospects underscore the need for reforms that address fundamental constraints in energy supply, logistics infrastructure, digital connectivity and institutional effectiveness. Government's medium-term growth strategy is anchored by four elements namely maintaining macroeconomic stability, implementing structural reforms, building state capability and supporting growth-enhancing public infrastructure investment. The strategy seeks to shift the growth path and secure sustainable revenues.

Enhancing Macroeconomic stability

Government is delivering on its targets to return the public finances to good health by stabilising debt, reducing borrowing costs and freeing up resources to invest in growth and development. These policy measures create a strong foundation for inclusive and sustainable economic growth. Efforts to stabilise debt and narrow the budget deficit to below 3% of GDP by 2028/29 are supported by various initiatives to entrench balanced public finances, strengthen revenue collection, improve spending efficiency and a revised 3% inflation target with a ±1 percentage point tolerance. These measures reduce fiscal and operational risks, enhance investor confidence and support sustainable economic growth.

Implementing Structural Reforms and Building State Capability

Key structural reforms include increased generation capacity at Eskom, improved reliability of the energy supply, higher freight rail volumes at Transnet, and the introduction of third-party access on freight rail networks. Municipal and digital reforms, including the Metro Trading Services Reform Programme and the MzansiXchange pilot, enhance service delivery, accountability and data-driven decision-making. Operation Vulindlela's second phase further advances these reforms by promoting private investment in energy and logistics, establishing the National Water Resources Infrastructure Agency and launching the Electronic Travel Authorisation system to attract skills, investment and tourism.

Growth-Enhancing Infrastructure investment

Public investment in infrastructure is being prioritised to stimulate economic growth and attract private sector participation. Key initiatives include freight rail rehabilitation, wastewater treatment and capitalisation of a credit guarantee scheme. Measures to streamline project approval, enhance the Budget Facility for Infrastructure and develop sector-specific toolkits for public-private partnerships improve efficiency and value for money.

Fiscal strategy

The government is implementing a range of measures to strengthen fiscal outcomes and safeguard long-term public finance sustainability. Broad consultations are underway on the design of a formal fiscal anchor, with a policy proposal expected to be presented to the Minister of Finance in 2026. In parallel, a multi-year fiscal literacy campaign will be launched in 2026/27 to improve public understanding of fiscal management and encourage informed engagement with

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

government budgeting processes. To achieve fiscal targets, curb waste and support new priorities, public spending will be directed to deliver greater value for money.

The government is taking targeted steps to strengthen revenue collection and improve efficiency. Revenue collections for the first half of 2025/26 exceeded expectations, driven by strong corporate and household activity, while lower VAT refunds and improved compliance supported overall buoyancy. Corporate tax receipts benefited from robust performance in the trade, electricity and finance sectors and dividends tax collections were strengthened by significant one-off payments from the mining and retail sectors. Revenue buoyancy for 2025/26 is projected at 1.54, reflecting stronger-than-anticipated collections. Nevertheless, the medium-term outlook remains cautious, as nominal revenue growth is constrained by subdued economic growth.

The constrained fiscal position allows limited room for additions to spending. However, government still allocates about 60 per cent of consolidated non-interest spending over the next three years to the social wage, supporting low-income and vulnerable households. Average annual growth in spending on learning and culture, health and economic development outpace inflation over the medium term.

After more than a decade of primary budget deficits, government began running a primary budget surplus in 2023/24. The surplus – where revenue exceeds non-interest expenditure – is expected to improve over the medium term. The growing primary surplus enables government to stabilise and then reduce debt and debt-service costs. The main budget deficit is expected to narrow from 4.6 per cent of GDP in 2022/23 to 2.7 per cent in 2028/29. Gross loan debt as share of GDP is projected to stabilise at 77.9 per cent in 2025/26.

Despite improvements, risks remain due to modest economic growth, high debt levels and potential contingent liabilities, particularly from state-owned entities. The government continues to prioritise macroeconomic stability, infrastructure investment, revenue efficiency, expenditure effectiveness and the phased removal of low-priority programmes. These measures aim to protect critical social services, strengthen institutional capacity and shift spending toward growth-enhancing infrastructure.

In summary, the government remains committed to the disciplined implementation of its four-pillar economic strategy, anchored in enhancing macroeconomic stability, implementing structural reforms, building state capability and supporting growth-enhancing public infrastructure investment. Through these efforts, it aims to stabilise public finances, improve the effectiveness and efficiency of expenditure, attract investment and promote sustainable economic growth, ultimately enhancing living standards for all South Africans.

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Exemptions and Departures

Section 92 Exemption

The Minister of Finance granted exemption in terms of Section 92 of the PFMA for the National Treasury from the provisions of section 8(1) of the PFMA to the extent that it requires preparing one set of consolidated AFS for national departments and public entities. Due to the significantly different accounting bases being applied (modified cash and accrual), the Minister has now allowed the National Treasury to prepare separate sets of consolidated financial statements for departments and public entities respectively.

In terms of section 92 of the PFMA, the Minister of Finance exempted TCTA from applying GRAP as a reporting framework and allowed the continued use of IFRS for the 2023/2024 and 2024/25 financial years. The Minister of Finance also permanently exempted GPAA to report in terms of GRAP instead of Modified Cash Standard (MCS).

There were no departures granted. The reason for all exemptions granted was to achieve fair presentation, and Management has concluded that the consolidated financial statements fairly present the primary and secondary information as required by GRAP.



NATIONAL REVENUE FUND



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

ACCOUNTING OFFICER'S APPROVAL

FOR THE YEAR ENDED 31 MARCH 2025

The National Revenue Fund Financial Statements are prepared on the going concern basis. They are based on accounting policies which have been consistently applied and supported by reasonable and prudent judgements of estimates. The National Revenue Fund Financial Statements have been approved by the Accountant-General on 03 December 2025.



Shabeer Khan

Accounting Officer

ACCOUNTING OFFICER'S REVIEW

FOR THE YEAR ENDED 31 MARCH 2025

■ MANDATE

In terms of section 11 of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) the National Treasury is responsible for the National Revenue Fund and must enforce compliance with the provisions of section 213 of the Constitution, namely that-

- a) All money received by the national government must be paid into the fund, except money reasonably excluded by this Act or another Act of Parliament; and
- b) No money may be withdrawn from the Fund except-
 - i) in terms of an appropriation by an Act of Parliament; or
 - ii) as a direct charge against the Fund, provided for in the Constitution or the Act, or in any other Act of Parliament provided the direct charge in such a case is listed in Schedule 5.

Section 11(3) of the PFMA, requires money that must be paid into the National Revenue Fund is paid into the Fund by depositing it into a bank account of the Fund in accordance with the requirements that may be prescribed. In this regard Tax and Loan accounts are held at the Commercial Banks and at other accounts at the South African Reserve Bank.

■ REVENUE

Section 12 of the PFMA, requires the South African Revenue Services must promptly deposit into the National Revenue Fund all taxes, levies, duties, fees and other moneys collected by it in accordance with a framework determined by the National Treasury.

South Africa's tax system forms part of the foundation of the country's public finances. Over the past two decades South Africa has built a progressive tax system founded on the principles of equity, efficiency, simplicity, transparency and certainty.

Road Accident Fund, Unemployment Insurance Fund and SETAs funds are collected by SARS and are refunded to the institutions on a monthly basis. Transfers to a member of the South African Customs Union are made on a quarterly basis. This is shared

between South Africa, Botswana, Lesotho, Namibia and Swaziland.

Other sources of revenue are departmental receipts known as departmental revenue, national revenue fund receipts and other revenue which mainly consists of unused conditional grants and revenue received from entities.

■ EXPENDITURE

Section 15(1) of the PFMA states that only the National Treasury may withdraw money from the National Revenue Fund, and may do so only-

- a) to provide funds that may have been authorised-
 - i) in terms of an appropriation by an Act of Parliament; or
 - ii) as a direct charge against the National Revenue Fund provided for in the constitution or this Act, or in any other Act of Parliament provided the direct charge is such a case is listed in Schedule 5;
- b) to refund money invested by a province in the National Revenue Fund; or
- c) to refund money incorrectly paid into, or which is not due to, the National Revenue Fund.

In terms of section 27(1) the Minister must table the annual budget for a financial year in the National Assembly before the start of the financial year or, in exceptional circumstances, on a date as soon as possible after the start of that financial year as the Minister may determine.

The medium-term expenditure framework establishes a predictable budget process that is open to public scrutiny. Over this period government is preparing the ground between the rate of economic growth and the affordability of social programmes.

■ FUNDING OF THE DEFICIT

Section 11(5) of the PFMA, requires the National Treasury to ensure that there is at all times sufficient money in the National Revenue Fund. In this regard the deficit is funded in terms of section 66(2)(a) of

ACCOUNTING OFFICER'S REVIEW

FOR THE YEAR ENDED 31 MARCH 2025

the PFMA by the Asset and Liability section within the National Treasury.

Government's flexible debt management strategy ensures that additional borrowing minimises interest and repayment risks. These considerations are necessary to maintain a stable debt portfolio and avoid burdening the country with repayment obligations for many years to come.

South Africa's borrowing strategy is sufficiently responsive to withstand long-term adjustments in global and domestic capital allocations and short term market shocks. Debt levels remain sustainable with a long maturity structure and exposure to foreign currency liabilities remains low, reducing the impact on global volatility.

■ ACCOUNTING STANDARDS

On a drive to improve public accountability, there is a transition in progress from reporting on the modified cash basis of accounting to reporting on the accrual basis of accounting. Under the modified cash basis of accounting, transactions and other events are recognised when cash is received or paid, while

provision is made in the annual financial statements (AFS) for provisions, accruals, contingent liabilities and so on.

With effect from 2013/14, as part of the cash-to-accrual process, the OAG developed and published the Modified Cash Standard (MCS) which sets out the principles of the modified cash framework in a format ordinarily used by other public sector accounting standard setters such as Accounting Standards Board (ASB). The National Treasury guide on accounting for the Revenue Fund provides detailed guidance on the principles stated in the MCS.

This Accounting Officer's Review includes an Executive Summary and Review of Operating Results. The review of operating results reflects monetary values presented in accordance with Treasury Regulation 18.2. It is also a descriptive report clarifying the amounts presented.

EXECUTIVE SUMMARY

FOR THE YEAR ENDED 31 MARCH 2025

South Africa's economic performance has remained subdued for more than a decade, with growth averaging below 2 per cent per annum since 2012. Despite early forecasts in February 2024 projecting a recovery of 1.3 per cent, actual GDP growth for the year was limited to 0.6 per cent. Over the medium term, growth is expected to average 1.8 per cent which is well below the level required to meaningfully reduce unemployment, inequality, and poverty.

The country's low growth trajectory continues to be undermined by persistent structural constraints. These include underinvestment in infrastructure, the high cost and unreliability of electricity supply, inefficiencies within logistics and freight transport and declining productivity. Weak investor confidence, compounded by policy uncertainty, corruption and a slow pace of reform implementation, has further constrained private sector participation and capital formation. Global economic pressures and declining foreign investment have further deepened these challenges.

Public finances remain under strain as slower revenue growth, rising debt-service costs, and the continued financial burden of state-owned enterprises limit fiscal flexibility. Corruption, wasteful expenditure, and inefficiencies in public procurement further erode fiscal credibility and crowd out investment in essential services.

Fiscal policy remains focused on stabilising debt, protecting essential services, and maintaining investment in critical infrastructure such as education, health, and social development.

The formation of the Government of National Unity (GNU) following the May 2024 general election marked a new political chapter aimed at stabilising governance and restoring institutional credibility. The GNU brings together multiple political parties under a shared agenda to advance stability, rebuild trust in public institutions and drive inclusive growth.

- The GNU has identified three central priorities:
- Driving inclusive growth and job creation;
- Reducing poverty and tackling the high cost of living; and

- Building a capable, ethical, and developmental state.

This renewed political arrangement provides an opportunity to stabilise governance, enhance policy coherence, and restore institutional integrity. It also offers the potential to accelerate implementation of long-delayed structural reforms and reinforce fiscal discipline.

A key fiscal development during 2024 was the implementation of the Gold and Foreign Exchange Contingency Reserve Account (GFE CRA) settlement under Act No. 27 of 2024. The account, held at the South African Reserve Bank (SARB), records unrealised gains and losses from foreign currency reserve transactions. In 2024/25, the SARB transferred R200 billion to the government, improving the Reserve Bank's equity position and reducing the gross borrowing requirement by R32.9 billion to R424.7 billion. This measure provided short-term fiscal relief, supported debt management objectives, and reinforced confidence in the fiscal framework.

Household conditions deteriorated further in 2024, with purchasing power eroded by high food inflation, elevated fuel and transport costs, and rising electricity tariffs. Real wage growth has stagnated, increasing household indebtedness and weakening domestic consumption. Unemployment remains structurally high, particularly among youth and women, and continues to pose a significant threat to social cohesion. Social protection programmes, including the social relief of distress (SRD) grant, remain critical in mitigating poverty and cushioning vulnerable households from the impact of rising living costs.

To strengthen the economy, improve productivity and foster inclusive job-rich growth, South Africa must sustain the momentum of structural economic reforms. Key focus areas include:

- Transforming and stabilising the electricity supply sector, to ensure reliable and affordable energy;
- Opening the freight rail and port networks to private operators, enhancing competition and reducing logistics bottlenecks;

EXECUTIVE SUMMARY

FOR THE YEAR ENDED 31 MARCH 2025

- Expanding investment in water and digital infrastructure, supporting economic resilience and service delivery;
- Strengthening local government capacity to improve basic service delivery and financial management; and
- Reforming the visa and skills recognition systems to attract critical talent and investment.

Restoring fiscal discipline, governance integrity, and policy certainty will be essential to rebuild confidence, attract investment and lay the foundation for long-term economic recovery. Strengthening fiscal management, improving expenditure efficiency and curbing wasteful spending will be key to maintaining debt sustainability. At the same time, rebuilding institutional capacity and ensuring transparent, accountable governance will help restore public trust and investor confidence. Clear and consistent policy implementation, particularly in energy, infrastructure, and industrial development, will support a more competitive and resilient economy. Together, these measures will enable South Africa to create a stable macroeconomic environment conducive to sustainable growth, job creation and inclusive development.

The National Revenue Fund (NRF) will continue to play a central role in supporting sound public financial management and ensuring that fiscal policy contributes to long-term economic stability and social development.

EXECUTIVE SUMMARY

FOR THE YEAR ENDED 31 MARCH 2025



REVIEW OF OPERATING RESULTS



national treasury

Department:
National Treasury,
REPUBLIC OF SOUTH AFRICA

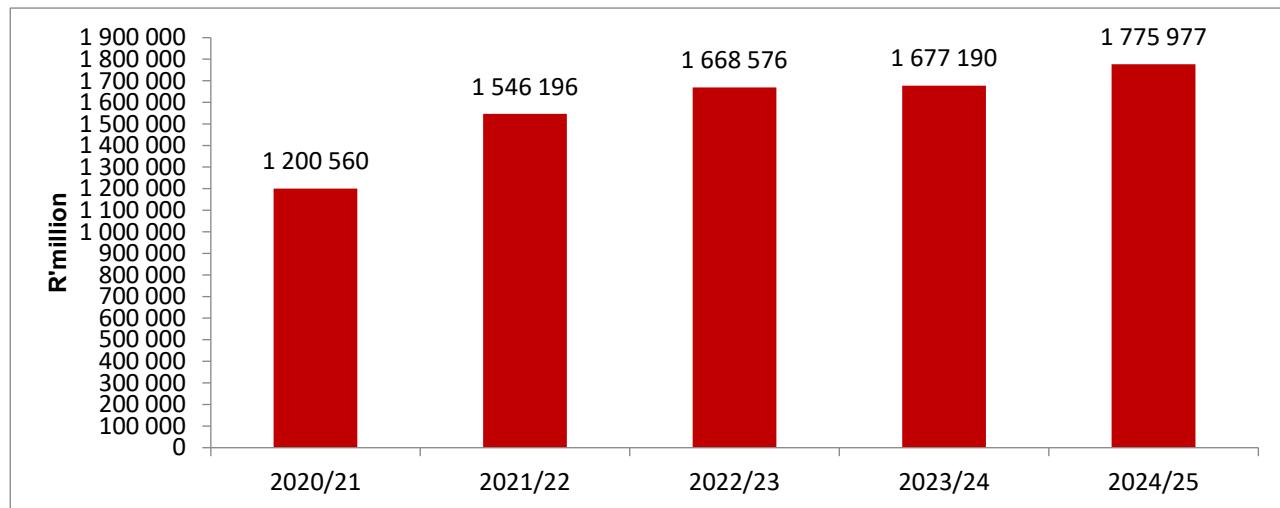
REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2024

Year Ended 31 March R' million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Taxes, Levies & Duties	1 322 857	1 660 808	1 783 818	1 829 809	1 938 797
Less: South African Customs Union Agreement	63 395	45 966	43 683	79 811	89 874
Less: Payment to UIF	16 715	19 451	21 108	22 266	23 326
Less: Amount payable by SARS to UIF	1 681	1 982	2 054	2 148	2 244
Less: Payment to RAF	40 560	47 059	48 469	48 573	47 358
Less: Amount payable by SARS to RAF	(54)	155	(72)	(179)	17
Net Revenue for the Year	1 200 560	1 546 196	1 668 576	1 677 190	1 775 977
Movement in SARS revenue		-4%	29%	8%	1%
					6%

REVENUE

South African Revenue Services (SARS) income increased by 6 per cent in 2024/25 (2023/24: 1 per cent).



Revenue collection recorded a significant year-on-year increase during the 2024/25 financial year, reflecting a notably higher percentage growth compared to previous years. This strong performance was primarily driven by the R200 billion transfer from the South African Reserve Bank (SARB) to the National Revenue Fund, following the implementation of the Gold and Foreign Exchange Contingency Reserve Account (GFECRA) settlement under Act No. 27 of 2024.

The GFECRA account, maintained by the SARB, records unrealised gains and losses arising from foreign currency reserve transactions. The settlement resulted in a substantial inflow to the National Revenue Fund.

In addition to the GFECRA settlement, other major contributors to revenue growth included departmental receipts, comprising National Revenue Fund income amounting to R236 billion for the 2024/25 financial year. A detailed analysis of the composition and trends in departmental revenue is provided in Note 1.2 to the Annual Financial Statements of the National Revenue Fund.

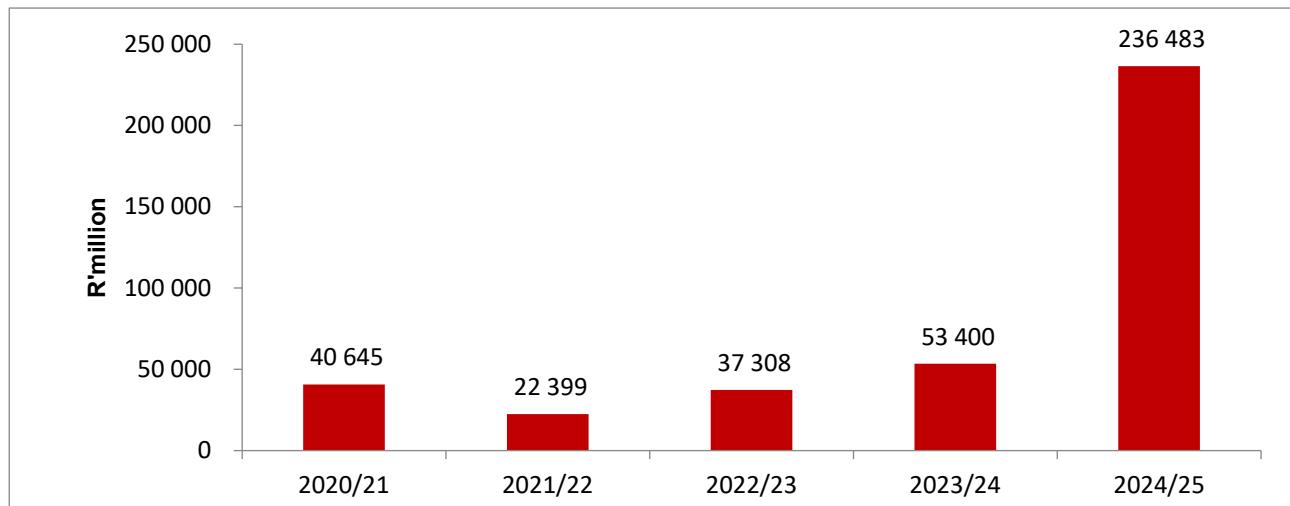
Year Ended 31 March R million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Departmental revenue*	36 154	16 127	30 827	46 417	233 751
Other surrenders	2 689	4 177	6 357	6 615	2 538
Other revenue received	1 802	2 095	124	367	194
Total revenue	40 645	22 399	37 308	53 400	236 483
Movement in other revenue		-45%	67%	43%	343%

*Included in Departmental revenue is GFECRA Defrayment Amendment Act, 2024 receipts.

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

Other Revenue excluding CARA

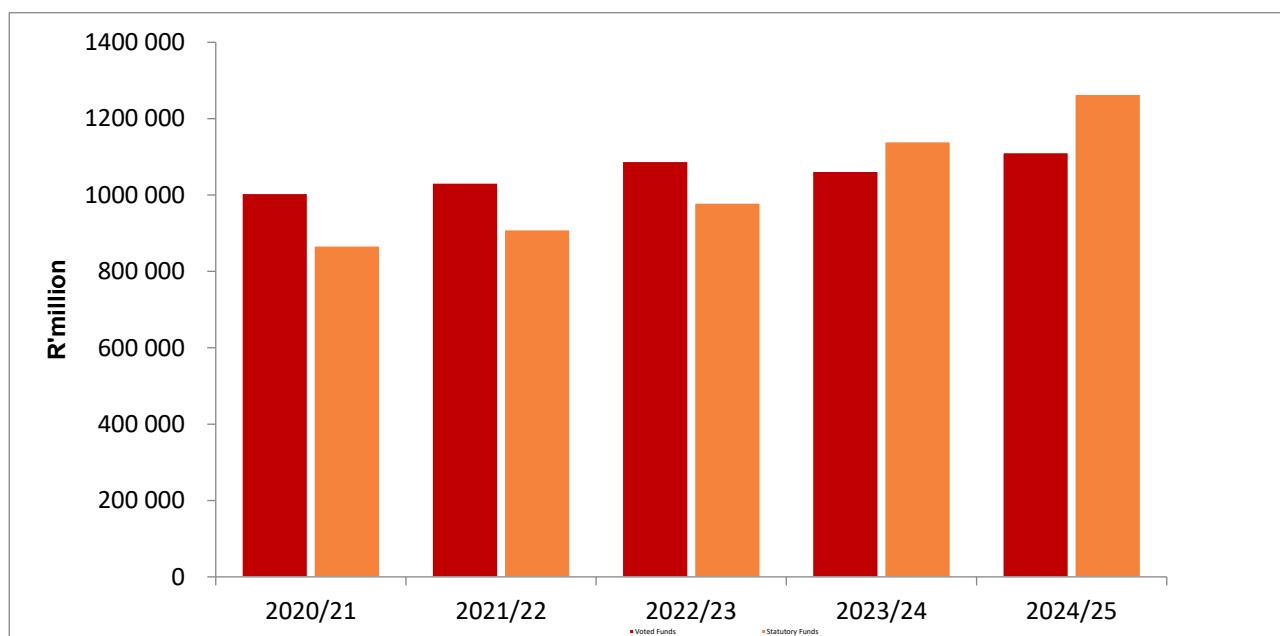


EXPENDITURE

Net Appropriation is 8 per cent in 2024/25 (2023/24: 7 per cent)

Year Ended 31 March	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
<i>R million</i>					
Voted Funds	1 004 427	1 031 636	1 088 182	1 062 018	1 111 242
Statutory Funds*	866 747	909 044	979 137	1 139 764	1 263 601
Total Net Appropriation	1 871 174	1 940 680	2 067 319	2 201 782	2 374 843
Movement in net appropriation	23%	4%	7%	7%	8%

*Included in Statutory Funds is National Revenue Fund payments.



REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

STATUTORY FUNDS

Statutory Funds R'million	Actual 2023/24	Actual 2024/25
Equitable share	585 086	600 476
State Debt	435 003	452 042
Other:	119 675	211 084
Presidency	12	7
Parliament	543	692
General Fuel Levy	15 433	16 127
Auditor General of South Africa	123	129
Gfecra Defrayment Amendment Act, 2024	-	100 000
Section 70 of the PFMA payments		
Land Bank	500	-
Eskom Debt Relief Act 2023	76 000	64 000
Higher Education and Training	22 424	24 137
Justice and Constitutional Development	2 319	2 513
Office of Chief Justice	1 219	1 324
ALM (National Revenue Fund payment)	1 093	2 147
Transport	8	8
Total	1 139 764	1 263 601

Statutory Net Appropriation includes Provincial equitable share, Debt-service costs, National Revenue Fund Payments and other salaries that are a direct charge against the National Revenue Fund.

The Provincial equitable share is transferred to provinces to perform functions at the provincial sphere of government. This amounts to 48 per cent in 2024/25 (2023/24: 51 per cent) of the total statutory budget.

Debt service costs consist mainly of interest paid on government debt. This amounts to 36 per cent in 2024/25 (2023/24: 38 per cent) of the total statutory budget.

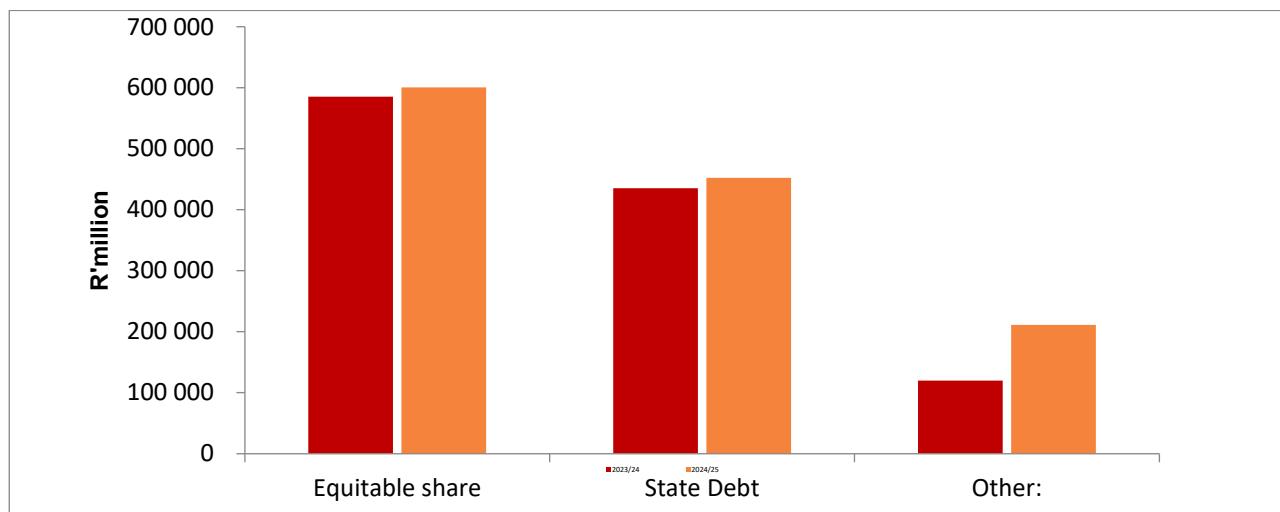
In terms of the Gold and Foreign Exchange Contingency Reserve Account (Gfecra) Defrayment Amendment Act, Act No. 27 of 2024, the South African Reserve Bank (SARB) paid R200 billion to government during the 2024/25 financial year. Of this amount, government paid R100 billion back to the Reserve Bank to meet its contingency reserve requirements and to strengthen its equity position. This was appropriated as a direct charge against the National Treasury. The net movement from this transaction, amounting to R100 billion, was applied to reduce government borrowing, thereby mitigating the growth in debt-service costs.

Payments into Eskom in terms of the Debt Relief Act was made to strengthen Eskom's balance sheet, enabling the entity to restructure and undertake the investment and maintenance needed to support the security of electricity supply.

The advance of funds will take the form of an interest debt free subordinated loan, to be settled in Eskom shares rather than cash, allowing Eskom to better manage its liquidity position. Loan advances from government to Eskom are conditional on the repayment of pre-identified Eskom debt instruments.

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025



ASSETS

Cash and Cash Equivalent R million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Cash and equivalent	310 115	259 832	237 014	174 057	213 448
Movement in cash and cash equivalent	43%	-16%	-9%	-27%	23%

Cash and cash equivalents amount to R213 billion. Total cash includes deposits held at South African Reserve Bank (SARB) and commercial banks. Operational cash to finance the gross borrowing requirement is held in the tax and loan accounts with the four commercial banks and in the foreign currency accounts with the SARB. Cash balances were used to finance part of the borrowing requirement. The table below reflects the breakdown.

Break down of cash balances R million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Commercial banks					
Tax and Loan account	175 136	133 318	108 903	73 159	125 227
South African Reserve Bank					
Cash with SARB	41 157	41 157	-	-	-
Foreign Currency Investment	93 282	85 130	127 999	101 200	88 285
Other	540	227	112	(301)	(64)
Total Cash and cash equivalents	310 115	259 832	237 014	174 057	213 448

Non-current Investments

Investments R million	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Investments	311 021	458 488	558 227	596 300	577 614
Movement in Investments	23%	47%	22%	7%	-3%

Total investment amounted to R578 billion for the current year. This is a 3 per cent decrease for 2024/25 against a 7 per cent increase in the prior year. The table below reflects the investment held by government for the past two years.

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

LIABILITIES

Non-current liabilities

Multilateral Institutions <i>R million</i>	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Multilateral Institutions	334 944	474 746	575 211	593 918	536 311
Movement in Multilateral Institutions	9%	42%	21%	3%	-10%

The balance presents the callable portion of South Africa's subscription in the various multilateral institutions. The total liabilities in multilateral institutions increased to R536 billion over the past 5 years. This is a 10 per cent decrease for 2024/25 against a 3 per cent increase in the prior year. The table below reflects Non-Current Liabilities held by government for the past two years.

Multilateral Institutions <i>R million</i>	Actual 2023/24	Actual 2024/25
African Development Bank	160 273	154 650
New Development Bank	152 294	146 951
IMF-SDR Allocations	118 659	114 688
IMF-Securities Account	118 089	76 985
International Bank for Reconstruction and Development	44 324	42 769
Multi-Lateral Investment Guarantee Agency	277	268
Total	593 918	536 311

Current and non-current borrowings

Borrowings <i>R million</i>	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Current Borrowings	518 810	544 952	578 111	651 254	720 191
Non-Current Borrowings	3 416 890	3 732 511	4 187 317	4 608 146	4 973 388
Total	3 935 700	4 277 463	4 765 428	5 259 400	5 693 579
Movement in Borrowings	21%	9%	11%	10%	8%

Government gross borrowing requirements are financed through the issuance of domestic short term, long term and foreign loans. Domestic loans consist mainly of treasury bills, fixed rate and inflation linked bonds. The total gross debt figure increased to R5 693 billion for the current year. This is a 8 per cent increase for 2024/25 against a 10 per cent increase in the prior year. The table below reflects the breakdown between local and foreign debt:

National Government Debt <i>R million</i>	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24	Actual 2024/25
Domestic debt	3 543 266	3 865 359	4 209 771	4 667 776	5 091 677
Foreign debt	392 434	412 104	555 657	591 623	601 902
Total	3 935 700	4 277 463	4 765 428	5 259 400	5 693 579

REVIEW OF OPERATING RESULTS

FOR THE YEAR ENDED 31 MARCH 2025

The table below reflects the reconciliation of the deficit per National Revenue Fund to the budget review.

	Revised Estimate	Audited outcome NRF	Audited outcome Budget Review
	2024/25	2023/24	2023/24
Reconciliation to Deficit as reflected in 2025			
R'million			
Surplus/(Deficit) per Income Statement (NRF)	(344 121)	(552 699)	(552 816)
Revaluation gains/(losses)	(20 018)	83 996	84 080
Movement on National Treasury Financial Instruments	1 336	(2 521)	(2 521)
Increase/(Decrease) in revenue	(214 895)	(6 587)	(17 751)
Movement in Annual Appropriation: Net Financing	224 556	154 863	157 591
Other receipts:			
Recovery of criminal assets	(1 205)	(847)	(847)
Other payments:			
Recovery of criminal assets	1 625	878	878
Surplus/Deficit per Budget Review	(352 722)	(322 916)	(331 386)
GDP as per budget review	7 406 879	7 092 319	7 048 960
Surplus/(Deficit) as percentage of GDP	(4.8)	(4.6)	(4.7)



REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE NATIONAL REVENUE FUND



national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE NATIONAL REVENUE FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

1. I have audited the financial statements of the National Revenue Fund set out on pages 290 to 312, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the National Revenue Fund as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) as prescribed by the National Treasury, and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and Division of Revenue Act 24 of 2024 (DoRA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the National Revenue Fund in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my

other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other matter

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited supplementary schedules

7. The supplementary information set out on pages 313 to 344 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on it.

Completeness of taxation revenue

8. South African Revenue Services (SARS) has acknowledged that it is unable to identify all instances of non-compliance by taxpayers. This report does not consider the taxation revenue implications of taxpayers whom SARS is unable to identify.

Responsibilities of the accounting officer for the financial statements

9. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS, and the requirements of the PFMA and DoRA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

10. In preparing the financial statements, the accounting officer is responsible for assessing the National Revenue Fund's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the National Revenue Fund or to cease operations, or has no realistic alternative but to do so.

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

11. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page xx, forms part of my auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

13. The National Revenue Fund is not required to prepare a report on its performance against predetermined objectives, as it does not fall within the audit of predetermined objectives scope, included in the Audit Directive issued under section 13(3)(b) of the Public Audit Act 25 of 2004 on 20 February 2025 per General Notice 52149.

REPORT ON COMPLIANCE WITH LEGISLATION

14. The audit of compliance with legislation is not required, as the National Revenue Fund does not fall within the audit of compliance with legislation scope, included in the Audit Directive issued under section 13(3)(b) of the Public Audit Act 25 of 2004 on 20 February 2025 per General Notice 52149.

OTHER INFORMATION IN THE ANNUAL REPORT

15. The accounting officer is responsible for the other information included in the annual report. The other information does not include the financial statements and the auditor's report.
16. My opinion on the financial statements does not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
17. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
18. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information and if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

■ INTERNAL CONTROL DEFICIENCIES

19. I considered internal control relevant to my audit of the financial statements; however, my objective was not to express any form of assurance on it.
20. I did not identify any significant deficiencies in internal control.

Auditor-General

Pretoria
9 December 2025



Auditing to build public confidence

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

■ ANNEXURE TO THE AUDITOR'S REPORT

AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the National Revenue Fund's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the National revenue Fund to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause the National Revenue Fund to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

REPORT OF THE AUDITOR-GENERAL

FOR THE YEAR ENDED 31 MARCH 2025

Communication with those charged with governance

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

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

STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS

FOR THE YEAR ENDED 31 MARCH 2025

The Financial Statements have been prepared in accordance with the following accounting policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, (Act 1 of 1999) as amended by Act 29 of 1999, and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 2 of 2009.

1. PRESENTATION OF THE FINANCIAL STATEMENTS

1.1 REPORTING ENTITY

The National Revenue Fund was established in terms of the Constitution of the Republic of South Africa (Section 213 of Act No. 108, 1996) into which all money received by the national government must be paid except money reasonably excluded by an Act of Parliament. Money may be withdrawn from the National Revenue Fund only in terms of an appropriation by an Act of Parliament or as a direct charge against the National Revenue Fund, when it is provided for in the Constitution or an Act of Parliament. A province's equitable share of revenue raised nationally is a direct charge against the National Revenue Fund.

1.2 GOING CONCERN

The National Revenue Fund was established in terms of the Constitution of the Republic of South Africa, 1996. The financial statements of National Revenue Fund are prepared on a going concern basis.

1.3 BASIS OF PREPARATION

The Financial Statements have been, unless otherwise indicated, prepared on the modified cash basis of accounting in accordance with the under mentioned policies which have been applied consistently in all material respects. The modified cash basis of accounting for the National Revenue Fund comprise of the Modified Cash Standard

which includes a chapter on Treasury Financial Instruments.

Near-cash balances are all recognised. This includes the revaluation of foreign and domestic investments and loans. The recognition thereof results in revaluation gains and losses.

In addition, supplementary information is provided in the disclosure notes to the financial statements where it is deemed to be useful to the users of the financial statements.

Unless otherwise stated, accounting policies adopted are consistent with those of the previous financial year.

1.4 ROUNDING AND PRESENTATION CURRENCY

All amounts are rounded to the nearest one thousand rands (R'000). All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the National Revenue Fund.

1.5 COMPARATIVE FIGURES

Prior period comparative information has been presented in the current year's financial statements.

1.6 SETTLEMENT PERIOD OF ASSETS AND LIABILITIES

1.6.1 Current and Non-Current Assets

This represents domestic and foreign assets and should be classified as a current asset, when it:

- Is expected to be realised in, or is held for sale or consumption in the normal course of the operating cycle; or
- Is held primarily for trading purposes or for the short-term and expected to be realised within 12 months of the reporting date; or
- Is a Cash and cash equivalent asset.

All other assets with a remaining term longer than one year are classified as non-current assets.

STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS

FOR THE YEAR ENDED 31 MARCH 2025

1.6.2 Current and Non-Current Liabilities

This represents domestic and foreign liabilities and should be classified as a current liability, when it:

- Is expected to be settled in the normal course of the entity's operating cycle; or
- Is due to be settled within twelve months of the reporting date.

All other liabilities with a remaining term longer than one year are classified as non-current liabilities.

1.7 RESTATEMENTS AND ADJUSTMENTS

Where necessary figures included in the prior period financial statements have been reclassified/adjusted to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements. This includes prior years errors detected by National Revenue Fund.

2. REVENUE

2.1 SOUTH AFRICAN REVENUE SERVICE (SARS) REVENUE/ REVENUE IN TERMS OF SECTION 12(3) OF THE PFMA

2.1.1 SARS

Taxpayer-assessed revenues including payroll tax and stamp duties are recognised when funds are received by SARS. Cash in transit or over remitted as at 31 March by the SARS is included in the Statement of Financial Position as other receivables/payables.

2.1.2 Revenue in terms of Section 12(3) of the PFMA

All transfers, duties, fees and other moneys collected (in terms of Section 12 (3) of the PFMA) by the SARS for a province are deposited into the National Revenue Fund and then transferred to the respective Provincial Revenue Fund is recognised when instructed by SARS.

2.2 DEPARTMENTAL REVENUE

All departmental revenue is recognised in the Statement of Financial Performance when received by the Department, unless stated otherwise. Any amounts owing to National Revenue Fund at the end of the financial year are recognised as receivables in the Statement of Financial Position.

The main categories of Departmental Revenue are listed below together with the short definition:

2.2.1 Sale of goods and services other than capital assets

This comprises the proceeds from the sale of goods and/or services produced by the departments.

2.2.2 Transfers received

Transfers received comprise of all unrequited, voluntary receipts from other parties. This includes gifts, donations and sponsorships.

2.2.3 Fines, penalties and forfeits

Fines penalties and forfeits are compulsory receipts imposed by court or another judicial body or agreed upon by parties as an out of court settlement.

2.2.4 Interest, dividends and rent on land

Interest is revenue associated with the ownership of interest bearing financial instruments, such as bank deposits, loans extended to others and bills and bonds issued by others.

Dividends are revenue associated with ownership of shares in a company whether fully or partially government owned. Gains or losses associated

STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS

FOR THE YEAR ENDED 31 MARCH 2025

with buying or selling of shares do not belong to this line item.

Rent on land includes revenue due to the ownership of land.

2.2.5 Sale of capital assets

The proceeds from the sale of capital assets include compensation received from the sale of capital assets. A capital asset is an item of property, plant and or equipment that costs more than R5 000 (all inclusive). This also comprise of intangible items as computer software with a cost exceeding R5 000 (all inclusive).

2.2.6 Financial transactions in assets and liabilities

This includes receipts associated with certain transactions in financial assets and liabilities such as:

Repayments of loans and advances previously extended to employees and public corporations for policy purposes and forex gains and losses on settlement of loans.

2.2.7 Taxation revenue

This is compulsory, unrequited revenue collected by a government unit. Taxes are compulsory because the other party is required by law to pay them in certain circumstances and under certain conditions. Taxes are unrequited, which means that the government does not give any particular goods or service directly in return for paying taxes.

2.3 CRIMINAL ASSET RECOVERY ACCOUNT (CARA) RECEIPTS

Funds received derived from the execution of confiscation and forfeiture orders contemplated, in terms of section 64 of the Prevention of Organized Crime Act, 1998 (Act 121 of 1998). Amounts are recognised by the National Revenue Fund in the Statement of Financial Performance when the cash is received.

2.4 OTHER REVENUE

Surrenders for appropriated funds are recognised when amounts become payable by departments at the end of the reporting date. Other revenue and surrenders are recognised when cash is received from the departments.

Amounts owing to the National Revenue Fund at the end of the financial year are recognised as receivables in the Statement of Financial Position.

3. EXPENDITURE

3.1 NET APPROPRIATION

Appropriated funds include annual appropriation and statutory appropriation. These are appropriated to entities in order to be utilised for the necessities of business operations. Appropriated funds are recognised in the financial records when approved by Parliament.

Net Appropriation included in the Statement of Financial Performance represent the funds appropriated for annual appropriation during the financial year, less net amounts to be surrendered and unauthorised expenditure funded by the National Revenue Fund.

Total statutory appropriations less amounts to be surrendered plus exceeding of the approved statutory appropriation are presented in the statement of financial performance. Exceeding of approved statutory appropriation are recognised as a payable in the Statement of Financial Position.

3.2 OTHER EXPENDITURE

Expenditure is recognised on receipt of a request. If not paid by 31 March, the payment becomes a payable.

STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS

FOR THE YEAR ENDED 31 MARCH 2025

3.3 UNAUTHORISED EXPENDITURE APPROVED (WITH FUNDING) BY AN ACT OF PARLIAMENT AND EXPENDITURE IN TERMS OF AN ACT OF PARLIAMENT

Expenditure is recognised when an Act has been approved (with funding) by Parliament. Unauthorised expenditure approved with funding, but not yet requested is recognised as a payable.

3.4 CARA PAYMENTS

Cara money is not appropriated as such and funds are transferred to department when approved by Cabinet in terms of section 65 of the Prevention of Organized Crime Act, 1998 (Act 121 of 1998). Amounts transferred by the National Revenue Fund are recognised in the Statement of Financial Performance when approved by Cabinet. Funds not requested when approved by Cabinet are recognised as a payable by the National Revenue Fund in the Statement of Financial Position.

3.5 FINANCIAL INSTRUMENT VALUATION AND CAPITAL SUBSCRIPTION ON INVESTMENTS

Capital Subscriptions Investments are initially recognised at the issue price upon transaction date of the relevant department.

Foreign liabilities, foreign investments (including capital subscriptions) and Multilateral Institutions liabilities are re-valued at the closing exchange rate of 31 March. Associated gains and losses are recognised in the Statement of Financial Performance. Gains and losses due to the revaluation of inflation-linked bonds are also included in the Statement of Financial Performance.

4. ASSETS

4.1 CASH AND CASH EQUIVALENTS

Domestic cash and cash equivalents are recognised in the Statement of Financial Position at cost.

For the purpose of the Cash Flow Statement, cash and cash equivalents comprise cash on hand, deposits held and other short-term highly liquid investments.

Foreign cash and cash equivalents are carried in the statement of financial position at the closing rate of 31 March. Gains and losses on revaluation are recognised in the statement of financial performance.

4.2 RECEIVABLES

Receivables included in the Statement of Financial Position comprise of payments due at financial year end by departments which have not yet been received. Any unspent CARA fund assistance, approved by Cabinet and paid to departments does not need to be surrendered to the National Revenue Fund.

Receivables outstanding at year-end are carried at cost.

4.3 INVESTMENTS

Domestic investments are recognised and measured at face value in the Statement of Financial Position.

Foreign investments represent South Africa's membership/shareholding in the African Development Bank, the International Bank for Reconstruction and Development, the International Finance Corporation, New Development Bank and Multilateral Investment Guarantee Agency. These investments are initially recognised at face value (i.e. the issue price) and are subsequently revalue using the closing exchange rate at 31 March.

The International Monetary Fund (IMF) quota represents South Africa's membership subscription to the IMF. The investment is denominated in special drawing rights (SDR) and is recognised in

STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS

FOR THE YEAR ENDED 31 MARCH 2025

the Statement of Financial Position in Rand, converted at the closing SDR exchange rate as at 31 March.

Any gains and or losses on the revaluation of investments and financial liabilities are recognised in the Statement of Financial Performance.

■ 5. LIABILITIES

5.1 PAYABLES

Recognised payables mainly comprises of amounts owing by the National Revenue Fund to other governmental entities and SARS. These payables are carried at cost in the statement of financial position.

5.2 MULTILATERAL INSTITUTIONS

The callable portions of South Africa's subscription in the African Development bank, the International Bank for Reconstruction and Development, the International Finance Corporation, New Development Bank and Multilateral Investment Guarantee Agency are recognised as a financial liability and are initially measured at face value (i.e. the issue price) and are subsequently revalued using the closing exchange rate at 31 March.

The International Monetary Fund's securities account and SDR allocations represents South Africa's liability to the fund.

5.3 BORROWINGS

5.3.1 Domestic Borrowings

Domestic current borrowings consist mainly of Treasury bills with a term-to-maturity varying between 1 to 365 days. Treasury bills are recognised at face value.

Domestic non-current borrowings consist of fixed rate, inflation-linked-, retail- and zero-coupon bonds. All these instruments except for inflation-linked- and zero-coupon bonds are recognised at face value. Inflation-linked bonds and zero-coupon bonds are recognised at transaction amount. Inflation-linked bonds have been revalued using

the relevant "reference CPI" at year end (settlement value). Zero coupon bonds are recognised at amortised costs.

The face value and / or settlement value represents the amount that will be paid to the bond holder at maturity of the instrument.

5.3.2 Foreign Loans and Bonds

Foreign loans and bonds are initially recognised at face value and subsequently revalued to rand using the closing exchange rates as at 31 March. Foreign loans are not hedged against foreign currency movements.

■ 6. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

6.1 CONTINGENT LIABILITY

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the National Revenue Fund, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

6.2 CONTINGENT ASSET

Contingent assets are included in the disclosure notes to the financial statements when it is probable that an inflow of economic benefits will flow to the National Revenue Fund. Contingent assets include the Gold and Foreign Exchange Contingency Reserve Account that is initially measured at cost as it does not have a fixed maturity date and is subsequently revalued with the profits and losses incurred on gold and foreign exchange transactions.

STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS

FOR THE YEAR ENDED 31 MARCH 2025

7. EVENTS AFTER THE REPORTING DATE OF THE ANNUAL FINANCIAL STATEMENTS

Events after reporting date are all events both favourable and unfavourable events, that occur between reporting date and the date when financial statements are authorised for issue.

Where applicable:

- The amounts recognised and recorded in the financial statements were adjusted to reflect adjusting events after the reporting date; and
- The amounts recognised or recorded in the financial statements to reflect non-adjusting events after the reporting date are not adjusted.

Material events after reporting date are disclosed in the notes to the financial statements. For more information see the applicable note in this regard.

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
REVENUE			
Revenue collected	1	2 010 933 163	1 724 454 384
By SARS		1 775 977 399	1 677 189 729
Departmental Revenue		233 750 527	46 417 474
CARA Receipts		1 205 238	847 180
Other Revenue	2	2 732 266	6 982 350
TOTAL REVENUE		2 013 665 429	1 731 436 733
EXPENDITURE			
Net Appropriation		2 374 843 225	2 201 782 383
Annual Appropriation	3	1 111 242 390	1 062 018 486
Statutory Appropriation	4	1 263 600 835	1 139 763 897
CARA Payments	5	1 625 036	877 839
Expenditure in terms of a separate Act of Parliament	6	-	-
TOTAL EXPENDITURE		2 376 468 261	2 202 660 222
SURPLUS/(DEFICIT)		(362 802 826)	(471 223 492)
Financial Instrument Valuation and Capital Subscription on Investments	7		
Valuation and Capital: Investment		18 682 298	(81 475 176)
Movement on National Treasury Financial Instruments		20 018 098 (1 335 800)	(83 995 676) 2 520 500
SURPLUS/(DEFICIT) FOR THE YEAR		(344 120 528)	(552 698 667)

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
ASSETS			
Current assets			
Cash and cash equivalents	8	213 448 003	174 057 217
Receivables	9	23 636 029	8 996 829
Funds to be surrendered to the Revenue Fund:			
Voted Funds		11 807 993	8 014 944
Departmental Revenue		3 901 932	700 094
Other		7 926 104	281 790
Total		237 084 032	183 054 046
Non-current assets			
Investments	10	577 614 198	596 299 770
Total		577 614 198	596 299 770
TOTAL ASSETS		814 698 228	779 353 815
RESERVES AND LIABILITIES			
RESERVES			
		(5 448 686 216)	(5 104 565 681)
LIABILITIES			
Current liabilities			
Payables	11	2 244 113	3 070 995
Voted Funds to be transferred		-	696 043
Other		2 244 113	2 374 952
Borrowings	12	720 191 059	651 254 040
Total		722 435 172	654 325 035
Non-current liabilities			
Unauthorised expenditure	11	31 250 530	27 530 444
Multilateral Institutions	13	536 311 160	593 918 345
Borrowings	14	4 973 387 581	4 608 145 670
Total		5 540 949 271	5 229 594 460
TOTAL LIABILITIES		6 263 384 443	5 883 919 494
TOTAL RESERVES AND LIABILITIES		814 698 228	779 353 815

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	R'000
Opening balance as at 1 April 2023		(4 551 854 302)
Surplus / (Deficit) for the year 2024		(552 698 668)
Prior year errors for transactions 2023/24	22	(12 716)
Rounding		4
Balance at 31 March 2024		(5 104 565 681)
Surplus / (Deficit) for the year 2025		(344 120 528)
Adjustments and restatement		-
Rounding		(6)
Balance at 31 March 2025		(5 448 686 216)

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 R'000	2023/24 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS			
Revenue collected	15	2 007 844 828	1 725 872 149
By SARS		1 776 090 901	1 677 103 821
Departmental Revenue collected		230 548 689	47 921 147
CARA Receipts		1 205 238	847 180
Surrenders from departments	16	7 922 518	19 380 627
Other revenue received by the revenue fund	17	2 732 266	6 982 350
		2 018 499 612	1 752 235 125
PAYMENTS			
Appropriated payments	18	2 384 437 881	2 204 968 383
Annual Appropriation		1 119 194 390	1 064 571 658
Statutory Appropriation		1 263 618 455	1 139 512 796
CARA Payments		1 625 036	877 839
Appropriation for Unauthorised Expenditure		-	6 090
Other Payments	19	721 904	3 325 250
		2 385 159 785	2 208 293 633
Net cash flow available from operating activities	23	(366 660 173)	(456 058 508)
CASH FLOWS FROM INVESTING ACTIVITIES			
Other investing activities	20	-	-
Net cash flows from financing activities		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(Decrease) in borrowings	21	406 050 959	393 102 033
Net cash flows from financing activities		406 050 959	393 102 033
Net increase/(decrease) in cash and cash equivalents		39 390 786	(62 956 475)
Cash and cash equivalents at beginning of period		174 057 217	237 013 693
Cash and cash equivalents at end of period	8	213 448 003	174 057 217

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
1	Revenue collected		
1.1	By SARS		
Revenue collected by SARS	WP 2A		
Taxation		1 855 270 132	1 740 869 884
Non-taxation		83 526 689	88 939 477
Less: Payments by SARS		162 819 422	152 619 632
Total Revenue collected by SARS*		1 775 977 399	1 677 189 729
<i>*Refer to note 25 for Departures from the Modified Cash Standard granted to SARS</i>			
1.2	Departmental Revenue		
Departmental Revenue collected	WP 2B & 2C	233 750 527	46 417 474
National Revenue Fund Receipts	*	8 461 732	19 034 942
Sales of goods and services other than capital assets		9 554 495	12 529 797
Fines penalties and forfeits		384 530	376 376
Interest dividends and rent on land		11 280 361	12 821 257
Sales of capital assets		350 191	192 334
Financial transactions in assets and liabilities		202 296 631	862 901
Transfers received		1 422 587	599 867
Total Departmental Revenue collected		233 750 527	46 417 474
<i>*National Revenue Fund receipts (previously known as extra-ordinary receipts) are also included in departmental revenue in line with global standards in particular the International Monetary Fund's Government Finance Statistics Manual 2001. Detailed information on these transactions is provided in Working papers 2C and 2D. If exchange rate profit is not received in cash it is recognised during the financial year once the information by means of a journal is obtained from the Assets and Liability Management (ALM) section.</i>			
1.3	CARA Receipts		
CARA funds received	WP 1C	1 205 238	847 180
Total CARA Receipts		1 205 238	847 180
2	Other Revenue		
2.1	Other		
Other surrenders	WP 3B	2 537 782	6 614 885
Other revenue received	WP 3C	194 484	367 465
Total Other		2 732 266	6 982 350

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
3	Net Appropriation	1 111 242 390	1 062 018 486
3.1	Annual Appropriation		
	Equitable Share / Voted Funds	WP 1A	1 119 194 391
	Total Annual Appropriation		1 119 194 391
			1 065 041 658
3.2	Voted funds to be surrendered		
	Equitable Share / Voted Funds		7 952 001
	Total voted funds to be Surrendered		7 952 001
			3 023 172
4	Net Appropriation - Statutory	1 263 600 835	1 139 763 897
4.1	Statutory Appropriation		
	Equitable Share / Statutory Funds	WP 1B	1 200 721 948
	Total Statutory Appropriation		1 200 721 948
			1 060 780 029
4.2	Statutory funds to be surrendered		
	Equitable Share / Statutory Funds		(62 878 887)
	Total Statutory funds to be Surrendered		(62 878 887)
			(78 983 868)
5	CARA Payments		
	Cara funds transferred to departments	WP 4C	1 625 036
	Total CARA Fund assistance		1 625 036
			877 839
6	Expenditure in terms of a separate Act of Parliament		
	Unauthorised Expenditure in terms of an Act of Parliament	WP 5A	-
	Total Expenditure in terms of an Act of Parliament		-
			-
7	Financial Instrument Valuation and Capital Subscription on Investments		
	Capital Subscription on Investments	WP 6	1 335 800
	Financial Instrument Valuation	WP 6	18 682 298
	Total Valuation and Capital on Investments		20 018 098
			(2 520 500)
			(81 475 176)
			(83 995 676)
7.1	Movement		
	Movement on Capital Subscription	WP 6	(6 679 000)
	Movement on Multilateral Institutions	WP 6	5 343 200
	Total movement on capital susbcription on Investments		(1 335 800)
			12 602 500
			(10 082 000)
			2 520 500

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
8	Cash and cash equivalents		
	Exchequer account	-	-
	Cash with commercial banks	125 226 795	73 159 123
	Cash with SARB	-	-
	Foreign Currency Investment	88 285 045	101 199 516
	ALM PMG balance	(63 837)	(301 422)
	Total Cash and cash equivalents*	213 448 003	174 057 217
	<i>*Cash and Cash equivalents balances are net of outstanding transfer</i>		
9	Receivables		
9.1	Current		
9.1.1	Voted funds to be surrendered to the Revenue Fund		
	Opening Balance	8 014 944	19 380 518
	Prior period error*	-	-
	Restated opening balance	8 014 944	19 380 518
	Amounts to be surrendered	WP 1A & 1B 11 709 006	8 014 944
	Received during the year	WP 3A (7 922 518)	(19 380 518)
	Closing balance	11 801 432	8 014 944
	<i>*See disclosure note on restatements for more details</i>		
9.1.2	Departmental Revenue to be surrendered to the Revenue Fund		
	Opening Balance	700 094	2 216 483
	Prior period error*	-	(12 716)
	Restated opening balance	700 094	2 203 767
	Revenue collected	WP 2B 225 288 795	27 382 532
	Received during the year	WP 2B (222 086 957)	(28 886 205)
	Closing balance	3 901 932	700 094
	<i>*See disclosure note on restatements for more details</i>		
9.1.3	Other		
	Opening Balance	281 790	82 135
	Amounts to be received	WP 9A 7 926 104	281 790
	Received during the year	WP 9A (281 790)	(82 135)
	Closing balance	7 926 104	281 790
9.1.4	Unauthorised expenditure funded by NRF		
	Opening Balance	-	109
	Appropriation for unauthorised expenditure	WP 5B -	-
	Received during the year	WP 5B -	(109)
	Total Appropriation for unauthorised expenditure	-	-
	Total Receivables	23 629 469	8 996 829

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
10	Investments		
	Non-Current		
	Foreign	WP7B	
	New Development Bank	183 689 000	190 368 000
	International Monetary Fund quota subscription	74 298 395	76 871 542
	African Development Bank	162 411 879	167 603 022
	International Bank for Reconstruction and Development	46 075 879	47 751 215
	International Monetary Fund SDR Holding	108 369 237	110 835 472
	International Finance Corporation	2 439 482	2 528 182
	Multilateral Investment Guarantee Agency	330 325	342 336
	Total Investments - Non-current	577 614 198	596 299 770
	Number of shares		
	International Finance Corporation	132 805	132 805
	International Bank for Reconstruction and Development	20 793	20 793
	Multilateral Investment Guarantee Agency	1 662	1 662
	African Development Bank	732 928	729 818
	New Development Bank	100 000	100 000
	Number of shares : Special Drawing Rights (SDR) ('000)		
	International Monetary Fund Quota Subscription	3 051 200	3 051 200
	International Monetary Fund SDR Holding	4 450 382	4 339 303
	Issue price per share		
	Foreign:		
	<i>Issued in American dollars</i>		
	International Finance Corporation	18 369	19 307
	International Bank for Reconstruction and Development	2 215 932	2 296 504
	Multilateral Investment Guarantee Agency	198 751	205 978
	New Development Bank	1 836 890	1 903 680
	<i>Issued in unit of account</i>		
	African Development Bank	221 593	229 650
	Exchange rates as at year end used to convert issue price		
	American dollar (USD)	18.37	19.04
	Special Drawing Rights (SDR)	24.35	25.19

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
11	Current Liabilities		
	Payables		
11.1	Current		
11.1.1	Voted funds to be transferred		
	Opening Balance	696 043	3 325 250
	Prior period error	-	-
	Restated opening balance	696 043	3 325 250
	Funds not transferred	19 300	696 043
	Paid during the year	(721 904)	(3 325 250)
	Closing balance	(6 561)	696 043
11.1.2	Other		
	Opening Balance	2 374 952	2 290 313
	Amounts to be paid	WP 9C	2 244 118
	Amount paid during the year	WP 9C	(2 374 957)
	Closing balance	2 244 113	2 374 952
	Total Payables	2 237 552	3 070 995
11.2	Non-Current Liabilities		
11.2.1	Unauthorised Expenditure NOT funded by Revenue Fund		
	Opening Balance	27 530 444	22 513 614
	Prior period error	-	-
	Restated opening balance	27 530 444	22 513 614
	Amount paid Approved by Finance Act	WP 5A	-
	Unauthorised reported in current financial year	WP 5B	3 720 086
	Total Appropriation for unauthorised expenditure	31 250 530	5 016 830
	The unauthorised expenditure disclosed as a non-current payable cannot be aged into the standard categories prescribed by paragraph 40 of Chapter 9 of the Modified Cash Standard. This is because settlement is contingent upon the approval of an Act of Parliament with funding. As management has no information on when such approval will occur, and as the amount is not contractually based with defined settlement terms or dates, an age analysis cannot be reliably determined.		
11.2.2	Unauthorised Expenditure Funded by Revenue Fund		
	Opening Balance	-	6 090
	Prior period error	-	-
	Appropriation for unauthorized expenditure (Finance Act passed)	WP 5A	-
	Amount paid during the year	WP 5A	-
	Total Appropriation for unauthorised expenditure	-	(6 090)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
12	Borrowings		
	Current		
	Domestic	WP 8A	612 818 270
	Bonds		612 818 270
	Foreign	WP 8B	38 435 771
	Bonds		38 435 771
	Total Current Borrowings		651 254 040
			Foreign loans are revalued at the closing exchange rate at 31 March. The face value of these bonds at the date of issue was R40.2 bn (2023/24: R35.2 bn). In 2023/24, the retail savings bond unit incurred financial losses amounting to R2.26 million. The losses were due to fraudulent withdrawals made on investor accounts that were identified in September 2023. The fraud cases are currently under investigation by the Office of the Chief Risk Officer and the South African Police Services. For further details regarding the appointment of a Forensic Investigation firm and the status of the investigation kindly liaise with Asset and Liability Management.
12.1	Domestic short-term bonds treasury bills and other loans		
	Debt as at 1 April		612 818 270
	Created		15 114 004
	Reduced		(133 953 789)
	Transfer from long-term		128 709 741
	Revaluation premium on inflation-linked bonds		-
	Treasury bills		39 231 565
	Other Loans		-
	Total		612 818 270
12.1.1	Composition of domestic short-term bonds treasury bills and other loans		
	1-day Treasury bills		72 585
	91-day Treasury bills		16 042 940
	182-day Treasury bills		94 157 750
	273-day Treasury bills		179 063 000
	365-day Treasury bills		260 222 510
	CPD Borrowing		876 305
	Fixed-rate bonds		108 520 681
	Inflation-linked bonds		-
	Retail bonds		2 957 053
	Other		6 967
	Total		612 818 270
12.2	Foreign short-term bonds and other loans		
	Debt as at 1 April		38 435 771
	Created		-
	Reduced		(38 926 628)
	Transfer from long-term		40 706 377
	Revaluation of foreign loans		18 055 747
	Total		38 435 771

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
13	Non-current Liabilities		
	Multilateral Institutions	WP 8D	
	IMF-Securities Account	76 985 328	118 089 410
	African Development Bank	154 650 133	160 273 269
	New Development Bank	146 951 200	152 294 400
	IMF-SDR Allocations	114 687 509	118 659 436
	International Bank for Reconstruction and Development	42 769 370	44 324 481
	Multilateral investment Guarantee Agency	267 618	277 349
	Total Multilateral Institutions	536 311 160	593 918 345
	These liabilities in multi-lateral institutions are revalued at closing exchange rate as at 31 March.		
13.1	African Development Bank	154 650 133	160 273 269
	This commitment represents the callable portion of a country's subscription available to the African Development Bank to meet its obligations on borrowing of funds or guarantees chargeable.		
13.2	IMF-Securities Account	76 985 328	118 089 410
	This commitment represents the balance of securities in the International Monetary Fund's (IMF) General Resources Account held with the South African Reserve Bank.		
13.3	IMF-SDR Allocations	114 687 509	118 659 436
	The special drawing rights deposit at the South African Reserve Bank is the Rand equivalent of South Africa's special drawing right liability towards the International Monetary Fund in terms of the Finance and Financial Adjustments Acts Consolidation Act 11 of 1977.		
13.4	International Bank for Reconstruction and Development	42 769 370	44 324 481
	This commitment represents the callable portion of a country's subscription available to the International Bank for Reconstruction and Development (IBRD) to meet its obligations for funds borrowed or loans guaranteed by it.		
13.5	New Development Bank	146 951 200	152 294 400
	This commitment represents the callable portion of a country's subscription available to New Development Bank to meet its obligations on borrowing of funds or guarantees chargeable.		
13.6	Multi-Lateral investment Guarantee Agency	267 618	277 349
	This commitment represents the callable portion of a country's subscription available to the Multilateral Investment Guarantee Agency (MIGA) to meet its obligations on foreign investment guarantees to investors that are planning investments in developing member countries.		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
14	Borrowings		
	Long Term		
Domestic	WP 8A	4 429 756 878	4 054 958 170
Bonds		4 429 756 878	4 054 958 170
Foreign	WP 8B	543 630 703	553 187 500
Bonds		543 630 703	553 187 500
Total Long-Term Borrowings		4 973 387 581	4 608 145 670
Included in domestic non-current borrowings are inflation-linked bonds with the revalued amount of R1077.9 bn (2023/24: R926.9 bn). The face value of these bonds are R755.7 bn (2022/23: R679.3 bn).			
14.1	Domestic long-term bonds debentures and other loans	WP 8A	
Debt as at 1 April		4 054 958 170	3 676 564 988
Created		466 579 435	468 176 280
Reduced		(265 343 632)	(249 067 229)
Transfer to short-term		(128 709 741)	(88 395 990)
Revaluation premium on inflation-linked bonds		302 272 646	247 680 121
Former Regional Authorities		-	-
Total		4 429 756 878	4 054 958 170
14.1.1	Composition of Domestic long-term bonds debentures and other loans		
Fixed-rate bonds		3 120 589 257	2 962 423 732
Inflation-linked bonds		1 077 950 268	926 935 200
Floating-linked bonds		183 515 000	118 340 000
Retail bonds		27 277 486	26 834 371
Sukuk bonds		20 386 000	20 386 000
Former Regional Authorities		38 867	38 867
Total		4 429 756 878	4 054 958 170
During 2024/25 a potential overstatement of the Retail Bond liability was identified. This overstatement is because of an error committed in calculating interest capitalised to the Government Employees Housing Scheme facility that forms part of the Retail Bonds liability amount. The exact amount of the potential misstatement is still under investigation.			
14.1.2	Redemption analysis of foreign long term and other loans financial year(s)		
2025-2028		322 378 990	265 414 208
2028-2031		680 610 624	728 436 885
2031-2034		833 895 155	681 866 904
2034-2037		786 805 517	529 467 507
2037-2041		495 838 193	682 610 064
2041-2044		290 038 807	185 434 167
2047-2051		427 114 560	335 052 078
2046-2050		510 568 334	472 310 957
2051-2054		75 165 509	172 023 787
2054-2059		7 341 549	2 341 613
Total		4 429 756 878	4 054 958 170

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		WP 8B	2024/25 R'000	2023/24 R'000
14.2	Foreign long-term bonds and other loans			
Debt as at 1 April			419 824 316	510 750 845
Created			67 487 326	45 662 970
Reduced			-	-
Transfer to short-term			(40 627 577)	(38 435 771)
Revaluation premium on inflation-linked bonds			96 946 639	35 209 457
Total			543 630 703	553 187 500
14.2.1	Redemption analysis of foreign long term and other loans financial year(s)			
2025-2028			51 267 141	100 720 739
2028-2031			99 192 060	119 647 911
2031-2034			26 944 593	81 026 565
2034-2037			62 968 351	26 387 939
2037-2041			50 742 593	21 406 809
2041-2044			11 924 539	23 901 943
2047-2051			54 669 345	26 280 382
2046-2050			128 978 492	122 609 790
2051-2054			29 390 240	31 205 421
2054-2059			27 553 350	-
Total			543 630 703	553 187 500
14.2.2	Currency analysis of foreign long-term loans			
South African Rand			4 685 057	5 008 164
Euro			43 681 189	40 890 442
Special Drawing Rights			-	19 217 886
United States dollar			494 036 325	486 390 240
Canadian Dollar			1 228 133	1 680 768
Total			543 630 703	553 187 500

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
15	Revenue collected		
	By SARS	1 776 090 901	1 677 103 821
	Departmental Revenue collected	WP 2B & 2C 230 548 689	47 921 147
	CARA Fund assistance	WP 1C 1 205 238	847 180
	Total Revenue collected	2 007 844 828	1 725 872 149
16	Surrenders from Departments		
	Equitable Share / Voted & Statutory funds surrendered	WP 3A 7 922 518	19 380 518
	Unauthorised Expenditure funded by Revenue Fund	WP 5B -	109
	Total Surrenders from Departments	7 922 518	19 380 627
17	Other revenue received by the Revenue Fund		
	Other surrenders	WP 3B 2 537 782	6 614 885
	Other revenue received	WP 3C 194 484	367 465
	Total Other revenue received	2 732 266	6 982 350
18	Appropriated Payments		
	Annual Appropriation: Funds transferred	WP 1A 1 119 194 390	1 064 571 658
	Statutory Appropriation: Funds transferred	WP 1B 1 263 618 455	1 139 512 796
	CARA Fund assistance	WP 4C 1 625 036	877 839
	Appropriation for Unauthorised Expenditure approved		6 090
	Total Appropriated Payments	2 384 437 881	2 204 968 383
19	Other Payments		
	Amounts transferred to departments for previous appropriated funds	WP 4A 721 904	3 325 250
	Total Other Payments	721 904	3 325 250
20	Other investing activities		
	Other investing activities	WP 7C -	-
	Total Other investing activities	-	-
21	Increase/Decrease in borrowings		
	Changes in borrowings	WP 8C 406 050 959	393 102 033
	Total Other financing activities	406 050 959	393 102 033
22	Adjustments and Restatements		
	Restatements: Before prior period 2023/24		(12 716)
	Restatements: Prior period 2023/24		-
	Adjustments		-
	Total Adjustments and Restatements	-	(12 716)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

		2024/25 R'000	2023/24 R'000
23	Nett cash flow available from operating activities		
	Net surplus /(deficit) as per Statement of Financial Performance	(344 120 528)	(552 698 667)
	Add back non-cash/cash movements not deemed operating activities	(22 539 645)	96 640 159
	Increase/(decrease) in receivables-current	7 922 518	(19 380 627)
	Increase/(decrease) in other current assets	3 810 239	1 907 485
	Increase/(decrease) in payables-current	-	(6 090)
	Voted funds not requested/not received	(7 952 000)	(2 552 172)
	Approved Statutory Overdrawn	(17 620)	251 101
	Other non-cash items	(18 682 298)	81 475 176
	Net cash flow generated by operating activities	(366 660 173)	(456 058 508)
24	RESTATEMENTS		
	Restatements done by NRF 2022/23		
	Dirco	77 961	
	Justice	301	
	Home Affairs	691	
	Restatement done by Departments 2023/24		2023/24
	Voted funds to be transferred		
	Planning Monitoring and Evaluation		
	Department restated voted funds to be surrendered for 2023/2024	-	214
	Department of Home Affairs		
	Department restated actual expenditure for 2023/24. This resulted in a decrease in voted funds due to the department. Therefore reflecting a negative balance of R6.6 milion in the Statement of Financial Position for 2024/25. This has been added to voted funds be surrendered for 2024/25	-	25 861
	Departmental Revenue		
	Department of Home Affairs		
	Department restated prior period departmental revenue for 2022/2023	-	1 224
	Department restated prior period departmental revenue for 2023/2024	-	3 097
	Department of Public Works and Infrastructure		
	Department restated prior period departmental revenue for 2022/2023	-	13 940
	Unauthorised Expenditure		
	Department of Justice		
	Department restated unauthorised expenditure 2023/24	-	4 053
	Department of Defence		
	Department restated voted funds to be surrendered 2023/24	-	92 440
	Department restated unauthorised expenditure 2023/24	-	92 440
	Asset and Liability Management		
	Domestic short-term bonds, treasury bills and other loans		
	The prior period error relates to the over-statement of the IGCC (CPD borrowing) in the net movement of Treasury bills	-	84 489

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Summary of above-mentioned prior period errors

RESTATEMENT FOR 2023/24	Revenue	Expenditure	Equity	Assets	Liability
Voted Funds to be surrendered and Late request					
Home Affairs restated actual expenditure		(25 861)	25 861		(25 861)
Dirco restated voted funds to be surrendered and Late request				(77 961)	(77 961)
Chief Justice restated voted funds to be surrendered and Late request				(301)	(301)
Home Affairs restated voted funds to be surrendered and Late request				(691)	(691)
DPME restated voted funds to be surrendered		(214)	214	214	-
Defence restated voted funds to be surrendered		(92 440)	-	92 440	-
Sub Total		(118 515)	26 075	13 701	(104 814)

Summary of above-mentioned prior period errors

RESTATEMENT FOR 2023/24	Revenue	Expenditure	Equity	Assets	Liability
Unauthorised expenditure not funded by the NRF (exceeding of the voted)					
Justice restated unauthorised expenditure		(4 053)	4054		(4 053)
Defence restated unauthorised expenditure		92 440			92 440
ALM Domestic short term, treasury bills and other loans			84 489		(84 489)
Home Affairs restated departmental revenue	3 097		3 097	3 097	
Sub Total	3 097	(30 128)	117 715	16 798	(100 916)

Summary of above-mentioned prior period errors

RESTATEMENT PRIOR TO 2023/24	Revenue	Expenditure	Equity	Assets	Liability
Voted Funds to be surrendered and Late Request					
Home Affairs restated departmental revenue prior 2023/24			1 224	1 224	
Public Works restated departmental revenue prior 2023/24			(13 940)	(13 940)	
Sub Total			(12 716)	(12 716)	
TOTAL	3 097	(30 128)	104 999	4 082	(100 916)

25

Departures from the Modified Cash Standard granted to SARS

The financial statements comply with the Modified Cash Standard with the Departures disclosed below. These departures were approved by the Accountant-General in 2014. The MCS with these departures will apply until the adoption of accrual accounting.

25.1 Revenue recognition: Penalties

Chapter 9.14 of the MCS requires recording and disclosure of accruals in respect of revenue. However, the Standard provides for exemption of taxation revenue. For the purposes of this Standard, the definition of taxes

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

specifically excludes fines and other penalties imposed for breaches of law.

SARS concluded that the recording and disclosure of accruals in respect of revenue from penalties relating to taxation revenue would be misleading and that it would conflict with the overall objective of fair presentation.

Revenue from penalties is directly related to taxation revenue for which exemption was granted and consequently is recognised on the same basis as taxation revenue.

25.2 Revenue recognition: Revenue from SACU

Chapter 9.14 of the MCS requires recording and disclosure of accruals in respect of revenue. However, the Standard provides for exemption for recording of an accrual of taxation revenue. The South African Government receives revenue from the Common Customs Pool in terms of the Agreement. The revenue originates from customs duties, excise levies and other duties. Revenue from SACU is administered by SARS in terms of the SARS Act (Act No.34 of 1997) and by implication falls within the ambit of taxation revenue.

Revenue received from SACU is based on monies received into the Common Customs Pool from the participating Member States. SARS concluded that revenue received in terms of the SACU Agreement should be accounted for on the cash basis of accounting.

25.3 Contingent assets and Liabilities

Chapter 14 of the MCS requires the recording and disclosure of Provisions and Contingents. SARS has litigation matters that are not disclosed.

There is currently no reliable basis that can be utilised in respect of the judgment to be applied in considering whether transactions meet the criteria of accruals, provisions, contingent assets and liabilities.

SARS concluded that the disclosure of contingent assets and liabilities would not achieve the overall objective of fair presentation.

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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		2024/25 R'000	2023/24 R'000
26	Contingent Asset		
26.1	Contingent Asset		
	GEFECRA	363 901 262	531 989 355
	The GFECEA, which operates in terms of Sec 28 of the SARB Act, represents the net revaluations profits and losses on gold and foreign exchange transactions which are for the account of the South African government.		
27	Events after reporting date		
27.1	Subsequent events		
	In the 2025 Medium-Term Budget Policy Statement (MTBPS), the gross borrowing requirement for 2025/26 has been revised downward from R588.2 billion to R568.2 billion compared to the 2025 Budget. As at 31 October 2025, a total of R288.9 billion has been raised through the issuance of domestic loans, comprising R29.9 billion in short-term instruments, R259.1 billion in long-term instruments and R45.7 billion in foreign loans. R5.5 billion in cash and cash equivalents was used to finance the gross borrowing requirement.		
	Following consultations with the KwaZulu-Natal Provincial Government, the National Treasury will make up to R2.2 billion available to facilitate the repayment of depositors of Ithala SOC Limited ("Ithala"). The payout process is scheduled to commence on 8 December 2025. In a memo finalized on 22 September 2025, the Minister approved the issuance of a Government guarantee in favour of First National Bank (FNB), which will act as the payment agent bank to process payments to all 223 166 Ithala depositors, totalling R2.2 billion.		
	Depositors will first need to be verified to ensure payments go to the correct recipients. Once verified, payments will be processed within approximately two days. First National Bank (FNB) has been appointed as the payout bank for Ithala depositors and will facilitate access to their funds. This arrangement is intended to ensure that funds are paid out in an orderly and secure manner.		
	On 16 May 2025, S&P Global Ratings affirmed South Africa's long-term foreign and local currency debt ratings at 'BB-' and 'BB', respectively. According to S&P, the ratings on South Africa benefit from the country's sizable and sophisticated financial system that provides a deep funding base for the government. The country also has relatively strong institutions, with good checks and balances, particularly its central bank. However, S&P says the ratings are constrained by relatively low GDP per capita and low GDP growth rates, as well as sizable fiscal deficits and high government debt.		
	On 12 September 2025, Fitch Ratings affirmed South Africa's 'BB-' credit rating and stable outlook. According to Fitch, South Africa's credit rating is constrained by several factors, including low real GDP growth, high poverty and inequality levels, a high and rising government debt-to-GDP ratio, and a rigid fiscal structure that hampers budget deficit reduction. However, the ratings are supported by a favourable government debt structure with long maturities and mostly local-currency-denominated, strong institutions and a credible monetary policy framework.		
	On 14 November 2025, S&P upgraded South Africa's long-term foreign currency sovereign credit rating to 'BB' from 'BB-' and long-term local currency sovereign credit rating to 'BB+' from 'BB'. The outlook remains positive. According to S&P, the rating upgrade reflects South Africa's improving growth and fiscal trajectory, alongside a reduction in contingent liabilities tied to performance improvements at the state-owned electricity utility, Eskom. The government is on track to post its third annual primary surplus (revenue minus expenditure, excluding interest payments on debt) in 2025/26, while contingent liabilities are likely to ease as Eskom is being reformed.		
27.2	Non adjusting events		
	In terms of section 22 of the 2025 Division of Revenue Act the approval for roll over was only after 31 March 2025. Unspent conditional grants should be surrendered by the Province to the National Revenue Fund through the relevant National Departments. As these approvals were received after June 2025 the amounts for unspent conditional grants to be surrendered were not included in the audited Annual Financial Statements of the relevant National departments. The National Revenue Fund should therefore receive the amount of R392.5 million. See breakdown below:		

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 R'000	2023/24 R'000
Province/Agency		
<i>Audited 2024/25</i>		
Gauteng	85 254	465 354
Free State	32 223	19 339
Mpumalanga	20 518	33 651
Western Cape	5 435	224 396
KwaZulu Natal	385	-
<i>Preliminary 2024/25</i>		
Northern Cape	56 770	67 010
North-west	121 781	195 278
Limpopo	85 242	61 819
Eastern Cape	70 157	62 692
Total	392 511	1 129 539

28. Financial Risk Management

28.1 Market risk

Government's debt portfolio is exposed to different risk factors. To define the tolerance levels of these risk factors, the strategic benchmarks were implemented. Government's funding strategy and overall debt portfolio / performance during 2024/25 was monitored against these benchmarks to assess the impact on inflation, currency and refinancing risks.

Strategic portfolio risk benchmarks

Description	Range or limit
Treasury bills as % of domestic debt	15
Long-term debt maturing in 5 years as % of bonds	25
Inflation-linked bonds as % of domestic debt	20-25
Foreign debt as % of total debt	15
Weighted term-to-maturity of fixed-rate bonds and Treasury bills (in years)	10-14
Weighted average term-to-maturity of inflation-linked bonds (in years)	14-17

Government's gross loan debt of R5.7 trillion consists of domestic (R5.1 trillion) and foreign debt (R601.9 billion). Domestic debt comprises short-term debt (Treasury bills and borrowing from the Corporation for Public Deposits) and long-term debt (fixed-rate plus inflation-linked bonds, retail, and other loans). When calculating risk benchmarks, borrowings from the CPD, retail bonds and other non-marketable loans are excluded from the gross loan debt. This is because these items are generally small in nominal values with minimal impact.

28.2 Inflation risk

Inflation risk is the risk that adverse changes in month-on-month inflation might result in increases in the outstanding amount of inflation-linked bonds and thus result in higher future redemption amounts. This risk is managed by setting a benchmark for inflation-linked bonds (ILBs) as a percentage of domestic debt to range between 20 to 25 per cent. Domestic debt includes Treasury bills, floating rate notes, sukuk bonds, fixed-rate- and inflation-linked bonds. Due to the redemption of the I2025 bond in January 2025, the share of ILBs as a percentage of total domestic debt decreased to 100 basis points (bps) to 21.2 per cent (as at the end of March 2025).

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Inflation-linked bonds as a per cent of domestic debt

Indicator	31 March 2025	31 March 2024
Domestic debt ¹	R5 060.4 bn	R4 639.2 bn
Inflation-linked bonds	R1 077.9 bn	R1 027.5 bn
ILBs as % of domestic debt	21.2%	22.2%

1. Excludes retail bonds, borrowing from the CPD and other loans.

28.3 Currency risk

Currency risk arises from the change in the price of the rand against major currencies in which the sovereign's foreign debt is denominated. The impact of a weaker currency affects the rand value of interest and redemption amounts on foreign loans. The risk tolerance level is expressed through the limit of 15 per cent for foreign currency debt as a percentage of total debt. Changes in the exchange rate, mainly the USD/ZAR also impact on the rand value of government's foreign currency deposits with the Reserve Bank.

Government monitors its net foreign debt exposure; foreign currency cash deposits provide a natural hedge to a portion of the foreign debt portfolio. Foreign currency deposits are held in US dollar. For the period under review, government's exposure to EURO denominated debt increased by 40 bps, from 6.9 per cent in March 2024 to 7.3 per cent as of 31 March 2025. This is because of the additional EURO denominated multi-lateral loan sourced during 2024/25. The increase to the USD proportion is attributable to the introduction of two new international bonds amounting to USD 3.5 billion. The XDR loan redeems in July 2025 and 75 per cent of the principal amount has been redeemed through amortization.

Composition of foreign debt

Indicator	31 March 2025	31 March 2024
Percentage		
As % of total debt		
- Gross foreign debt	10.6	11.3
- Net foreign debt	9.4	9.7
Currency composition		
- US Dollar	88.6	82.2
- Euro	7.3	6.9
- XDR	3.1	9.7
- ZAR	0.8	0.9
- CAD	0.2	0.3

28.3 Refinancing risk

Refinancing risk is the possibility that money cannot be borrowed to refinance maturing debt or that these borrowings take place at unfavourable rates. This risk is manifested in the concentration of large volumes of debt that needs to be repaid.

One of the aims of government's debt management strategy is to maintain a smooth debt maturity profile. One of the aims of government's debt management strategy is to maintain a smooth debt maturity profile. Refinancing risk is reduced through an active switch programme whereby shorter-dated bonds are exchanged for longer-term bonds. During 2024/25; a sum of R86.5 billion was switched out of the FRBs (R186 and R2030) and ILBs (R197 and I2025).

Refinancing risk benchmarks

Indicator	31 March 2025	31 March 2024
Treasury bills as % of domestic debt	10.9%	11.0%
Long-term debt maturing in 5 years as % of bonds	18.8%	15.4%
Weighted term-to-maturity of fixed-rate bonds plus Treasury bills (in years)	10.1	10.6
Weighted term-to-maturity of inflation-linked bonds (in years)	14.2	13.0

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28.4 Credit Risk

Credit risk exposure from explicit contingent portfolio

The explicit contingent liabilities of government consist mainly of government guarantees issued to state-owned companies (SOCs), Public-Private Partnerships (PPPs) as well as Independent Power Producers (IPPs).

The explicit contingent liability portfolio of government exposes government to credit risk, in that, should the guaranteed entities fail to settle their government guaranteed financial obligations; government as the guarantor will have to settle the obligations in default on behalf of the entities.

The total guarantee amount is expected to decrease from R498.9 billion on 31 March 2024 to R491.9 billion on 31 March 2025, and the exposure amount will increase by R6.1 billion to R439.2 billion over the same period. The reduction in the total guarantee amount is due to the termination of the Land Bank's R8 billion guarantee at the end of 2023/24.

The increase in exposure results from a R12.3 billion net drawdown on the Transnet guarantee. This increase was offset by the net repayment of the South African National Roads Agency Limited debt of R6.3 billion and repayments on the South African Reserve Bank Loan Guarantee Scheme of R3.5 billion. Eskom, the Development Bank of Southern Africa and the Trans-Caledon Tunnel Authority have made additional drawdowns, resulting in an increase in their exposure amounts.

As at 31 March 2025, government's commitment to the Renewable Energy Independent Power Producer Procurement Programme is expected to be R277.9 billion. The value of signed projects, which represents government's exposure, is expected to amount to R229.5 billion by 31 March 2025, declining to R166.4 billion by 2027/28. In 2024/25, PPP contingent liabilities fell by about R600 million to R6.2 billion as projects reached maturity.

Counterparty risk exposure from investment of government surplus cash

Government's surplus cash is invested with four South African commercial banks, namely: Standard Bank, First National Bank, ABSA and Nedbank. As at 31 March 2025, the total surplus cash invested with the banks amounted to R130.7 billion (2023/24: R92.3 billion).

The risk that emanates from government's surplus cash investments with the banks is the possibility that as a result of these banks being in financial distress; government will not be able to access its deposits when needed.

The amount of government surplus cash invested with each of the four banks is based on government's risk assessment of each bank. The bank with the highest risk out of the four banks is allocated the lowest amount of surplus cash while the bank with the lowest risk is allocated the highest amount of surplus cash. As at 31 March 2025, the prescribed ratios for the investment of surplus cash with the four banks were 25 per cent for Standard Bank and Nedbank with First National Bank and Absa Bank at 26 and 24 per cent respectively. The absolute limit of surplus cash to be invested with each bank is equal to 50 per cent of each bank's capital and reserves.

28.5 Sovereign risk

Sovereign credit ratings play an important role in a country's ability to access capital markets, as they influence investor perceptions of the quality of its debt. Credit rating agencies carry out annual reviews of South Africa's creditworthiness. However, since the inception of the European Union's Credit Regulation Act 3 in 2013, European-based credit rating agencies are obliged to review their credit ratings every six months. South Africa solicits ratings from the three major rating agencies: Moody's Investors Service (Moody's), S&P Global Ratings (S&P), and Fitch Ratings (Fitch).

On 13 September 2024, Fitch Ratings affirmed South Africa's 'BB-' credit rating and stable outlook. According to Fitch, South Africa's credit rating is constrained by low real GDP growth, high level of inequality, a high and rising government debt-to-GDP ratio, and a modest path of fiscal consolidation. However, the ratings are supported by a favourable debt structure with long maturities and denominated mostly in local currency as well as a credible monetary policy framework.

On 15 November 2024, S&P Global Ratings revised South Africa's outlook to positive from stable and affirmed the sovereign's long-term foreign and local currency debt ratings at 'BB-' and 'BB', respectively. According to S&P, the positive outlook reflects the agency's view that increased political stability following the May 2024 general elections and impetus for reform could boost private investment and GDP growth. S&P further states that since the formation

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FOR THE YEAR ENDED 31 MARCH 2025

of the new broad coalition of 11 political parties under the Government of National Unity (GNU), debt yields and portfolio inflows have improved, leading to easing financing conditions and currency strengthening.

On 3 December 2024, Moody's Investors Service affirmed South Africa's credit rating at 'Ba2' and maintained a stable outlook. The ratings affirmation reflects South Africa's credit strengths from effective, core institutions such as the judiciary and the central bank, a robust, deep financial sector and a solid external position. However, the ratings affirmation also acknowledges chronic challenges posed by the country's inequalities which hamper reform progress and fuel social risk, as well as persistent structural constraints on economic growth, and a relatively high and costly debt.

Rating agencies remain concerned about South Africa's low economic growth, high government debt and associated high debt service costs as well as geopolitical tensions. The table below shows the current ratings from the solicited rating agencies. Credit ratings from all the credit rating agencies now carry stable outlooks.

Table: South Africa's Credit Ratings by R&I, S&P, Fitch and Moody's

Rating Agency	Latest credit rating action	Action	LTFC ¹	LTLC ²	Outlook
Fitch	13 September 2024	Affirmation	BB-	BB-	Stable
S&P	15 November 2024	Affirmation	BB-	BB-	Positive
Moody's	3 December 2024	Affirmation	Ba2	Ba2	Stable

¹LTFC = Long Term Foreign Currency Rating, ²LTLC = Long Term Local Currency Rating.

29.

Financial sustainability

The 2025 Medium Term Budget Policy Statement (MTBPS) reaffirms government's commitment to a growth-oriented and fiscally prudent agenda, despite ongoing economic and fiscal challenges. Recent improvements, such as stronger tax revenue collections, slower growth in borrowing costs and projected stabilising debt-to-GDP ratios, supports macroeconomic stability and public investment initiatives.

The economy is projected to grow by 1.2 per cent in 2025, increasing to an average of 1.8 per cent per annum over the medium term. These modest growth prospects underscore the need for reforms that address fundamental constraints in energy supply, logistics infrastructure, digital connectivity and institutional effectiveness. Government's medium-term growth strategy is anchored by four elements namely maintaining macroeconomic stability, implementing structural reforms, building state capability and supporting growth-enhancing public infrastructure investment. The strategy seeks to shift the growth path and secure sustainable revenues.

Enhancing Macroeconomic stability

Government is delivering on its targets to return the public finances to good health by stabilising debt, reducing borrowing costs and freeing up resources to invest in growth and development. These policy measures create a strong foundation for inclusive and sustainable economic growth. Efforts to stabilise debt and narrow the budget deficit to below 3% of GDP by 2028/29 are supported by various initiatives to entrench balanced public finances, strengthen revenue collection, improve spending efficiency and a revised 3% inflation target with a ±1 percentage point tolerance. These measures reduce fiscal and operational risks, enhance investor confidence and support sustainable economic growth.

Implementing Structural Reforms and Building State Capability

Key structural reforms include increased generation capacity at Eskom, improved reliability of the energy supply, higher freight rail volumes at Transnet, and the introduction of third-party access on freight rail networks. Municipal and digital reforms, including the Metro Trading Services Reform Programme and the MzansiXchange pilot, enhance service delivery, accountability and data-driven decision-making. Operation Vulindlela's second phase further advances these reforms by promoting private investment in energy and logistics, establishing the National Water Resources Infrastructure Agency and launching the Electronic Travel Authorisation system to attract skills, investment and tourism.

Growth-Enhancing Infrastructure investment

Public investment in infrastructure is being prioritised to stimulate economic growth and attract private sector participation. Key initiatives include freight rail rehabilitation, wastewater treatment and capitalisation of a credit

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

guarantee scheme. Measures to streamline project approval, enhance the Budget Facility for Infrastructure and develop sector-specific toolkits for public-private partnerships improve efficiency and value for money.

Fiscal strategy

The government is implementing a range of measures to strengthen fiscal outcomes and safeguard long-term public finance sustainability. Broad consultations are underway on the design of a formal fiscal anchor, with a policy proposal expected to be presented to the Minister of Finance in 2026. In parallel, a multi-year fiscal literacy campaign will be launched in 2026/27 to improve public understanding of fiscal management and encourage informed engagement with government budgeting processes. To achieve fiscal targets, curb waste and support new priorities, public spending will be directed to deliver greater value for money.

The government is taking targeted steps to strengthen revenue collection and improve efficiency. Revenue collections for the first half of 2025/26 exceeded expectations, driven by strong corporate and household activity, while lower VAT refunds and improved compliance supported overall buoyancy. Corporate tax receipts benefited from robust performance in the trade, electricity and finance sectors and dividends tax collections were strengthened by significant one-off payments from the mining and retail sectors. Revenue buoyancy for 2025/26 is projected at 1.54, reflecting stronger-than-anticipated collections. Nevertheless, the medium-term outlook remains cautious, as nominal revenue growth is constrained by subdued economic growth.

The constrained fiscal position allows limited room for additions to spending. However, government still allocates about 60 per cent of consolidated non-interest spending over the next three years to the social wage, supporting low-income and vulnerable households. Average annual growth in spending on learning and culture, health and economic development outpace inflation over the medium term.

After more than a decade of primary budget deficits, government began running a primary budget surplus in 2023/24. The surplus – where revenue exceeds non-interest expenditure – is expected to improve over the medium term. The growing primary surplus enables government to stabilise and then reduce debt and debt-service costs. The main budget deficit is expected to narrow from 4.6 per cent of GDP in 2022/23 to 2.7 per cent in 2028/29. Gross loan debt as share of GDP is projected to stabilise at 77.9 per cent in 2025/26.

Despite improvements, risks remain due to modest economic growth, high debt levels and potential contingent liabilities, particularly from state-owned entities. The government continues to prioritise macroeconomic stability, infrastructure investment, revenue efficiency, expenditure effectiveness and the phased removal of low-priority programmes. These measures aim to protect critical social services, strengthen institutional capacity and shift spending toward growth-enhancing infrastructure.

In summary, the government remains committed to the disciplined implementation of its four-pillar economic strategy, anchored in enhancing macroeconomic stability, implementing structural reforms, building state capability and supporting growth-enhancing public infrastructure investment. Through these efforts, it aims to stabilise public finances, improve the effectiveness and efficiency of expenditure, attract investment and promote sustainable economic growth, ultimately enhancing living standards for all South Africans.

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 1A STATEMENT OF EQUITABLE SHARE/VOTED FUNDS TRANSFERRED TO DEPARTMENTS AS AT 31 MARCH 2025

Name of Department	Appropriation Act R 000	Funds transferred R 000	Voted funds to be surrendered R 000	Outstanding Request R 000	Unauthorised Expenditure funded by NRF/PRF WP 5B	Unauthorised expenditure not funded by NRF/PRF WP 5B	Net Appropriation R 000
Presidency	629 548	629 548	26 275	-	-	39 869	643 142
Parliament	2 770 963	2 770 963	-	-	-	-	2 770 963
Cooperative Governance	125 895 923	125 895 923	1 742 829	-	-	171 523	124 324 617
Government Communication and Information	760 773	760 773	16 758	-	-	-	744 015
Home Affairs	12 095 471	12 095 471	263 618	-	-	-	11 831 853
International Relations and Cooperation	7 081 231	7 081 231	70 090	-	-	-	7 011 141
National School of Government	218 724	218 724	2 701	-	-	-	216 023
National Treasury	33 337 065	33 337 065	715 753	-	-	-	32 621 312
Planning, Monitoring and Evaluation	450 189	450 189	20 300	-	-	-	429 889
Public Enterprise	296 490	296 490	90 245	-	-	-	206 245
Public Service and Administration	539 521	539 521	29 679	-	-	-	509 842
Public Service Commission	288 499	288 499	16	-	-	-	288 483
Public Works and Infrastructure	7 612 081	7 612 081	41 672	-	-	-	7 570 409
Statistics SA	2 646 160	2 646 160	111 838	-	-	-	2 617 625
Traditional Affairs	187 283	187 283	6 002	-	-	-	181 281
Basic Education	32 635 423	32 635 423	90 926	-	-	-	32 544 497
Higher Education and Training	112 773 492	112 773 492	139 722	-	-	-	112 633 770
Health	62 225 399	62 225 399	343 578	-	-	-	61 881 821
Social Development	278 295 933	278 295 933	2 667 964	-	-	-	275 627 969
Women	1 020 712	1 020 712	9 693	-	-	-	1 011 019
Civilian Secretariat for Police	155 964	155 964	515	-	-	-	155 449
Correctional Services	27 758 903	27 758 903	-	-	-	-	28 436 095
Defence	55 483 774	55 483 774	14 725	-	-	-	57 978 456
Independent Police Investigative Directorate	370 557	370 557	151	-	-	-	370 406
Justice and Constitutional Development	21 650 239	21 650 239	31 893	-	-	-	21 618 346

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 1A (CONTINUED)

STATEMENT OF EQUITABLE SHARE/VOTED FUNDS TRANSFERRED TO DEPARTMENTS AS AT 31 MARCH 2024

Name of Department	Appropriation Act R 000	Funds transferred R 000	Voted funds to be surrendered R 000	Outstanding Request R 000	Unauthorised Expenditure funded by NRF/PRF WP 5B R 000	Unauthorised expenditure not funded by NRF/PRF WP 5B R 000	Net Appropriation R 000
Military Veterans	812 406	812 406	54 601	-	-	-	757 805
Office of the Chief Justice	1 273 788	1 273 788	-	-	-	-	1 512 580
Police	113 623 525	113 623 525	-	-	-	-	113 623 525
Agriculture, Land Reform and Rural Development	16 997 824	16 997 824	952 661	-	-	-	16 045 163
Communications and Digital Technologies	3 968 611	3 968 611	1 053 448	-	-	-	2 915 163
Employment and Labour	3 854 842	3 854 842	52 466	-	-	-	3 802 376
Forestry, Fisheries and the Environment	8 764 338	8 764 338	145 449	-	-	-	8 618 889
Human Settlements	33 680 386	33 680 386	830 800	-	-	-	32 849 586
Minerals Resources and Energy	8 881 462	8 881 462	54 872	-	-	-	8 826 590
Science and Innovation	9 441 144	9 441 144	368 437	-	-	-	9 072 707
Small Business Development	2 419 545	2 419 544	39 246	-	-	-	2 380 298
Sports, Arts and Culture	6 105 744	6 105 744	33 060	-	-	-	6 072 684
Tourism	2 380 908	2 380 908	128 765	-	-	-	2 252 143
Trade, Industry and Competition	9 667 644	9 667 644	108 915	-	-	-	9 558 729
Transport	86 292 328	86 292 328	1 378 642	-	-	-	84 913 686
Water and Sanitation	23 849 579	23 849 579	33 781	-	-	-	23 815 798
Total	1 119 194 391	1 119 194 390	11 672 086	-	-	3 720 086	1 111 242 390

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 1A

STATEMENT OF EQUITABLE SHARE/VOTED FUNDS TRANSFERRED TO DEPARTMENTS AS AT 31 MARCH 2024

Name of Department	Appropriation Act R 000	Funds transferred R 000	Voted funds to be surrendered R 000	Outstanding Request R 000	Unauthorised Expenditure funded by NRF/PRF WP 5B R 000	Unauthorised Expenditure not funded by NRF/PRF WP 5B R 000	Net Appropriation R 000
Presidency	676 253	606 253	-	55 738	-	-	661 991
Parliament	3 208 816	3 208 816	-	-	-	-	3 208 816
Cooperative Governance	119 973 742	119 973 742	3 258 461	-	-	-	116 800 094
Government Communication and Information	743 546	743 546	5 178	-	-	-	738 368
Home Affairs*	12 379 954	12 179 954	-	173 448	-	-	12 379 263
International Relations and Cooperation*	6 910 636	6 830 636	-	2 039	-	435 643	7 268 318
National School of Government	221 140	221 140	2 942	-	-	-	218 198
National Treasury	34 350 278	34 350 278	275 227	-	-	-	34 075 051
Planning Monitoring and Evaluation*	465 483	465 483	28 029	-	-	-	437 454
Public Enterprise	275 277	275 277	16 878	-	-	-	258 399
Public Service and Administration	541 627	541 627	34 071	-	-	-	507 556
Public Service Commission	300 753	288 753	-	10 514	-	-	299 267
Public Works and Infrastructure	8 405 966	8 405 966	101 927	-	-	-	8 304 039
Statistics South Africa	2 643 002	2 643 002	47 395	-	-	-	2 723 914
Traditional Affairs	193 121	193 121	6 308	-	-	-	186 813
Basic Education	30 028 595	30 028 595	67 352	-	-	-	29 961 243
Higher Education and Training	107 830 340	107 830 340	117 182	-	-	-	107 713 158
Health	58 549 994	58 549 994	237 847	-	-	-	58 312 147
Social Development	260 893 975	260 893 975	1 593 634	-	-	-	259 300 341
Women, Youth and Person with Disabilities	1 006 944	993 944	2 319	-	-	-	991 625
Civilian Secretariat for Police	154 152	154 152	3 922	-	-	-	150 230
Correctional Services	26 570 966	26 570 966	-	-	-	-	27 185 223
Defence*	52 468 184	52 468 184	92 440	-	-	-	55 841 848
Independent Police Investigative Directorate	364 386	364 386	304	-	-	-	364 082
Justice and Constitutional Development*	20 558 303	20 508 303	-	49 699	-	-	20 845 708
					287 706	-	

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 1A (CONTINUED) STATEMENT OF EQUITABLE SHARE/VOTED FUNDS TRANSFERRED TO DEPARTMENTS AS AT 31 MARCH 2024

Name of Department	Appropriation Act	Funds transferred	Voted funds to be surrendered	Outstanding Request	Expenditure funded by NRF/PRF WP 5B	Unauthorised expenditure not funded by NRF/PRF WP 5B	Net Appropriation
	R 000	R 000	R 000	R 000	R 000	R 000	R 000
Military Veterans	846 285	846 285	260 352	-	-	-	585 933
Office of the Chief Justice	1 339 530	1 294 530	-	44 902	-	-	1 339 432
Police	105 475 635	105 475 635	1	-	-	-	105 475 634
Agriculture, Land Reform and Rural Development	16 757 697	16 757 697	43 327	-	-	-	16 714 370
Communications and Digital Technologies	3 312 185	3 312 185	32 530	-	-	-	3 279 655
Employment and Labour	4 016 714	4 016 714	20 734	-	-	-	3 995 980
Forestry, Fisheries and the Environment	9 538 968	9 538 968	70 321	-	-	-	9 468 647
Human Settlements	31 757 980	31 757 980	531 057	-	-	-	31 226 923
Minerals Resources and Energy	10 271 218	10 271 218	390 612	-	-	-	9 880 606
Science and Innovation	10 562 991	10 562 991	90 935	-	-	-	10 472 056
Small Business Development	2 529 308	2 529 308	44 481	-	-	-	2 484 827
Sports, Arts and Culture	6 089 287	6 089 287	23 912	-	-	-	6 065 375
Tourism	2 460 545	2 460 545	88 293	-	-	-	2 372 252
Trade, Industry and Competition	10 709 519	10 709 519	51 073	-	-	-	10 658 446
Transport	78 282 447	78 282 447	322 978	-	-	-	77 959 469
Water and Sanitation	21 375 916	21 375 916	44 320	-	-	-	21 331 596
*Total	1 065 041 658	1 064 571 658	7 906 342	336 340	-	5 016 830	1 062 018 486

* See disclosure note on restatements for more details
* See disclosure note on restatements for more details

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 1B

STATEMENT OF EQUITABLE SHARE/STATUTORY FUNDS TRANSFERRED TO DEPARTMENTS AS AT 31 MARCH 2025

Name of Department	Appropriation Act R 000	Funds transferred R 000	Statutory funds to be surrendered R 000	Outstanding Request R 000	Net Appropriation R 000
Presidency	7 709	7 709	834	-	6 875
Parliament	713 722	713 722	21 366	-	692 356
National Treasury					
Provinces	600 475 640	600 475 640	-	-	600 475 640
General Fuel Levy	16 126 608	16 126 608	-	-	16 126 608
Auditor General of South Africa	128 578	128 578	-	-	128 578
GFCRA Defrayal Amendment Act, 2024	100 000 000	100 000 000	-	-	100 000 000
Eskom Debt Relief Act 2023	64 000 000	64 000 000	-	-	64 000 000
State Debt Cost					
Interest	388 634 277	385 621 918	-	82	385 622 000
Management	60 000	7 859	-	1	7 860
Cost of raising loans	160 000	66 411 752	-	-	66 411 752
Higher Education and Training	24 493 292	24 137 414	-	-	24 137 414
Justice and Constitutional Development	2 495 615	2 493 537	-	-	2 512 754
Office of the Chief Justice	1 333 214	1 333 214	9 347	19 217	1 323 867
ALM (National Revenue Fund Payments) ¹	2 080 165	2 147 376	-	-	2 147 376
Transport	13 128	13 128	5 373	-	7 755
Total	1 200 721 948	1 263 618 455	36 920	19 300	1 263 600 835

¹National Revenue Fund payments (previously known as extra-ordinary payments) are also included in expenditure in line with global standards in particular the International Monetary Fund's Government Finance Statistics Manual 2001. Detailed information on these transactions is provided in working paper 4F.

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 1B

STATEMENT OF EQUITABLE SHARE/STATUTORY FUNDS TRANSFERRED TO DEPARTMENTS AS AT 31 MARCH 2024

Name of Department	Appropriation Act R 000	Funds transferred R 000	Statutory funds to be surrendered R 000	Outstanding Request R 000	Net Appropriation R 000
Presidency	14 091	14 091	-	-	12 385
Parliament	4 717 09	4 717 09	-	71 200	542 909
National Treasury					-
Provinces	585 085 919	585 085 919	-	-	585 085 919
General Fuel Levy	15 433 498	15 433 498	-	-	15 433 498
Auditor General of South Africa	123 052	123 052	-	-	123 052
Land Bank					-
Section 70 of the PFMA payment	502 000	502 000	-	-	499 863
Eskom Debt Relief Act 2023	76 000 000	76 000 000	-	-	76 000 000
State Debt Cost					-
Interest	355 920 933	355 959 571	-	-	355 959 571
Management	60 000	43 850	-	8	43 858
Cost of raising loans	160 000	79 000 049	-	-	79 000 049
Higher Education and Training	22 712 959	22 135 968	-	288 495	22 424 463
Justice and Constitutional Development	2 398 746	2 398 746	79 821	-	2 318 925
Office of the Chief Justice	1 238 704	1 238 704	19 950	-	1 218 754
AlM (National Revenue Fund Payments) ¹	645 854	1 093 075	-	-	1 093 075
Transport	12 564	12 564	4 988	-	7 576
Total	1 060 780 029	1 139 512 796	108 602	359 703	1 139 763 897

¹National Revenue Fund payments (previously known as extra-ordinary payments) are also included in expenditure in line with global standards in particular the International Monetary Fund's Government Finance Statistics Manual 2001. Detailed information on these transactions is provided in working paper 4F.

WORKING PAPER 1C

STATEMENT OF CRIMINAL ASSET RECOVERY ACCOUNT (CARA) RECEIPTS

	2024/25	2023/24	
	Amount Received R 000	Amount Received by Revenue Fund R 000	Amount Received by Revenue Fund R 000
Non-operating Income Items			
CARA	1 205 238	1 205 238	847 180
Total	1 205 238	1 205 238	847 180

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 2A

STATEMENT OF REVENUE COLLECTED BY SARS

Revenue Items	2024/25		2023/24	
	Amount Collected R 000		Amount Collected R 000	
Taxation				
Income tax	1 100 529 906		1 008 555 804	
Value-added tax / Sales tax	457 788 790		447 556 730	
Fuel levies	85 882 627		91 508 106	
General Fuel Levy	90 851 553		91 906 649	
Carbon Fuel Levy	3 111 808		2 596 736	
Diesel Refunds	(13 571 697)		(7 279 903)	
Diesel Refunds- Road Accident Fund Levy*	5 490 963		4 284 624	
Customs duties	75 136 294		69 363 764	
Excise duties	64 126 253		58 732 533	
Skills Development Levy	24 447 989		22 604 347	
Environmental levy	14 095 403		13 229 764	
Transfer duties	11 366 699		9 581 333	
Securities transfer tax	5 958 032		5 484 989	
Southern African Customs Union member duties	4 085 446		3 321 859	
Estate duty	4 035 861		3 532 501	
State miscellaneous revenue	2 442 952		2 639 347	
Health promotion levy	2 422 665		2 359 484	
Donations Tax	1 144 498		801 097	
Air Passenger Tax	1 021 318		945 694	
Export Duty and Scrap Metal	467 243		411 108	
Other Taxation Revenue	318 156		241 424	
Total Taxation	1 855 270 132		1 740 869 884	

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 2A (CONTINUED)

STATEMENT OF REVENUE COLLECTED BY SARS

Revenue Items	2024/25		2023/24	
	Amount Collected R 000	Amount Collected R 000	Amount Collected R 000	Amount Collected R 000
Non-taxation				
Road accident fund levy	47 347 385		48 545 535	
Mineral and petroleum resource royalty	25 570 180		24 414 477	
Unemployment Insurance Fund (UIF)	10 636 083		15 979 465	
Other non-taxation revenue	(26 959)		-	
Total Non-taxation	83 526 689		88 939 477	
Total Revenue	1 938 796 821		1 829 809 361	
Less: South African Customs Union Agreement	89 874 115		79 810 981	
Less: Payment to UIF	23 326 062		22 266 261	
Less: Payable by SARS to UIF	2 244 118		2 148 216	
Less: Payment to RAF	47 357 882		48 573 277	
Less: Payable by SARS to RAF	17 245		(179 103)	
Net Revenue for the Year	1 775 977 399		1 677 189 729	
Amount payable by SARS to UIF				
Amount collected by SARS	25 570 180		24 414 477	
Less: Amount requested by UIF	23 326 062		22 266 261	
Sub total	2 244 118		2 148 216	
Amount payable by SARS to RAF				
Amount collected by SARS	47 347 385		48 545 535	
Less: Amount requested by RAF	47 357 882		48 573 277	
Sub total	(10 497)		(27 742)	
Recover / (refund) of receivable/(payable)	(27 742)		(151 361)	
Total amount payable by SARS to RAF	17 245		(179 103)	

*The disclosure of the "Road Accident Fund Recoupment" has been amended to "Diesel Refunds-Road Accident Fund Levy". This amendment aims to provide a clearer and more accurate representation of financial activities, thereby enhancing the clarity and transparency of the Financial Accounts.

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 2B

STATEMENT OF DEPARTMENTAL REVENUE COLLECTED AS AT 31 MARCH 2025

Name of department	National Revenue Fund receipts R 000	Sales of goods and services other than capital assets R 000	Fines penalties and forfeits R 000	Interest dividends and rent on land R 000	Sale of capital assets R 000	Financial transactions in assets and liabilities R 000	Transfers received R 000	Total received R 000	Amount Received by Revenue Fund R 000
The Presidency	-	279	-	19	-	110	-	408	414
Cooperative Governance	-	249	-	2 694	332	1 890	-	5 165	5 295
Home Affairs	-	1 348 933	1 960	612	4 204	36 259	-	1 391 968	1 432 378
International Relations and Cooperation	-	860	-	840	137 743	52 148	-	191 591	186 087
Traditional Affairs	-	60	-	-	-	-	-	60	60
Planning, Monitoring and Evaluation	-	106	-	39	71	887	-	1 103	987
Public Works and Infrastructure	-	341	74	11 082	-	5 741	-	17 238	4 224
Women, Youth and Persons with disability	-	145	118	-	76	211	-	550	805
Government Communication and Inform	-	13 176	-	97	-	327	-	13 600	17 548
National Treasury	-	353 859	-	10 123 653	-	200 031 697	-	210 509 209	207 570 954
NRF Receipts: Gold and foreign Exchange	-	-	-	-	-	100 000 000	-	100 000 000	100 000 000
SARB contingency reserve to be refunded under the Amended Defrayment Act	-	-	-	-	-	100 000 000	-	100 000 000	100 000 000
Vodacom Shares	-	69	-	-	-	10 607	-	10 607	10 607
Public Enterprises	-	113	-	22	8	118	-	811	1 412
Public Service Commission	-	47	-	-	60	177	-	261	230
National School of Government	-	174	-	29	388	520	-	284	284
Public Service and Administration Centre for Public Service Innovation	-	5	-	-	-	68	-	1 111	1 113
Statistics SA	-	951	-	141	7	1 120	-	73	64
Sport, Arts & Culture	-	287	-	51	27	7 015	-	2 219	1 105
Basic Education	-	3 659	-	1 859	246	6 155	-	7 380	60 623
Higher Education and Training	-	12 225	-	3 938	-	860 014	-	11 919	8 463
Health	-	428 534	-	15 422	356	216 312	-	660 624	599 879
Employment and Labour	-	12 828	2 028	3 661	4 425	10 078	-	33 020	27 437
Social Development	5	-	-	10 089	-	31 875	-	41 969	44 174

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 2B (CONTINUED)

STATEMENT OF DEPARTMENTAL REVENUE COLLECTED AS AT 31 MARCH 2025

Name of department	National Revenue Fund receipts	R 000	R 000	R 000	R 000	R 000	R 000	Total received	Amount Received by Revenue Fund	R 000
Sales of goods and services other than capital assets										
Correctional Services	-	154 230	14 292	135	6 386	41 443	-	216 486	215 637	
Defence	-	533 515	1 260	10 386	25 253	46 180	1 411 486	2 028 030	1 901 397	
Military Veterans	-	44	-	13	-	2 103	-	2 160	4 060	
Independent Police Investigative Direct	-	157	-	14	2 214	1 196	-	3 581	2 758	
Justice and Constitutional Development	-	236 809	208 937	42 278	2 165	63 551	2 424	556 164	479 843	
Office of the Chief Justice	-	650	270	-	390	980	-	2 290	2 147	
Police	-	443 791	50 716	3 866	161 942	145 645	-	805 960	788 268	
Civilian Secretariat for the Police Service	-	73	-	-	98	-	-	171	197	
Agriculture, Land Reform and Rural Development	-	315 322	-	60 538	2 101	60 276	341	438 578	414 590	
Communication and Digital Technologies which includes Independent Communications Authority of South Africa	-	1 848 597	-	2 746	-	-	321	-	1 851 664	1 860 242
Small Business Development	-	1848 505	-	-	-	-	-	-	1 848 505	1 848 505
Forestry, Fisheries and the Environment	-	64	11	203	240	503 106	211	503 835	506 144	
Human Settlements	-	27 399	1 185	5 006	198	47 246	-	81 034	71 656	
Mineral Resources and Energy	-	27 223	5 773	20 345	383	-	1 037	-	1 694	1 739
Science and Innovation	-	78	-	46	-	530	-	53 871	50 923	
Tourism	-	175	-	91 549	33	1 101	-	5 361	16 507	
Trade, Industry and Competition which includes Competition Commission	-	806	96 856	58 328	130	57 905	8 125	222 150	214 087	
Transport	-	3 807 429	-	804 208	787	24 600	-	4 637 024	4 636 952	
Gauteng Freeway Improvement Contribution	-	3 805 724	1 762	1 050	6 069	241	30 780	-	3 805 724	
Refunds for previous financial years	-	(20 808)	-	-	-	-	-	39 902	7 031	
Police	-	9 554 495	384 530	11 280 361	350 191	202 296 631	1 422 587	(20 808)	(20 808)	
Total	-	9 554 495	384 530	11 280 361	350 191	202 296 631	1 422 587	225 288 795	222 086 957	222 086 957

* See disclosure note on restatements for more details

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 2B (CONTINUED)

STATEMENT OF DEPARTMENTAL REVENUE COLLECTED AS AT 31 MARCH 2024

Name of Department	National Revenue Fund receipts R 000	Sales of goods and services R 000	Fines penalties and forfeits R 000	Interest dividends and rent on land R 000	Sale of capital assets R 000	Financial transactions in assets and liabilities R 000	Transfers received R 000	Total received R 000	Amount Received by Revenue Fund R 000
The Presidency	-	272	-	19	-	341	-	632	626
Cooperative Governance	-	228	-	2 685	-	4 528	-	7 441	12 276
Home Affairs*	-	692 971	12 167	3 829	643	19 389	-	728 999	1 869 423
International Relations and Cooperation	-	878	-	1 098	2 854	65 679	-	70 509	157 866
Traditional Affairs	-	211	-	-	-	-	-	-	211
Planning, Monitoring and Evaluation	-	82	-	16	1 286	1 824	-	3 208	2 861
Public Works and Infrastructure	-	322	51	10 593	-	21 204	-	32 170	45 767
Women, Youth and Persons with disability	-	138	-	-	56	260	-	454	287
Government Communication and Inform	-	6 391	-	60	-	90	-	6 541	1 948
National Treasury	-	4 107	-	12 620 660	681	60 998	-	12 686 446	12 537 675
Public Enterprises	-	70	-	-	-	870	-	940	331
Public Service Commission	-	118	-	24	32	201	-	375	361
National School of Government	-	38	-	1	5	246	-	290	326
Public Service and Administration	-	178	-	32	135	154	-	499	502
Centre for Public Service Innovation	-	4	-	-	-	1	-	5	5
Statistics SA	-	1 082	-	70	14	652	-	1 818	1 800
Sport, Arts & Culture	-	329	-	77	271	67 691	-	68 368	13 974
Basic Education	-	3 552	-	2 171	13	6 265	-	12 001	15 212
Higher Education and Training	-	11 164	-	1 430	-	4 069	-	16 663	45 308
Health	-	100 067	-	13 818	-	25 328	-	139 213	163 783
Employment and Labour	-	11 145	820	2 762	1 783	5 198	-	21 708	21 082
Social Development	-	172 312	14 880	6 857	-	52 582	-	59 439	347 959
Correctional Services	-	570 717	1 731	214	4 050	41 243	-	232 699	234 061
Defence	-	-	-	9 454	7 564	92 626	583 867	1 265 959	1 372 547

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 2B (CONTINUED)

STATEMENT OF DEPARTMENTAL REVENUE COLLECTED AS AT 31 MARCH 2024

Name of Department	National Revenue Fund receipts R 000	Sales of goods and services other than capital assets R 000	Fines penalties and forfeits R 000	Interest dividends and rent on land R 000	Sale of capital assets R 000	Financial transactions in assets and liabilities R 000	Transfers received R 000	Total received R 000	Amount Received by Revenue Fund R 000
Military Veterans	-	42	-	9	-	3 070	-	3 121	2 204
Independent Police Investigative Direct	-	143	-	5	897	979	-	2 024	2 021
Justice and Constitutional Development	-	242 628	206 666	859	845	39 121	8 053	498 172	481 827
Office of the Chief Justice	-	636	189	-	492	1 397	-	2 714	3 987
Police	-	399 329	56 290	2 320	162 284	130 201	-	750 424	745 961
Civilian Secretariat for the Police Service	-	48	-	-	-	-	-	48	16
Agriculture, Land Reform and Rural Development	-	282 702	-	42 486	6 599	23 519	102	355 408	355 474
Communication and Digital Technologies which includes Independent Communications Authority of South Africa	-	7 763 723	-	7 507	-	9 089	-	7 780 319	7 771 746
-	7 763 650	-	-	-	-	-	-	7 763 650	7 763 650
Small Business Development	-	62	3	1 212	-	1 142	-	2 419	108
Forestry, Fisheries and the Environment	-	24 550	7 307	3 938	273	34 484	-	70 552	67 488
Human Settlements	-	236	-	842	-	781	-	1 859	1 817
Mineral Resources and Energy which includes Central Energy Fund	-	2 023 809	4 315	20 438	-	399	-	2 048 961	2 048 928
Science and Innovation	-	2 000 000	80	-	57	407	5 894	2 000 000	2 000 000
Tourism	-	178	-	64 730	752	939	-	66 599	101 624
Trade, Industry and Competition which includes Competition Commission	-	238 692	71 507	527	253	137 418	7 845	456 242	451 069
Transport	-	237 906	-	329	-	1 728	-	237 906	237 906
Water and Sanitation	-	1 165	-	128	145	1 301	-	3 222	3 184
Refunds for previous financial years	-	1 828	450	-	-	-	-	3 852	22 628
Police	-	(26 430)	-	-	-	-	-	(26 430)	(26 430)
Total	-	12 529 797	376 376	12 821 257	192 334	862 901	599 867	27 382 532	28 886 205

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

■ WORKING PAPER 2C

STATEMENT OF NATIONAL REVENUE FUND RECEIPTS

Items	2024/25		2023/24	
	Amount Received by Revenue Fund R 000			
Non- Cash	8 461 732		19 034 942	
Revenue Fund Receipts: Penalties on Retail Bonds	7 830		8 207	
Revenue Fund Receipts: Premium on Bonds issued	1 194 229		307 579	
Revenue Fund Receipts: Profit on Foreign Currency Investment	7 020 639		18 714 044	
Revenue Fund Receipts: Premium Received	238 737		5 112	
Revenue Fund Receipts: Profit on Scripttrending	297		-	
Total	8 461 732		19 034 942	

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 3A

STATEMENT OF VOTED FUNDS SURRENDERED FOR PREVIOUS APPROPRIATIONS

Name of Department	2024/25		2023/24	
	Appropriated funds/ Equitable Share R 000			
Presidency	3 258 461	1 706	77 423	4 318 357
Cooperative Governance and Traditional Affairs	-	-	398 203	76 761
Home Affairs	101 924	28 030	38 795	242 576
International Relations and Cooperation	32 530	2 321	8 455	1
Planning, Monitoring and Evaluation	32 530	32 530	1	1 346 263
Public Works and Infrastructure	34 071	16 878	256 941	34 402
Women, Youth and Persons with Disabilities	34 071	34 071	9 768	9 768
Communications and Digital Technologies	34 071	47 396	68 787	68 787
National Treasury	34 071	23 912	42 680	42 680
Public Enterprise	34 071	67 353	1 637 002	1 637 002
Public Service and Administration	34 071	237 847	462 915	462 915
Statistics SA	34 071	117 182	210 657	210 657
Sport, Arts and Culture	34 071	20 734	6 133 033	6 133 033
Basic Education	34 071	1 593 633	-	106 745
Health	34 071	304	4 518	4 518
Higher Education and Training	34 071	79 821	226 630	226 630
Employment and Labour	34 071	19 950	160 550	160 550
Social Development	34 071	1	55 078	55 078
Correctional Services	34 071	43 327	599 179	599 179
Independent Police Investigative Directorate	34 071	390 613	328 952	328 952
Justice and Constitutional Development				
Office of the Chief Justice				
Police				
Agriculture, Land Reform and Rural Development				
Mineral Resources and Energy				

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 3A (CONTINUED)

STATEMENT OF VOTED FUNDS SURRENDERED FOR PREVIOUS APPROPRIATIONS

Name of Department	2024/25		2023/24	
	Appropriated funds/ Equitable Share	R 000	Appropriated funds/ Equitable Share	R 000
Forestry, Fisheries and the Environment		70 321		168 022
Human Settlements		531 060		620 749
Science and Innovation		90 935		24 405
Tourism		88 292		28 639
Trade, Industry and Competition		51 073		115 123
Transport		327 967		601 520
Water and Sanitation		44 327		861 594
Small Business Development		44 481		18 969
Asset and Liability Management		-		37
Civilian Secretariat for the Police Service		3 921		3 279
Public Service Commission		-		16 614
Traditional Affairs		6 308		5 691
National School of Government		2 942		11 047
Military Veterans		260 352		54 423
Government Communication and Information		5 178		5 758
Rounding		-		(23)
Total		7 922 518		19 380 518

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 3B

STATEMENT OF OTHER SURRENDERS

Name of Department	2024/25		2023/24	
	Amount Surrendered	R 000	Amount Surrendered	R 000
National Departments				
Rounding of surrenders received in excess				
Centre for Public Service Innovation	1 671		4 519	
Asset and Liability Management				
Public Entities				
South African Social Security Agency	2			
National Empowerment Fund	1 630		4 519	
South African Tourism	39		-	
National Youth Development Agency	1 632 139		2 763 437	
Inkomati Usuthu Catchment	514 144		292 933	
National Development Agency	708 102		-	
Community Scheme Ombud Services	229 144			
Commission on Gender Equality	-			
Universal Service and Access Agency of South Africa	17 937		-	
National Student Financial Aid Scheme	3 904			
Valuer General	103 838			
Municipal Infrastructure Support Agency	-			
Government Printing Works	53 770		-	
Freedom park	-		1 194 977	
South African Medical Research Council	-		22 396	
Housing Development Agency	-		20 275	
Social Housing Regulatory Authority	-		367 432	
National Housing Finance Corporation	-		282 400	
DTIC - CIPC	-		191 883	
South African National Energy Development Institute	1 300		144 926	

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 3B (CONTINUED)

STATEMENT OF OTHER SURRENDERS

Name of Department	2024/25		2023/24	
	Amount Surrendered R 000	2024/25 R 000	Amount Surrendered R 000	2023/24 R 000
Conditional Grants				
Basic Education: Gauteng		936 153		3 564 100
Basic Education: Free State		240		26 197
Basic Education: Limpopo		7 519		43 221
Basic Education: Eastern Cape		53 041		59 744
Basic Education: KwaZulu Natal		16 140		44 791
Basic Education: Northern Cape		-		38 811
Basic Education: Mpumalanga		5 279		9 456
Basic Education: North West		10 033		50 224
Health: Limpopo		193 296		297 232
Health: Northern Cape		-		2 671
Health: North West		-		83 885
Health: Mpumalanga		-		32 379
Health: Free State		-		12 884
Health: Eastern Cape		-		909
Health: Gauteng		-		3 344
Human Settlement: Free State		6 976		1 455 561
Human Settlement: Northern Cape		31 006		607 914
Human Settlement: North West		147 684		308
Human Settlement: Gauteng		791		7 883
Human Settlement: Limpopo		86		-
Human Settlement: Mpumalanga		21		7
Human Settlement: Northern Cape		105		-
Human Settlement: Eastern Cape		225 539		4
Human Settlement: Western Cape		-		-
Sports Arts & Culture: Northern Cape		3 894		
Sports Arts & Culture: Mpumalanga		1		3 894
Sports Arts & Culture: Limpopo		918		4 135
Sports Arts & Culture: Free State		-		9 490
Sports Arts & Culture: Eastern Cape		378		1
Sports Arts & Culture: Gauteng		22 926		5 687
Sports Arts & Culture: North West		8 439		44 290
Sports Arts & Culture: KwaZulu Natal		-		20 077
				5

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 3B (CONTINUED)

STATEMENT OF OTHER SURRENDERS

Name of Department	2024/25		2023/24	
	Amount Surrendered	R 000	Amount Surrendered	R 000
Public Works: Eastern Cape	5		6 794	
Public Works: Free State	538		1 429	
Public Works: Gauteng	1 354		263	
Public Works: Limpopo	438		2 265	
Public Works: Mpumalanga	33		2 070	
Public Works: KwaZulu Natal	-		98	
Public Works: Western Cape	-		58	
Public Works: North West	12 835		1 974	
Public Works: Northern Cape	322		751	
Social Development: KwaZulu Natal	396		-	
Social Development: North West	-		762	
Agriculture, Land Reform and Rural Development: Eastern Cape	590		16 968	
Agriculture, Land Reform and Rural Development: Free State	4 273		11 312	
Agriculture, Land Reform and Rural Development: Gauteng	8 252		37 749	
Agriculture, Land Reform and Rural Development: Limpopo	7 777		5 248	
Agriculture, Land Reform and Rural Development: Mpumalanga	14		104	
Agriculture, Land Reform and Rural Development: Northern Cape	3		174	
Agriculture, Land Reform and Rural Development: North West	1 518		34 641	
Agriculture, Land Reform and Rural Development: Western Cape	2 000		-	
Transport: Limpopo	5 582		82 998	
Transport: Free State	31		1 091	
Transport: Gauteng	106 693		486 136	
Transport: Mpumalanga	115		4 001	
Transport: Northern Cape	5 273		-	
Transport: North West	2 723		-	
Transport: Eastern Cape	44 970		2 210	
Municipalities	39 718		293 119	
Local Government Surrender	39 718		293 119	
Refunds	(71 898)		(10 290)	
Human Settlement	(69 646)		-	
Traditional Affairs	(2 252)		-	
NT: Elundini Local Govern Surrender Refund	-		(931)	
Basic Education	-		(9 359)	
Total	2 537 782		6 614 885	

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 3C

STATEMENT OF OTHER REVENUE RECEIVED

Name of Department	2024/25		2023/24	
	Amount to be Received	Amount Received by Revenue Fund	Amount to be Received	Amount Received by Revenue Fund
Reallocated from Departmental Revenue	R 000	R 000	R 000	R 000
DTI: Various entities	-	770	-	316 830
Other				
Prevention of Organised Crime Act (POCA)		193 714	-	50 635
Financial Intelligence Centre (FIC)		118		1 363
SARB: Sanctions		7 580		15 656
Secret Service Account		119 610		20 598
Financial Sector Conduct Authority (FSCA)		17 917		3 686
Government Pensions Administration Agency (GPAA)		-		-
Asset Forfeiture Unit		7 614		10
South African Diamond & Precious Metals Regulator		40 840		9 323
Total	-	194 484	-	367 465

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

■ WORKING PAPER 4A

STATEMENT OF AMOUNTS TRANSFERRED TO DEPARTMENTS FOR PREVIOUS APPROPRIATED FUNDS

Name of Department	2024/25		2023/24		Amount Transferred R 000
	Equitable Share R 000	Amount Transferred R 000	Equitable Share R 000	Amount Transferred R 000	
Asset and Liability Management	8	8	8	18	18
Parliament	71 200	71 200	66 538	66 538	
National Treasury	-	-	965 130	965 130	
Communication and Digital Technologies	-	-	2 293 565	2 293 565	
Presidency	55 739	55 739	-	-	
Public Service Commission	10 514	10 514	-	-	
Home Affairs	199 309	199 309	-	-	
Justice	49 699	49 699	-	-	
Office of the Chief Justice	44 902	44 902	-	-	
Higher Education	288 496	288 496	-	-	
International Relations	2039	2039	-	-	
Rounding	(2)	(2)	-	-	
Total	721 904	721 904	3 325 250	3 325 250	

■ WORKING PAPER 4B

STATEMENT OF OTHER EXPENDITURE

NOT APPLICABLE TO NRF

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

■ WORKING PAPER 4C

STATEMENT OF CRIMINAL ASSET RECOVERY ACCOUNT (CARA) PAYMENTS

Name of Department	2024/25		2023/24	
	Amount Approved	Amount transferred by Revenue Fund	Amount Approved	Amount transferred by Revenue Fund
CARA	R 000	R 000	R 000	R 000
Total	1 625 036	1 625 036	877 839	877 839

■ WORKING PAPER 4D

STATEMENT OF APPROPRIATED FUNDS NOT RECEIVED FROM NATIONAL GOVERNMENT

NOT APPLICABLE TO NRF

■ WORKING PAPER 4E

STATEMENT OF OTHER EXPENDITURE IN TERMS OF AN ACT OF PARLIAMENT (WITH FUNDING)

NOT APPLICABLE TO NRF

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

■ WORKING PAPER 4F

STATEMENT OF ADDITIONAL INFORMATION ON NATIONAL REVENUE FUND PAYMENTS

Items	2024/25		2023/24	
	Amount to be Transferred	Amount Transferred by Revenue Fund	Amount to be Transferred	Amount Transferred by Revenue Fund
	R 000	R 000	R 000	R 000
GFE CRA	28 921	28 921	52 568	52 568
Premium paid	1 406 403	1 406 403	877 081	877 081
Loss on Foreign Currency Investment	710 985	-	-	-
Loss on ScriptLending	1 067	-	414	414
IMF revaluation losses	-	-	163 011	163 011
Total	2 147 376	-	1 093 075	-

■ WORKING PAPER 5A

STATEMENT OF APPROPRIATION FOR UNAUTHORISED EXPENDITURE AS AT 31 MARCH 2025

Name of Department	Unauthorised approved by Finance Act				Without Funding Approved Not funded by Revenue Fund	Amount Approved Not funded by Revenue Fund	Amount Refunded Funded by NRF
	Finance Act No	Financial Year	Amount Approved by Revenue Fund	Amount Transferred			
			R 000	R 000	R 000	R 000	R 000
No Finance Act passed			-	-	-	-	-
Total							

■ WORKING PAPER 5A

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

STATEMENT OF APPROPRIATION FOR UNAUTHORISED EXPENDITURE AS AT 31 MARCH 2024

Name of Department	Unauthorised approved by Finance Act						Without Funding
	Finance Act No	Financial Year	With Funding			Amount Approved	Amount Refunded
			Amount Approved by Revenue Fund	Amount Funded by Revenue Fund	Amount Transferred		
Unauthorised expenditure refund: DPWI			R 000	R 000	R 000	R 000	R 000
Total			-	-	-	-	6 090
							6 090

WORKING PAPER 5B

STATEMENT OF UNAUTHORISED EXPENDITURE AS AT 31 MARCH 2025

Name of Department	Unauthorised funded by Revenue Fund and surrendered by departments		
	Unauthorised Reported	Revenue Fund and Financial Year	
		Not funded by Revenue Fund (Exceeding of vote) From Working Paper 1A 1B & 1D	Funded by Revenue Fund R 000
Correctional Services	677 192	2 509 407	
Defence	238 792	39 869	
Office of Chief Justice	171 523	83 303	
Presidency			
Cooperative Governance			
Statistics SA			
Total	3 720 086	-	-
			-

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 5B

STATEMENT OF UNAUTHORISED EXPENDITURE AS AT 31 MARCH 2024

Name of Department	Unauthorised Reported		Revenue Fund and surrendered by departments		Unauthorised funded by Financial Year
	Not funded by Revenue Fund (Exceeding of vote)	Funded by Revenue Fund	Revenue Fund	Amount	
	R 000	R 000	R 000	R 000	R 000
Cooperative Governance International Relations and Cooperation	84 813	435 643			
Statistic South Africa	128 307				
Correctional Services	614 257				
Defence	3 466 104				
Justice and Constitutional Development	287 706				
Transport	-				
Total	5 016 830	-	2023	109	109

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 6

STATEMENT OF FINANCIAL INSTRUMENTS VALUATION AND CAPITAL SUBSCRIPTION OF INVESTMENTS

	2024/25	2023/24
	Amount	Amount
	R 000	R 000
Capital Subscription on Investments		
Paid up Shares in New Development Bank	1 335 800	(2 520 500)
	18 682 298	(81 475 176)
Financial Instrument Valuation		
Foreign revaluation reconciliation	(12 156 588)	(88 871 912)
Restatement Foreign revaluation reconciliation	-	84 489
ALM - Movement on Paymaster General Account	237 585	(413 808)
Increase/(decrease) in Investments	(17 349 772)	35 552 450
Increase/(decrease) in Multi-Lateral Institutions	57 607 186	(18 707 707)
Revaluation Exchequer Investments including net movement of ALM restatement	(9 656 110)	(9 118 688)
Rounding	(3)	(1)
	20 018 098	(83 995 676)
MOVEMENT IN CAPITAL SUBSCRIPTION OF INVESTMENTS		
New Development Bank purchase price in 2024/25	(6 679 000)	12 602 500
Value of subscription: 1 April 2024	(6 679 000)	12 602 500
Additional Purchase: Value of subscription	-	-
MOVEMENT ON MULTILATERAL INSTITUTIONS	5 343 200	(10 082 000)
Value of subscription: 1 April 2024	6 679 000	(12 602 500)
Net Investment: 1 April 2024	(1 335 800)	2 520 500
Nett movement	(1 335 800)	2 520 500

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

■ WORKING PAPER 7A

■ STATEMENT OF CURRENT INVESTMENTS

Not applicable to NRF

■ WORKING PAPER 7B

■ STATEMENT OF NON-CURRENT INVESTMENTS

Investee	2024/25			2023/24		
	Domestic R 000	Foreign R 000	Total R 000	Domestic R 000	Foreign R 000	Total R 000
International Monetary Fund quota subscription	74 298 395	74 298 395		76 871 542	76 871 542	
African Development Bank	162 411 879	162 411 879		167 603 022	167 603 022	
International Bank for Reconstruction and Development	46 075 879	46 075 879		47 751 215	47 751 215	
International Monetary Fund SDR Holding	108 369 237	108 369 237		110 835 472	110 835 472	
International Finance Corporation	2 439 482	2 439 482		2 528 182	2 528 182	
Multilateral Investment Guarantee Agency	330 325	330 325		342 336	342 336	
New Development Bank	36 737 800	36 737 800		38 073 600	38 073 600	
Paid up Shares	146 951 200	146 951 200		152 294 400	152 294 400	
Callable Shares						
Total	-	577 614 198	577 614 198	-	596 299 770	596 299 770

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 8A

STATEMENT OF DOMESTIC BORROWINGS AS AT 31 MARCH 2025

Borrowings	Opening balance as at 1 April 2024			Repaid	Closing balance as at 31 MARCH 2025		
	R 000	R 000	R 000		Total	R 000	R 000
Domestic long-term							
Domestic long-term bonds debentures and other loans	4 228 521 075	466 579 435	265 343 632	4 429 756 878			4 429 756 878
	4 054 958 170	466 579 435	265 343 632	4 256 193 973			4 256 193 973
Transfer to short term	(128 709 741)	-	-	(128 709 741)			(128 709 741)
Revaluation of inflation bonds	302 272 646	-	-	302 272 646			302 272 646
Domestic short-term							
Debt at 1 April	612 818 270	15 114 004	(33 987 517)	661 919 791			661 919 791
Bonds created	612 818 270	-	-	612 818 270			612 818 270
Bonds reduced	-	15 114 004	-	15 114 004			15 114 004
Transfer from long-term	-	-	133 953 789	(133 953 789)			(133 953 789)
Treasury Bills (Net Movement)	-	-	(128 709 741)	128 709 741			128 709 741
Total	4 841 339 345	481 693 440	231 356 115	5 091 676 669	661 919 791		4 429 756 878

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 8A

STATEMENT OF DOMESTIC BORROWINGS AS AT 31 MARCH 2024

Borrowings	Opening balance as at 1 April 2023	Issued	Repaid	Closing balance as at 31 MARCH 2024	
				Current	Non-current
	R 000	R 000	R 000	R 000	R 000
Domestic long-term					
Domestic long-term bonds debentures and other loans	3 835 849 119	468 176 280	249 067 229	4 054 958 170	-
Transfer to short term	3 676 564 988	468 176 280	249 067 229	3 895 674 039	-
Revaluation of inflation bonds	(88 395 990)	-	-	(88 395 990)	(88 395 990)
	247 680 121	-	-	247 680 121	-
Domestic short-term					
Debt at 1 April	533 206 240	125 008 655	45 312 137	612 818 270	-
Bonds created	533 206 240	-	-	533 206 240	533 206 240
Bonds reduced	-	12 019 995	-	12 019 995	12 019 995
Transfer from long-term	-	-	134 728 368	(134 728 368)	(134 728 368)
Revaluation of inflation bonds	-	-	(89 416 231)	89 416 231	89 416 231
Treasury Bills (Net movement)	-	24 316 547	-	24 316 547	24 316 547
	-	88 587 625	-	88 587 625	88 587 625
Total	4 369 055 359	593 184 935	294 379 366	4 667 776 439	612 818 270
					4 054 958 170

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 8B

STATEMENT OF FOREIGN BORROWINGS AS AT 31 MARCH 2025

				Closing balance as at 31 MARCH 2025		
	Opening balance as at 1 April 2024	Issued	Repaid	Total	Current	Non-current
	R 000	R 000	R 000	R 000	R 000	R 000
Borrowings						
Current borrowings						
Loans	97 197 896	-	38 926 628	58 271 268	58 271 268	-
Transfer from long-term	38 435 771	-	38 926 628	(490 87)	(490 857)	-
Revaluation	40 706 377	-	-	40 706 377	40 706 377	-
	18 055 747	-	-	18 055 747	18 055 747	-
Non-current borrowings						
Loans	476 143 377	67 487 326	-	543 630 703	-	543 630 703
Transfer to short-term	419 824 316	67 487 326	-	487 311 642	-	487 311 642
Revaluation	(40 627 577)	-	-	(40 627 577)	-	(40 627 577)
Total	573 341 273	67 487 326	38 926 628	601 901 971	58 271 268	543 630 703

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

WORKING PAPER 8B

STATEMENT OF FOREIGN BORROWINGS AS AT 31 MARCH 2024

Borrowings	Opening balance as at 1 April 2023			Closing balance as at 31 MARCH 2024		
	R 000	R 000	Issued	R 000	Repaid	R 000
Current borrowings	83 341 850	-	44 906 079	38 435 771	38 435 771	-
Loans	44 906 079	-	44 906 079	-	-	-
Transfer from long-term	35 260 792	-	-	35 260 792	-	-
Revaluation	3 174 979	-	-	3 174 979	-	-
Non-current borrowings	507 524 531	45 662 970	-	553 187 500	-	553 187 500
Loans	510 750 845	45 662 970	-	556 413 814	-	556 413 814
Transfer to short-term	(38 435 771)	-	-	(38 435 771)	-	(38 435 771)
Revaluation	35 209 457	-	-	35 209 457	-	35 209 457
Total	590 866 381	45 662 970	44 906 079	591 623 271	38 435 771	553 187 500

WORKING PAPER 8C

STATEMENT OF CHANGES IN BORROWINGS

Other financing activities	2024/25			2023/24		
	Received R 000	Paid R 000	Increase/ Decrease R 000	Received R 000	Paid R 000	Increase/ Decrease R 000
Treasury Bills	784 238 024	745 233 819	39 004 205	712 104 871	624 093 607	88 011 265
IGCC	155 797 054	155 497 110	299 945	144 918 863	144 138 419	780 444
Late request non-voted: ALM	-	226 741	(226 741)	226 741	84 489	142 252
Bonds	428 892 449	75 911 880	352 980 568	421 172 596	103 298 401	317 874 194
Non voted funds to be surrendered ALM	(7 915 410)	(253 494)	(7 661 916)	(253 494)	(82 135)	(171 359)
Payment into Section 239 of the Constitution	67 356 714	37 619 093	29 737 621	45 662 970	47 144 736	(1 481 767)
Revaluation of chequer investments: FCI	(8 082 725)	-	(8 082 725)	(12 052 995)	-	(12 052 995)
and ALM PMG balance	2	2	(1)	(1)	-	(1)
Total	1 420 286 107	1 014 235 148	406 050 959	1 311 779 550	918 677 517	393 102 033

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

■ WORKING PAPER 8D

STATEMENT OF MULTILATERAL INSTITUTIONS

	2024/25		2023/24	
	Amount R 000	Current Year Increase/(Decrease) R 000	Amount R 000	Amount R 000
IMF-Securities Account	76 985 328	(41 104 081)	118 089 410	
IMF-SDR Allocations	114 687 509	(3 971 927)	118 659 436	
International Bank for Reconstruction and Development	42 769 370	(1 555 110)	44 324 481	
Multi-Lateral Investment Guarantee Agency	267 618	(9 731)	277 349	
African Development Bank	154 650 133	(5 623 136)	160 273 269	
New Development Bank	146 951 200	(5 343 200)	152 294 400	
Total	536 311 160	(57 607 186)	593 918 345	

■ WORKING PAPER 9A

STATEMENT OF OTHER RECEIVABLES

Name of Department / Entity	2024/25		2023/24	
	Amount to be received R 000	Amount Received R 000	Amount to be received R 000	Amount Received R 000
SARS to RAF	10 497	27 742	27 742	-
SARS in transit	197	554	554	-
ALM Non - voted funds	7 915 410	253 494	253 494	82 135
Total	7 926 104	281 790	281 790	82 135

UNAUDITED SUPPLEMENTARY WORKING PAPERS (WP)

FOR THE YEAR ENDED 31 MARCH 2025

■ WORKING PAPER 9B

■ STATEMENT OF OTHER FUNDS TRANSFERRED TO NATIONAL GOVERNMENT

Not applicable to NRF

■ WORKING PAPER 9C

■ STATEMENT OF OTHER PAYABLES

Name of Department / Entity	2024/25		2023/24	
	Amount to be Paid R'000	Amount Paid R'000	Amount to be Paid R'000	Amount Paid R'000
Payable SARS to RAF	-	-	-	151 361
Payable SARS to UIF	2 244 118	2 148 216	2 148 216	2 054 411
SARS in transit	-	-	-	57
Late request for Non - Voted ALM	-	226 741	226 741	84 489
Total	2 244 118	2 374 957	2 374 957	2 290 318

NOTES

2025 CFS
**CONSOLIDATED
FINANCIAL STATEMENTS**

For The Year Ended 31 March 2025

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