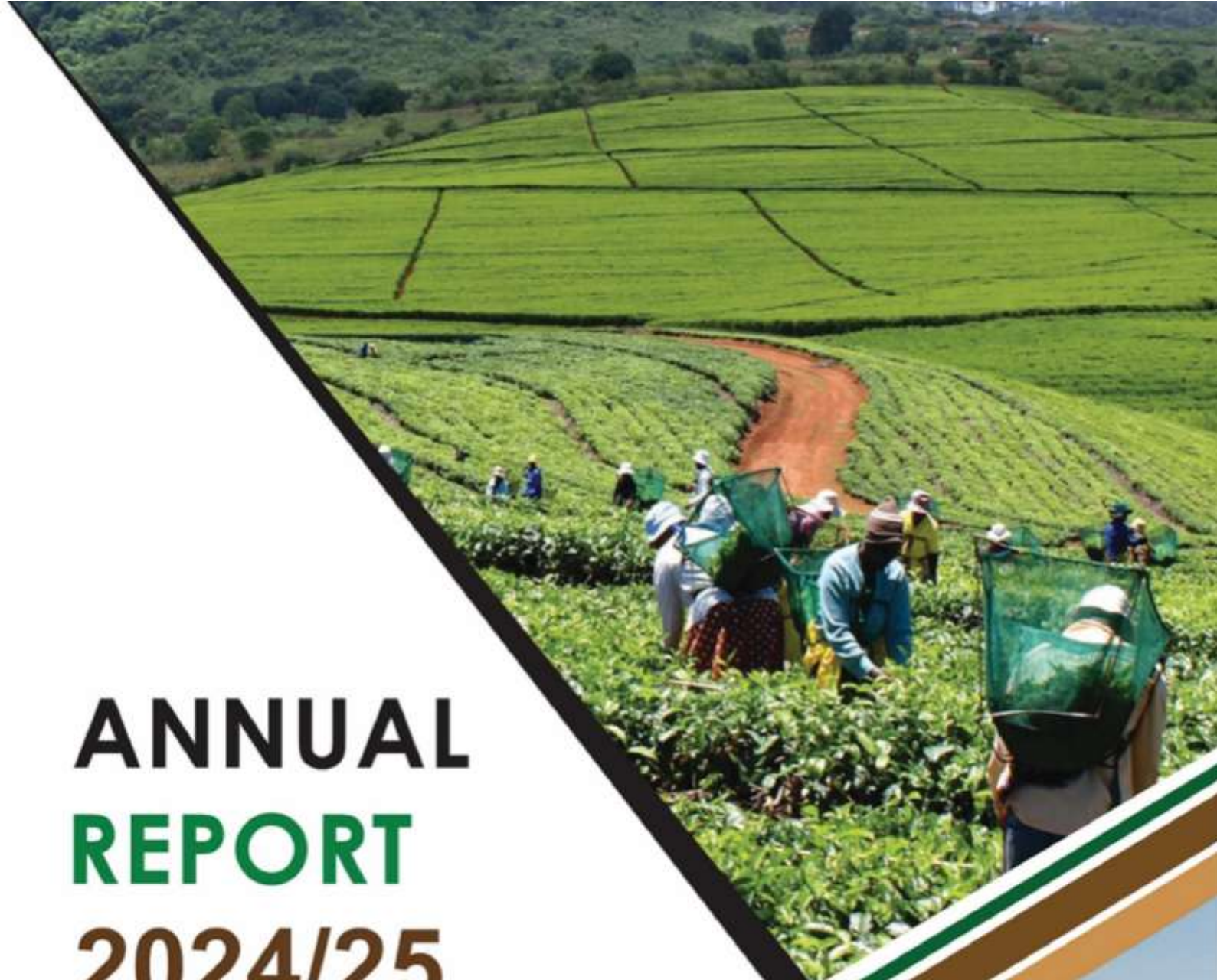




ANNUAL REPORT 2024/25

VOTE 29



agriculture, land reform
& rural development

Department:
Agriculture, Land Reform and Rural Development
REPUBLIC OF SOUTH AFRICA



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Part A

General
information



1.1 Department's General Information

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1.2 Acronyms

AAMP	Agriculture and Agro-Processing Master Plan
AC	Audit Committee
ADEP	Aquaculture Development and Enhancement Programme
AfCFTA	African Continental Free Trade Agreement
AFF	Agriculture, Forestry and Fisheries
AFS	Annual Financial Statement
AgriBEE	Agriculture Black Economic Empowerment
AGSA	Auditor-General of South Africa
AIDS	Acquired immunodeficiency syndrome
ALHA	Agricultural Land Holding Account
AO	Accounting Officer
APHFS	Agriculture Production, Health and Food Safety
APP	Annual Performance Plan
APS	Agricultural Products Standards
ARC	Agricultural Research Council
AU	African Union
AVMP	Animal and Veld Management Programme
BAS	Basic Accounting System
B-BBEE	Broad-Based Black Economic Empowerment
BBTV	Banana bunchy top virus
BEE	Black Economic Empowerment
BMA	Border Management Authority
BRRR	Budgetary Review and Recommendation Report
CAE	Chief Audit Executive
CAPEX	Capital Expenditure
CARA	Conservation of Agricultural Resources Act
CASP	Comprehensive Agricultural Support Programme
CCAMP	Climate Change Adaptation and Mitigation Plan
CCS	Compulsory community service
CFO	Chief Financial Officer
CFP	Customer Feeding Programme
CLCC	Chief Land Claims Commissioner
CORS	Continuously Operating Reference Stations
CPA	Communal property association
CPI	Consumer price index
CRG	Chief Registrar of Deeds
CRLR	Commission on Restitution of Land Rights
CS	Corporate Services
CSA	Climate-smart agriculture
CSD	Central Supplier Database
CSG	Chief Surveyor-General
CSS	Corporate Support Services

CWIP	Capital work in progress
DAFF	Department of Agriculture, Forestry and Fisheries
DALRRD	Department of Agriculture, Land Reform and Rural Development
DBC	Departmental Bargaining Chamber
DBSA	Development Bank of South Africa
DDF	Departmental Disability Forum
DEXCO	Departmental Executive Committee
DFEE	Department of Forestry, Fisheries and the Environment
DG	Director-general
DITC	Departmental Information Technology Committee
DLRRD	Department of Land Reform and Rural Development
DNS	Domain Name System
DoA	Department of Agriculture
DORA	Division of Revenue Act
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service and Administration
DPWI	Department of Public Works and Infrastructure
DR	Disaster Recovery
DRDLR	Department of Rural Development and Land Reform
DSBD	Department of Small Business and Development
DTA	Department of Traditional Affairs
EC	Eastern Cape
E-Cert	Electronic Certificate
EDRS	Electronic Deeds Registration System
EDTM	Economic Development, Trade and Marketing
EE	Employment Equity
EECF	Employment Equity Consultative forums
EHW	Employee Health and Wellness
EPWP	Expanded Public Works Programme
ER	employee relations
ESTA	Extension of Security of Tenure Act
EXCO	Executive Committee
FCC	Financial Compliance Committee
FFP	Fit-for-purpose
FID	Forensic Investigation Directorate
FM	Fisheries Management
FMD	Foot and mouth disease
FNRM	Forestry and Natural Resources Management
FPSU	Farmer production support unit
FS	Free State
FSAR	Food Security and Agrarian Reform

GADI	Grootfontein Agricultural Development Institute	MINTECH	Ministerial Technical Committee
GAP	Good Agricultural Practices	MoA	Memorandum of Agreement
GDRPBME&AF	Gender Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing Framework	MP	Mpumalanga
GEDI	Customised Departmental Gender and Disability	MPSA	Minister of Public Service and Administration
GMO	Genetically modified organism	MTEF	Medium Term Expenditure Framework
GNSS	Global Navigation Satellite System	MTSF	Medium Term Strategic Framework
GPSSBC	General Public Service Sector Bargaining Council	NAMC	National Agricultural Management Council
GRAP	Generally Recognised Accounting Practice	NARYSEC	National Rural Youth Service Corps
ha	Hectares	NC	Northern Cape
HIV	human immunodeficiency virus	NCOP	National Council of Provinces
HOA	Home owners' allowance	NDMC	National Disaster Management Centre
HoD	Head of department	NEDLAC	National Economic Development and Labour Council
HR	Human Resources	NERPO	National Emergent Red Meat Producers
HRD	Human Resource Development	NFNSSC	National Food and Nutritional Security Coordinating Committee
HRMD	Human Resource Management and Development	NGI	National Geospatial Information
HRPIR	Human Resource Planning Implementation Report	NGMS	National Geospatial Management Services
HS	Harmonised System	NMOG	National Macro-organisation of Government
HSRC	Human Sciences Research Council	NO	National Office
IAF	Internal audit function	NSAA	National spatial action areas
ICAS	Independent Counselling and Advisory Services	NSDF	National Spatial Development Framework
ICM	Internal Communication Messenger	NT	National Treasury
ICT	Information and Communication Technology	NW	North West
ICT/DRP	Information and Communication Technology/Disaster Recovery Plan	NWEF	National Women's Empowerment Forum
IDC	Industrial Development Corporation	OBP	Onderstepoort Biological Products
IDMS	Infrastructure Delivery Management System	ODG	Office of the Director-General
IRDSS	Integrated Rural Development Sector Strategy	OHS	Occupational Health and Safety
ISA	International Standards on Auditing	OL	Organised Labour
ITB	Ingonyama Trust Board	OSCA	Owen Sitole College of Agriculture
JE	Job evaluation	OSD	Occupation Specific Dispensation
KyD	Kaonafatso ya Dikgomo	OVG	Office of the Valuer-General
KZN	KwaZulu-Natal	PAA	Protected Agricultural Area
LCC	Land Claims Commissioner	PAPA	Performing Animals Protection Act
LDS	Land Development Support	PDA	Provincial department of agriculture
LP	Limpopo	PDALA	Preservation and Development of Agriculture Land Act
LRTA	Land Reform Tenure Administration	PE	Public entity
M&E	Monitoring and Evaluation	PERSAL	Personal and Salary System
MAFISA	Micro Agricultural Financial Institutions of South Africa	PES	Presidential Employment Stimulus
MEC	Member of Executive Council	PFMA	Public Management Finance Act
MINMEC	Ministers and Members of Executive Councils	PLAS	Proactive Land Acquisition Strategy
		PMDS	Performance Management and Development System
		PPE	Personal Protective Equipment
		PPECB	Perishable Products Export Control Board

PPME	Policy, Planning and Monitoring and Evaluation	SAVC	South African Veterinary Council
PPR	Pesté des petites ruminants	SCM	Supply Chain Management
PPR	Preferential Procurement Regulation	SCRL	South Coast Rock Lobster
PPRM	Policy Performance Risk Management	SDIA	Spatial Data Infrastructure Act
PRECA	Prevention and Combating of Corrupt Activities Act	SDIP	Service Delivery Improvement Plan
PSCBC	Public Service Coordinating Bargaining Council	SEDA	Small Enterprise Development Agency
PSETA	Public Service Education and Training Authority	SEIAS	Socio Economic Impact Assessment System
PSSC	Provincial shared services centre	SES	Stakeholder Engagement Strategy
Q1	Quarter 1	SETA	Sector Education and Training Authority
Q2	Quarter 2	SHEP	Smallholder Horticultural Empowerment and Promotion
Q3	Quarter 3	SIU	Special Investigating Unit
Q4	Quarter 4	SLA	Service Level Agreement
RAC	Risk and Compliance	SMS	Senior Management Services
RADP	Recapitalisation and Development Programme	SMSWF	SMS Women's Forum
RDS	Rural Development Strategy	SOE	State-owned enterprise
REID	Rural Enterprise and Industrial Development	SONA	State of the Nation Address
RHD	Rabbit Haemorrhagic Disease	SOP	Standard Operating Procedure
RID	Rural Infrastructure Development	SPLUM	Spatial Planning and Land Use Management
RLCC	Regional Land Claims Commissioner	SSR	Strengthening of Relative Rights
RMC	Risk Management Committee	STI	Sexually Transmitted Infection
RMP	Risk Management Policy	TARDI	Tsolo Agriculture and Rural Development Institute
RSSC	Regional shared services centres	TB	Tuberculosis
RVCP	River Valley Catalytic Programme	TFTA	Tripartite Free Trade Area
RWH	rainwater harvesting	TG	Tower gardens
SA	South Africa	the dtic	Department of Trade, Industry and Competition
SACU	Southern African Customs Union	ToR	Terms of Reference
SACU/EFTA	Southern African Customs Union/European Free Trade Agreement	TRANCRAA	Transformation of Certain Rural Areas Act
SACU/MERCUSOR	Southern African Customs Union/Southern African Market	TUP	Temporary unplanted area
SADC	Southern African Development Community	UAT	User Acceptance Testing
SADC/EU-EPA	Southern African Development Community European Union-Economic Partnership Agreement	VMOC	Vacancy Management Oversight Committee
SAFCOL	South African Forestry Company	WC	Western Cape
SA-GAP	South African Good Agricultural Practices	WCRL	West Coast Rock Lobster
SALA	Subdivision of Agricultural Land Act	WSP	Workplace Skills Plan
		WTO	World Trade Organization
		WWTG	World Wine Trade Group
		YES	Youth Empowerment Strategy
		YLDP	Youth Leadership Development Programme

1.3 Forewords by the ministers

Minister of Land Reform and Rural Development



The agriculture, land reform, and rural development sectors are critical to South Africa's economy. Agriculture, for instance, is a major employer, and land reform is vital for the agricultural sector's sustainability, especially given the average age of commercial farmers. Furthermore, rural development holds immense untapped potential. Recognising this, the president decided to separate these fields into two distinct departments, each with its own ministry—a change that began during this reporting period.

This separation of the department introduced significant changes, leading to uncertainty, fear, and opportunism among employees. In such an environment, departmental performance might be expected to decline. However, this annual report demonstrates that the ministers, deputy ministers, and executive committee members led this transition with competence and integrity. While the process of allocating personnel to the new departments was challenging, less than 5% of the officials objected to their placements by the end of the financial year. The designs for information technology were ready for decoupling, and other assets were expected to be clearly allocated to either the Department of Land Reform and Rural Development (DLRRD), or the Department of Agriculture (DoA).

The impact of this organisational change is evident in the budget spending performance of 94,4%, which is lower than the previous year. Fortunately, valid reasons led the National Treasury to agree to a rollover. Spending on land reform and restructuring was affected by risk mitigation efforts to prevent corruption, which delayed payments and necessitated an overhaul of financial payment processes and systems. Additionally, a major cause of underspending was a moratorium on the filling of vacant positions, put in place to allow for the proper design of organograms for the two new departments.

Despite these challenges, various service delivery programmes performed well against their targets. However, the programmes are far from fulfilling the constitutional mandate and public expectations, hence, certain areas require attention. To address these issues, there is an urgent need to strengthen the monitoring and evaluation function and increase capacity by filling vacant positions in the two new departments, per a fit-for-purpose structure. This structure will align with the Seventh Administration's priorities of promoting inclusive growth, poverty reduction, and building a capable developmental state.

These priorities necessitate urgent policy work during the Seventh Administration's term. The department is committed to securing adequate funding for holistic land development, including both pre- and post-settlement supports. It also aims to implement a mindset change programme for beneficiaries and rural communities as an integral part of reparations, with the goal of mitigating conflicts. Other key initiatives include rectifying spatial injustice, integrating land administration into the national security architecture and utilising geospatial data to empower South Africans in the digital economy. It is imperative that there is fostering of mutually beneficial partnerships with academia, civil society, the private sector, and development partners.

During this reporting period, the swift implementation of the following recently promulgated Acts: the Preservation and Development of Agricultural Land Act, 2024 (Act No. 39 of 2024), the Plant Health (Phytosanitary) Act, 2024 (Act No. 34 of 2024), the Communal Property Association Amendment Act (CPA Amendment Act), 2018 (Act No. 20 of 2018) and the Electronic Deeds Registration Systems Act, 2019 (Act No. 19 of 2019), demonstrates a strong commitment to achieving these goals.

New departments will see the same enthusiasm in policy development and legislation drafting. Similarly, policy implementation and legislation enforcement will proceed at a high tempo.

A handwritten signature in black ink, appearing to read 'Mzwanele Nyhontso'.

Mr Mzwanele Nyhontso (MP)
Minister of Land Reform and Rural Development
Date: 30 September 2025

Foreword by the Minister of Agriculture



It is an honour to present this Annual Report for the 2024/25 financial year, the year in which I assumed office and our sector navigated both significant transition and tangible progress. We close the books on a period that demanded steadiness, accountability and partnership, and we do so with confidence in the direction South Africa's agriculture is heading.

This report reflects a department that continued to deliver through change. During the year under review, the administration completed 94,4% of its final appropriation: R16,045 billion of R16,998 billion, while managing virements to protect frontline priorities and contain risks. We also requested a rollover of R720,1 million to ensure restitution payments and crucial input support flow through in 2025/26. These are not just numbers; they evidence discipline amid tight fiscal conditions

and shifting mandates.

The period also straddled an institutional reconfiguration. Following President Ramaphosa's announcement of the Seventh Administration, the former Department of Agriculture, Land Reform and Rural Development (DALRRD) split into two departments, namely, the Department of Agriculture (DoA) and the Department of Land Reform and Rural Development (DLRRD), with fit-for-purpose structures to be finalised in 2025/26. Our teams sustained service delivery while preparing new operating models, systems and governance arrangements. I commend officials for maintaining momentum through this demanding transition.

On policy and legislation, the portfolio delivered keystone reforms that strengthen the enabling environment for producers, agri-business and the public interest. The Plant Health (Phytosanitary) Act, 2024 (Act No. 35 of 2024) reinforces South Africa's biosecurity by providing clear measures to prevent, control and regulate regulated pests and the movement of plants and plant products into, within and out of the Republic. The Preservation and Development of Agricultural Land Act, 2024 (Act No. 39 of 2024) (PDALA) establishes a clear, enforceable framework to protect high-potential agricultural land, including principles for land management, evaluation and classification, protected agricultural areas, competent authorities, inspectors and offences. Implementation work began without delay, including a National Stakeholder Workshop from 4 to 6 March 2025 to map capacity, roles and time frames. In parallel, DALRRD issued updated Subdivision of Agricultural Land Act, 1970 (Act No. 70 of 1970) (SALA) / Conservation of Agricultural Resources Act, 1983 (Act No. 43 of 1983) (CARA) tariffs and developed a Guideline on Farm Management Planning to support compliance and sustainable use of agricultural land, with provincial standard operation procedure (SOPs) agreed to strengthen the enforcement of CARA and inform SALA decisions.

The department also finalised the Hemp Certification Scheme, scheduled for implementation in 2024/25, to unlock compliant primary production and processing opportunities.

Operationally, our teams confronted real-world risks with professionalism. Veterinary services managed Foot and mouth disease (FMD) events in KwaZulu-Natal and Eastern Cape, containing the latter, while expanding the pipeline of veterinarians through compulsory community service (130 graduates completed in December 2024; 129 new graduates commenced in January 2025, with additional international placements in February 2025). This is how we turn capability into country-wide coverage.

Climate-smart agriculture took further root. Through LandCare and allied programmes, the department rehabilitated and protected tens of thousands of hectares, piloted long-term soil and veld monitoring, supported biological control of invasive species, and rolled out water-efficiency technologies with the Agricultural Research Council (ARC) in priority irrigation schemes. Complementary technical work, from updated SALA/CARA tariffs to a new Farm Management Planning Guideline, will help farmers use land and inputs more productively while safeguarding our natural resource base.

Our growth agenda continued through the Agriculture and Agro-Processing Master Plan (AAMP). With partners across the country and industry, we advanced implementation structures, executive oversight and refreshed value-chain round tables, and aligned national and provincial priorities to unlock scale in high-impact value chains. In parallel, we progressed instruments for new entrants, recognising that inclusive participation is essential to resilience and competitiveness.

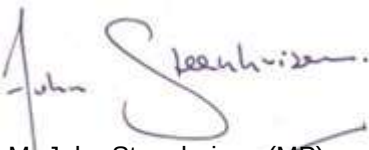
On spending, underspending has had straight forward causes: we held back on filling some posts while the new department was being set up; some supplier invoices arrived late; a few infrastructure projects were delayed; and we changed how certain farmer-support programmes are delivered. We are now fixing this, filling priority posts, clearing outstanding invoices, unblocking projects with our partners, and locking down new programme timelines. In short, we are transparent about what has slowed us down, and we are rectifying it.

Looking ahead, our priorities are clear:

- **Stability through the de-merger:** Complete the organisational redesign of the new Department of Agriculture and lock in service continuity;
- **Biosecurity and plant/animal health:** Move decisively on capacity, response systems and strategic vaccine production partnerships;
- **PDALA implementation:** Protect high-potential agricultural land while enabling investment and efficient approvals;
- **AAMP delivery:** Translate structures into measurable throughput, jobs, exports, localisation and transformation, value chain by value chain; and
- **Climate resilience:** Mainstream the data, tools and practices that help producers adapt and thrive.

None of this happens without people. I extend my gratitude to Parliament for its oversight; to our entities, provincial departments and industry partners for their collaboration; and to the women and men of the department who kept delivering during a year of uncommon complexity. Your work, often far from the spotlight, underwrites food security, rural livelihoods and the credibility of South African agriculture at home and abroad.

We begin 2025/26 as a new Department of Agriculture with a clear mandate, tested systems and a united purpose: to back our farmers, strengthen our value chains, steward our land and water resources, and open pathways for new generations to participate meaningfully in this sector. The year ahead will be about execution, turning plans into outcomes. With the partnerships and foundations reflected in this report, I am confident we will deliver.



Mr John Steenhuisen (MP)
Minister of Agriculture
Date 03 September 2025

1.4 Report of the Accounting Officer



Overview of operations of the department

The 2024/25 Annual Report of the DALRRD is the final report for this department. This reporting period was defined by an operational transition, as the department had work regarding the establishment of two separate departments, namely DoA and DLRRD, effective from 1 April 2025.

The department continued to deliver on its service commitments while managing the complexities of restructuring. Despite resource and capacity constraints, the department recorded its highest achievement of 83% on its planned non-financial targets while 94,4% of the allocated budget of R16,9 billion was spent. Unspent funds were

earmarked for rollovers to safeguard restitution payments, procure laboratory equipment, and provide agricultural inputs to subsistence farmers.

The department received a qualified audit opinion for 2024/25, a regression from the 2023/2024 audit period. This audit opinion is regretted as it showed weaknesses in our internal controls, contract management, project management and financial reporting. However, this report also presents opportunities for the new departments to focus on accelerated governance reforms, improved monitoring and evaluation and ensuring that the root causes for the findings as identified by the Auditor-General South Africa (AGSA) are addressed. Progress is already being made in the implementation of the audit action plans, positioning the successor departments on a stronger governance footing in future audit cycles.

Our operations were significantly shaped by major sectoral events. The outbreak of FMD disrupted livestock exports, reduced incomes in red meat value chains, and required emergency veterinary interventions. Nevertheless, containment measures limited its spread, while good performance in grains, oilseeds, and horticultural exports enabled the agricultural sector to achieve a 4,2% growth as at 31 March 2025. It was also a period in which the financial controls permitting payments to land claimants opting for financial compensation were changed, leading to the slow processing of payments and concurrently higher levels of disgruntlement by claimants. Progress in terms of the new payment system is continuing, and with efficiency gains in using this system, there is a high level of confidence that catch-up on the existing backlog will be achieved. During this period, we also launched the National Food and Nutrition Security Survey, which provided concerning data on rising food insecurity in South Africa. This report is already providing the existing grant framework with provinces, districts and local municipalities where funding should be targeted. The administration of communal property associations (CPAs) presents a significant challenge in the land reform space and during this period, the minister designated a registrar to fully focus on the resolution of cases.

The period also saw the promulgation of the Deeds Registries Amendment Act, 2024 (Act No. 20 of 2024), the Plant Health (Phytosanitary) Act, 2024 (Act No. 35 of 2024), the Preservation and Development of Agricultural Land Act, 2024 (Act No. 39 of 2024), and the continued roll-out of AAMP. The department also made significant progress in drafting the Land Redistribution Bill and the Communal Land Tenure Bill.

DALRRD advanced its transformation agenda through land redistribution where 65 141 hectares were allocated, 288 land claims were settled, 378 land claims were finalised and 40 farms were supported through the Land Development Support Programme. Through the National Rural Youth Service Corps (NARYSEC), 1 740 young people were trained; strengthening youth participation in rural development. The department also continued to support blended finance instruments in collaboration with the Land Bank and Industrial Development Corporation (IDC), while farmer support was expanded through innovative technologies such as mobile soil laboratories and climate-smart agriculture initiatives.

Equally important was the governance and organisational transition. Human resource placement for both new departments was finalised by March 2025. Digitalisation of human resource processes was also initiated to strengthen recruitment, performance management, and employee wellness. These reforms were aimed at ensuring that the new departments are well-positioned to operate as agile, high-

performing organisations. However, there are still several human resource placement matters that are receiving attention by both departments.

Looking ahead, our operational focus will be on embedding stronger supply chain management, improving the timeliness of service delivery, and ensuring that financial and non-financial performance reporting continues to uphold the principles of accountability and transparency.

This Annual Report reflects not only the outputs achieved but also the operational lessons learned in navigating institutional transition. These lessons will guide the strengthening of systems and capabilities as the department evolves into two distinct yet complementary institutions serving the agricultural and land reform mandates of our country.

The South African Presidency of the G20 presented the department with two significant opportunities to lead the Food Security Task Force and the Agriculture Working Group. Together with the Agricultural Research Council (ARC), the department led and concluded the Meeting of Agricultural Chief Scientists, which has already yielded a far-reaching declaration solution relating to agricultural research and innovation.

Overview of financial results of the department:

Departmental receipts

Departmental receipts	2024/2025			2023/2024		
	Estimate	Actual amount collected	(Over)/under collection	Estimate	Actual amount collected	(Over)/under collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	328 306	315 322	12 984	324 393	282 702	41 691
Transfers received	145	341	(196)	200	102	98
Fines, penalties, and forfeits	0	0	0	0	0	0
Interest, dividends and rent on land	61 648	60 538	1 110	20 986	42 486	(21 500)
Sale of capital assets	266	2 101	(1 835)	500	6 599	(6 099)
Financial transactions in assets and liabilities	29 319	60 276	(30 957)	10 462	23 519	(13 057)
Total	419 684	438 578	(18 894)	356 541	355 408	1 133

The department's revenue increased from R355, 408 million in 2023/24 to R438, 578 million in the 2024/25 financial year. This is mainly due to an increase in Inspection Fees for Statutory Services, Registration of Farm Feeds and Agricultural Remedies and interest of R22, 602 million received when the contract with Mezzanine/VODACOM lapsed. Five auctions for redundant assets were held, however the assets sold were of a lesser value compared to the previous financial year.

The tariffs for services rendered during the 2024/25 financial year were reviewed in accordance with Treasury Regulation 7.3.1. The review is done by each directorate responsible for service delivery. The following factors were considered when the tariffs were reviewed: Economic circumstances, strategic goals and industry demands. Revenue collected is influenced by national/international economic circumstances as well as import/export restrictions. The agriculture tariffs for 2024/25 were increased with an **average** of six-point three percent (6.3% -CPI of May 2023). Tariffs were approved by National Treasury and thereafter submitted to the Minister for final approval, prior to implementation on 1 April 2024.

Programme expenditure

In terms of the budget allocated for 2024/25, the department spent R16 046 billion or 94,4% of the final appropriation of R16 998 billion, leaving R951,5 million as the total of unspent funds. The unspent funds were mainly the result of savings from the filling of vacancies as this process was put on hold; delays in receiving invoices and delivery of ICT services and equipment owing to SITA's long turnaround times; delays in supporting subsistence farmers through the Presidential Employment Stimulus Initiative due to the change of the programme's delivery model from Vodacom to provincial departments of agriculture (PDAs); delays in finalising land claims settlements because of the slow payment process; delays in the implementation of rural infrastructure projects because of challenges such as community disputes with contractors and rainy weather; and delays in transferring of AgriBEE funds to the Land Bank owing to outstanding progress reports.

Programme	Final budget R'000	Actual expenditure R'000	Variance R'000	% spent %
Administration	3 048 847	2 995 180	53 667	98,2%
Agricultural Production, Biosecurity and Natural Resources Management	2 569 544	2 542 627	26 917	99,0%
Food Security, Land Reform and Restitution	9 184 868	8 521 159	663 709	92,8%
Rural Development	722 781	590 154	132 627	81,7%
Economic Development, Trade and Marketing	744 907	681 968	62 939	91,6%
Land Administration	726 877	714 075	12 802	98,2%
Total	16 997 824	16 045 163	952 661	94,4%

Virement

Programme	Adjusted budget R'000	Virement R'000	Final budget R'000
Administration	2 750 074	298 773	3 048 847
Agricultural Production, Biosecurity and Natural Resources Management	2 284 858	284 686	2 569 544
Food Security, Land Reform and Restitution	9 646 196	(461 328)	9 184 868
Rural Development	785 632	(62 851)	722 781
Economic Development, Trade and Marketing	792 478	(47 571)	744 907
Land Administration	738 586	(11 709)	726 877
Total	16 997 824	–	16 997 824

Unspent funds were shifted from the following programmes: Programme 3: Food Security, Land Reform and Restitution (R461,3 million); Programme 4: Rural Development (R62,9 million); Programme 5: Economic Development, Trade and Marketing (R47,6 million) and Programme 6: Land Administration (R11,7 million). The total unspent funds from the abovementioned programmes were shifted to the following programmes: Programme 1: Administration to cater for the shortfalls regarding office accommodation charges and legal services and Programme 2: Agricultural Production, Biosecurity and Natural Resources Management to cater for the shortfall regarding consultant services through the Agricultural Research Council (ARC) for animal production and health, as well as crop improvement and natural resources.

Unauthorised, irregular and fruitless and wasteful expenditure

Refer to Part E for details.

Rollover

The department requested National Treasury (NT) to approve a rollover of unspent funds amounting to R720 103 million from 2024/25 to 2025/26 from various economic classifications, of which R62 872 million was from goods and services, R647 504 million from households and R9 727 million from machinery and equipment.

These funds will be utilised to pay for the restitution land claims' financial compensations that were delayed owing to change of the payment model to avoid the financial risks identified by NT, and procurement of agricultural inputs by various provinces for subsistence farmers under the Presidential Employment Stimulus (PES) initiative. Furthermore, other funds are required for the payment of the acquired laboratory equipment and purchase of 60 laptops.

The strategic focus over the short- to medium-term period

After the split, the new departments will each have their own planned strategic focus that will be reflected in each department's planning documents.

Public-private partnerships

Due to the split, the Public-Private Partnership (PPP) Building will be occupied by the Department of Land Reform and Rural Development (DLRRD) and officials who are placed in the Department of Agriculture (DoA) will move to other identified buildings.

Discontinued activities

DALRRD ceased to exist at the end of 31 March 2025. From 1 April 2025 onwards, the two departments, i.e., the Department of Agriculture and the Department of Land Reform and Rural Development will be in operation.

New or proposed key activities

The DLRRD and DoA will focus on activities to develop fit-for-purpose structures separately from 2025/26 onwards.

Supply chain management

DALRRD had no unsolicited bid proposals concluded for the period under review. It does have controls in place to prevent irregular expenditure as the Internal Control Unit verifies all bids and quotations before orders are issued. The major challenge facing the Supply Chain Management (SCM) Unit is insufficient capacity.

Gifts and donations

Refer to Part F: Annual Financial Statements for DALRRD, Annexure 1H.

Deviation and variation register

Project description	Name of supplier	Actual value of contract
Request to obtain approval for the appointment of a sole supplier for the procurement of consumables for the UHPLC-MSMS and the maintenance and unforeseen breakdown services of the two UHPLC-MSMs and Shimadzu nitrogen generator for a period of three years.	Shimadzu South Africa	R1 283 894,36
Request to obtain approval from the director-general to approve the deviation from the prescribed SCM processes for bids and quotations to procure avicide (Falcolan) for the control of Quelea bird outbreaks from a sole supplier.	Philagro South Africa	R8 947 000,00
The provision of parking to employees based at ABSA Office (PSSC) and Nedbank Building (RLCC) in Limpopo (LP).	Fundigenix Moolman Parking	R1 581 612,48
Procurement of consumables/parts for the Shimadzu analytical instruments in the Eastern Cape (EC) and Western Cape (WC).	Advanced African Technology	R1 179 032,90
Appointment of Morar Incorporated in line with Treasury Regulation 16A6.4 and the Framework for SCM as	Morar Incorporated	R5 272 976,61

published in Gazette No. 25767 dated 5 December 2003 (paragraph 6(4)).		
Request to obtain approval from the director-general to approve the deviation from the prescribed SCM processes for bids and quotations to procure larvicide (Vectobac) for the control of blackfly outbreaks from the sole supplier.	Philagro South Africa	R4 140 000,00
Appointment of a service provider to supply, deliver and maintain Forcepoint Email Security Software for a period of one year.	Iguard SA	R1 737 720,96
Procurement of a Cavity Ring-Down Spectrometer for the Sub-directorate: Liquor Products Laboratories in the Directorate: Food Safety and Quality Assurance.	Elemental Analytics	R7 446 825,00
Renewal of licences for the Electronic Document Management System (EDMS) solution, VicieCM for a period of 12 months from a sole source.	Edge Consulting	R2 280 000,00
Appointment of a service provider to supply Checkpoint Firewall devices, software licences and support for the DALRRD for a period of 24months.	Foursight IT Business Solutions	R25 059 183,65
Request to appoint a service provider to supply, rack, install and configure one server, 120 hard drives and a drive enclosure for a Fujitsu storage for two offices in Pretoria and one in Stellenbosch.	CHM Vuwani Computer Solutions	R2 980 687,44
Procurement of seven compatible fixed-wing drones	Optron	R10 288 279,50
Procurement of Foot and mouth disease (FMD) vaccine	Onderstepoort Biological Products (OBP)	R72 999 949,50
Procurement of Microsoft licences	Microsoft	R97 158 567,42
Supply, installation and support of VMWare by Broadcom Software for DALRRD	CoCre8 Technology Solutions	R21 243 602,00
The roll-out of the Sterile Insect Technique against the Mediterranean fruit fly in South Africa.	Deciduous Fruit Producers Trust	R15 286 000,00

Events after the reporting date

The announcement of the Seventh Administration by the President of the Republic on 30 June 2024 resulted in the demerger/split of DALRRD into two departments, namely, the DoA and DLRRD. DALRRD was then required to develop start-up structures for DoA and DLRRD in line with the 2024 National Macro-organisation of Government (NMOG) guidelines. Each affected department would then need to develop a fit-for-purpose structure within six months from 1 April 2025 in line with the departmental strategy, mandate and available budget.

Conclusion

In conclusion, I would like to express my gratitude to the ministers, deputy ministers, chairpersons and members of the Parliamentary committees for their leadership and guidance during the period under review. My appreciation goes to the leadership and staff of the public entities, the agribusiness community, farmer organisations and other sector partners for their continued support. Finally, my appreciation goes to the management team and members of staff in the department, for their dedication and commitment in serving South Africans.



Mr Mooketsa Ramasodi

Director-General: Department of Agriculture, Land Reform and Rural Development

Date: 30 September 2025

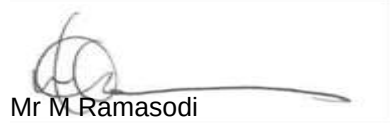
1.5 Statement of responsibility and confirmation of accuracy of the Annual Report

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

All information and amounts disclosed throughout the Annual Report are consistent. The Annual Report is complete, accurate and is free from any omissions.

The Annual Financial Statements (Part F) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by NT. The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by NT. The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resource information and the Annual Financial Statements. The external auditors are engaged to express an independent opinion on the Annual Financial Statements. In my opinion, the Annual Report fairly reflects the operations, performance information, human resource information and the financial affairs of the department for the financial year ended 31 March 2025.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'M Ramasodi', is written over a light blue rectangular background.

Mr M Ramasodi

Accounting Officer

Department of Agriculture, Land Reform and Rural Development

Date: 30 September 2025

1.6 Strategic overview

Vision

Equitable access to land, integrated rural development, sustainable agriculture and food security for all.

Mission

To accelerate land reform, catalyse rural development and improve agricultural production to stimulate economic development and food security through:

- transformed land ownership patterns
- agrarian reform
- implementation of an effective land administration system
- sustainable livelihoods
- innovative sustainable agriculture
- promotion of access to opportunities for youth, women and other vulnerable groups
- integrated rural development

Values

- Courtesy and compassion
- Effective communication and transparency
- People-centred service standards
- Professionalism and accountability
- Respect and integrity (ethics and honesty)

1.7 Legislative and other mandates

The department's legislative and policy mandates are informed by national, provincial and local legislation and policies. The legislation and policies can be concurrent or applied to one level.

Act no. and year	Purpose
Agricultural Debt Management Act, 2001 (Act No. 45 of 2001)	Provides for the establishment of the Agricultural Debt Account and the use of the account as a mechanism to manage agricultural debt repayment.
Agriculture Laws Extension Act, 1996 (Act No. 87 of 1996)	Provides for the extension of the application of certain laws relating to agricultural matters to certain territories, which form part of the national territory of the Republic of South Africa; the repeal of certain laws, which apply in those territories; and for matters connected therewith.
Agricultural Law Rationalisation Act, 1998 (Act No. 72 of 1998)	Provides for the rationalisation of certain laws relating to agricultural affairs that remained in force in various areas of the national territory of the Republic prior the commencement of the Constitution of the Republic of South Africa.
Agricultural Pests Act, 1983 (Act No. 36 of 1983)	Provides for measures by which agricultural pests may be prevented and combated.
Agricultural Produce Agents Act, 1992 (Act No. 12 of 1992)	Provides for the establishment of an Agricultural Produce Agents Council and fidelity funds in respect of agricultural produce agents and for the control of certain activities of agricultural produce agents.
Agricultural Product Standards Act, 1990 (Act No.119 of 1990)	Provides for the control over the sale and export of certain agricultural products; control over the sale of certain imported agricultural products; and control over other related products.
Agricultural Research Act, 1990 (Act No. 86 of 1990)	Provides for the establishment of a juristic person to deal with agricultural research and the determination of its objects, functions, powers and duties.
Animal Diseases Act, 1991 (Act No. 35 of 1984)	Provides for the control of animal diseases and parasites, and for measures to promote animal health.

Act no. and year	Purpose
Animal Identification Act, 2002 (Act No. 6 of 2002)	Provides the consolidation of the law relating to the identification of animals and incidental matters.
Animal Improvement Act, 1998 (Act No. 62 of 1998)	Provides for the breeding identification and utilisation of genetically superior animals to improve the production and performance of animals.
Animals Protection Act, 1962 (Act No. 71 of 1962)	Provides the consolidation and amendment of the law relating to the prevention of cruelty to animals.
Communal Property Associations Act, 1996 (Act No. 28 of 1996)	Provides for communities to form juristic persons, to be known as communal property associations in order to acquire, hold and manage property on a basis agreed to by members of a community in terms of a written constitution; and provide for matters connected therewith.
Conservation of Agricultural Resources Act, 1983 (Act No. 43 of 1983)	Provides for control over the utilisation of the natural agricultural resources of the Republic in order to promote the conservation of the soil, water sources and vegetation and the combating of weeds and invader plants.
Deeds Registries Act, 1937 (Act No. 47 of 1937)	Provides for the administration of the land registration system and the registration of rights in land. Through the Office of the Chief Registrar of Deeds, the department is mandated to register deeds.
Electronic Deeds Registration Systems Act, 2019 (Act 19 of 2019)	Provides for electronic deeds registration, having regard to legislation regulating electronic communication and transactions; and to provide for matters connected therewith.
Extension of Security of Tenure Act, 1997 (Act No. 62 of 1997)	Provides for measures with State assistance to facilitate long-term security of land tenure; to regulate the conditions of residence on certain land; to regulate the conditions on and circumstances under which the rights of persons to reside on land may be terminated; and to regulate the conditions and circumstances under which persons, whose right of residence has been terminated, may be evicted from land; and to provide for matters connected therewith.
Fencing Act, 1963 (Act No. 31 of 1963)	Provides for the consolidation of the laws relating to fences and the fencing of farms and other holdings and matters incidental thereto.
Fertilizers, Farm Feeds Agricultural Remedies and Stock Remedies, 1947 (Act No. 36 of 1947)	Provides for the appointment of a Registrar of Fertilisers, Farm Feeds, Agricultural Remedies and Stock Remedies; the registration of fertilisers, farm feeds, agricultural remedies, stock remedies, sterilising plants and pest control operators; the regulation or prohibition of the importation, sale, acquisition, disposal or use of fertilisers, farm feeds, agricultural remedies and stock remedies; and the designation of technical advisers and analysts.
Genetically Modified Organisms Act, 1997 (Act No. 15 of 1997)	Provides for measures to promote the responsible development, production, use and application of genetically modified organisms, to provide for an adequate level of protection during all activities involving genetically modified organisms that may have an adverse impact on the conservation and sustainable use of biological diversity, human and animal health.
Geomatics Profession Act, 2013 (Act No. 19 of 2013)	Provides for the transformation of the geomatics profession; the establishment of the South African Geomatics Council as a juristic person; the facilitation of accessibility to the geomatics profession; for different categories of registered persons and branches in the geomatics profession; the identification of areas of work to be performed by the different categories of registered persons; the recognition of certain voluntary associations by the council; for measures designed to protect the public from unethical geomatics practices; for measures in order to maintain a high standard of professional conduct and

Act no. and year	Purpose
	integrity; the establishment of disciplinary mechanisms; to provide for the establishment of an Appeal Board; and to provide for matters connected therewith.
Groot Constantia Trust Act, 1993 (Act No. 58 of 1993)	Provides for the provision of the incorporation of the Groot Constantia Control Board as an association not for gain; for the transfer of the Groot Constantia Estate to the said association; and for matters connected therewith.
Interim Protection of Informal Land Rights Act, 1996 (Act No. 31 of 1996)	Provides for the temporary protection of certain rights to and interests in land which are not otherwise adequately protected by law; and provides for matters connected therewith.
KwaZulu Cane Growers' Association Repeal Act, 2002 (Act No. 24 of 2002)	Provides for the repealing of the KwaZulu Cane Growers' Association Act, 1981 and matters connected therewith.
KwaZulu-Natal Ingonyama Trust Act, 1994 (Act No. 3 of 1994)	To provide for the establishment of the Ingonyama Trust and for certain land to be held in trust; and to provide for matters incidental thereto.
Land Reform: Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993)	Provides for the designation of certain land, the regulation of the subdivision of such land and the settlement of persons on it. In addition, it provides for the acquisition, maintenance, planning, development, improvement and disposal of property and the provision of financial assistance for land reform purposes.
Land Reform (Labour Tenants) Act, 1996 (Act No. 3 of 1996)	Provides for the provision of security of tenure for labour tenants and those persons occupying or using land as a result of their association with labour tenants; and makes provision for the acquisition of land and rights in land by labour tenants.
Land Survey Act, 1997 (Act No. 8 of 1997)	Provides for the regulation of the surveying of land in South Africa.
Liquor Products Act, 1989 (Act No. 60 of 1989)	Provides for control over the sale and production for sale of certain alcoholic products, the composition and properties of such products and the use of certain particulars in connection with the sale of such products; for the establishment of schemes; and for control over the import and export of certain alcoholic products.
Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996)	Provides for the authorisation of the establishment and enforcement of regulatory measures to intervene in the marketing of agricultural products, including the introduction of levies on agricultural products; and for the establishment of a National Agricultural Marketing Council.
Meat Safety Act, 2000 (Act No. 40 of 2000)	Provides for measures promoting meat safety and the safety of animal products; establishment and maintenance of essential national standards in respect of abattoirs; regulation of the importation and exportation of meat; establishment of meat safety schemes; and provides for matters connected therewith.
Onderstepoort Biological Products Incorporation Act, 1999 (Act No. 19 of 1999)	Provides for the establishment of a company to manage the institution known as OBP.
Performing Animals Protection Act, 1935 (Act No. 24 of 1935)	Provides for the regulation of the exhibition and training of performing animals and the use of dogs for safeguarding.
Perishable Products Export Control Act, 1983 (Act No. 9 of 1983)	Provides for the control of perishable products intended for export from the Republic of South Africa.
Planning Profession Act, 2002 (Act No. 36 of 2002)	Provides for the establishment of the South African Council for Planners as a juristic person; provides for different categories of planners and the registration of planners; authorises the identification of areas of work for planners; recognises certain voluntary associations; protects the public from unethical planning practices; maintains a high standard of professional

Act no. and year	Purpose
	conduct and integrity; establishes disciplinary mechanisms and an appeal board; and provides for incidental matters.
Plant Breeders' Rights Act, 1976 (Act No. 15 of 1976)	Provides for a system under which plant breeders' rights relating to varieties of certain kinds of plants may be granted and registered; for the requirements which must be complied with for the granting of such rights; for the protection of such rights; and the granting of licences in respect of the exercise thereof.
Plant Improvement Act, 1976 (Act No. 53 of 1976)	Provides for the registration of premises from which the sale of certain plants or the cleansing, packing and sale of certain propagating material may be undertaken; and prescribes the conditions subject to which such plants or propagating material may be sold for the purposes of cultivation.
Restitution of Land Rights Act, 1994 (Act No. 22 of 1994)	Provides for the provisioning of restitution of rights in land to persons or communities dispossessed of such rights after 19 June 1913 as a result of past racially discriminatory laws or practices. To administer this task, the Act provides for the establishment of a Commission on Restitution of Land Rights and a Land Claims Court, and for matters connected with land restitution.
Sectional Titles Act, 1986 (Act 95 of 1986)	Provides, amongst others, for the division of buildings into sections and common property and for the acquisition of separate ownership in sections coupled with joint ownership in common property; the transfer of ownership of sections and the registration of sectional mortgage bonds over, and real rights in, sections; and the establishment of a Sectional Titles Regulation Board.
Societies for the Prevention of Cruelty to Animals Act, 1993 (Act No. 169 of 1993)	Provides for control of societies for the prevention of cruelty to animals and for matters connected therewith.
State Land Disposal Act, 1961 (Act No. 48 of 1961)	Provides for the disposal of certain State land and for matters incidental thereto, and to prohibit the acquisition of State land by prescription.
Subdivision of Agricultural Land Act, 1970 (Act No. 70 of 1970)	Provides the subdivision and, in connection therewith, the use of agricultural land.
Spatial Planning and Land Use Management Act (SPLUMA), 2013 (Act No. 16 of 2013)	Provides for a uniform, effective and comprehensive system of spatial planning and land use management for South Africa that promotes social and economic inclusion. SPLUMA also provides for cooperative intergovernmental relations among the sector and the spheres of Government. The act provides for a redress of the imbalances of the past and ensure that there is equity in the application of spatial development planning and land use management systems. To bridge the racial divide in spatial terms and to enable transformation of the settlement patterns of the country in a manner that gives effect to the key constitutional provisions, by the introduction of a new approach to spatial planning and land use management, based on the following instruments: • Development principles, norms and standards that must guide spatial planning, land use management and land development throughout the country by every sphere of government; • Spatial development frameworks, to be prepared by national, provincial and local government; • Municipal wall-to-wall land use schemes to manage and facilitate land use and land development; and • Land development management procedures and structures.

Act no. and year	Purpose
Transformation of Certain Rural Areas Act, 1998 (Act No. 94 of 1998)	Provides for the transfer of certain land to municipalities and certain other legal entities; the removal of restrictions on the alienation of land; matters with regard to minerals; the repeal of the Rural Areas Act, 1987, and related laws; and to provide for matters connected therewith
Upgrading of Land Tenure Rights Act, 1991 (Act No 112 of 1991)	Provides for: • The upgrading and conversion into ownership of certain rights granted in respect of land; • For the transfer of tribal land in full ownership to tribes; and • For matters connected therewith.
Veterinary and Para-Veterinary Professions Act, 1982 (Act No.19 of 1982)	Provides for the establishment, powers and functions of the South African Veterinary Council.
Spatial Data Infrastructure Act, 2003 (Act No: 54 of 2003)	Provides for the establishment of the South African Spatial Data Infrastructure, the Committee for Spatial Information and an electronic metadata catalogue. The act provides for the determination of standards and prescriptions with regard to the facilitation of the sharing of spatial information; the capture and publishing of metadata and the avoidance of duplication of such capture; and matters connected therewith.

1.8 Organisational structure

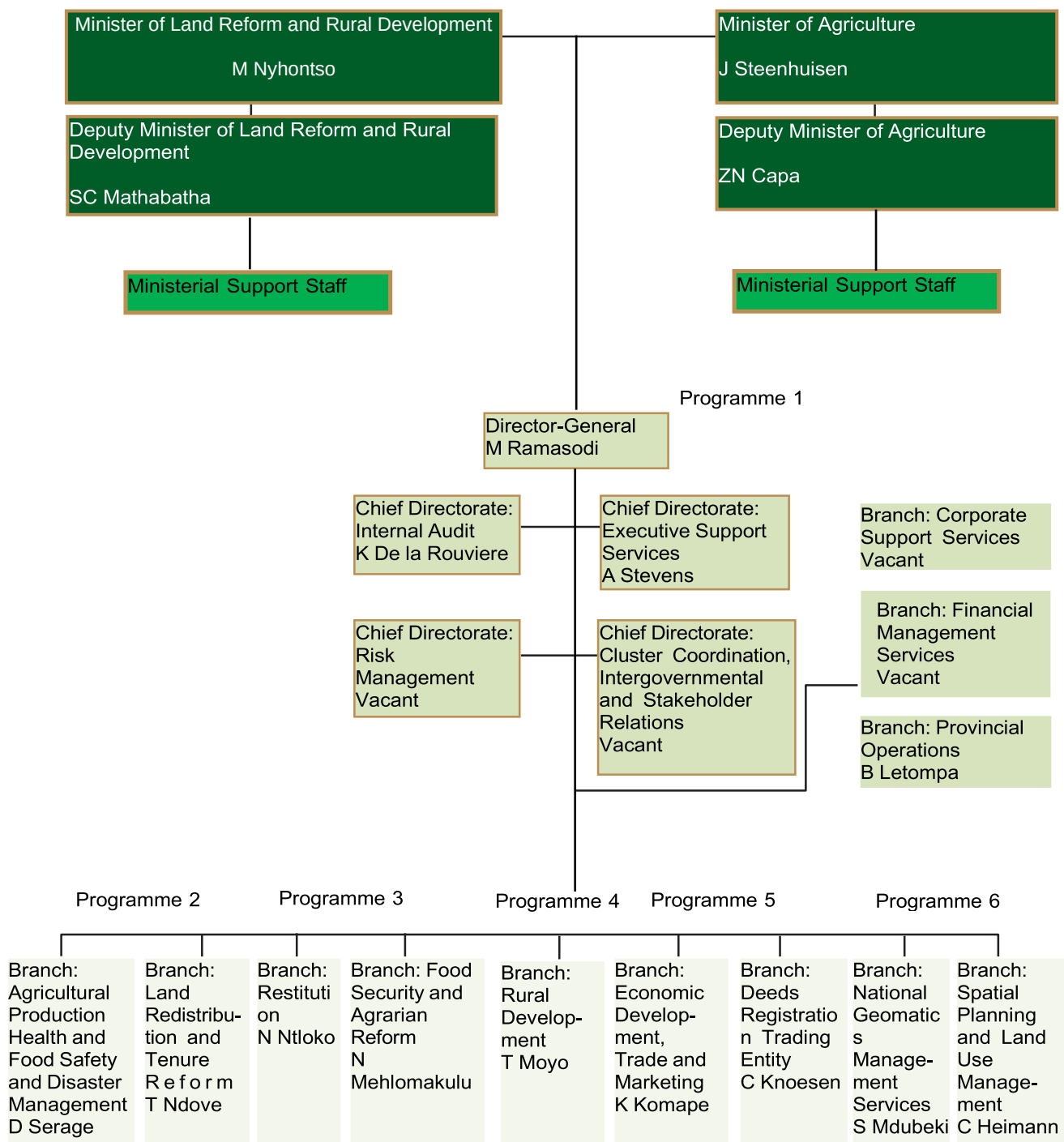


Figure 1: Approved macro level organisational structure

1.9 Entities reporting to the minister

The following table indicates the entities that report to the minister:

Name of entity	Legislative mandate	Financial relationship	Nature of operations
Agricultural Research Council (ARC)	Agricultural Research Act, 1990 (Act No. 86 of 1990)	Transfer payment	Conducts fundamental and applied research with partners to generate knowledge, develop human capital, and foster innovation in agriculture through the development and transfer of technology; and the dissemination and commercialisation of research results.
National Agricultural Marketing Council (NAMC)	Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996)	Transfer payment	Provides strategic advice to the minister on all agricultural marketing issues; improves market efficiency and market access by all participants; optimises export earnings; and improves the viability of the agricultural sector.
Onderstepoort Biological Products (OBP)	Onderstepoort Biological Products Incorporation Act, 1999 (Act No. 19 of 1999)	None	Prevents and controls animal diseases that impact food security, human health and livelihoods. It aims to ensure financial viability to sustain the strategic capabilities in manufacturing veterinary vaccines.
Perishable Products Export Control Board (PPECB)	Perishable Products Export Control Act, 1993 (Act No. 9 of 1983) Agricultural Product Standards Act, 1990 (Act No. 119 of 1990)	Transfer payment	Food safety services; transformation; and development.
KwaZulu-Natal Ingonyama Trust Board (ITB)	Established in 1994 by the former KwaZulu Government in terms of the KwaZulu Ingonyama Trust Act, 1994 (Act No. 3KZ of 1994) to hold all the land that was owned or belonged to the KwaZulu Government.	Transfer payment	Land and tenure management.
Registration of Deeds Trading Account	Established as a trading entity in terms of the Public Finance Management Act, 1999 (Act No. 1 of 1999). It generates revenue by selling information and levying fees per the schedule of fees prescribed by Regulation 84 of the Act.	Augmentation of the entity's budget	The core operations in terms of the Deeds Registries Act, 1937 (Act No. 47 of 1937) are as follows: Register land and real rights in land; maintain a public land register; provide registration information;

	Registers rights in land and therefore provides security of title and maintains a public register.		and maintain an archive of registered deeds and documents.
Office of the Valuer-General (OVG)	Statutory office and a Schedule 3 public entity established in terms of the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999).	Transfer payment	Property valuations
Commission on Restitution of Land Rights (CRLR)	Restitution of Land Rights Act, 1994 (Act No. 22 of 1984) emerging from Section 25(7) of the Constitution, the Restitution of Land Rights Act, as amended ("the Restitution Act") was promulgated. The long title of the Restitution Act is to "provide for the restitution of rights in land to persons or communities dispossessed of such rights after 13 June 1913 as result of past racially discriminatory laws or practices, to establish a CRLC and a Land Claims Court (LCC); and to provide for matters connected therewith". The Act also empowers the Minister of Agriculture, Land Reform and Rural Development and the LCC to make awards to restitution claimants where he or she is satisfied that there is a valid restitution claim by rewarding to the claimant, land, a portion of land or any other right in land, the payment of financial compensation, or an award or both land and financial compensation.	The CRLR still relies on DALRRD in terms of the budget as part of Programme 3.	Solicits, investigates and attempts to resolve land claims through negotiation and or mediation or otherwise refer the claim for adjudication to the LCC.
Wine and Spirit Board (WSB)	Liquor Products Act, 1989 (Act No. 60 of 1989) and the Wine of Origin Scheme and Scheme for Integrated Production of Wine. The board is a juristic person and is established by Section 2 of the Liquor Products Act. Members of the board are appointed by the Minister of Agriculture, Land Reform and Rural Development as	None (Activities of the board are funded by participants in the schemes). Sections 2(11) and 12 of the Liquor Products Act regulate the funding of the board. The board shall utilise its funds for the defrayal of expenses it incurred in the performance of its functions.	The board is technical and deals with the administration of the Wine of Origin Scheme and the Scheme for Integrated Production of Wine. The objectives of the scheme are to: serve as a basis for the development of the distinctiveness and quality of wines; confirm the correctness of certain indicators in

	contemplated in Section 2 of the Act.		connection with the origin of the wine; to create confidence in such indications.
Agricultural Produce Agents Council (APAC)	Section 2 of the Agricultural Produce Agents Act, 1992 (Act No. 12 of 1992)	None	Regulates the occupations of fresh produce, export, and livestock agents and maintains and enhances the status and dignity of those occupations and the integrity of persons practicing those occupations.
South African Veterinary Council (SAVC)	Veterinary and Para-Veterinary Professions Act, 1982 (Act No. 19 of 1982)	No, funded by registers	Regulates the registration of persons practicing veterinary professions and para-veterinary professions. Controls the practicing of veterinary professions and para-veterinary professions and for matters connected therewith.
National Council of Society for the Prevention of Cruelty to Animals (NSPCA)	Societies for the Prevention of Cruelty to Animals Act, 1993 (Act No. 169 of 1993)	No, funded from donations	Provides for the control of societies for the prevention of cruelty to animals. Promotes animal welfare and enforces the Animal Protection Act, 1962 (Act No. 71 of 1962).
South African Council for Planners	Planning Profession Act, 2002 (Act No. 36 of 2002)	Transfer payment	The nature of SACPLAN's operations is exclusively regulatory and administrative. Its primary functions include registering planners in designated categories, accrediting educational programs, enforcing a professional code of conduct through disciplinary processes, and maintaining a public register. It serves as the official authority responsible for setting and upholding professional standards within the town and regional planning profession in South Africa.
Agricultural Land Holding Account (ALHA)	The Agricultural Land Holdings Account was established in terms of the Provision of Land and Assistance Act, 1993 (Act	Funds the operations of the entity.	Acquire strategically located land for agricultural purposes, warehousing,

	No. 126 of 1993) Section 10(1) (a) that gives legal effect to the proactive acquisition of land, where the Minister may, from funds appropriated by Parliament for this purpose, acquire land for the purposes of this Act. Therefore, the State will proactively target land and match this with the demand or need for land.		development, leasing and disposal.
South African Geomatics Council	Geomatics Profession Act, 2013 (Act No. 19 of 2013)	Transfer payment	The South African Geomatics Council (SAGC) is a statutory body mandated by the Geomatics Profession Act, 2013 to regulate and oversee the geomatics profession in South Africa. Its core operations involve registering and licensing practitioners across various geomatics disciplines, accrediting academic programmes and qualifications, ensuring adherence to professional and ethical standards, administering disciplinary processes, and enforcing continuous professional development. In addition, SAGC advises government on geomatics-related matters, promotes transformation and skills development, and safeguards the public interest by ensuring that geomatics services are delivered with competence, integrity, and accountability.

Part B

Performance
information



2.1 Auditor-General's report: Predetermined objectives

Please refer to *Part F: Financial Information* for the Report of the Auditor-General on pages 181 - 190.

2.2 Overview of departmental performance

Service delivery environment

Through the Proactive Land Acquisition Strategy (PLAS), 48 000 hectares (ha) were acquired for redistribution. Additionally, 9 000 ha were acquired for the security of tenure. The acquired 48 000 ha were transferred in terms of the Transfer of Transformation of Certain Rural Areas Act (TRANCRAA), 1998 (Act No. 94 of 1998), which intends to assist coloured rural residents.

There were foot and mouth disease (FMD) outbreaks in KwaZulu-Natal (KZN) and Eastern Cape (EC). Through the expertise of the veterinary personnel, the FMD outbreak in EC was contained. There were 130 University of Pretoria graduates who completed their compulsory community service programme in December 2024. In January 2025, 129 University of Pretoria students started their compulsory community service. Additionally, 10 international students also joined in February. The former crop of students will complete their community service in December 2025, and the latter in January 2026.

The Preservation and Development of Agricultural Land Act (PDALA), 2024 (Act No. 39 of 2024) is a legislation that was enacted by the president in February 2025. The legislation was formulated and promulgated to close gaps that are found in the Subdivision of Agricultural Land Act (SALA), 1970 (Act No. 70 of 1970). These gaps include, among others, the inability to enforce compliance and incompatibility with related legislation in the country. The provisions of the new Act, which address the shortcomings of SALA, aim to prevent the continuous loss of high-potential agricultural land. The Act also aims to further address the degradation of natural resources through the development of agricultural sector plans. The PDALA legislation further intends to promote the concurrent function between the PDAs and DoA. The Act will also support and guide development in collaboration with municipalities as per the Spatial Planning and Land Use Management Act (SPLUMA), 2013 (Act No. 16 of 2013), which guides optimal use and development of agricultural land.

A successful PDALA consultation workshop was hosted from 4 to 6 March 2025. To develop an implementation plan for this Act, consultation with key stakeholders was deemed of utmost importance. The consultation workshop entailed assessing available capacity and the different components of the legislation into activities, tasks and sub-tasks, with the allocation of roles and responsibilities and associated timeframes that will enable the Act to be implemented by all relevant spheres of government.

A Guideline on Farm Management Planning was developed during the period under review. This guideline assists with motivating for support for necessary technical input for funding and actions crucial for optimal use of the farmland in line with the provisions of the Conservation of Agricultural Resources Act (CARA), 1983 (Act No. 43 of 1983). Tariffs for SALA and CARA were improved and gazetted, which has potential for revenue generation, which will assist in defraying the administrative costs. A workshop was successfully held on 29 to 31 July 2024 to cultivate collaboration with the PDAs on the development of Standard Operating Procedures on handling technical and administrative processes for administering legislation. An agreement was reached, and implementation commenced to escalate compliance and enforcement of CARA while guiding the provincial technical inputs to national decision-making consents issued in terms of SALA.

From 23 to 25 October 2024, the department successfully held a workshop on the finalisation of the National Veld Management Strategy with the introduction of the cover crops research trial established across the country, i.e., Cedara, Potchefstroom College, University of Limpopo, and related institutions. The department also facilitated capacity building, field release and monitoring on biological control and management of invasive alien plants in Mpumalanga on 4 and 21–22 November 2024, thus facilitating natural opponents for the management of invasive species.

During the 2024/25 financial year, the LandCare Programme managed to protect and rehabilitate 23 897 and 40 402 ha of land and created 9 001 059 full-time equivalents (FTEs) jobs. In collaboration with the ARC, 10 mobile panel vans soil laboratories were procured with the intention to support

underserved deep rural areas while promoting the agriculture food system, which reduces unnecessary introduction of fertiliser. DALRRD had partnered with the ARC to promote water efficient technologies using chameleon sensors, metres and wetting front detectors in Limpopo (LP), KZN and North West (NW). The department is also monitoring the water table in the Makhathini and Ganspan Irrigation schemes. Community members were supported with tower gardens (TG) and rainwater harvesting (RWH) tools in various provinces.

As part of climate-smart agriculture, the department initiated a framework for climate monitoring across the country with various modelling supporting long-term soil and veld monitoring. The department supported farmers with the control of migratory pests to prevent damages to small grain crops, veld, and attack to livestock in a quest to ensuring food security in the country.

Outputs	Highlights
Effective plant variety protection system	- Regulations in terms of the Plant Breeders' Rights Act, 2018 (Act No. 12 of 2018) approved by the minister; 306 new plant varieties registered in terms of the Plant Breeders' Rights Act; - National Technical Guidelines for plant breeders' rights evaluations were developed for two crops, namely: <i>Stevia</i> and <i>Raphanobrassica</i>; and - Reference collection for <i>Agapanthus</i> was established at Roodeplaat to carry out evaluations for plant breeders' rights.
Conservation and sustainable use of genetic resources for food and agriculture	35 genebank accessions of dry bean processed and deposited in the Southern African Development Community (SADC) regional genebank, based in Zambia, for safety duplication; 2008 genebank accessions verified (confirming identity and data associated with each accession); - Provided technical support and training to three community seed banks and three on-farm conservation projects; and - National consultations and submission of completed country questionnaire to contribute to the State of the World's Animal Genetic Resources to Food and Agriculture Organization (FAO).

Service Delivery Improvement Plan

The department did not develop a Service Delivery Improvement Plan (SDIP) for the 2024/25 financial year owing to technical impediments. The process will be managed separately by DoA and DLRRD going forward owing to the split.

Organisational environment

The 2024/25 financial year was the final year of implementation of the four-year Departmental Human Resources (HR) Strategy. The planned deliverables for the reporting period, viz., employees engaged, performing and valued; mentorship programme implemented; conducive culture of learning and performing organisation; and conduct employee satisfaction survey, were all achieved. These interventions were aimed at supporting the department to be a high performing organisation, in line with the last pillar of the HR Strategy.

During this reporting period, much focus was dedicated to the demerger of DALRRD. The governance structures to support the NMOG project, in the form of five workstreams, were established and reports on the implementation of the project were submitted to the Department of Public Service and Administration (DPSA) and the Steering Committee in The Presidency according to the prescribed timelines. A ratio of 60:40 was adopted to split the DALRRD into DoA and DLRRD. As of 31 March 2025, employee placement in the two departments was finalised.

During the reporting period, the private offices of the ministers and deputy ministers were capacitated in accordance with the Guide for Members of the Executive, following the announcement of the Seventh Administration.

Digitisation of HR processes and systems was carried out, with specific focus on the following targeted areas: performance management, and recruitment and selection. The implementation of the digitised processes will be carried out over the course of the 2025/26 financial year. These interventions will enable the DoA and DALRRD to link employee performance with organisational performance and measure the effectiveness of the interventions the DALRRD conducted to develop employees. Digitised recruitment and selection processes will not only reposition the new departments as employers of choice in the long term, but will reduce errors, grievances and disputes in the talent acquisition process.

To increase employees' access to health and wellness services nationally, the department has continued to deliver wellness services through a hybrid model approach in the wellness service offering. Awareness on employee health and wellness (EHW) services was created through physical and virtual platforms utilising brochures, posters, articles and the Internal Communication Messenger (ICM). A total of 907 employees and 121 family members contacted Lyra Wellbeing through the toll-free number, available 24/7/365 days. The department rolled out an Employee Satisfaction Survey (ESS) during the 2024/25 financial year to gather vital data and insights into the knowledge, attitudes, and perceptions of employees. The findings are intended to inform strategic HR planning efforts that foster a supportive and engaging work environment, conducive to employee satisfaction and organisational success.

For the period under review, the department held quarterly Planning, Monitoring and Evaluation Working Committee forums, Provincial Operation Support forums, and Technical Implementation forums. These structures comprise planning and monitoring and evaluation practitioners from the DALRRD national office, PDAs, public entities and PSSCs who focus on the coordination and integration of sectoral performance.

Key policy developments and legislative changes

Name	Aim/purpose	Key impact	Progress on the policy	Responsibility
DALRRD Policy Development Framework	To institutionalise evidence-based policy development practice in the department's policy development and reviews, programme design, planning and implementation for improved service delivery.	Provide guidelines for policy development processes from design to review and/or recalls.	The policy was endorsed by management in June 2024.	Branch: ODG
SOP/Guidelines for Governance and Implementation of International Affairs	To provide the DALRRD officials with appropriate guidelines and procedures to improve the operations and governance of international affairs to be conducted by the department.	Provide guidelines and procedures to improve the department's operations and governance of its international affairs, hosting international meetings and create uniformity and professionalism in international engagements.	The SOP/Guidelines for Governance and Implementation of Internal Affairs were approved by the Executive Committee (EXCO). However, a review of the document is necessary, and the responsible branch has scheduled this review process to commence in the new financial year.	Branch: Economic Development, Trade and Marketing (EDTM)
Norms and Standards for Agricultural Cooperatives	To propose and articulate a set of standards that will be applicable in the agricultural	Provide guidelines for the department's farmer	The Norms and Standards for Agricultural Cooperatives were presented to the	Branch: EDTM

	fraternity whenever agricultural cooperatives support services are rendered to the farming communities.	producer support programmes to consider implications of individual producers who are members of cooperatives in agricultural value chains.	National Policy Review Committee (NPRC). However, the committee did not endorse the document for tabling at EXCO at that stage. It was recommended that the document undergo further refinement and broader consultation, particularly with additional stakeholders such as the Branch: Land Reform, including other departments.	
Electronic Deeds Registration System (EDRS) Amendment Bill	The promulgation of the EDRS Act, 2019 (Act No. 19 of 2019) necessitates the amendment of the Deeds Registries Act, 1937 (Act No. 47 of 1937), and Sectional Titles Act, 1986 (Act No. 95 of 1986), to move from manual paper-based deeds registration procedures to electronic deeds registration procedures.	The Bill seeks to amend the EDRS Act for the purposes of improving/ enhancing its application/ implementation to enable transitional dual land rights registration.	The Bill served at National Economic Development and Labour Council (NEDLAC), DG Economic Sector, Investment, and Employment Division (ESIED) Cluster and was approved by the minister for submission to Cabinet to obtain approval for introduction into Parliament. However, the branch is now awaiting a newly dated pre-certification from Office of the Chief State Law Adviser (OCSLA)) before it can be submitted to the EISIED Portfolio Cluster.	Branch: Deeds

Legislative reforms over 2024/2025

The following acts were passed into law during the period under review:

- a. Deeds Registries Amendment Act, 2024 (Act No. 20 of 2024) assented to on 5 December 2024:
 - ❖ To amend the Deeds Registries Act, 1937 (Act No. 47 of 1937), so as to:
 - provide for the appointment of a registrar of deeds, deputy registrar of deeds and assistant registrar of deeds in terms of the provisions of the Public Service Act, 1994 (Act No. 103 of 1994);
 - further regulate the qualification requirements of a registrar of deeds, deputy registrar of deeds and assistant registrar of deeds;
 - provide for the appointment of the chief registrar of deeds;
 - provide for the responsibilities and duties of the chief registrar of deeds;
 - provide for the recordal of land tenure rights lawfully issued by government or any other competent authority;

- further provide for the registration of waivers of preference in respect of registered real rights in favour of leases;
 - delete reference to the registration of copies of powers of attorney in another deeds registry;
 - provide for the inspection of records and the supply of information by the chief registrar of deeds;
 - further regulate the membership, duties, composition, voting powers and remuneration of members of the deeds registries regulations board;
 - provide for the minister to make regulations in respect of this Act and the EDRS Act, 2019;
 - provide for the minister to make regulations in respect of the collection of personal information relating to race, gender, citizenship and nationality for statistical and land audit purposes;
 - further regulate the registration of State land; to further regulate the issuing of certificates of registered title of undivided shares in land;
 - further regulate the periods for the registration of notarial bonds in more than one deeds registry;
 - provide for a penalty provision in respect of mala fide acts or omissions by a registrar or official in relation to their duties and for other persons that are part of a collusion;
 - provide for a penalty provision in respect of the unauthorised preparation, execution and attestation of deeds and documents;
 - insert a definition of 'attorney';
 - provide that an attorney, conveyancer and notary in the employ of DALRRD may perform the duties of an attorney, conveyancer and notary in respect of transactions relating to State land;
 - insert and amend certain definitions;
 - provide for the amendment of the EDRS Act, 2019, to the extent set out in the schedule; and
 - provide for matters connected therewith.
- b. Plant Health (Phytosanitary) Act, 2024 (Act No. 35 of 2024) assented to on 10 December 2024. The Plant Health (Phytosanitary) Act, 2024 (Act No. 35 of 2024) intends to:
- provide for phytosanitary measures to prevent the introduction, establishment and spread of regulated pests in the republic;
 - provide for the control of regulated pests;
 - provide for regulation of the movement of plants, plant products and other regulated articles into, within and out of the republic; and
 - provide for matters connected therewith.
- c. Preservation and Development of Agricultural Land Act, 2024 (Act No. 39 of 2024) assented to on 20 December 2024. This Act intends to provide:
- that the Act applies to all agricultural land within the republic;
 - principles for the management of agricultural land;
 - for agricultural land evaluation and classification;
 - for the preparation, purpose and content of provincial agricultural sector plans;
 - for the declaration of protected agricultural areas;
 - for the general objectives of the agro-ecosystem management, agro-ecosystem authorisations, the listing and delisting of activities or areas within agro-ecosystems and the identification of competent authorities;
 - for the establishment of committees and the appointment of technical and other advisers to advise the minister, MECs and competent authorities;
 - for a performance assessment framework;
 - for the establishment and management of the national agro-eco information system;
 - for appeal procedures;
 - for the appointment and functions of inspectors;
 - for the contravention directives and the investigation and gathering of data on property;
 - for the delegation of powers;
 - for the minister to make regulations and determine norms and standards;
 - for offences and penalties; and
 - for the amendment of the Subdivision of Agricultural Land Repeal Act, 1998 (Act No. 64 of 1998); and to provide for matters connected therewith.

2.3 Progress towards achievement of institutional impacts and outcomes

Medium Term Strategic Framework (MTSF) 2019–2024 Progress Report

Outcome	Indicators	Baselines	2024 targets	Cumulative performance for MTSF period (2019–2024)
Investing in accelerated inclusive growth.	Number of jobs created.	622 946 jobs	500 000 jobs	According to the Statistics South Africa (Stats SA) Quarterly Labour Force Survey, the agricultural sector has been contributing positively towards the creation of seasonal and sustainable jobs. As at quarter four of 2023 (Q4, 2023) a total of 920 000 jobs were created. The high yield of crops, forestry and aquaculture led to the increase of jobs, given that mainly Q3 was the harvesting season for the grains and horticulture, such as citrus. Stats SA has recorded that, as from 2018 onwards, the agricultural sector creates an average of 600 000 to 800 000 jobs annually. In addition, DALRRD, working with its entities and stakeholders, has created a total of 149 872 jobs through its allocations and programme implementation.
Re-industrialisation of the economy and emergence of globally competitive sectors; National priority sectors grow contribution to the gross domestic product (GDP) growth of 3% and exports increase by 4%.	AAMP was developed and aligned to the identified commodities per district.	New indicator	Masterplan developed and implemented.	AAMP has been developed and approved. The AAMP Implementation and monitoring is currently underway. NAMC and DALRRD are undertaking national and provincial visits to collate and align national and provincial departments' priorities and budgets, including labour, communities and traditional leaders. The nominations into the AAMP executive Oversight Committee have been finalised. The new and revised Value Chain Round-Tables concept has been developed and further discussions are continuing.
	Cannabis Master Plan approved.	New indicator	Cannabis Master Plan approved.	The draft Cannabis Master Plan has been produced and submitted to Cabinet for approval. Cabinet recommended that further consultation on the master plan be undertaken. DALRRD is continuing to consult with

Outcome	Indicators	Baselines	2024 targets	Cumulative performance for MTSF period (2019–2024)
				various stakeholders as recommended by Cabinet. As at end of March 2024, SAHPRA published the draft scheduling of Tetrahydrocannabinol (THC) limits in the <i>Government Gazette</i> for public comments. The process will pave the way for DALRRD to amend its THC limits, in accordance with the mandate of the department. The new revised proposed schedules will allow the Department of Health to regulate cannabis for all medicinal purposes, while DoA will regulate the cultivation and processing of cannabis and hemp for all other legitimate uses, such as industrial, cosmetics and human and animal food products applications, the content of cannabis and cannabinoids therein will be regulated by the respective regulatory bodies for such product. In addition, the Hemp Certification Scheme was finalised and will be implemented in the 2024/25 financial year. As at end of March 2025, a total of 502 hemp permits were issued, and nine demonstration sites have been established.
	New entrants to agribusiness supported in production schemes (grain, oilseed, industrial crop, red meat, white meat, fruit and wine, vegetables, and fibre).	New indicator	20 new entrants to agribusiness supported (grain, oilseed, industrial crop, red meat, white meat, fruit and wine, vegetable, and fibre).	New and existing different categories of agribusiness were supported as follows: • 22 777 red meat producers. • 30 446 grain producers. • 452 citrus producers. • 694 cotton producers. • Eight oilseed producers. The agribusiness has been supported with various production schemes.
	Sectors contribution to GDP growth of 3% and exports	New indicator	Exports increased by 10%	As at 31 March 2024, the agricultural sector grew by 4,2%, fuelled largely by a good summer harvest of grains, and oilseeds

Outcome	Indicators	Baselines	2024 targets	Cumulative performance for MTSF period (2019–2024)
	increase by 4%			commodities coupled with solid horticultural exports. The growth in the agricultural sector and its contribution to the country's economy can be attributed to the increasing footprint of South Africa's agricultural products on the international markets. Commodities such as grains (maize), red meat, poultry, as well as citrus have a larger share of gross income and should be protected to grow the economy. Total agricultural exports of 2023 came to \$13,2 billion, much higher than 2022 total by 3%. African market remained the leading market at 38%, followed by Asia at 28%, and the European Union (EU) at 19%.
Expand access to Post-Secondary Education and Training (PSET)	Number of students enrolled in agricultural colleges and youth skill development programmes.	1 969 students	4 327 student enrolment	From 1 April 2019 to 31 March 2024, a total of 7 909 students were enrolled at 11 agricultural colleges. In addition, 159 postgraduate students were supported to complete their degrees. 9 899 young people trained through the National Rural Youth Service Corps (NARYSEC) programme. 83 330 people were provided with various skills development initiatives. Training included project management, climate-smart agriculture, citrus production and agro-processing, biosafety and biosecurity, financial management, nursery management, etc.
Coordinated, integrated and cohesive national spatial development to enable economic growth and spatial transformation.	NSDF approved and adopted	NSDF was developed	NSDF implemented	NSDF was adopted by the Cabinet in 2022, and implementation is ongoing. Currently, a report on NSDF spatial action areas is being developed.
	Number of regional spatial development frameworks (RSDFs) gazetted.	New indicator	Two RSDFs prepared, adopted and have been in use since 2024.	Four RSDFs (Karoo, Vaal River, Eastern Seaboard, and Musina Makhado) have been developed and finalised; only the Karoo RSDF implementation protocol was signed.
Sustainable land reform	Ha of land redistributed	1 million ha	900 000 ha of land for	As at end of March 2024, a total of 1 585 405 ha of

Outcome	Indicators	Baselines	2024 targets	Cumulative performance for MTSF period (2019–2024)
	or acquired and or allocated for agrarian transformation		redistribution and tenure reform; 600 000 ha of land for land restitution (a combined total of 1,5 million ha), of which 40% was allocated to the youth, and 50% to women.	strategically located land were acquired, redistributed and allocated for agrarian transformation. A total of 30 530 ha of land were acquired for farm dwellers and or labour tenants. This has benefited over 1 500 beneficiaries of whom 665 are women and 448 are young people
700 000 ha of land allocated to deserving farmers in line with the Beneficiary Selection and Allocation Policy.	Percentage share (by gender, age, and disability) of hectares of land acquired, for redistribution, restitution, tenure reform, and access to title deeds.	Land audit report	100% access	• 127 252 ha were allocated to women. • 111 071 ha of land were allocated to the youth. • 2 781 ha were allocated to people with disabilities.
Land reform projects provided with post-settlement support.	% of approved land reform projects provided with post settlement support.	New indicator	100% of acquired land (1,5 million ha) receives commensurate support through the post-settlement support.	By the end of March 2024, Cabinet had approved the National Policy on Comprehensive Producer Development Support. The policy is aimed at regulating and guiding the provision of support to the various categories of producers, thereby contributing to the restoration of the natural resources, a sustainable, transformed and competitive agricultural sector. In addition, a total of 377 farms were supported through the Land Development Support Programme.
Water rights (water use licences), energy allocated to land reform projects.	% of land reform projects with secure water rights.	New indicator	100% of qualifying land reform projects to have water rights.	2 628 water use licences were authorised for the historically disadvantaged individuals, amounting to 97,01m3/a volume of water allocated that will be used for irrigation and other uses.
Ensure farmers have access to water	Water infrastructure, water security, water rights and water use licences.	New indicator	100 % of the farmers supported have access to water.	As a result of the finalised water use licences authorisations, an additional 25 475 ha of agricultural land is under irrigation. In addition, 36 bulk water infrastructure projects were completed across the provinces.

Outcome	Indicators	Baselines	2024 targets	Cumulative performance for MTSF period (2019–2024)
				322 water services infrastructure grant projects are in various stages of construction in all provinces. More projects are implemented to address water shortages in rural communities.
Agrarian transformation	Reduction in degraded land rehabilitated to production.	New indicator	150 000 ha of degraded land rehabilitated	295 687 ha of degraded land were rehabilitated through the LandCare Programme
	Functional farmer production support units (FPSUs)	No baseline	71 functional FPSUs	A total of 40 FPSU are functional and 53 are partially functional. In addition, 485 infrastructure projects to support the implementation of Agri-Parks, including FPSU, Animal Veld Management and River Valley Catalytic programmes were completed.
	Number of smallholder farmers supported.	252 000 smallholder producers	300 000 smallholder producers	In the period under review, DALRRD, working with its stakeholders, has supported a total of 511 667 smallholder and subsistence producers with various initiatives through the following programmes: Agri-BEE, Ilima/Letsema, COVID-19 Relief Scheme, PES, MAFISA, and the Comprehensive Agricultural Support Programme (CASP). The initiatives include various training programmes, for example, cattle artificial insemination, small stock management, irrigation scheduling tools, etc.
	Livestock facilities established	No baseline information.	27 livestock handling facilities.	87 livestock handling facilities were completed. This includes the construction of new, and the refurbishment of the existing, livestock handling facilities.
	Agri-hubs		Five agri-hubs established	Five agri-hubs are partially operational (Nchora in the EC; Springbokpan in North West; Witzenberg in Western Cape and the Mkhondo Agri-hub in Mpumalanga (MP). In addition, one environment impact assessment for agri-hub was conducted in KZN. In addition, 1 768 agricultural infrastructure projects were implemented.

Outcome	Indicators	Baselines	2024 targets	Cumulative performance for MTSF period (2019–2024)
	Agro-processing units established.		25 agro-processing units	A total of 2 980 Agribusinesses were supported with agro-processing initiatives, including technical, financial, and infrastructure support equipment, and market access.
Apply conservation agricultural production methods.	Hectares of land under water conservation technology agriculture methods.	New indicator	100 000 ha under modern conservation agriculture methods.	15 109 ha of land using conservation agriculture practices. In addition, a report on piloting of the crop suitability to climate change programme for LP, MP, KZN and Free State (FS) was produced.
Review the inhibit standards on South African Good Agricultural Practices (SAGAP) and Global GAP to enable smallholder farmers' participation in the domestic and global GAP.	No. of reviews to the agricultural produce export management practices	New indicator	Agricultural Produce Act developed.	As at the end of March 2024, the draft Agricultural Produce Agents Amendment Bill has been submitted to OSLA for pre-certification opinion. The Marketing of Agricultural Products Amendment Bill is being finalised to confirm the proposed policy direction.

2.4 Institutional programme performance information

Programme 1: Administration

Purpose: Provides strategic leadership, management, and support services to the department.
The programme comprises the following subprogrammes:

- Internal Audit; and
- Financial Management Services.

Institutional outcomes that each programme contributes towards, as outlined in the Annual Performance Plan (APP):

Outcome 2: Improved governance and service excellence.

Outcomes, outputs, output indicators, targets and actual achievements

Table 2.4.4.2

Programme 1: Administration								
Outcome	Output	Output indicator	Audited actual performance 2022/2023	Audited actual performance 2023/2024	Planned annual target 2024/2025	**Actual achievement 2024/2025	Deviation from planned target to actual achievement 2024/2025	Reasons for deviations
Outcome 1: Improved governance and service excellence.	1.1 Improved audit outcomes	1.1.1 Unqualified audit opinion	Qualified audit opinion on 2021/2022 Annual financial statements was obtained.	Unqualified audit opinion on the 2022/23 annual financial statements was obtained.	Unqualified audit opinion on the 2023/24 annual financial statements	Unqualified audit opinion on the 2023/24 annual financial statements	N/A	N/A
	1.2 Compliance with government legislation and prescriptions.	1.2.1 Percentage of valid invoices paid within 30 days.	94%	95%	100%	95%	-5%	Banking details rejection due to information that does not match the information on the bank and delays by users to verify invoices and resolve queries pertaining to invoices.

Strategy to overcome areas of underperformance

Workshops with service providers and staff at district and Provincial Shared Service Centres will be conducted to empower them on proper completion of documents, verification and quality assessment. Regular programme meetings at various levels of management were undertaken with focus strictly on the prudent management of financial resources and assessing the general

state of performance. Performance against operational plans was assessed monthly and key issues were escalated to EXCO. Dedicated support staff from the monitoring, strategic planning and risk management units, who all had a strong working relationship with the Directorate: Internal Audit, provided strategic support, which assisted with identifying areas of concern in time to allow for the development of improvement plans where there was a need.

Linking performance with budgets

Programme 1: Administration	2024/25			2023/24		
	Final budget	Actual expenditure	Variance	Final budget	Actual expenditure	Variance
	R'000	R'000	R'000	R'000	R'000	R'000
Subprogramme						
Ministry	53 314	50 855	2 459	45 280	45 196	84
Department Management	96 869	92 183	4 686	96 844	96 769	75
Internal Audit	75 466	70 775	4 691	52 030	52 009	21
Financial Management Services	268 540	258 493	10 047	302 544	302 259	285
Corporate Support Services	828 147	813 224	14 923	846 089	840 252	5 837
Provincial Operations	520 759	503 901	16 858	517 084	515 082	2 002
Office Accommodation	1 205 752	1 205 749	3	1 096 723	1 096 722	1
Total	3 048 847	2 995 180	53 667	2 956 594	2 948 289	8 305

The programme has spent R2,995 billion or 98,2% of the allocated funds. Of the total expenditure, R1,169 billion was spent on compensation of employees, R1,737 billion was spent on goods and services, R74,0 million was spent on payment for capital assets, while an amount of R8,1 million was spent on transfers and subsidies classification.

Programme 2: Agricultural Production, Biosecurity and Natural Resources Management

Purpose: Oversee livestock production, game farming, animal and plant health, natural resources and disaster management.

The programme comprises the following subprogrammes:

- **Inspection and Quarantine Services:** Ensures compliance with regulatory frameworks for food safety;
- **Plant Production and Health:** Develops policy, norms and standards to support plant production and plant health;
- **Animal Production and Health:** Promotes livestock production, game farming and animal health;
- **Natural Resources and Disaster Management:** Facilitates the development of infrastructure and the sustainable use of natural resources and integrates, coordinates and implements disaster management policies and frameworks, with special emphasis on the mitigation of disasters in rural and agricultural areas;
- **Biosecurity:** Provides measures relating to effective and efficient management of biosecurity threats relating to the agricultural sector;
- **Agricultural Research Council:** Manages transfers to the Agricultural Research Council;
- **Onderstepoort Biological Products:** Prevents and controls animal diseases that affect food security, human health, and livelihoods through continued development and efficient manufacturing of innovative animal-related pharmaceuticals (including vaccines) and related products; and
- **Perishable Products Export Board:** Ensures orderly export of perishables and monitors the proper maintenance of a continuous cold chain for exports.

Institutional outcomes that each Programme contributes towards, as outlined in the APP:

- Outcome 4: Increased production in the agricultural sector; and
- Outcome 7: Enhanced biosecurity and effective disaster risk reduction.

Outcomes, outputs, output indicators, targets and actual achievements

Table 2.4.4.2

Programme: Agricultural Production, Biosecurity and Natural Resources Management								
Outcome	Output	Output indicator	Audited actual performance 2022/2023	Audited actual performance 2023/2024	Planned annual target 2024/2025	**Actual achievement 2024/2025	Deviation from planned target to actual achievement 2024/2025	Reasons for deviations
Outcome 4: Increased production in the agricultural sector.	2.1 Cannabis seeds availability and suitable area identified.	2.1.1 Number of hemp demonstration sites established.	–	–	9	9 hemp demonstration sites were established, one in each province.	N/A	N/A
	2.2 Protected Agricultural Areas (PAAs) delineated for preservation and sustainable use of natural agricultural resources.	2.2.1 Number of provinces with delineated PAAs	4 provinces (FS, EC, NC, and WC) with delineated PAAs were completed.	3 provinces with grazing PAAs (MP, KZN and GP) were delineated.	3 provinces with grazing PAAs (EC, LP and WC)	3 provinces with grazing PAAs (EC, LP and WC) were spatially delineated.	N/A	N/A

Programme: Agricultural Production, Biosecurity and Natural Resources Management								
Outcome	Output	Output indicator	Audited actual performance 2022/2023	Audited actual performance 2023/2024	Planned annual target 2024/2025	**Actual achievement 2024/2025	Deviation from planned target to actual achievement 2024/2025	Reasons for deviations
Outcome 7: Enhanced biosecurity and effective disaster risk reduction.	3.1 Biosecurity policies and strategies strengthened.	3.1.1 Number of plant pest risk surveillances conducted.	3 plant pest risk surveillances have been conducted (Exotic fruit fly; citrus greening survey; and banana bunchy top virus (BBTV)) was compiled.	3 plant pest risk surveillances were conducted (Exotic fruit fly, citrus greening survey and BBTV).	3 plant pest risk surveillances were conducted (Exotic fruit fly, citrus greening survey and BBTV).	3 plant pest (Exotic fruit fly, citrus greening survey and BBTV) risk surveillances were conducted.	N/A	N/A
		3.1.2 Number of animal disease risk surveillances conducted.	3 animal disease risk surveillances were conducted (Contagious bovine pleuropneumonia (CBPP); <i>Pestée des petites ruminants</i> (PPR); FMD).	3 animal disease risk surveillances (CBPP, PPR and FMD) were conducted	3 animal disease risk surveillances conducted	3 animal diseases (CBPP), PPR and FMD) risk surveillances were conducted	N/A	N/A
	3.2 Adaptation and mitigation to climate change	3.2.1 Number of subsistence producers supported with integrated bioenergy (biogas) technology.	18 subsistence producers were supported with integrated bioenergy (biogas) technology.	13 subsistence producers were supported with integrated bioenergy (biogas) technology	13	13	N/A	N/A

Strategy to overcome areas of underperformance

Management meetings were held regularly, at which the status of performance for planned priorities was discussed. Consensus on improvement plans and strategies for underperforming areas was achieved, and implementation was intensively monitored. Management decisions were filtered throughout various levels of branch operations. The branch also used various committees in its coordination role for the work done by provincial departments, public entities and the industry.

Linking performance with budgets

Programme 2: Agricultural Production, Biosecurity and Natural Resources Management	2024/25			2023/24		
	Final budget	Actual expenditure	Variance	Final budget	Actual expenditure	Variance
	R'000	R'000	R'000	R'000	R'000	R'000
Subprogramme						
Inspection and Quarantine Services	766 494	766 016	478	520 943	515 783	5 160
Plant Production and Health	153 023	152 965	58	160 724	156 053	4 671
Animal Production and Health	291 657	277 211	14 446	244 681	238 025	6 656
Natural Resources and Disaster Management	270 939	259 735	11 204	269 100	269 019	81
Biosecurity	6 246	5 516	730	5 125	5 115	10
ARC	1 081 184	1 081 184	–	1 191 556	1 191 556	–
OBP	1	–	1	–	–	–
Total	2 569 544	2 542 627	26 917	2 392 129	2 375 551	16 578

Towards this programme, R2,543 billion or 99,0% of the allocated funds was spent. Of the total expenditure, R724,6 million was spent on compensation of employees, R546,5 million was spent on goods and services, R1,229 billion was spent on transfers and subsidies, while an R42,4 million was spent on payment for capital assets classification.

Programme 3: Food Security, Land Reform and Restitution

Purpose: Acquire and redistribute land, and promote food security and agrarian reform programmes

The programme comprises the following subprogrammes:

- **Food Security:** Provides national frameworks to promote sustainable household food security;
- **Land Redistribution and Tenure Reform:** Develops and coordinates policies and programmes in support of the implementation of land redistribution and tenure reform;
- **National Extension Services and Sector Capacity Development:** Provides national extension support services;
- **Farmer Support and Development:** Develops and provides strategic support to farmers, agro-processors and cooperatives;
- **Restitution:** Settles land restitution claims under the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994);
- **Agricultural Land Holdings Account (ALHA):** Land acquisition, recapitalisation, and development in terms of the Provisions of Land and Assistance Act, 1993 (Act No. 126 of 1993);
- **Ingonyama Trust Board (ITB):** Provides quarterly transfers for administering land owned by the Ingonyama Trust; and
- **Office of the Valuer-General (OVG):** Responsible for providing land valuations on land earmarked for land reform and land restitution purposes.

Institutional outcomes that each programme contributes towards, as outlined in the APP:

- Outcome 2: Spatial transformation, effective and efficient land administration; and
- Outcome 3: Redress and equitable access to land and producer support.

Outcomes, outputs, output indicators, targets and actual achievements

Table 2.4.4.2

Programme: Food Security, Land Reform and Restitution								
Outcome	Output	Output indicator	Audited actual performance 2022/2023	Audited actual performance 2023/2024	Planned annual target 2024–2025	**Actual achievement 2024/2025	Deviation from planned target to actual achievement 2024/2025	Reasons for deviations
Outcome 2: Spatial transformation, effective and efficient land administration.	4.1 Communal property associations (CPAs) compliant with the Act constituted.	4.1.1 Number of CPA Executive Committee members trained on governance.	3 064	842	755	986	+231	Newly registered and non-compliant CPAs resulted in additional executive CPA members being trained.
Outcome 3: Redress and equitable access to land and producer support.	5.1 Skilled and employable youth in the agricultural sector.	5.1.1 Number of new students enrolled at agricultural training institutes.	961 new students were enrolled at agricultural training institutions as follows: • Cedara: 42; • Elsenburg: 195; • Fort Cox: 169; • GADI: 78; • Glen: 74;	832 new students were enrolled at agricultural training institutions. These students are enrolled at these institutions as follows: • Cedara: 41; • Elsenburg: 191;	800	811 new students were enrolled at agricultural training institution. These students are enrolled at these institutions as follows: • Cedara: 40; • Elsenburg: 181;	+11	Increased number of qualifying applications received for admission influenced the colleges to reconsider their admission targets.

Programme: Food Security, Land Reform and Restitution								
Outcome	Output	Output indicator	Audited actual performance 2022/2023	Audited actual performance 2023/2024	Planned annual target 2024–2025	**Actual achievement 2024/2025	Deviation from planned target to actual achievement 2024/2025	Reasons for deviations
			• Madzivhandila: 56; • OSCA: 62; • Potchefstroom: 114; and • TARDI: 56.	• Fort Cox: 100; • Glen: 66; • Grootfontein: 50; • Madzivhandila: 67; • Owen Sithole: 68; • Potchefstroom: 77; • Tardi: 59; • Taung: 62; and • Tompi Seleka: 51.		• Fot Cox: 77; • Grootfontein: 58; • Madzivhandila: 74; • Owen Sitole: 54; • Tompi Seleka: 69; • Potchefstroom: 106; • Tsolo: 74; • Taung: 78.		
	5.2 New farmers who have acquired agricultural land through land reform supported	5.2.1 Number of farms supported through the Land Development Support Programme	83	40	40	40	N/A	N/A
	5.3 Producers supported through Blended Finance Scheme.	5.3.1 Number of producers supported through Blended Finance Scheme.	New indicator	New indicator	100	121	+21	More qualifying producers applications for support was approved as Blended Finance Scheme is demand driven and leverage on additional funding (loan) from the bank. Overall, 202 producers were reported as supported but sufficient supporting documents as required could not be obtained for 81 producers.

Programme: Food Security, Land Reform and Restitution								
Outcome	Output	Output indicator	Audited actual performance 2022/2023	Audited actual performance 2023/2024	Planned annual target 2024–2025	**Actual achievement 2024/2025	Deviation from planned target to actual achievement 2024/2025	Reasons for deviations
	5.4 Acquired land allocated.	5.4.1 Number of hectares allocated.	63 765	67 376	46 747	65 141	+18 394	Approved allocations by National Land Acquisition and Allocation Control Committee (NLAACC) brought forward by provinces to minimise the period it takes for properties to be leased out led to the allocation of more hectares.
	5.5 Land claims settled and finalised	5.5.1 Number of land claims settled	355	361	319	288	-31	Some of the claims could not be settled owing to: • non-compliance with set standards (outstanding documents such as IDs, affidavits, letters of executorship, title deeds etc); • Others were rejected by claimants; and • Challenges in conducting valuation on informal rights.

Programme: Food Security, Land Reform and Restitution								
Outcome	Output	Output indicator	Audited actual performance 2022/2023	Audited actual performance 2023/2024	Planned annual target 2024–2025	**Actual achievement 2024/2025	Deviation from planned target to actual achievement 2024/2025	Reasons for deviations
		5.5.2 Number of land claims finalised	429	641	339	378	+39	The commission had to declare claims found to be non-compliant to clear a Commitment Register.

Strategy to overcome areas of underperformance

On Land Claims settled, War Room sessions are implemented on a bi-weekly basis to track performance for the Commission and to put intervention strategies in place. Regional policy review sessions to ensure that existing policies create a favourable environment to settle claims in line with the legislative framework of the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994) and other related legislation are underway. The branch had well-established coordinating structures to ensure implementation of agreed-upon interventions for achieving programme objectives. Programme management meetings were scheduled regularly to assess the state of performance and to adopt strategies for improvement in areas identified as needing strengthening. There was a Project Implementation and Monitoring Committee that focused on land redistribution and tenure reform issues. This programme also appointed planning and reporting coordinators who worked closely with performance monitoring practitioners in the department to advise management on performance areas that needed frequent attention.

Linking performance with budgets

Programme 3: Food Security, Land Reform and Restitution	2024/25			2023/24		
	Final budget	Actual expenditure	Variance	Final budget	Actual expenditure	Variance
	R'000	R'000	R'000	R'000	R'000	R'000
Subprogramme						
Food Security and Agrarian Reform	2 897 611	2 817 718	79 893	2 309 563	2 308 059	1 504
Land Redistribution and Tenure Reform	845 151	835 684	9 467	809 364	808 637	727
National Extension Support Services and Sector	584 205	574 705	9 500	538 764	538 637	127
Land Development and Post Settlement Support	455 346	454 870	476	593 101	593 087	14
Commission on the Restitution of Land Right	24 846	24 741	105	3 844	3 837	7
Restitution	3 357 393	2 793 125	564 268	3 903 506	3 903 229	277
Agricultural Land Holding Account	855 674	855 674	–	734 942	734 942	–
Ingonyama Trust Board	21 867	21 867	–	23 781	23 781	–
Office of the Valuer-General	142 775	142 775	–	140 271	140 271	–
Total	9 184 868	8 521 159	663 709	9 057 136	9 054 480	2 656

This programme spent R8,521 billion or 92,8% of the allocated funds. Of the total expenditure, R1,116 billion was spent on compensation of employees, R987,2 million was spent on goods and services, R5,639 billion was spent on transfers and subsidies, while R773,7 million was spent on payment for capital assets classification.

Programme 4: Rural Development

Purpose: Facilitates rural development strategies for socioeconomic growth.

The programme comprises the following subprogrammes:

- **NARYSEC:** Capacitate unemployed rural youth in various skills and facilitate economic opportunities for contribution towards vibrant, equitable and sustainable rural economies;
- **Rural Infrastructure Development:** Facilitates infrastructure development in rural areas; and
- **Technology Research and Development:** Develops and adapts innovative and appropriate technologies in rural areas.

Institutional outcomes that each programme contributes towards, as outlined in the APP:

- Outcome 6: Integrated and inclusive rural economy.

Outcomes, outputs, output indicators, targets and actual achievements

Table 2.4.4.2

Programme 4: Rural Development								
Outcome	Output	Output indicator	Audited actual performance 2022/2023	Audited actual performance 2023/2024	Planned annual target 2024/2025	**Actual achievement 2024/2025	Deviation from planned target to actual achievement 2024/2025	Reasons for deviations
Outcome 6: Integrated and inclusive rural economy	6.1 NARYSEC youth trained.	6.1.1. Number of young people trained through the National Rural Youth Service Corps programme	1 079 NARYSEC youth were trained.	2 889 young people were trained through the NARYSEC Programme.	1 751	1 740	-11	An underachievement of 11 participants is due to learner dropouts which account for 0.62% drop out rate against the annual target of 1 751.
Outcome 6: Integrated and inclusive rural economy	6.2 NARYSEC youth linked to economic opportunities.	6.2.1 Number of reports on National Rural Youth Service Corps participants linked to economic opportunities.	N/A	N/A	2	2 reports on NARYSEC participants linked to economic opportunities were compiled.	N/A	N/A
Outcome 6: Integrated and inclusive rural economy	6.3. Infrastructure development to support rural economic transformation.	6.3.1 Number of infrastructure projects completed.	197 infrastructure projects were completed.	174 infrastructure projects were completed. Of the 174 projects completed, 103 were rolled over projects.	58	80 infrastructure projects were completed.	+22	Roll over of 27 projects from previous years (multi-year projects) led to the overachievement of the set target.

Strategy to overcome areas of underperformance

Review the trends in dropouts to strengthen the intake and develop action plans as per outcome of the review. Regular programme meetings at various management levels were held. Programme management meetings were also scheduled regularly to assess the state of performance and to adopt strategies for improvement in areas identified as needing strengthening. This programme appointed planning and reporting coordinators who worked closely with performance monitoring practitioners in the department to advise management on performance areas that needed frequent attention and proactively adopting strategies for improvement in areas identified as seeking improvements. Performance against operational plans was assessed monthly and key issues were escalated to EXCO.

Linking performance with budgets

Programme 4: Rural Development	2024/25			2023/24		
	Final budget	Actual expenditure	Variance	Final budget	Actual expenditure	Variance
	R'000	R'000	R'000	R'000	R'000	R'000
Subprogramme						
National Rural Youth Services Corps	243 129	242 182	947	352 221	352 207	14
Rural Infrastructure Development	457 287	325 714	131 573	469 317	469 305	12
Technology Research and Development	22 365	22 258	107	19 186	19 186	–
Total	722 781	590 154	132 627	840 724	840 698	26

On this programme, R590,1 million or 81,7% of the allocated funds was spent. Of the total expenditure, an amount of R146,7 million was spent on compensation of employees, R146,5 million was spent on goods and services, R253,8 million was spent on capital assets classification, while an amount of R42,7 million was spent on transfers and subsidies classification.

Programme 5: Economic Development, Trade and Marketing

Purpose: To promote economic development, trade and market access for agricultural products and foster international relations for the sector.

The programme comprises the following subprogrammes:

International Relations and Trade: Promotes, coordinates and supports international relations and trade through the development and implementation of appropriate policies and programmes.

- **Cooperatives Development:** Facilitates and supports the implementation of programmes and initiatives to promote cooperatives to participate in economic development;
- **Agro-processing, Marketing and Rural Industrial Development:** Ensures the transformation of primary product commodities into value-added products and ensures domestic and international market access;
- **Development Finance:** Facilitates the development and implementation of development finance policies and strategies for the agricultural sector; and
- **National Agricultural Marketing Council (NAMC):** Manages transfers to the National Agricultural Marketing Council.

Institutional outcomes that each programme contributes towards, as outlined in the APP:

- Outcome 5: Increased market access and maintenance of existing markets.

Outcomes, outputs, output indicators, targets and actual achievements

Table 2.4.4.2

Programme: Economic Development, Trade and Marketing								
Outcome	Output	Output indicator	Audited actual performance 2022/2023	Audited actual performance 2023/2024	Planned annual target 2024-2025	**Actual achievement t 2024/2025	Deviation from planned target to actual achievement t 2024/2025	Reasons for deviations
Outcome 5: Increased market access and maintenance of existing markets.	7.1 Cooperatives trained	7.1.1 Number of agricultural cooperatives trained (Farm-together agricultural cooperative training).	100	108	117	117	N/A	N/A
	7.2 AgriBEE Fund implemented	7.2.1 Percentage of AgriBEE Fund applications assessed.	100% of AgriBEE fund applications assessed.	100% AgriBEE fund applications were assessed.	100%	100%	N/A	N/A
	7.3 FPSUs supported	7.3.1 Number of FPSUs supported to be functional.	12	30	37	36	-1	Unfavourable weather due to heavy rainfall in Northern Cape delayed the completion of planned infrastructure to enable provision of the intended support to FPSU within the period

Programme: Economic Development, Trade and Marketing								
Outcome	Output	Output indicator	Audited actual performance 2022/2023	Audited actual performance 2023/2024	Planned annual target 2024-2025	**Actual achievement 2024/2025	Deviation from planned target to actual achievement 2024/2025	Reasons for deviations
								under review.
	7.4 Enterprises supported.	7.4.1 Number of enterprises supported.	New	New	138	109	-29	The supply chain processes could not be finalised during the period under review to recover from the backlog experienced after the expiry of the SLA around October 2024.
	7.5 Market access for smallholder producers	7.5.1 Number of smallholder farmers capacitated in agricultural marketing	557	447	300	313	+13	This is a demand driven intervention without additional financial implication.

Strategy to overcome areas of underperformance

Planning processes must take strategies to mitigate unpredictable climate changes into consideration. Oversight will be provided over contract management. Regular programme meetings at various levels of management were undertaken with a focus strictly on assessing the state of performance and adopting strategies for improvement in areas identified as needing further refinements. Some of these included programme managers in provincial departments and public entities where the implementation of some set priorities took place.

Dedicated support staff from the monitoring, strategic planning and risk management unit, who all had a strong working relationship with the Directorate: Internal Audit, provided strategic support, which assisted in identifying areas of concern in time to allow for the development of improvement plans.

Linking performance with budgets

Programme 5: Economic Development, Trade and Marketing	2024/25			2023/24		
	Final budget	Actual expenditure	Variance	Final budget	Actual expenditure	Variance
	R'000	R'000	R'000	R'000	R'000	R'000
Subprogramme						
International Relations and Trade	152 157	141 960	10 197	156 913	147 147	9 766
Cooperatives Development	75 503	28 621	46 822	81 781	81 775	6
Agro-Processing, Marketing and Rural Industrial Development	471 482	465 622	5 860	516 303	516 303	–
NAMC	45 765	45 765	–	49 771	49 771	–
Total	744 907	681 968	62 939	804 768	794 996	9 772

The total amount spent on this programme amounted to R681,9 million, or 91,6% of the allocated funds. Of the total expenditure, an amount of R286,9 million was spent on compensation of employees, R304,9 million was spent on goods and services, R86,5 million was spent on transfers and subsidies, while an amount of R3,2 million was spent on payment for capital assets classification.

Programme 6: Land Administration

Purpose: Provide and maintain an inclusive, effective and comprehensive system of planning, geospatial information, cadastral surveys, legally secure tenure and land administration that promotes social, economic and environmental sustainability.

The programme comprises the following subprogrammes:

- **National Geomatics Management Services:** Responsible for examining and approving all surveys of land and real rights intended to be registered in the Deeds office; maintaining records; compiling, maintaining and revising maps of property boundaries; providing cadastral advisory services to other government institutions; promoting and controlling all matters related to geodetic and topographical surveying; establishing and maintaining a network of national georeferencing stations; facilitating state surveys on land reform; and providing cadastral and geospatial information services, including South African spatial data infrastructure;
- **Spatial Planning and Land Use Management:** Provides for national land use management and spatial planning systems; develops the national spatial development framework and rural development plans, guidelines, norms and standards; and ensures compliance with SPLUMA. This subprogramme also provides support to the South African Council for Planners and technical assistance to other spheres of government by providing spatial development frameworks and land use schemes and establishing functional municipal land use tribunals.
- **Deeds Registration:** Provides a deeds registration system in which secure titles are registered and accurate information is provided;
- **South African Council of Planners:** Transfers funds annually to the South African Council for Planners, a non-profit organisation dealing with the registration and other activities of the planning profession;
- **South African Geomatics Council:** Regulates and promotes the transformation of the geomatics profession; and
- **Integrated Land Administration:** Provides an overarching, coordinated and streamlined land administration system that underpins economic, social, institutional and environmentally sustainable development.

Institutional outcomes that each programme contributes towards, as outlined in the APP:

- Outcome 2: Spatial transformation, effective and efficient land administration.

Outcomes, Outputs, Output Indicators, Targets and Actual achievements

Table 2.4.4.2

Programme 6: Land Administration								
Outcome	Output	Output indicator	Audited actual performance 2022/2023	Audited actual performance 2023/2024	Planned annual target 2024/2025	**Actual achievement 2024/2025	Deviation from planned target to actual achievement 2024/2025	Reasons for deviations
Outcome 2: Spatial transformation, effective and efficient land administration.	8.1 Deeds registered in accordance with relevant legislation.	8.1.1 Percentage of deeds made available within seven days from lodgement for execution	N/A	92%	95%	98%	+3%	Examination of deeds was manageable and completed within the planned period owing to low lodgements.
	8.2 Registered deeds captured, archived	8.2.1 Percentage of registered deeds	N/A	86%	95%	97%	+2%	Fewer system downtimes encountered led to

Programme 6: Land Administration								
Outcome	Output	Output indicator	Audited actual performance 2022/2023	Audited actual performance 2023/2024	Planned annual target 2024/2025	**Actual achievement 2024/2025	Deviation from planned target to actual achievement 2024/2025	Reasons for deviations
	and delivered	delivered within 10 days from date of registration.						delivery of more registered deeds.
Outcome 2: Spatial transformation, effective and efficient land administration.	8.3 Policies and legislation developed to give effect to spatial transformation.	8.3.1 Number of monitoring reports on National Spatial Development Framework (NSDF) spatial action areas developed.	NSDF National Spatial Action Areas (NSAAs) implementation report was developed.	The NSDF NSAAs implementation report was developed.	3 monitoring reports on NSDF spatial action areas developed.	3 monitoring reports on NSDF spatial action areas were developed.	N/A	N/A
Outcome 2: Spatial transformation, effective and efficient land administration.	8.3 Policies and legislation developed to give effect to spatial transformation.	8.3.2 Number of organs of state supported (professionally and/or technically) to implement the Spatial Data Infrastructure Act, 2003 (Act No. 54 of 2003).	10 organs of state were supported (professionally and/or technically) with the aim of implementing the SDIA, 2003 (Act No. 54 of 2003)	13 organs of state were supported (technically) to implement the SDIA, during the year under review.	12 organs of state supported (professionally and/or technically) to implement the SDIA.	14 organs of state were supported (technically) to implement the SDIA during the year under review.	+2	The additional 2 was achieved through the Committee Spatial Information (CSI) monitoring of base dataset implementation that led to an intervention affecting all appointed coordinators.
Outcome 2: Spatial transformation, effective and efficient land administration.	8.4 Registerable cadastral documents (diagrams; general plans; and sectional plans)	8.4.1 Average number of working days taken to process cadastral documents for addition to the national dataset of Cadastre: Land parcel boundaries, from the date of lodgement	18 days	15 days	16	14 days	2 days	Fewer system downtimes led to reduction in work delays and improvement in performance.

Programme 6: Land Administration								
Outcome	Output	Output indicator	Audited actual performance 2022/2023	Audited actual performance 2023/2024	Planned annual target 2024/2025	**Actual achievement 2024/2025	Deviation from planned target to actual achievement 2024/2025	Reasons for deviations
		to the date of dispatch.						
Outcome 2: Spatial transformation, effective and efficient land administration.	8.5 Spatial information dataset updated.	8.5.1. Average number of working days taken to add new cadastral documents to the cadastral spatial information dataset.	8 days	5 days	10	4 days	6 days	The impact of minimal system downtime experienced in most SG offices led to improved performance for the year under review.
Outcome 2: Spatial transformation, effective and efficient land administration.	8.6 TrigNet continuously operating reference stations (CORS) Global Navigation Satellite System (GNSS) data	8.6.1 The percentage of GNSS datasets downloaded from the CORS and made available to geospatial data users.	89%	86%	85%	93%	8%	Improved connectivity in all TrigNet sites resulted in minor challenges encountered.
Outcome 2: Spatial transformation, effective and efficient land administration.	8.7 Maps of the national map series updated.	8.7.1 Number of maps produced to maintain the currency of the National Map Series Dataset.	80	85	80	92	+12	More source data was available to produce more maps. The volume of maps produced depends on source data availability. Moreover, the complexity (light, medium and heavy) of the area plays a crucial role, the dense areas like big cities and urban areas take longer to update.

Strategy to overcome areas of underperformance

Regular programme meetings at various management levels were held, with a focus strictly on assessing the state of performance and adopting strategies for improving areas needing strengthening. These meetings were also extended to the management of provincial offices, Deeds, SPLUM and NGMS, who are responsible for managing the implementation of set priorities. Dedicated support staff from the monitoring, strategic planning and risk management units, who all had a strong working relationship with the Directorate: Internal Audit, provided strategic support, which assisted in identifying areas of concern in time to allow for the development of improvement plans.

Linking performance with budgets

Programme 6: Land Administration	2024/25			2023/24		
	Final budget	Actual expenditure	Variance	Final budget	Actual expenditure	Variance
	R'000	R'000	R'000	R'000	R'000	R'000
Subprogramme						
National Geomatics Management Services	549 748	545 598	4 150	537 094	531 205	5 889
Spatial Planning and Land Use	165 340	158 328	7 012	156 862	156 816	46
Deeds Registration	1	–	1	1	–	1
South African Council of Planners	8 036	6 397	1 639	8 335	8 335	–
South African Geomatics Council	3 752	3 752	–	4 054	4 000	54
Integrated Land Administration	–	–	–	–	–	–
Total	726 877	714 075	12 802	706 346	700 356	5 990

An amount of R714,1 million was spent on this programme, which is an equivalent of 98,2% of the allocated funds. Of the total expenditure, an amount of R531,7 million was spent on compensation of employees, R120,0 million was spent on goods and services, R48,7 million was spent on transfers and subsidies, while an amount of R13,6 million was spent on payment of capital assets classification.

Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

The following performance reflects indicators implemented by PDAs in which DALRRD provided oversight and leadership. The recorded actual performance is based on audited figures for all provinces.

Programme performance information against the originally tabled annual performance plans

Programme 2: Sustainable Resource Use and Management

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to actual achievement	Reasons for deviation
Subprogramme: Agricultural Engineering Services							
	Agricultural infrastructure established	Number of agricultural infrastructures established	408	419	312	-107	The underachievement is the result of backlog of prior-year's projects still in procurement/construction, reprioritisation of projects, suspension of projects pending accountability on prior funds transferred or inflated expenditure, and operational delays.
Subprogramme: LandCare							
	Ha of agricultural land rehabilitated	Number of ha of agricultural land rehabilitated.	59 730	58 046	59 655	+1 609	Overachievement due to faster follow-up control compared to new clearing, and collaborative implementation with partners, including GEF Sustainable Land Management and DFFE.
	Ha of cultivated fields under conservation agricultural practices.	Number of ha of cultivated land under conservation agriculture practices.	9 835	9 366	9 376	+10	Overachievement due to increased farmer interest from awareness activities, timely appointment of service providers and procurement of inputs, and expanded outreach through awareness events and farmer information days.
	Green jobs created	Number of green jobs created	6 246	4 858	5 053	+195	Additional equitable share funds, replacement of

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to actual achievement	Reasons for deviation
							participants who left with new ones, and creation of extra jobs to ensure timely project completion.
	Agro-ecosystem management plans developed.	Number of agro-ecosystem management plans developed.	17	21	21	0	N/A
	Farm management plans developed.	Number of farm management plans developed.	405	321	387	+66	Overachievement due to increased requests from farmers and other government institutions.
	Awareness on disaster risk reduction was conducted.	Number of awareness campaigns on disaster risk reduction conducted.	146	138	148	+10	Overachievement due to additional awareness campaigns implemented in response to extreme weather events.
	Surveys on uptake for early-warning information conducted.	Number of surveys on uptake for early-warning information conducted.	51	46	59	+13	Extreme weather conditions necessitated an additional survey to be conducted to assist farmers.

Programme 3: Agricultural Producer Support and Development

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to actual achievement	Reasons for deviation
Subprogramme: Farmer Settlement and Development							
	Production across the agriculture value chain	Number of producers supported in the red meat commodity.	8 331	5 747	7 232	+1 485	Overachievement due to additional support from marketing, mechanisation, and project reprioritisation, assistance to farmers affected by veld fires, increased technical advice for parasite infestations,

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to actual achievement	Reasons for deviation
							support linked to returned loaned cattle, mechanisation for fodder processing, pig feed support under PES Phase 3, and rolled-over projects enabling more producers to be assisted.
		Number of producers supported in the grain commodity	11 351	6 902	9 067	+2 165	Overachievement due to high farmer demand, increased support from the seed multiplication programme, pest and weed infestations requiring more technical advice, and bulk input procurement savings used to subsidise additional grain farmers.
		Number of producers supported in the cotton commodity	197	102	112	+10	The low uptake of cotton production in quarters 2 and 3, necessitated initiatives to advise more farmers in preparation for the next cotton season production.
		Number of producers supported in the citrus commodity.	187	116	136	+20	High farmer demand and increased support through the department's seed multiplication programme.
Subprogramme: Food Security							
	Smallholder producers supported.	Number of smallholder producers supported.	17 204	13 702	15 459	+1 757	Overachievement owing to financial disclosure from supported projects, high farmer demand with increased support through the seed multiplication programme, and rolled-over projects enabling

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to actual achievement	Reasons for deviation
							more smallholder producers to be assisted.
	Subsistence producers supported.	Number of subsistence producers supported.	79 461	70 070	69 747	-323	Underachievement due to the conversion of household interventions to targeted individual projects and late receipt of 50% PES funds, resulting in fewer subsistence producers supported; remaining producers to be assisted in 2025/26.

Programme 4: Veterinary Services

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to actual achievement	Reasons for deviation
Subprogramme: Animal Health							
	Biosecurity policies and strategies strengthened.	Number of samples collected for targeted animal disease surveillance	210 351	12 5525	20 3452	+77 927	Overachievement due to ongoing disease outbreaks in neighbouring provinces, increased surveillance for FMD and avian influenza (AI), and higher testing demand for ostriches and export farms.
		Number of epidemiological units visited for veterinary interventions.	99 491	71 711	95 182	+23 471	Overachievement due to multiple disease outbreaks (FMD, AI, ASF) requiring increased epidemiological investigations, monitoring, surveillance, and outbreak response.

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to actual achievement	Reasons for deviation
Subprogramme: Veterinary International Trade Facilitation							
	Biosecurity policies and strategies strengthened.	Number of veterinary certificates issued for export facilitation.	59 651	45 658	63 741	+18 083	Overachievement due to increased demand for animal product exports and new export markets, particularly in the Middle East, following successful disease control measures.
Subprogramme: Veterinary Public Health							
	Reduce the level of risk associated with food.	Number of inspections conducted on facilities producing meat.	6 453	5 547	5 787	+240	Overachievement due to increased inspections at meat export facilities, including two new facilities, renewals, and follow-up visits to address non-compliance and ensure compliance with the Meat Safety Act.
Subprogramme: Veterinary Diagnostics Services							
	Reduce level of risk associated with food.	Number of laboratory tests performed according to approved standards.	751 785	635 665	713 766	+78 101	Overachievement due to a shift in focus to Bovine Brucellosis surveillance after FMD outbreak closure, increased diagnostic services from higher farmer awareness, and resumption of testing services attracting out-of-province clients following laboratory renovations.
Subprogramme: Veterinary Technical Support Services							
	Address and promote the welfare of animals, animal	Number of Performing Animals Protection Act (PAPA)	483	289	543	+254	Overachievement due to renewal of PAPA licences and registration

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to actual achievement	Reasons for deviation
	identification and advisory services.	registration licences issued.					of new facilities, with high demand in GP driven by security companies, wildlife sanctuaries, petting zoos, and the film industry.

Programme 5: Research and Technology Development Services

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to actual achievement	Reasons for deviation
Subprogramme: Agricultural Research							
	Research projects implemented .	Number of research projects implemented to improve agricultural production.	285	252	286	+34	Overachievement due to continuous collaborative research with institutions (ARC, universities), increased projects addressing industry needs, and approval of several postgraduate student projects.
	Scientific papers published	Number of scientific papers published	79	52	72	+20	Overachievement due to a higher number of approved and published papers, with improved quality leading to more publications passing the peer review process than anticipated.
	Technologies developed for smallholder producers.	Number of new technologies developed for the smallholder producers.	19	15	15	0	N/A
	Research presented at	Number of research	174	122	200	+78	Overachievement is the result of

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to actual achievement	Reasons for deviation
	peer review events.	presentations made at peer reviewed events.					acceptance of more relevant abstracts addressing agricultural sector challenges, supported by available data and inclusion of student presentations with researchers as co-authors.
	Research presented at technology transfer events.	Number of research presentations made at technology transfer events.	670	455	689	+234	Overachievement due to higher industry demand for information transfer, acceptance of more relevant abstracts, and additional presentation requests for technology transfer events.
Subprogramme: Infrastructure Support Service							
	Research infrastructure managed.	Number of research infrastructures managed.	39	39	39	0	N/A

Programme 6: Agricultural Economics Services

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to actual achievement	Reasons for deviation
Subprogramme: Production Economics Support							
	Agribusinesses supported with market access.	Number of agribusinesses supported with marketing services.	1 888	1 632	1 958	+326	Overachievement due to high attendance at open-invitation information sessions, demand-driven activities, increased pre-audits with SA-GAP, and capacity-building workshops conducted in collaboration

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to actual achievement	Reasons for deviation
							with PPECB, local municipalities, and DALRR
		Number of clients supported with production economic services.	8 056	6 621	8 055	+1 434	Overachievement due to high demand, numerous training sessions and farmers' days, record-keeping and food safety training, provision of advisory services and business plans, and large attendance at external events and departmental workshops introducing farm business administration.
	Agribusinesses supported	Number of agribusinesses supported with BEE advisory services	370	269	421	+152	Overachievement due to Small Enterprise and Supplier Development Workshop with the Department of Water and Sanitation, agribusiness site visit, and unanticipated requests for Agri-BEE advisory services
Subprogramme: Agro-processing Support							
	Agribusinesses supported	Number of agribusinesses supported with agro-processing initiatives.	900	626	695	+69	Overachievement due to demand-based factors. An active information drive and awareness sessions, amid high land costs and commodity

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to actual achievement	Reasons for deviation
							price pressures, led to increased interest in agro-processing and more businesses supported than planned
Subprogramme: Macro-Economic Support							
	Economic reports	Number of economic reports compiled	160	129	146	+17	Unanticipated requests for information resulted in more outputs than planned for.

Programme 7: Agricultural Education and Training

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to actual achievement	Reasons for deviation
Subprogramme: Agricultural Skills Development							
	Skilled producers	Number of participants trained in agricultural skills development programmes in the sector.	18 921	18 830	18 796	-34	Under-achievement is due to a tender being declared irregular and delays in finalising the SLA with ARC.
	Skilled participants and employable graduates in the sector	Number of students graduated with agricultural qualification.	603	545	698	+153	Overachievement is due to additional students completing outstanding requirements, including those who utilised supplementary exams in 2023 or concession exams in January 2024, enabling them to be certified and awarded diplomas.

Programme performance information against re-tabled Annual Performance Plans
Programme 4: Veterinary Services

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to Actual Achievement	Reasons for deviation
Subprogramme: Animal Health							
	Biosecurity policies and strategies strengthened.	Number of epidemiological units visited for veterinary interventions.	99 491	71 211	100 109	+28 898	Overachievement due to multiple disease outbreaks (FMD, AI, ASF) requiring increased epidemiological investigations, monitoring, surveillance, and outbreak response.
Subprogramme: Veterinary International Trade Facilitation							
	Biosecurity policies and strategies strengthened.	Number of veterinary certificates issued for export facilitation.	59 651	45 250	65 369	+20 119	Overachievement due to increased demand for animal product exports and new export markets, particularly in the Middle East, following successful disease control measures
Subprogramme: Veterinary Public Health							
	Reduce level of risk associated with food.	Number of inspections conducted on facilities producing meat.	6 453	5 347	6 640	+1 293	Overachievement due to increased inspections at meat export facilities, including two new facilities, renewals, and follow-up visits to address non-compliance and ensure compliance with the Meat Safety Act.
Subprogramme: Veterinary Diagnostics Services							
	Reduce level of risk associated with food.	Number of laboratory tests performed according to approved standards.	751 785	610 673	699 626	+88 953	Overachievement due to a shift in focus to Bovine Brucellosis surveillance after FMD outbreak closure, increased diagnostic

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to Actual Achievement	Reasons for deviation
							services from higher farmer awareness, and resumption of testing services attracting out-of-province clients following laboratory renovations.

Programme 7: Agricultural Education and Training

Outcome	Output	Output indicator	Audited actual performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25	Deviation from planned target to Actual achievement	Reasons for deviation
Subprogramme: Agricultural Skills Development							
	Skilled producers	Number of participants trained in agricultural skills development programmes in the sector.	18 921	18 135	20 616	+2481	Overachievement due to increased training demand, including courses on poultry, livestock genetics, maize production, financial management, and hemp harvesting. Additional sessions were provided by agricultural colleges and other stakeholders to meet requests.

2.5 Transfer payments

Transfer payments to all organisations other than public entities.

The table below reflects the transfer payments to all organisations other than public entities made for the period 1 April 2024 to 31 March 2025.

Name of transferee	Type of organisation	Purpose for which funds were used	Did the department comply with section 38(1) (j) of PFMA?	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
Province						
EC	Provincial department	CASP, LandCare and Ilima/Letsema	Yes	330 593	329 193	All funds spent.
FS	Provincial department	CASP, LandCare and Ilima/Letsema	Yes	260 969	285 297	All funds spent.
GP	Provincial department	CASP, LandCare and Ilima/Letsema	Yes	116 721	90 227	Delays in implementation by the province as well as CASP funds withheld from the province in the 3rd quarter.
KZN	Provincial department	CASP, LandCare and Ilima/Letsema	Yes	383 156	296 756	The budget facility for infrastructure funds under CASP was not spent due to delays in finalising and approving infrastructural designs and specifications for the vegetable Agri-Hub.
LP	Provincial department	CASP, LandCare and Ilima/Letsema	Yes	316 207	305 766	Poor performance by contractors and delays in submitting invoices for payment.
MP	Provincial department	CASP, LandCare and Ilima/Letsema	Yes	233 225	203 394	Poor performance by contractors and delays in submitting invoices for payment.
NC	Provincial department	CASP, LandCare and Ilima/Letsema	Yes	185 992	165 772	Delayed implementation of projects led to poor expenditure; as well as projects

Name of transferee	Type of organisation	Purpose for which funds were used	Did the department comply with section 38(1) (j) of PFMA?	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
Province						
						that were withdrawn late.
NW	Provincial department	CASP, LandCare and Ilima/Letsema	Yes	255 407	205 451	Delayed implementation and delayed submission of invoices by contractors.
WC	Provincial department	CASP, LandCare and Ilima/Letsema	Yes	474 294	205 787	Late allocation and transfer of the flood disaster funds.
Subtotal				2 556 564	2 087 643	
Municipalities' Rates, Taxes						
Domestic Whole Country				951	1 061	All funds spent
EC: Whole province	Local government	Rates, taxes and vehicle licence renewal	N/A	22 601	22 486	All funds spent
FS: Whole province	Local government	Rates, taxes and vehicle licence renewal	N/A	544	543	Due to delays from the municipalities to submit their invoices, the province was still verifying the invoices by close of the Financial Year 2024/25.
GP: Whole province	Local government	Rates, taxes and vehicle licence renewal	N/A	1 752	1 750	All funds spent.
KZN: Whole province	Local government	Rates, taxes and vehicle licence renewal	N/A	7 455	7 455	All funds spent.
LP: Whole province	Local government	Rates, taxes and vehicle licence renewal	N/A	18 500	18 497	All funds spent
MP: Whole province	Local government	Rates, taxes and vehicle licence renewal	N/A	157 826	157 826	All funds spent.
NW: Whole province	Local government	Rates, taxes and vehicle licence renewal.	N/A	16 485	16 484	All funds spent.
NC: Whole province	Local government	Rates, taxes and vehicle licence renewal.	N/A	0	0	Due to delays from the municipalities to submit their invoices, the province was still verifying the

Name of transferee	Type of organisation	Purpose for which funds were used	Did the department comply with section 38(1) (j) of PFMA?	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
Province						
						invoices by close of the financial year 2024/25.
WC: Whole province	Local government	Rates, taxes and vehicle licence renewal	N/A	5 531	5 530	All funds spent
Subtotal				231 645	231 631	
Departmental Agencies and Accounts						
Agri Sector Education and Training Authority	Departmental agency	Contribution to operations	Yes	1 496	1 496	100% spent
Agricultural Land Holdings account	Departmental agency	Contribution to operations	Yes	855 674	855 674	100% spent
Agricultural Research Council	Departmental agency	Contribution to operations	Yes	1 081 184	1 081 184	100% spent
Ingonyama Trust Board	Departmental agency	Contribution to operations	Yes	21 867	21 867	100% spent
NAMCI	Departmental agency	Contribution to operations	Yes	45 765	45 765	100% spent
OVG	Departmental agency	Contribution to operations	Yes	142 775	142 775	100% spent
Registration of Deeds Trade Account	Departmental agency	Contribution to operations	Yes	1	–	The entity did not require financial support from the department
SA Geomatics Council	Departmental agency		Yes	3 752	3 752	100% spent
Dept agency: donation and gifts	Departmental agency	Donations and gifts	N/A	266	–	Due to NT instruction not to pay prize awards
Com: Licence	Public Corporation	TV licence renewals	N/A	27	20	An amount of R27 000 was budgeted; however, invoices amounting to R20 thousand were received.
Subtotal				2 152 807	2 152 533	
Higher education institution						
University of Pretoria				9 912	9 912	
Subtotal				9 912	9 912	
Public corporations and private enterprises						
Land and Agri Bank of SA	Public corporation	Contribution to operations	N/A	419 804	375 241	Delays in transferring of AgriBEE funds to the Land Bank
IBFM: Landbank of SA	Public corporation		N/A	1		

Name of transferee	Type of organisation	Purpose for which funds were used	Did the department comply with section 38(1) (j) of PFMA?	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
Province						
Claim against state Priv ENT	Public corporation		N/A	48 000	47 928	An amount of R48 million was budgeted; however, invoices amounting to R47,9 million was received
OBP	Public corporation		N/A	1	0	
Red Meat Industry Forum	Private enterprises		N/A	1	0	
Subtotal				467 807	423 169	N/A
Foreign governments and international organisations						
Foreign rates and taxes	Foreign governments and international organisations	Rates and taxes paid in foreign regions	N/A	513	180	Expenditure came lower than expected as rates and taxes were paid based on invoices submitted by foreign regions.
International organisations	Foreign governments and international organisations	Membership fees	N/A	50 390	43 506	Outstanding invoices to be paid regarding membership subscription fees to international organisations which were not received by close of the financial year.
Subtotal				50 903	43 686	
Non-Profit Organisations						
SA Council for Planners	Non-profit institution	Contribution to operations	Yes	8 530	6 397	The Q4 invoice was delayed.
Subtotal				8 530	6 397	
Households						
Claims against the State	Households	Claims against the state	N/A	1 803	1 803	100% Spent
Leave gratuities	Households	Payment of leave to officials who left the department	N/A	11 609	11 609	100% Spent
Bursaries for non-employees	Households	Bursaries to students	N/A	57 496	57 496	100% Spent
Restitution grants	Households	Payment of land claims	N/A	2 163 848	1 516 351	Delays in finalising land claims settlements due to the slow

Name of transferee	Type of organisation	Purpose for which funds were used	Did the department comply with section 38(1) (j) of PFMA?	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
Province						
						payment process. A new bulk payment system has been developed for implementation
Gifts and donations	Households	Gifts and donations	N/A	542	0	Due to NT instruction not to pay prize awards.
Farming support	Households		N/A	54 122	0	The budget was for land reform projects except for redistribution (PLAS farms). The money was repurposed due to low spending.
Post Retirements Benefits	Households		N/A	1 217	1 217	100% spent
Rural Development	Households	Rural youth skills development	N/A	41 937	41 937	100% spent
Subtotal				2 332 574	1 630 413	

2.6 Conditional grants

Please refer to each PDA's 2024/25 annual report for information.

2.7 Donor funds

1. Ecosystem Development for Small Enterprises Programme

Name of donor	Ecosystem Development for Small Enterprises (EDSE) programme
Full amount of the funding	R13 056 000
Period of the commitment	2024/2025 financial year
Purpose of the funding	The purpose of the funding is to contribute towards inclusive and sustainable economic growth and employment creation in South Africa, in line with the Government of the Republic of South Africa's objectives as described in its National Development Plan (NDP), through supporting SMMEs.
Expected outputs	• The development and maintenance of the Livestock Identification and Traceability System (LITS) database; • Development of Customised Laboratory Information Management System (CLIMS) at Analytical Laboratories (Pretoria and Stellenbosch); • Fast-track accreditation of analytical laboratories (Pretoria and Stellenbosch); • Capacity-building sessions focusing on up/cross skilling of agripreneurs on various regulatory standards to improve competitive performance of agribusinesses. • Building the capacity of SMME agribusiness to be certification ready.
Actual outputs achieved	• A total of 418 agripreneurs were upskilled on various regulatory standards; • A total of 52 officials, representing officials from all nine PDAs and SEDA, were capacitated on the introduction to food safety and quality management systems; • As part of building the capacity of SMME agribusiness towards certification readiness, gap assessments were conducted on eight agro-processing enterprises. Phase 1 of the LITS database development continued during the year under review. The CSIR started working on Phase 2 of the project. User acceptance training on Phase 2 was held in March 2025. Phase 2: Module 3 (Dairy Product Lab in Pretoria), Module 4 (Processed Food Lab in Pretoria), Module 5 (Microbiology and Additives Testing Lab in Stellenbosch) and Modules 6, 7, and 8 (Predictive Capability using Machine Learning) have been completed. Activities in Phase 2: • Testing, deployment and training; • Project Management; and • Hardware acquisition. Phase 3: Module 9 (Liquor Products Lab) and Module 10 (Predictive Capability using Machine Learning) About 65% of this phase was completed. Activities in Phase 3: • Business requirement elicitation; • Functional requirement decomposition; and • Solution design.
Amount received (R'000)	R13 056 000

Amount spent by the department (R'000)	R7 266
Reasons for the funds unspent	The transfer of the EDSE funds from DSBD to DALRRD during the fourth quarter of the financial year adversely impacted implementation of the activity.

2. Economic Partnership Agreement Implementation Support Programme in SA (EPA) Programme

Name of donor	EPA
Full amount of the funding	R130 059 439
Period of the commitment	2024/2025 financial year
Purpose of the funding	Increased trade with the EU and the SADC region in quality agricultural products through capacitation of food testing laboratories, development of a livestock identification and traceability system, implementation of the South African legislation of geographic indicators (GIs), and advocacy training of communities on opportunities to access the EU market.
Expected outputs	• Food testing laboratories capacitated with equipment to deliver the requisite testing; • Enhanced electronic foodborne disease pathogen surveillance and tracking at laboratories; • Individual animal identification to ensure traceability and movement control; • Products with recognised GIs backed by registration and better marketing strategies; • Informed communities on opportunities and requirements to access the EU market.
Actual outputs achieved	• Purchase order to procure High-Performance Liquid Chromatography is issued and installation is in progress; • Tender to procure Combustion Protein Analyser was finalised and service provider has signed the contract–process to generate purchase order is ongoing; • Purchase orders for other laboratory instruments/equipment (ultra-high purity hydrogen gas generator and Ultra-low upright freezer) were issued and are yet to be delivered and paid; • Multitube and shaker vortex mixers, rotating carousels pipettes, and pharmacy refrigerators, chloride titrator were delivered and yet to be paid.
Amount received (R'000)	R130 059 439,15
Amount spent by the department (R'000)	R225 000,00
Reasons for the funds unspent	The funds are transferred from NT into the department around September/October, at which time the procurement systems within the department had been closed for the financial year. This has led to a cycle of receiving funds and returning them to NT because they could be utilised.

2.8 Capital investment

Project name	Program me	Project description	Outputs	Project start date	Project completion date	Total estimated cost (R'000)	Current year expenditure (2023/24) (R'000)
Site clearance and acquisition of land for construction of seed banks in Sterkspruit: EC (WCS 052458)	1 CSS	Request for site clearance and acquisition of land for construction of seed banks in Sterkspruit.	Alternative site to be identified and construction of the seed banks	2024/03/31	2027/3/31	750 000,00	0,00 (DPWI is awaiting a meeting with the municipality to discuss the options of land availability for the development of a seedbank for DoA.
Site clearance and acquisition of land for the construction of seed banks in Mutale: Limpopo (052459)	1 CSS	Request for site clearance and acquisition of land for the construction of seed banks in Mutale	Alternative site to be identified and construction of the seed banks	2023/12/01	2026/12/01	750 000,00	0,00 Project on hold pending the finalisation of the site clearance.
Repairs and renovations of offices at the old SABS Building, 116 Bloemfontein (WCS 055123)	1 CSS	Repairs and renovations of offices at the old SABS Building, 116 Bloemfontein	Repair and renovations	2023/11/28	2025/11/30	3 529 822	0,00 (Final tender date on 2023/11/28 design sketch plan completed end of October 2024.
Rehabilitation of two irrigation dams, including the repair of the dam wall (WCS 054896)	1 CSS	Stellenbosch Quarantine Station: Investigates the rehabilitation of two irrigation dams, including the repair of the dam wall	Repair and rehabilitate the two dams	2024/05/05	2025/05/05	6 779 813	246 714,059 Project waiting for the appointment of contractor by DPWI.
Proposed new head office: conduct a feasibility study to establish funding for the planning and precinct development construction of a new office (WCS 055153)	1 CSS	Conduct feasibility study to establish funding for the planning and precinct development construction of a new office (WCS 055153).	Feasibility study to construct new building	On hold	On hold	On hold	Project on hold due to PPP in Lilian Ngoyi (to be reviewed)

Grootfontein Agricultural Development Institute (GADI): Construction of a classroom building at GADI WCS 055587	1 CSS	GADI: Construction of a classroom building at GADI WCS 055587	Construct ion and upgrading	2024/06/12	2027/06/18	56 528 338	0,00 design layout was finalised on 30 November 2024.
Upgrading of plant genetic centre premises for DALRRD (WCS 052805)	1 CSS	Upgrading of plant genetic centre premises for DALRRD (WCS 052805) Roodeplaat	Construct ion and upgrading	2020/06/25	2022/07/04	53 370 576	1 253 924 ,58 (practical completio n taken and final hand over of the project was done in October 2024)
Installation of Ballustrate/handrills on top of Sefala building (WCS 055553)	1 CSS	Installation of Ballustrate/handrills on top of Sefala Building (WCS 055553)	Installatio n and upgrading	2023/08/07	2024/08/07	737 000,00	115 996,7 7 (in constructi on)
Repair and Maintenance Programme: Maizeboard Building (WCS 044038)	1 CSS	Repair and Maintenance Programme: Maizeboard Building (WCS 044038)	Repair and Maintena nce	2023/6/01	2025/7/01	8 068 147,00	3 350 683 ,69 (in constructi on)
Upgrade of the offices, storeroom, workshop, and evaporation pan: Upington	1 CSS	Upgrade of the offices, storeroom, workshop, and evaporation pan: Upington	Upgrade and repair	2024/03/01	2024/12/01	2 731 492	0,00 Revised procurement instruction awaited, project manager still to be appointed by DPWI.
Stellenbosch Plant Quarantine station: Upgrading of Sewer system	1 CSS	Upgrading of the sewer system at Stellenbosch Quarantine station	Upgradin g	2023/3/10	2025/3/10	4 906 475 ,00	276 139,9 0 Project on hold waiting for DPWI to appoint contractor
Stellenbosch Heritage- Repair and Renovation 15 Market Street: DRDLR Heritage Building	1 CSS	Stellenbosch Heritage- Repair and Renovation 15 Market Street: DRDLR Heritage Building	Repairs and Renovati on	2023/5/9	2025/5/31	310 986,00	0,00(COE GA was appointed as the implement ing agent by DPWI in February 2025

Alterations to the Entrance and exit at Polka Drive WCS (051209)	1 CSS	Alterations to the Entrance and exit at Polka Drive WCS (051209)	Repairs and Renovation	Not started		0,00	DPWI has requested the client department to allocate funds for this project. Awaiting the allocation meeting from DPWI
Stellenbosch Plant Quarantine Station: Upgrade of Glasshouses and 11 Plant Tunnels WCS 052777	1 CSS	Stellenbosch Plant Quarantine Station: Upgrade of glasshouses and 11 Plant Tunnels WCS 052777	Construction and upgrading	2019/10/15	2020/10/31	0,00	Retention amount of R231 475. Final completion certificate issued and project completed.

Part C

Governance



3.1 Introduction

The department continued to maintain proper governance, risk and compliance processes. These processes assist it to promote and entrench ethical culture with the aim to prevent and combating fraud and corruption. The risk management function resides in the ODG, which allows for the independence it needs to properly execute its governance duties.

3.2 Risk management

The risk, governance and compliance processes have continuously been applied and maintained to protect the department against known and unknown risk exposure. The department has an approved Risk and Compliance (RAC) Policy and strategy which provide guidance on the implementation and integration of risk management systems. The RAC Strategy is aligned to the 2019–2024 MTSF, and it provides the roadmap for the attainment of a mature risk culture. The department has, according to its RAC Strategy, maintained maturity level three (i.e., established) and processes have been put in place to advance to the next level.

DALRRD reviews and assesses its risk profile regularly and the emerging risks are identified quarterly for deliberation and formulation of risk mitigations. The director-general assisted by the EXCO, has been continuously implementing and monitoring the strategic risk mitigations to ensure that efficient management of risks contributes towards the department's performance. The risk profile comprises six categories as per the following diagram:



Risk Management Committee

The department has a Risk Management Committee (RMC) which comprises four external members with a combination of skills, expertise and knowledge of the various sectors. The RMC is governed by approved Terms of Reference (ToRs), and it has authority to hold management accountable for risk management processes applied in the department. The design of the RMC has enhanced risk management accountability in the department. The meetings held during the period under review were attended as indicated in the following table:

Name (External members)	Number of meetings attended	Number of in-committee RMC meetings	Role	Date appointed	Meeting dates
Mr Musawakhe Khumalo	3 of 3	0	Chairperson	19 April 2023	30 August 2024 13 December 2024 21 February 2025
Ms Jane Thupana	1 of 3	0	External member	19 April 2023	21 February 2025
Mr Sithembiso Brian Ndaba	3 of 3	0	External member	2 May 2024	30 August 2024 13 December 2024 21 February 2025
Mr Suran Maharaj	3 of 3	0	External member	2 May 2024	30 August 2024 13 December 2024 21 February 2025

Risk Management Committee Report

The RMC supported the Executive Authority and Accounting Officer by providing oversight over the implementation and maintenance of risk management systems. It discharged its fiduciary duties according to the ToRs. The significant risks and threats, including those relating to the delinking and restructuring of the department, were escalated to the Accounting Officer.

A gradual improvement in the risk management process of the department has been noted, including the implementation of risk mitigations. The committee will continue to monitor risk issues in relation to the outbreak of diseases, Integrated Rural Development Sector Strategy (IRDSS) and finalisation of the organisational structure (fit-for-purpose) with its placement.

3.3 Fraud prevention, ethics management and compliance management

Fraud prevention and ethics management

The department has continued to implement and maintain its anti-fraud and corruption processes with the aim of preventing or reducing exposure to risks. This was done through the guidance of the RAC Policy and strategy. Regular awareness on fraud prevention and ethics management took place at different organisational levels.

As part of the fraud/corruption awareness campaign, the department collaborated with the Public Service Commission to create awareness among staff on the role they can play in the fight against fraud, corruption and unethical behaviour. The senior managers of the department were also trained on ethical leadership, with the aim of promoting a culture of ethical conduct at senior management level.

Compliance management

Compliance management is the process of assessing and measuring adherence to laws, regulations, policies and procedures imposed on the operations of the department. When identifying the statutes of the department, a regulatory universe is used as a base. The compliance management function has also disaggregated the applicable statutes as follows:

- Core/primary requirements that refer to those that include the specific enabling legislation in the relevant industry. These typically contain the need for a licence to conduct business, capital and "fit and proper" requirements, conduct requirements, reporting requirements and significant penalties for non-compliance;
- Secondary requirements are those that are not necessarily applicable to every organisation in the sector, but which do apply to the department; and
- Topical category consists of those regulatory requirements that are neither core nor secondary, but which nevertheless do apply to the department.

During the period under review, the Directorate: Compliance Management assessed the following legislation:

- Deeds Registries Act, 1937 (Act No. 47 of 1937);

- b) Public Finance Management Act (PMFA), 1999 (Act No. 1 of 1999);
- c) Restitution of Land Rights Act, 1994 (Act No. 22 of 1994);
- d) Animal Protection Act, 1962 (Act No. 71 of 1962);
- e) Extension of Security of Tenure Act (ESTA), 1997 (Act No. 62 of 1997);
- f) Land Reform (Labour Tenants) Act, 1996 (Act No. 3 of 1996); and
- g) Meat Safety Act, 2000 (Act No. 40 of 2000).

3.4 Minimising conflict of interest

During the 2024/2025 financial year, the Chief Director: Risk Management in partnership with ProEthics, conducted a two-day ethics management and ethical leadership training for senior managers and twenty-six (26) participants attended. The discussions during the two-day workshop revealed that the participants were hopeful about the department's ethics journey and keen to engage further on ethics. Furthermore, the discussions presented an opportunity for the Risk Management Unit to actively pursue creating ethics awareness across all levels within DALRRD. During the 2024/2025 financial year, fraud and ethics awareness training for employees below salary level 12 were conducted, and 273 employees attended.

Financial disclosure

DPSA in terms of the Public Service Regulations, 2016 (PSR, 2016) requires designated employees to disclose their financial interests (Chapter 2, Part 2). Furthermore, as part of ethics management, DPSA required senior managers and other designated employees to disclose their financial interests. The financial disclosures for employees in the department were done as follows: As at 30 April 2024, there were 388 senior managers and 381 disclosed their financial interest on time when the eDisclosure system closed on 30 April 2024. Seven senior managers failed to disclose their financial interests as required. The Chief Director: Risk Management obtained approval from the director-general for a concession to reopen the system. The system was opened from 23 to 30 May 2024. Seven senior managers managed to disclose their financial interests after a concession was granted.

The table below is a summary of the financial interest disclosures of designated employees:

Number of employees registered on the eDisclosure system	Number of employees who disclosed as at 30 April 2024	Number of employees who failed to disclose by 30 April 2024
388	381	7

As of 31 July 2024, there were 1 219 other designated employees (Assistant directors on salary level 9 and 10, including their OSDs). Of the 1 219 other designated employees, 998 disclosed their financial interests and 221 failed to disclose their financial interests.

The table below is a summary of the financial interest disclosures of other designated employees:

Number of employees registered on the eDisclosure system	Number employees who disclosed as at 31 July 2024	Number of employees who failed to disclose by 31 July 2024
1 219	998	221

The department will be taking appropriate action against the employees who failed to disclose their financial interests as required by legislation.

Other remunerative work outside public service

Furthermore, during the period under review, 62 applications from employees requesting approval to conduct other remunerative work outside Public Service were received and processed.

3.5 Code of Conduct

The department subscribes to the Code of Conduct in the Public Service and non-adherence thereto is addressed with charges of misconduct being levelled against employees in line with the Disciplinary Code and Procedures and the SMS handbook. Awareness sessions on the Code of Conduct were conducted throughout the financial year.

3.6 Health, safety, and environmental issues

The department had committed to maintain the health and safety standards through ensuring compliance and implementation of the Occupational Health and Safety (OHS) Policy and its procedures.

Health and safety assessments

Province	Office/building	Date conducted
EC	Mthatha District Office—OHS inspection	11/03/2025
	Mthatha Deeds Office—OHS inspection	11/03/2025
	Mthatha Office—Occupational Health	12/03/2025
	PSSC Office (Block F)	19/02/2025
EC Grootfontein Agricultural Development Institute (GADI)	Office of the Surveyor-General (East London)	21/06/2024
	Supply chain	21/06/2024
	Information technology	21/06/2024
	Kitchen	22/06/2024
	Farm section	25/06/2024
	Abattoir	26/06/2024
	Crop production	20/08/2024
	Security services	22/08/2024
	Kitchen follow-up assessment	04/11/2024
	ATS carpentry section	05/11/2024 20/02/2025
	Training room	28/11/2024
	Hazard Identification and Risk Assessment (HIRA) conducted at welding area in GADI	02/12/2024
	Afrino follow-up assessment	22/01/2025
	Abattoir follow-up assessment	29/01/2025
	HIRA carpentry section	13/02/2025 20/02/2025
	HIRA conducted at the farm section	18/02/2025
	RLCC Office (Volksblad Building)	30/10/2024
	New crop production	03/03/2025
FS	Fezile Dabi (newly identified office)	03/07/2024 29/08/2024 27/08/2024 29/10/2024 20/02/2025
	RLCC: FS (newly identified office)	08/07/2024
	Thabo Mofutsanyane District Office	17/07/2024 21/01/2025 19/02/2025
	Lejweleputswa District Office	06/06/2024 28/08/2024 24/03/2025
	RSSC Lejweleputswa Office	21/02/2025
	District Office (FS)	01/10/2024
	RLCC Fezile Dabi Office	29/10/2024 20/02/2025
	Disability assessment was conducted at RLCC-FS	18/02/2025
	RLCC Office (Omni Building)	18/02/2025 08/05/2024 11/06/2024 08/07/2024 11/07/2024 10/09/2024 30/10/2024 02/12/2024
	SG Office	21/08/2024

	PSSC Office (SA Eagle Building)	06/09/2024
	Deeds Registrar Office	14/06/2024
	SPLUM (Omni Building)	13/03/2025
	Au Jardin (WC student accommodation)	03/04/2024
	A-Plus Academy (WC student accommodation)	
GP/National Office	Registry Office; animal health, Agriculture Place	10/04/2024
	Perishable Cargo—Follow-up inspection	30/05/2024
	Warehouses storages at Pretoria West and Pretoria Central	07/06/2024
	PPP: Archive storage—OHS Inspection	30/09/2024
	Sefala Building—compliance investigation assessment	13/11/2024
	Agriculture Place—OHS Inspection	31/01/2025
	Trust Bank—OHS Inspection	07/03/2025
	Fire safety inspection at Johannesburg Deeds Office	15/05/2024
	Agriculture Place (Ministry)	02/07/2024
	Agriculture Place laboratory	23/07/2024
	FPSU in Winterveld abattoir	05/07/2024
	Roodeplaat (Genetics Resources)	20/07/2024
		29/07/2024
	Pretoria West storage facility	09/10/2024
	Agriculture Place	14/11/2024
	Agriculture Place, Laboratory W-GF-08	14/11/2024
	Assessment (Incident investigation) at SG Office, Ground Floor, PPP	27/01/2025
	OHS assessment: Compliance investigation at RLCC Bailey Office	27/01/2025
	Agriculture Place	31/01/2025
	HIRA conducted at South Gauteng Registry of Deeds	11/03/2025
		12/03/2025
KZN	K105 Bee Tree Farm	18/07/2024
	OHS inspection conducted at RLCC and NARYSEC new office space on Commercial Road, Durban	15/11/2024
	Fire safety inspection conducted at these offices: SG in Pietermaritzburg	04/12/2024
	Registry of Deeds in Pietermaritzburg	05/12/2024
	SPLUM	30/01/2025
	Midlands Metro	24/02/2025
	Monitoring and quality verification assessment conducted at Provincial Share Service Center (PSSC) Pietermaritzburg	25/02/2025
	Monitoring and quality verification assessment conducted at SPLUM, Pietermaritzburg	27/02/2025
LP	Witpoort	02/05/2024
	SPLUM	10/06/2024
	Vhembe District Office	24/06/2024
	Sekhukhune District Office	01/07/2024
	Vleeschboom	01/07/2024
	Waterberg District Office	07/08/2024
	Modimolle and Waterberg District offices	07/08/2024
	Tasked-based risk assessment conducted at RLCC Office	09/10/2024
	Masala	10/09/2024
	Fire safety at Sekhukhune Office	06/09/2024
	New office accommodation for Deeds Office	17/07/2024
	OHS assessment for a new office accommodation conducted in Tzaneen	08/08/2024
	Beit Bridge	17/10/2024
	Thabakgolo	12/11/2024

	Grobler bridge	07/02/2025
	PSSC Absa Office	11/03/2025
	SG	17/02/2025
	Deeds	07/03/2025
MP	PSSC (HR offices)	10/07/2024
	New Piet Retief Office in Kempville	03/04/2024 01/10/2024
	Ermelo District Office	02/10/2024
Northern Cape (NC)	Compound Building (NC)	01/07/2024
	HIRA conducted at RLCC Office (Crescent House)	04/07/2024
	HIRA RID Office	23/08/2024
	Risk assessment conducted at Kimberley (ADA) Military Base	25/03/2025
NW	RLCC Office (Support, SCM and Narysec on third floor)	12/08/2024
	SG and SPLUMA	13/08/2024
	SG Office (first floor)	14/08/2024
	Bojanala	11/11/2024
	Dr RS Mompoti	08/05/2024
	NW PSSC Property Management	14/08/2024
	Three buildings assessed at Dr Kenneth Kaunda for office accommodation	18/09/2024
	PSSC Office—third floor	12/08/2024
	PSSC Office—second floor	13/08/2024
	PSSC Office—ground floor	14/08/2024
	Three buildings assessed at Dr Kenneth Kaunda for office accommodation	18/09/2024
	PSSC Mega City newly appointed cleaning contract: Health and hygiene	09/12/2024
	Ngaka Modiri Molema: Health and hygiene	10/12/2024
	Dr RS Mompoti: Health and hygiene	11/12/2024
	Dr RS Mompoti District Office	18/03/2025
	Task-based risk assessment conducted at: PSSC (Mega City) Office Ngaka Modiri Molema District Office Dr RS Mompoti District Office Bojanala District Office	09/12/2024 10/12/2024 11/12/2024 12/12/2024
WC	ABSA (newly identified building)	10/07/2024
	Plant quarantine	12/07/2024
	Worcester Office	13/08/2024
	Clanwilliam	09/12/2024
	Walk about conducted at the new ABSA Office in Cape Town	12/12/2024
	Walk about conducted at the new ABSA Office in Cape Town	24/02/2025
	OHS inspection was conducted at the new ABSA Building	28/02/2025

OHS assessments conducted and coordination of health and safety during departmental events to ensure that health and safety standards are adhered to:

Province	Event	Date
EC	Title deeds handover, Upper Based Community—Mthatha	30/05/2024
	Farmers engagement—Queenstown	15/05/2024
	Food parcel handover—Flagstaff	10/12/2024
	Back to School Outreach Programme—Amathole and Alfred Nzo District	14 to 17/02/2025
	Pre-assessment conducted at EC Ministerial event: Handover of infrastructure to the Zanyokwe FPSU	28/02/2025
GP/National Office	FPSU Agric Park Activation Event—Krugersdorp	30/05/2024
	Young Farmers and Mobilisation Workshop—Winterveld	11/07/2024
	Youth Social Dialogue and Food Garden Handover—Bronkhorstspuit	19/07/2024
	Minister dialogue Import and Export Standards—Agriculture Place	16/08/2024
	Title deeds handover ceremony – Birchwood and farm visit—Devon	22/08/2024
	Inauguration of the building and launch of drone programme at 600 Lilian Ngoyi PPP, Auditorium	19/04/2024
	Pre-assessment conducted at Southwest Gauteng (SWG) College in preparation for the graduation	18/07/ 2024
	Site inspection at Ebenezer for 30-years build-up event	12/11/2024
	Ministerial build-up event in Ebenezer for preparation of 30-years celebration	29/11/2024
	Site inspection at Ebenezer for 30-years build-up event	12/11/2024
	Mpumelelo Secondary School (in preparation for the youth event)	18/07/2024
KZN	Site inspection of Elangeni Southern Sun Hotel for the upcoming G20 Summit	19/12/2024
MP	Manyeleti title deed handover at Manyeleti Game Reserve	24 to 25/11/2024
	Mpumalanga: Sports event	05 to 07/03/ 2025
NC	World Food Day	14 to 16/10/2024

OHS Committee meetings held

Province	Office	Date
EC	Registry of Deeds in Mthatha	20/01/2025
	Surveyor-General (East London)	20/02/2025
		18/03/2025
FS	Fezile Dabi (Sasolburg)	26/07/2024
		26/03/2025
	Lejweleputswa District Office	25/03/2025
	Thabo Mofutsanyane	29/07/2024
GP/National Office		25/01/2025
	OHS-Role Players Committee meeting at RLCC: Bailey Office	13/04/2024
	OHS-Role Players Committee meeting at Roodeplaat	25/04/2024
	OHS-Role Players Committee meeting at Perishable Cargo	30/04/2024
	RLCC Bailey Office (GP)	02/05/2024
	OHS-Role Players Committee meeting at Lanseria Airport	24/07/2024
	Emergency Evacuation Preparedness at Harvest House Building	26/08/2024
		07/09/2024
	OHS Committee meeting with Lehlange—PPP Building	27/09/2024
	OHS-Role Players Committee meeting—Trust Bank	07/03/2025
	Centre Walk Office	16/07/2024
	OHS meeting with the operators (Lehlange)—PPP Building	28/11/2024
	Lanseria Airport	24/07/2024
	OHS meeting with Lehlange for emergency drill preparation session	04/12/2024
	South Gauteng Registry of Deeds	11/03/2025
LP	Fushion and The Ranch	16/09/2024
	Goedgelegen	25/10/2024
	Vleeschboom	21/04/2024
MP	Ermelo District Office	17/04/2024
		17/07/2024
		29/10/2024
	PSSC Office (Block D and E)	24/07/2024
		10/10/2024
		30/01/2025
	Office of the SG	13/08/2024
		09/11/2024
		27/11/2024
		06/02/2025
	27 Brown Street (Permanent Building) X 9	16/05/2024
		28/08/2024
		13/11/2024
		14/11/2024
		28/11/2024
		04/12/2024
		05/12/2024
		24/02/2025
		26/02/2025
	Ehlanzeni District Office X 6	30/04/2024
		18/07/2024
		19/08/2024
		29/08/2024
		10/10/2024

		23/01/2025
	Lodgement Office x 4	06/06/2024 10/09/2024 12/12/2024 12/03/2025
	RLCC Office X 3	12/06/2024 05/12/2024 25/03/2025
	Registry of Deeds - Nelspruit	05/02/2025
	MPSSC Office (Block D and E) X 4	18/04/2024 24/10/2024 10/10/2024 30/01/2025
NC	PSSC Office (Court Building)	08/07/2024
WC	RLCC Office (14 Long Street)	08/07/2024
	NGI Mowbray	08/07/2024
	Plant quarantine	12/07/2024
	PSSC Office	09/10/2024 16/10/2024
	Clanwilliam	09/12/2024

Contravention/prohibitions notices issued due to non-compliance with OHS Act, its regulations and COVID-19 directives:

Province	Type of notice and office	Reasons for the contravention/prohibition notices to be issued	Date
GP/National Office	Contravention notice	Non-compliance	11/02/2025
	Improvement notice		
	Prohibition notice		
	Engagement with the inspector from DoEL and management of South Gauteng Deeds Registry Office		
MP	Lodgement Office in Witbank	Non-compliance	01/08/2024
FS	RLCC Office (Volksblad Building) New	Poor indoor air quality	14/02/2024

Incidents and injury on duty occurred and reported

Province	Office/building	Nature incident	Date occurred/ reported
GP/National Office	Agriculture Place	An employee fell on the staircase, sustaining ankle injuries	30/07/2024
	South Gauteng Registry of Deeds	An official could not evacuate the building due to an asthma attack	08/11/2024
MP	RLCC Nelspruit Office	Elderly client fell on the stairs due to lack of rails.	12/03/2025
		IOD	21/08/2024
	PSSC Office (Block E)	Official trapped inside the lift.	10/08/2024
		Official fell during electricity dip inside the lift	19/07/2024 20/07/2024
	At a training facility	Food-borne illness affecting 11 officials	21/08/2024
	Office of the SG	An official fell during an evacuation exercise	17/12/2024

Evacuation drill conducted at these offices:

Province	Office	Date
EC	Office of the SG (East London)	20/03/2025
FS	Thabo Mofutsanyane District Office	24/01/2025
	Fezile Dabi District Office	28/03/2025
GP/National office	Agriculture Place	22/08/2024
	Harvest House	29/08/2024
	South Gauteng Registry of Deeds	08/11/2024
	PPP Building (Block A and B)	11/12/2024
	PPP Building (Block C, D and E)	12/12/2024
LP	Absa PSSC Office	06/09/2024
	Thabakgolo	04/07/2024
	ABSA PSSC Office	17/03/2025
MP	Lodgment office	18/09/2024
	RLCC Nelspruit Office	10/09/2024
	PSSC Office (Block D)	05/04/2024
	PSSC Office (Block E)	06/05/2024
	Ermelo District Office	29/10/2024
	Office of the SG	21/11/2024
	PSSC Bateleur Office (Block D)	20/09/2024
	PSSC Bateleur Office (Block E)	21/09/2024
NW	Ngaka Modiri Molema District Office	16/08/2024
	Bojanala District Office	09/10/2024
	Dr RS Mompoti District Office	20/03/2025
WC	PSSC and RLCC offices, 14 Long Street	17/10/2024

OHS awareness sessions were conducted to sensitise staff members and contractors on health and safety matters and precautionary measures:

Province	Office/building	Date conducted
EC	OHS and emergency preparedness awareness done in the following areas: PSSC Office	18/02/2025
	Office of the SG	19/03/2025
	OHS induction conducted to students at GADI	12/02/2025
	OHS awareness on fire safety at GADI	24/01/2025
		25/01/2025 26/01/2025 06/02/2025
FS	OHS awareness conducted to cleaning personnel at Thabo Mofutsanyane District Office	17/07/2024
	Thabo Mofutsanyane District Office	24/01/2025 (Cleaning SP)
		25/01/2025 (OHS Committee)
		26/01/2025 (staff)
GP/ National Office	Fezile Dabi District Office	27/03/2025 (staff)
	OHS awareness conducted during re-orientation to new employees at PPP Building	23/04/2024
		21/05/2024
		10/06/2024
		25/06/2024
	OHS awareness conducted to groundsman – Agriculture Place	09/04/2024
	Awareness induction to the cleaners—Roodeplaat	25/04/2024
	Awareness induction to general workers—Roodeplaat	17/09/2024
	Emergency Evacuation Preparedness Awareness—Harvest House	26/08/2024

	Emergency Evacuation Preparedness, OHS awareness on the emergency procedures—Sefala Building	06/09/2024 06/11/2024
	OHS workshop on the establishment of an OHS structure conducted—Centre Walk	18/11/2024
	Awareness induction to the cleaners—Trust Bank	07/03/2025
	Awareness induction to the cleaners—Trust Bank	27/02/2025
	Workshop on the establishment of an OHS structure and its function—Lanseria	24/07/2024
	Workshop on the roles and responsibilities of emergency team—Harvest House	26/08/2024
	OHS awareness on the emergency procedures and injury on duty for PSSC: GP held at the PPP Building	05/12/2024
KZN	OHS awareness conducted at RLCC and NARYSEC offices in Durban	24/02/2025
LP	Awareness on the purpose of a task-based risk assessment conducted for RLCC: Office (Biccard and Thabakgolo buildings)	01/10/2024
	Emergency evacuation drill awareness	28/10/2024
MP	Ermelo District Office	17/07/2024
	PSSC Office (Block D and E)	24/07/2024
	Mafoko and Shinto mane	12/08/2024
	Ehlanzeni District Office	19/07/2024 29/08/2024
	RLCC Nelspruit Office	11/09/2024
	PSSC Office (Block D)	05/10/2024
	OHS awareness on health and hygiene—PSSC Office Block D	23/10/2024
	PSSC Office, Block E	30/10/2024
	OHS awareness on emergency preparedness—27 Brown Street (Permanent Building)	26/02/2025
NC	OHS and ergonomics awareness to cleaners—PPSC (Court Building)	09/07/2024
	Basic fire drill training and induction—Stats SA and SPLUM	29/07/2024
NW	Health and hygiene at PSSC Office (Megacity)	15/08/2024
	OHS awareness conducted on health and hygiene at following offices: PSSC (Megacity) Office	09/12/2024
	Ngaka Modiri District Office	10/12/2024
	Dr RS Mompoti District Office	11/12/2024
	Bojanala District Office	12/12/2024
	2024 (six officials trained)	7–8 /05/2024
	One official trained	6–7/06/2024
	Role players in-house training for OHS team at Dr RS Mompoti District Office (four officials)	18/03/2025
	Roles players inhouse training for OHS team at Bojanala District Office (five officials)	08/10/ 2024
WC	OHS awareness—Worcester Office	22/07/2024
	OHS awareness and induction conducted for students in preparation of the intake	09/10/2024
	Welcome orientation on OHS conducted for Deeds Registry officials —new ABSA Building, Cape Town	28/02/2025

Special events coordinated

Province	Event	Date of event
EC	Handover of title deeds—Upper Tabase Village	30/04/2024
	DM engagement with the community—Flagstaff	10/12/2024
	Back to school outreach programme/event held by both Deputy Minister Capa and Minister Nyhontso as follows:	21/01/2025

	Zamokuhle Primary School hosted by DM Capa—Mbizana Zamokuhle Special School hosted by DM Capa—Mbizana Dumsi Secondary School hosted by Minister Nyhontso— Ntabankulu Nguse Primary School—Mount Frere	21/01/2025 23/01/2025 23/01/2025
FS	Remmoho Presidential Event	24 to 27/02/2025
	CRC-GBV—Thaba Nchu	25/07/2024
GP	Ministerial Event Tarlton FPSU Agric Park Activation— Krugersdorp	17/04/2024
	Thirteenth DDM Presidential Imbizo: Build-up plenary meeting at Birchwood Hotel—Boksburg	22/08/2024
KZN	Capacitation and education of farmers held at Bombshell Sports Field—Empangeni	12/04/2024
	Handover of title deeds of Somopho land claims held at Macekana Sports Field— Empangeni	13/04/2024
	Handover of Noodsburg FPSU and handover of title deeds held at Mehlenkosi located in Ward 11 of Swayimane— Umshwathi Local Municipality	19/12/2024
	Deputy Minister Capa's engagement with amakhosi and sugar cane growers at Mount Edgecombe—Durban	05/11/2024
	RLCC Event	06 to 07/11/2024
	Minister Nyhontso's engagement with the local small-scale farmers—uMbumbulu rural location	07/11/2024
NC	World Food Day	16/10/2024
NW	Handover of Bo Moshe CPA	29/08/2024

OHS statutory appointment

Province	Office	Category	Number of appointments finalised
EC	GADI	16.2 appointment	1 X senior manager appointed
GP	Harvest House	Evacuation marshals	7 X OHS members appointed
	Harvest House	Firefighters	2
	Harvest House	First aiders	2
WC	PSSC Office	16.2 appointment	1 X senior manager appointed as 16.2

OHS training conducted to empower committee members on evacuation procedures and first aid techniques (to ensure compliance with General Safety Regulations 3)

Province	Training/course	Date of training	Comments
GP/National Office (PPP Building)	Coordinated the OHS training for members at the PPP Building:	16/10/2024	18 attended
		10/03/2025	2 attended
	Evacuation procedures		
	Basic firefighting	16/10/2024 19/02/2025	12 attended 6 attended
	First aid (level 1 and 2)	19/11/2024 24 to 25/02/2025 03 to 04/03/2025	11 attended 5 attended 1 attended

3.7 Portfolio committees

There were two portfolio committees for the majority of the period under review; one overseeing DoA and another overseeing DLRRD.

Portfolio Committee on Land Reform and Rural Development

Date	Meeting	Purpose
10 July 2024	Joint Meeting: Land Reform and Rural Development and Agriculture	Briefing on 2024/25 DALRRD APP
19 July 2024	Land Reform and Rural Development	Election of chairperson
24 July 2024	Land Reform and Rural Development	Sixth Parliament Committee Legacy Report
21 August 2024	Land Reform and Rural Development	Land Reform and Rural Development programmes and legislation overview
28 August 2024	Land Reform and Rural Development	Land Reform and Rural Development Portfolio audit outcomes: AGSA briefing; sector performance and NDP implementation: DPME briefing
02 September 2024	Land Reform and Rural Development	Land Reform and Rural Development programmes and legislation; with deputy minister
11 September 2024	Land Reform and Rural Development	Status report on NARYSEC, infrastructure development projects, CRDP and Agri-Parks
18 September 2024	Land Reform and Rural Development	DLRRD, CRLR, OVG and ITB Q4 performance and Q1 2024/25 performance; with deputy minister
16 October 2024	Land Reform and Rural Development	CRLR, OVG 2023/24 annual reports; with minister
18 to 11 October 2024	Land Reform and Rural Development	Oversight visit to MP
30 October 2024	Land Reform and Rural Development	Communal property associations Annual Report; Briefing on TRANCRAA
13 November 2024	Land Reform and Rural Development	Department 2023/24 annual performance; Release of State land; progress report on Gwatyu; initiatives to improve access to land
20 November 2024	Land Reform and Rural Development	Farm dwellers/labour tenants' inclusion in the claimant verification lists; violation of land and human rights on farms and lack of enforcement in MP; with deputy minister
27 November 2024	Land Reform and Rural Development	Department of Land Reform and Rural Development and ITB 2023/24 annual reports; with minister
14 January 2025	Land Reform and Rural Development	Governance issues and recent developments at Ingonyama Trust; with minister
29 January 2025	Land Reform and Rural Development	Recent developments at ITB
12 February 2025	Land Reform and Rural Development	Ingonyama Trust and ITB: Parliamentary legal services briefing
19 February 2025	Land Reform and Rural Development	Development of legislative measures to ensure equitable access to land, with minister
21 February 2025	Land Reform and Rural Development	Status report on interventions to address the challenges of the ITB; with the minister and deputy minister
23–28 February 2025	Land Reform and Rural Development	Oversight visit to KZN

05 March 2025	Land Reform and Rural Development	Legal Aid SA services provided to farm dwellers, labour tenants and other land reform beneficiaries; with the minister
12 March 2025	Land Reform and Rural Development	Implementation of the District Six Redevelopment Plan and intergovernmental coordination; finalisation of the Solomons Family land claim; with deputy minister
19 March 2025	Land Reform and Rural Development	Department of Land Reform and Rural Development on Agricultural Land Holding Account (lease management, transfer of land and property management); further update on issues of material irregularity as found by the AGSA
26 March 2025	Land Reform and Rural Development	State of readiness to implement CPA Amendment Act; implementation of MP Oversight Report recommendations; with deputy minister

2.5.7.2 Portfolio Committee on Agriculture

Date	Purpose
24 July 2024	Introduction and briefing on the APPs and budget for 2024/25 financial year by the following entities: • ARC • OBP • NAMC • PPECB • South African Veterinary Council (SAVC)
20 August 2024	Presentation of the Sixth Parliament Committee Legacy report by committee support officials Briefing by AGSA on its mandate and adoption of the draft committee minutes
27 August 2024	Update FMD and intervention measures implemented by the DALRRD for the control and management of disease outbreaks
3 September 2024	Briefing by the department on AAMP, as well as the Sugar Master Plan and Poultry Master Plan
10 September 2024	Briefing on progress in the implementation of Blended Finance Initiative and commercialisation of Black farmers
17 Sept 2024	Briefing by the department and entities on first quarter performance reports for 2024/25 financial year
8–10 Oct 2024	Oversight visits to ARC and OBP Briefings by the ARC and OBP on the 2023/24 annual reports and audit outcomes.
15 October 2024	Briefing on the 2023/24 annual reports in preparation for the Budgetary Review and Recommendation Report (BRRR) of the committee by the following: • AGSA • DALRRD
05 November 2024	Briefings on farmer support programmes, status of national policy on Comprehensive Producer Development Support and FPSUs and their functionality
12 November 2024	Update by the department on the Animal Welfare Bill, the status of the Marketing of Agricultural Product Amendment Bill; and the Perishable Products Amendment Bill. Report by the department on the committee's 2024/25 Budget Vote recommendations
19 November 2024	Briefing by the department on the implementation of the PES initiative and its progress in addressing employment since its inception
26 November 2024	Briefing by the department and relevant entities on the Second Quarter Performance Report for 2024/25 financial year
03 to 06 Dec 2024	Oversight visit to NW to visit beneficiary projects of the Blended Finance Scheme from the Land Bank
04 Feb 2025	Engagement with the Minister of Agriculture regarding the following matters: progress regarding OBP; a) update on investigations undertaken regarding the source of the agricultural pesticides that contaminated food products from spaza shops, including regulatory measures implemented by the department to prevent the misuse of restricted and banned agricultural remedies; b) progress regarding the process to separate DALRRD; and on the development of the Strategic Plan for Agriculture; and c) update regarding the employment of assistant agricultural practitioners (AAP). Presentation by the Animal Law Project on animal welfare and the development of the Animal Welfare Bill Briefing by the DoA on the citrus farmer projects in EC

11 February 2025	Briefing by DPME on the findings of the 2023 Implementation Evaluation of the National Food and Nutrition Security Plan Briefing by the Human Sciences Research Council (HSRC) on key findings of the 2024 National Food and Nutrition Security Survey
23 to 28 February 2025	Oversight visit to NW to visit beneficiary projects of the Blended Finance Scheme (BFS) that are implemented by the Land Bank
4 March 2025	Progress on the implementation of the Africa Continental Free Trade Area (AfCFTA) Agreement and the AAMP by DALRRD and the NAMC
11 March 2025	Briefing on the DoA 2024/25 Q3 Performance and Expenditure Report and progress on implementation of audit improvement plans by the former DALRRD, ARC, OBP, NAMC and PPECB. Response by the DoA on agricultural matters pronounced in the 2025 SONA
18 March 2025	Response by OBP on issues raised during 2024/25 Q3 Performance and Expenditure Report presentation Briefing by DALRRD on the Draft Strategy to Streamline Farmer Support and progress on the finalisation of the strategy Update by DALRRD on the development and finalisation of the Producer Farmer Register
19 March 2025	Consideration of petition from PPS stop farm killing (NPC) and AGRI-Alert SA, calling on the National Assembly to investigate attacks on farming community
25 to 26 March 2025	Oversight visit to PPECB ARC Stellenbosch Campus

Select Committee on Agriculture, Land Reform and Mineral Resources

30 April 2024	Agriculture, Land Reform and Mineral Resources	Preservation and Development of Agricultural Land Bill: Negotiating mandates
07 May 2024	Agriculture, Land Reform and Mineral Resources	Plant Health (Phytosanitary) Bill: Negotiating mandate; PDAL Bill: Final mandate; National Nuclear Regulator A/B: Committee Report
23 Jul 2024	Agriculture, Land Reform and Mineral Resources	Agriculture, Land Reform and Rural Development Annual Performance Plan 2024/25; with ministry
08 Oct 2024	Agriculture, Land Reform and Mineral Resources	Briefing by DALRRD on provincial conditional grants: CASP, Ilima/Letsema and LandCare
21 to 25 Oct 2024	Agriculture, Land Reform and Mineral Resources	Oversight visit to FS: Thabo Mofutsanyana District Municipality
19 November 2024 (Agriculture Select Comm meeting)	Agriculture, Land Reform and Mineral Resources	Briefing by DALRRD: An introduction to the department and key entities of the department—Mandates and responsibilities
03 Dec 2024	Agriculture, Land Reform and Mineral Resources	Briefing DALRRD on provincial conditional grants: CASP, Ilima/Letsema and LandCare; with Ministry

3.8 SCOPA resolutions

No SCOPA meetings were held during the period under review.

3.9 Prior modifications to audit reports and Material non-compliance matters

Department of Agriculture, Land Reform and Rural Development

During the 2023/24 financial year, the overall audit outcome of the department was unqualified with material findings. To address prior year audit findings, an Audit Action Plan was developed and was monitored through the external audit findings register. The goal is to ensure that audit findings raised by the external auditors are adequately addressed. In addition, the external audit findings register was presented to the quarterly Audit Committee seatings, which holds managers accountable to the audit findings action plan, particularly in relation to audit findings where deadlines for resolution have not yet been met. The purpose is to ensure adequate corrective measures are implemented within the agreed timeframes.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing/resolving the matter*
Non-compliance – Revenue Management	2022/23	The department has in 2024/25 employed the service of the debt collector to assist with collecting outstanding debts. Enhancing debt collection processes is still in progress.
Non-compliance – Annual Financial Statements	2019/20	Management has implemented internal controls around internal review processes of compiling financial statements which assisted in reducing repeat audit findings. Strengthening of internal control on preparation of financial statements is in progress to ensure eradication of findings.
Non-compliance – Expenditure Management	2021/22	Non-compliance relating to expenditure management was because of the department's failure to make payments to supplier within 30 days. Management has introduced issuing of non-compliance letters to branches to ensure compliance. The development of tracking of invoices functionality through Logis is currently being done by National Treasury. The system will assist in improved tracking of invoices for payment before due date lapses. Management is further in the progress of enhancing internal control processes around expenditure management.
Non-compliance – Consequence Management	2019/20	In some instances, disciplinary steps were not taken against the officials who had incurred and/or permitted irregular expenditure as required by section 38(1) (h) (iii) of the PFMA. Financial Compliance Committee has been established to manage assessment, determination, and investigation of instances of irregular expenditures. Transgressions identified were referred to Employee Relations Management for consequence management. Disciplinary cases are still in progress.
Non-compliance – Procurement and Contract Management	2021/22	Management has started the process of strengthening internal controls by introducing: ✓ the compliance checklist; ✓ monitoring of compliance; and ✓ training and quality check performance done by a unit called Policy Performance Risk Management (PPRM) within SCM.

Agricultural Land Holdings Account

During the 2023/24 financial year, the Trading Entity received an unqualified audit opinion, with findings. However, there's a non-compliance matter from previous financial years that relates to Revenue Management.

To address prior-year audit findings, an external audit finding action plan was developed and monitored by Internal Audit. The main purpose is to ensure that findings raised by external auditors are adequately addressed and to assess the effectiveness of the implemented internal controls in preventing recurrence. Additionally, the external audit findings register is presented quarterly to the Audit Committee, which holds managers accountable for the implementation of action plans particularly where deadlines are not met.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing/resolving the matter*
Non-compliance – Revenue Management	2022/23	The Trading Entity is currently implementing business improvement plan in phases where: - the Leasing and Revenue Management Policy was reviewed to address shortcomings; - a detailed revenue and debt management implementation manual was developed to assist officials with management of debt; - a revenue collection enhancement strategy has been developed; - a debt collector was employed to assist with debt collection; - debt deemed to be uncollectable was written off; and - defaults due to breach is referred to as legal action.
Non-compliance - Annual Financial Statements	2019/20	Management has enhanced and strengthened internal review processes of compiling financial statements which assisted in reducing noncompliance challenges that were previously experienced.

Deeds Registration Trading Entity

The trading entity received an unqualified audit outcome for the 2023/24 financial year. The significant material misstatements, non-compliances and capacity challenges are major contribution factors. To improve the above audit outcomes, the entity has developed an audit action plan to address the matters identified as part of internal control weaknesses to ensure that there are no repeat audit findings in the coming year.

To ensure adequacy of the action plan to address the findings, the entity has developed and presented the audit action plan to both Audit Committee and Chief Directorate: Internal Audit for quality assurance and significant recommendation has been made. The audit implementation plan will be presented quarterly to the Audit Committee and hold managers accountable for progress on the action plan, particularly on findings where deadlines have not been met, ensuring corrective measures are adequately implemented within timeline.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing/resolving the matter*
Non-compliance – Consequence Management	2022/23	The Financial Compliance Committee (FCC) meetings has implanted template which incorporate assessment and determination test.

Non-compliance – Expenditure Management	2023/24	Where determination test indicates negligence by officials, caution letters were issued, and recoveries were made. The trading entity management will engage with the Office of the Director-General with a view of expediting the approval of cases submitted for condonement. Cases had been submitted to the office of the Director-General for to support for condonement. Management also conducted a finance and Supply Chain Management policies and procedures workshop to sensitise officials about the consequence management that may result from incurrence of irregular, fruitless and wasteful expenditure.
Non-compliance – Annual Financial Statements	2023/24	Management addressed the issues by improving financial reporting during the financial year. However, there was a loss of key resources in financial reporting towards the end of the financial year. Management is in the process of addressing the current capacity constraints.

3.10 Internal Control Unit

The Directorate: Internal Control and all the employees in the department identify alleged irregular, fruitless and wasteful expenditure. After identification, the directorate conducts an assessment to confirm the classification of the expenditure. The confirmed irregular, fruitless and wasteful transactions are then presented to the Financial Compliance Committee for determination of the recommendations to be made to the Accounting Officer. A report is provided to the Accounting Officer with recommendations regarding actions to be taken.

The Directorate: Internal Control also maintains the registers for irregular, fruitless and wasteful expenditure and assists in strengthening the internal control environment where the non-compliance was identified and confirmed. This directorate is also responsible for coordination, consolidation and monitoring of the action plans that are designed to address the audit findings raised by the AGSA and Chief Director: Internal Audit. It also ensures that the payments and journals are kept on a centralised database on FBase for proper recording and ease of retrieval when requested by stakeholders. The investigations of losses, theft and damages to departmental assets and vehicle rentals are also conducted within this directorate. After investigation, the cases are referred to the Chief Directorate: Legal Services for determination of the action to be taken.

3.11 Internal audit and audit committee

3.11.1 Internal audit function (IAF)

The primary purpose of the IAF is to fortify DALRRD and its trading entities' capability to create, protect and sustain value. The IAF achieves this by delivering independent, risk-based and objective assurance, advice, insight and foresight to the DALRRD Audit Committee (AC) and management. By delivering its assurance and advisory services, IAF added value and enhanced the efficiency and effectiveness of DALRRD and its trading entities' governance, risk management and control processes, and supported the achievement of strategic objectives. The AC has empowered the IAF with the mandate to provide their services to the AC, the director-general, and DALRRD and its trading entities' management. The Chief Audit Executive (CAE) reports functionally to the AC and administratively to the DG, which facilitates independence of the IAF. The CAE provides the AC with an annual confirmation of the IAF's organisational independence through an annual Independence Declaration.

The CAE ensures that the IAF staff collectively possesses and/or acquires the necessary knowledge, skills and competencies to meet the requirements of the Institute of Internal Auditors' Standards. To assure the quality and effectiveness of the IAF, its Quality Assurance and Improvement Programme

includes both internal and external assessments of the IAF's conformity with the standards. The External Quality Assurance Review performed on the IAF during the 2024/25 financial year confirmed that the internal audit activity is operating in conformance with professional standards and is effectively fulfilling its mandate.

The IAF compiled a Risk-based Strategic Three-year Rolling Plan and Annual Internal Audit Plan considering the inputs from the AC, DG, EXCO and AGSA), and the plans were approved by the AC and DG. The IAF performed 18 audits as per the approved DALRRD Annual Internal Audit Plan for 2024/25, and all of these audits (100%) were successfully completed. Five (5) ad-hoc audits were additionally conducted and reported on. Furthermore, follow-up reviews were carried out on Internal Audit findings at 13 branches, as well as on findings from the AGSA and the status of implementation thereof reported to the AC on a quarterly basis.

3.11.2 Audit Committee

The AC provides independent oversight over DALRRD and its trading entities' governance, risk management and internal control practices, as prescribed in the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999), the prevailing Treasury Regulations and sections 19 and 27 of the Public Audit Act, 2004 (Act No. 25 of 2004).

The AC assists the minister and the DG by providing independent advice and guidance on the adequacy and effectiveness of DALRRD's and its trading entities':

- Values and ethics;
- Governance;
- Risk management function;
- Internal Control Framework;
- Internal audit function;
- External audit activity;
- Combined assurance;
- Compliance management processes;
- Fraud prevention processes;
- Information and Communication Technology processes;
- Financial statements and reporting; and
- Performance information and reporting.

The AC is comprised of three independent members, each bringing a diverse set of skills and expertise. Collectively, the members possess extensive knowledge in the areas of audit, finance, industry-specific practices, information technology, law, governance, risk management, control frameworks and forensic investigations. This diversity ensured that the committee effectively fulfilled its responsibilities as mandated by the PFMA and Treasury Regulations. Throughout the 2024/25 financial year, the AC convened for a total of 11 standard and five forensic investigations AC meetings. These meetings were instrumental in reviewing and addressing various issues, ensuring compliance with regulatory frameworks and overseeing the financial integrity of the DALRRD and its trading entities. The AC's recommendations to the department and its trading entities are well received, and the implementation thereof tracked. The AC monitors the relationship between all DALRRD and its trading entities' assurance providers for a coordinated approach to all assurance activities, receive reports from assurance providers, and provide oversight over assurance reported to mitigate significant risks facing the department.

3.11.3 Audit Committee composition and meeting attendance (Tabular form)

The table below discloses relevant information on AC members and the attendance of meetings by each member.

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member of an organ of state (Yes/No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, etc., whether in this or any other institution(s)
			Start date	End date					
SP Mzizi	CA (SA), BCom Honours in Transport Economics, BCom Hons CTA, BBusSci Finance Honours	SAICA	01/04/2022	31/03/2025	18	Yes	No	4	3
KG Mbonambi	BCom. Accounting, BCom Honours Accounting (CTA), Chartered Accountant (SA), Executive Development Programme (WBS), Certificate in Board Governance, Certificate in Enterprise-wide Risk Management	SAICA IoDSA	01/04/2022	31/03/2025	17	Yes	No	5	3
SJ Sekgobela	Executive Leadership Programme Certificate in Corporate Governance, MSc (Economics) in Public Policy, BCom Honours Economics, BCom General, Economics and Commercial Law, Senior Secondary Teachers' Certificate	IoDSA	01/04/2022	31/03/2025	18	Yes	No	0	1

3.11.4 Remuneration of Audit Committee members

The AC chairperson and members are independent and do not hold positions within any organ of state. For the financial year 2024/25, AC members received remuneration of R2 283 573,50.

3.12 Audit Committee report

3.12.1 Audit Committee reflections

The DALRRD Audit Committee (AC) is pleased to present its report for the financial year ended 31 March 2025. This report also includes the Deeds Registration Trading Account and the Agricultural Land Holdings Account.

This report is presented in accordance with the requirements of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA), as amended and read together with the National Treasury Regulations.

3.12.2 Audit Committee composition and attendance

During the year under review, the AC consisted of three members. The AC held 11 standard Audit Committee meetings, five Forensic Investigations AC in-committee meetings and two special AC meetings, as indicated in the table hereunder. The committee is constituted of persons who possess the correct combination of experience, qualifications and skills to carry out its responsibilities.

Name of member	Number of standard AC meetings attended	Number of forensic AC in-committee meetings attended	Number of special AC meetings attended
Ms P Mzizi (Chairperson)	11	5	2
Ms S Sekgobela (Member)	11	5	2
Ms K Mbonambi (Member)	10	5	2

3.12.3 Audit Committee focus areas

The AC reports that it complied with its responsibilities arising from Section 38(1)(a) of the PFMA, as amended and Treasury Regulation 3.1. It also reports that it had adopted an appropriate formal ToR as contained in its charter, conducted its affairs in compliance with the charter, and has executed its responsibilities as contained therein.

Duties and responsibilities

The duties and responsibilities of the AC are detailed in the AC Charter and can be summarised as entailing reviews and the dispensing of other pertinent functions in respect of the following areas:

- The efficiency and effectiveness of the system of internal control applied by the DALRRD and its trading entities;
- Risk management and its effectiveness, efficiency and transparency;
- The effectiveness of the internal audit function;
- The adequacy, reliability and accuracy of the financial and performance information provided by management to various stakeholders;
- The DALRRD and its trading entities' compliance with legal and regulatory provisions;
- Any accounting and audit concerns identified as a result of internal and external audits performed;
- The activities of the internal audit function, including its annual work programme, coordination with AGSA, the reports of significant recommendations and the response of management to those recommendations;
- The scope and results of the external audit function as conducted by AGSA, its cost effectiveness as well as the independence and objectivity of AGSA;
- Reporting to the Executive Authority and the AGSA where a report implicates the accounting officer in fraud, corruption or gross negligence;
- Communicating any concerns it deemed necessary to the Executive Authority and AGSA;

- Approving the AC Charter, Internal Audit Charter, Governing Procedures and Plan; and
- Reviewing the Annual Financial Statements and Annual Performance Report prior to the annual audit.

The effectiveness of internal control

In line with the PFMA, Internal Audit provides the AC and management with assurance that the internal controls are appropriate and effective. This is achieved by evaluating internal controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement. The Accounting Officer retains responsibility for implementing such recommendations as per Treasury Regulation 3.1.12.

The system of internal control was not entirely adequate and effective for the year under review. Deficiencies were detected and reported through internal audits performed on the system of internal control. Management continued to address control weaknesses reported by the Internal Audit Unit. Significant control deficiencies were noted in the following areas:

- Corporate governance;
- Risk and compliance management;
- Information and Communication Technology;
- Records management;
- Project management;
- Contract management;
- Financial management in DALRRD and its trading entities;
- HR management; and
- Management of fraud, corruption, misconduct, irregularities and mismanagement. AC expresses serious concern on inadequate internal control structures to prevent and detect fraud and the incidences of fraud identified in the department.

Internal audit

The primary purpose of the Internal Audit Unit is to fortify the DALRRD and its trading entities' capability to create, protect, and sustain value. The internal audit function achieves this by delivering independent, risk-based, and objective assurance, advice, insight, and foresight to the DALRRD and its trading entities' AC and management. By delivering its assurance and advisory services, the Internal Audit function added value and enhanced the efficiency and effectiveness of the department's governance, risk management and control processes, and supported the achievement of strategic objectives.

The AC is satisfied that the Internal Audit function is operating effectively, has properly discharged its functions and responsibilities during the year under review and that it has taken into consideration the risks pertinent to DALRRD and its trading entities in its audits. The Internal Audit Unit has completed all audits on the last annual Internal Audit Plan of the department. An External Quality Assurance Review was conducted on the Internal Audit Unit during the year, resulting in a rating of generally conformance to the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing, Core Principles and the Code of Ethics.

Risk management

The Risk Management Committee has been appointed and is chaired by an independent chairperson and advises the Accounting Officer. Based on the internal audit on risk management, there are areas for improvement in the departmental risk and fraud management system.

Reporting

The AC appreciates that the departmental quarterly reporting submissions were done timeously and appropriately. A, however, expresses concern in respect of the progress made in the achievement of planned performance targets.

Evaluation of financial statements and performance reports

The AC reviewed and discussed:

- the annual financial statements to be included in the Annual Report, with AGSA, the Accounting Officer and management;
- the information on predetermined objectives to be included in the Annual Report;
- significant adjustments resulting from the audits; and
- changes in accounting policies and practices.

Auditor-General South Africa

The AC has reviewed the department and its trading entities' implementation plan for audit issues raised in the previous year and based on the interaction with the department, internal audit reports and AGSA's audit reports, all matters have not been adequately addressed.

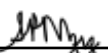
The AC acknowledges and commends the unqualified audit opinion for ALHA.

The AC has met with the AGSA to ensure that there were no unresolved differences. The AC expresses concern regarding the qualified audit opinions for the DALRRD and the Deeds Registration Trading Entity.

The AC concurs and accepts the conclusions of AGSA on the annual financial statements and is of the opinion that the audited annual financial statements should be accepted and read together with the reports of AGSA.

Conclusion

The AC expresses its appreciation to the director-general, the department's management, Internal Audit and AGSA for their assistance and cooperation in the dispensing of AC's functions.



Ms P Mzizi CA(SA)

Chairperson of the Audit Committee

Department of Agriculture, Land Reform and Rural Development; Deeds Registration Trading Account; Agricultural Land Holdings Account and the Commission on Restitution of Land Rights

Date: 31 July 2025

3.13 Broad-Based Black Economic Empowerment (B-BBEE) Compliance performance information

The department did comply with Section 13G of the B-BBEE Amendment Act, 2013 (Act No. 46 of 2013) for the period under review and was issued with a Notice of Compliance (FORM B-BBEE 5) by the B-BBEE Commission. However, the department did not comply in terms of implementation of the B-BBEE Amendment Act because it scored 0,00 points out of 100 points in terms of the B-BBEE Scorecard. The B-BBEE Verification Assessment was completed fully, and B-BBEE Verification Report and Certificate were issued. However, failure of sample employees to cooperate with the appointed B-BBEE Verification Agency as well as non-submission of supporting documents resulted in the department attaining zero points for all the Scorecard elements of the B-BBEE Amendment Act. The department has issued written warnings to affected employees who failed to cooperate with the appointed B-BBEE Verification Agency.

The following table was completed in compliance with the B-BBEE Act requirements and as determined by the Department of Trade, Industry and Competition (dtic).

Has the department/public entity applied any relevant Code of Good Practice (B-BBEE Certificate (Levels 1–8) with regard to the following:		
Criteria	Response: Yes/no	Discussion (Include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	Yes	The department has developed AgriBEE Enforcement Guidelines that guide the affected internal directorates on how to implement Section 10(1) of the B-BBEE Act. So far, the department has included B-BBEE status as part of criteria to award trade permits to applicants under the Preferential Market Access Programme under the WTO; SADC-EU EPA and SACUM-UK EPA agreements.
Developing and implementing a preferential procurement policy?	Yes	The current dispensation on PPPFA as per the Act and Regulations are followed.
Determining qualification criteria for the sale of state-owned enterprises?		When applicable, the department must develop the qualification criteria for the sale of state-owned enterprises in accordance with Section 10 of B-BBEE Amendment Act. This will ensure B-BBEE compliance when sale of state-owned enterprises take place.
Developing criteria for entering into partnerships with the private sector?	Yes	The department has developed AgriBEE Enforcement Guidelines that guide the affected internal directorates on how to implement Section 10(1) of the B-BBEE Act.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment?	Yes	The department has developed AgriBEE Enforcement Guidelines that guide the affected internal directorates on how to implement Section 10(1) of the B-BBEE Act. The department has mandated programmes that mainly benefit Black commercial and smallholder farmers, cooperatives, and Black-owned agribusinesses. The department has included B-BBEE status for applicants and beneficiaries as part of criteria for awarding of AgriBEE fund grants. This determination should be extended to all incentives, grants and investment schemes in support of B-BBEE.



Part D

Human resource management



Legislation that governs Human Resource Management

The information provided in this part is prescribed in the Public Service Regulations, 2016 (as amended) (Chapter 1, Part III J.3 and J.4), considering the provisions of the following legislative frameworks:

- Public Service Act, 1994 (Act No. 103 of 1994);
- Labour Relations Act, 1995 (Act No. 66 of 1995);
- Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997);
- Employment Equity Act, 1998 (Act No. 55 of 1998);
- Skills Development Act, 1998 (Act No. 97 of 1998);
- Skills Development Levies Act, 1999 (Act No. 9 of 1999); and
- Public Finance Management Act, 1999 (Act No. 1 of 1999).

4.1 Introduction

The Public Service Regulations, 2016 (Chapter 3, Regulation 31), require the Chief Director: Human Resources Management and Development (HRM&D) to provide an account of how it has delivered strategic, transformed and value-adding HR services within the department. This is achieved through the development of strategies and plans, employee engagement and people empowerment practices. This focus is further emphasised by the Directive on Human Resources Management and Development for Public Service Professionalisation issued by DPSA.

The post establishment of the department totalled 7 831 (DALRRD-6 455+Deeds-1 376), with 6 634 (DALRRD-5 539+Deeds-1 095) positions filled, 1 197 (DALRRD-916+Deeds-281) vacant and 207 (DALRRD) employees appointed additional to the post establishment as at 31 March 2025. During the period under review, the vacancy rate of the department increased to 15.3% in 2024/25 from 12.6% at the end of the 2023/2024 financial year.

The staff turnover rate decreased by 6% from 10,5% during the 2023/2024 financial year, to 4,5% during the 2024/2025 financial year. The turnover rate continues to stay within the generally acceptable norm of 15% in the public service. This stability highlights the department's ability to retain vital institutional memory and intelligence necessary to drive departmental mandate.

During the reporting period, significant attention was given to the demerger of DALRRD. Governance structures supporting the NMOG Project were established, and progress reports were submitted to DPSA and the Steering Committee in the Presidency. A 60:40 ratio was adopted for splitting DALRRD into the DLRRD and the DoA, respectively. As of 31 March 2025, employee placement in the two departments has been finalised. However, the grievances/disputes submitted during the NMOG process are still being resolved.

Efforts to digitise HR processes continued, with a focus on performance management and recruitment and selection. Implementation is planned for the 2025/26 financial year. These digital interventions aim to link employee and organisational performance, improve return on investment from development initiatives, and enhance talent acquisition by reducing errors, grievances and disputes.

Overview

Human Resources Strategy

The 2024/25 financial year marked the final implementation year of the four-year DALRRD HR Strategy. All planned deliverables were achieved: Employee engagement and recognition; mentorship programme implementation; creation of a performance-oriented learning culture and execution of an employee satisfaction survey. These efforts aligned with the HR Strategy's objective of fostering a high-performing organisation.

The implementation of the HR Strategy was driven through the Internal Operational Plan (IOP) and employee performance agreements as the annual planned deliverables were included in the agreements; this approach guaranteed focused monitoring of the strategy.

The HR Strategy therefore enabled the HR function to align employee practices with the departmental strategy, mandate and goals.

Human Resource Planning

DALRRD has continued to pursue its mandate by implementing the HR Plan in support of the objectives outlined in the NDP 2030.

Human Resource Planning (HRP) is a crucial component in aligning departmental goals with workforce capabilities. Over the past year, the department has focused on ensuring that staffing levels, skills development and career pathing are strategically managed to meet both current and future operational demands. Through proactive HRP, DALRRD has aimed to enhance service delivery, support employee growth and maintain organisational sustainability.

The MTEF HR Plan, approved for the three-year period from 1 April 2023 to 31 March 2026, was successfully implemented during its first two years. However, the split of DALRRD into two new departments, effective from 1 April 2025, rendered the 2025/26 phase of the HR Plan obsolete.

The Annual Report on implementation of the HR Plan during the 2024/25 financial year will be submitted to MPSA as required. Implementation of the HR Plan was monitored quarterly through key performance indicators and annual reports in terms of the amended directive approved by MPSA on 25 April 2021.

The period under review was the second year of implementation of the MTEF HR Plan 2023/2026, which had identified the following human resources planning priorities:

- a. Development and retention of scarce and critical skills.
- b. Review, implement and monitor HR policies, practices and procedures.
- c. Facilitate the implementation of diversity management and transformation strategies.
- d. Manage the Recruitment and Selection process for the department.
- e. Foster sound labour relations in the department.
- f. Employee support services through integrated wellness programmes.
- g. Creation and maintenance of approved organisational structure to ensure alignment with MTEF.

The implementation of HR priorities and interventions during the 2024/25 financial year was considerably affected by the directive on cost containment measures issued by NT in August 2023. The cost containment measures led to reduced government spending, a temporary freeze on filling identified vacant posts, suspending training, and halting the start of certain crucial projects, among other actions.

Employee satisfaction survey

The department conducted a survey in 2024/25 to assess employee perceptions, with findings intended to inform strategic HR initiatives.

The findings are intended to inform strategic HR planning efforts that foster a supportive and engaging work environment, conducive to employee satisfaction and organisational success.

Human Resource policies

To ensure alignment between departmental strategies and the effective implementation of HR policies, it is essential that practices, rules, procedures and guidelines are consistently applied to support service delivery imperatives. The department has made strides to ensure the implementation of all HR policies, which were approved by the director-general in terms of Section 7(3)(b) of the Public Service Act, 1994 (as amended). It is required that employees in the department must at all times ensure compliance with and adherence to these HR policies and procedures.

The development, amendment and review of policies remain in focus to ensure alignment to the ever-changing regulatory framework in the public service. This also includes the incorporation of the amended Public Service Regulations, 2016 and a Directive on HR Management and Development for the Public Service Professionalisation that were issued by DPSA. It must also be mentioned that other relevant prescripts are taken into consideration when developing policies.

In addition, the minister and the director-general have ensured the decentralisation of powers in terms of making sure that the delegation of authority is fair and consistent with key principles to ensure efficient decision-making processes. Departmental HR delegations have been reviewed in response to the amended Public Service Regulations, 2016, issued by DPSA, as well as due to the departmental split and changes in the department's leadership. Information sharing sessions, re-orientation and induction

workshops are being conducted to communicate the accessibility of HR policies and HR delegations to employees and to clarify some related HR matters.

Employee development

Capacity development

The skills audit that was planned to be conducted during the 2024/2025 financial year was cancelled due to the split of DALRRD into DoA and DLRRD. These two departments will conduct skills audits independently in the new departments targeting all the permanent employees in both departments. The department awarded 412 part-time bursaries to serving employees to pursue qualifications which will equip them with the requisite skills, knowledge and attitudes to enable them to achieve the departmental mandate.

Internship programme

The department maintained 22 interns for a period of 12 months. These 22 interns were placed on the candidacy development programme. Out of 22 interns, four resigned and 18 remained, whose contracts ended on 31 March 2025.

The interns were provided with mentors who are subject matter experts in their related fields and enjoying the benefits of capacity development.

During the 2024/2025 financial year, no new internship intakes were made owing to cost containment measures implemented by NT. The budget allocation will be made available for the 2025/2026 financial year to appoint new interns.

Performance management

Compliance with performance management regulations was ensured through circulars reminding employees of performance agreement submissions for the 2024/2025 cycle and mid-term and annual assessments for 2023/2024. SMS compliance was 94% by 1 June 2024 and reached 95% by the end of the cycle.

The department initiated the development of an e-Performance Management System to enhance efficiency. Modules for performance agreements and probation have been developed, while mid-term review and annual assessment modules are under development, with implementation planned for 2025/26.

Organisational development

At the beginning of the financial year, the department operated under a start-up organisational structure and began developing a fit-for-purpose (FFP) structure through the Departmental Bargaining Chamber.

However, the project plan for the development of the FFP that was endorsed by EXCO and Organised Labour (OL) was overtaken by the announcement of the Seventh Administration by the President of the Republic on 30 June 2024. This resulted in the demerger/split of the DALRRD into two departments, namely, the DoA and DLRRD. DALRRD was then required to develop start-up structures for DoA and DLRRD in line with 2024 NMOG guidelines. The joint submission and start-up structures were submitted on 13 December 2024 to the MPSA for consultation. On 4 January 2025, the MPSA issued concurrence letters to DoA and DLRRD with inputs which were captured accordingly on the start-up structures for the two departments. Each affected department will need to develop a fit-for-purpose structure within six months, from 01 April 2025 in line with the departmental strategy, mandate and available budget.

Recruitment and leadership capacity

Circular 49 of 2023 of the DPSA Directive on the Implementation of Control Measures aimed at assisting Executive authorities in managing fiscal sustainability during the process of creating and filling vacant posts in departments, remained in operation during this reporting period. DALRRD managed to fill 100 positions only, against 916 vacant positions, which remained unfunded due to the budget cuts imposed by NT. During the reporting period, the offices of the ministers and deputy ministers were mostly capacitated in accordance with the Guide for Members of the Executive, following the announcement of the Seventh Administration.

The Vacancy Management Oversight Committee (VMOC) continued to operate in effort to ensure compliance to the DPSA directive on cost containment measures and enable the department to monitor savings on the compensation of employees' budget so that these can be utilised to fill mission crucial positions.

The two executive leadership positions in Programme 1, viz., Chief Financial Officer and Deputy Director-General: Corporate Support Services remained vacant. Although employees were appointed to act in these positions, the challenge of leadership instability remained.

There were 399 SMS posts on the PERSAL System. Of the 399 SMS positions, 318 SMS positions were filled, with 81 SMS positions vacant, and 55 SMS positions funded. Most of the vacant SMS positions were located in the provinces.

Diversity management and transformation strategies

Gender and Disability Mainstreaming Report

Altogether, 141 middle managers were targeted for training on the Customised Departmental Gender and Disability (GEDI) mainstreaming training for the 2024/25 financial year. A total 52 officials for the National Office and NW have been trained. A Train-the-Trainer Workshop on the Customised Departmental GEDI Mainstreaming was conducted.

Advocacy to implement the decision for all the departmental members of the SMS to have a transformation indicator in their performance agreements key focus areas was facilitated and agreement reached towards its implementation during the 2025/26 performance cycle.

Governance structures on employment equity were established, viz., SMS Women's Forum (SMSWF), Public Service Women Management Week meetings, National Women's Empowerment Forum (NWEF), Employment Equity Consultative forums (EECF) and the Departmental Disability Forum (DDF). These will play crucial roles in ensuring compliance to the transformation agenda of Government.

Monitoring on implementation of the directives on employment equity is conducted accordingly and reports are submitted as listed below:

- Gender Equality Strategic Framework. Submitted to DPSA;
- Job access Strategic Framework. Submitted to the DPSA;
- The Public Service Senior Women Progress report on the implementation of the 8-Point Plan on Women Empowerment and Gender Equality in the workplace submitted to DPSA;
- The compliance reports submitted to the Department of Women, Youth and Persons with Disabilities;
- Departmental Self-Assessment on the implementation of the Framework for GDRPBME&AF and the survey which was conducted by HSRC;
- The National Strategic Plan on Gender-Based Violence and Femicide submitted monthly.

The department's progress on EE as of 31 March 2025 is summarised as follows:

EE profiles of members the SMS			
Status	Male	Female	With disability
Target	50%	50%	3%
Current	62%	38%	2%

Total gender profile in the department			
Status	Male	Female	With disability
Target	55%	45%	3%
Current	47%	53%	2%

The table indicates progress towards 50/50 SMS gender representation. Achieving this has been hampered by slowed recruitment owing to cost containment measures. Ring-fencing of positions is being considered to reach targets.

Employee relations

In 2024/25, DALRRD carried over several misconduct cases from the previous financial year due to reduced capacity and the DPSA moratoriums on planned advertising of vacant posts and short-term experienced contract personnel. This in the main led to continued failure to meet timelines on grievances and misconduct cases, even with the assistance of the EXCO approved and appointed law firms (through the State Attorney).

It was, however, a successful 2024/25 on the employee relations (ER) training front. Additional presiding officer capacity was achieved through training, leading to less strain on sourcing of chairpersons. The Code of Conduct, Harassment, Victimisation as well as Discipline and Grievance procedures drew the largest attendance. This was also conducted in collaboration with the Office of the Public Service Commission.

An audit of the labour relations function was conducted, which revealed crucial areas requiring attention, e.g., turnaround times in the finalisation of disciplinary cases, the cost of legal fees, the utilisation of legal practitioners in the labour relations processes, the lack of training and development of labour relations practitioners and the capacity (number) of labour relations. A Labour Relations Turnaround plan was developed and is in the process of implementation.

Having conducted training, it was however noticed that the number of grievance and misconduct cases were not reducing, although some might be attributed to the time lapse from the date of omissions or commissions to the time it was reported to either ER or forensic investigation services for investigations. In the main, harassment/bullying/victimisation and unfair treatment leads the profiles of grievances, whereas mismanagement/misuse of state resources, financial disclosures and irregularities in general are prevalent types of misconduct.

The capacitation of the current ER practitioners took centre-stage leading to various empowerment initiatives arranged with some universities. The results or impact will only be realised in the 2025/26 period.

The relationship with Organised Labour (OL) was poor at the beginning of the 2024/25 period as a result of the failed FFP process, however, the tail-end of the NMOG process improved relations, although with reservations. The separation of DALRRD into DoA and DLRRD is an opportunity to re-establish relations with OL purposefully and with intent.

The separation also creates an opportunity to re-evaluate the role of ER in its entirety, i.e., as an advisor and not only to perform managerial prerogatives on behalf of managers.

Employee Health and Wellness

To increase employees' access to health and wellness services nationally, the department has continued to deliver wellness services through a hybrid model approach in the wellness service offering. Awareness on the services provided by the Employee Health and Wellness (EHW) Unit was created through physical and virtual platforms utilising brochures, posters, articles and ICM. The trends that were identified through Lyra Wellbeing services utilisation reports were addressed through specialised interventions, viz., life skills programmes, which included work-life balance, prevention of burnout, relationship and stress management and others. A total of 907 employees and 121 family members contacted Lyra Wellbeing services through the toll-free number, available 24/7/365 days. This is indicative that employees access private service offerings more, as it affords the necessary confidentiality.

Managers were trained on referral procedures of challenged members of staff with poor performance and/or attendance to empower them to support employees and ensure their productivity and well-being. A total of 12 national pre-retirement planning workshops were facilitated by the internal EHW staff, Lyra Wellbeing services and GEPF to prepare employees (851) for retirement psychologically, emotionally, financially and otherwise. These workshops were also open to employees who were not nearing retirement to enable them to plan properly for this eventuality.

4.2 Human resource oversight statistics

Please take note that the post establishment statistics were extracted from PERSAL on 31 March 2025. The establishment statistics differ from the approved structure statistics because the department only created the funded posts on PERSAL.

3.1 Personnel related expenditure

The following tables summarise the final audited personnel related expenditure by programme and by salary bands. It provides an indication of the following: amount spent on personnel and amount spent on salaries, overtime, homeowners' allowances and medical aid.

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

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Personnel expenditure as % of total expenditure	Average personnel cost per employee (R'000)
Administration	2 995 180	1 169 195	20 548	152 497	39,0	647
Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management	2 542 627	724 587	0	364 627	28,5	687
Food Security, Land Reform and Restitution	8 521 159	1 116 508	625	68 389	13,1	688
Rural Development	590 154	146 668	67 738	73 744	24,9	843
Economic Development, Trade and Marketing	681 968	286 935	4 210	7 405	42,1	810
Land Administration	714 075	531 744	0	33 982	74,5	723
Total	16 045 163	3 975 637	93 121	700 644	24,8	692

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Personnel expenditure as % of total expenditure	Average personnel cost per employee (R'000)
Deeds Registration Trading Entity	909 058	683 292	5 331	30 323	75,2	621,73
Total	909 058	683 292	5 331	30 323	75,2	621,73

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

Salary band	Personnel expenditure (R'000)		% of total personnel cost		Average personnel cost per employee (R'000)	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Lower skilled (Levels 1–2)	37 716	0	1.0	0	269	0
Skilled (Levels 3–5)	268 450	34 878	6.8	5,1	367	352,3
Highly skilled production (Levels 6–8)	1 293 744	348 066	32.5	50,9	545	496,5

Salary band	Personnel expenditure (R'000)		% of total personnel cost		Average personnel cost per employee (R'000)	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Highly skilled supervision (Levels 9–12)	1 693 183	241 960	42.6	35,4	863	858,0
Senior management (Levels 13–16)	473 597	57 752	11.9	8,5	1 435	1 443,8
Contract (Levels 1–2)	0	0	0.0	0	0	0
Contract (Levels 3–5)	2 587	636	0.1	0,1	862	212
Contract (Levels 6–8)	3 396	0	0.1	0	189	0
Contract (Levels 9–12)	153 681	0	3.9	0	920	0
Contract (Levels 13–16)	25 554	0	0.6	0	2 555	0
Contract Other	1 957	0	0.0	0	217	0
Periodical remuneration	635	0	0.0	0	19	0
Abnormal appointment	21 137	0	0.5	0	10	
Total	3 975 637	683 292	100	100	502	621

Table 3.1.3: Salaries, overtime, homeowners' allowance and medical aid by programme for the period 1 April 2024 to 31 March 2025

Programme	Salaries		Overtime		Homeowners' allowance (HOA)		Medical aid	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical aid as a % of personnel cost
Administration	809 224	69.2	23 513	2.0	33 675	2.9	65 773	5.6
Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management	513 578	70.9	3 149	0.4	17 227	2.4	29 646	4.1
Food Security, Land Reform and Restitution	795 190	71.2	4 189	0.4	30 738	2.8	58 054	5.2
Rural Development	104 456	71.2	17	0.0	2 687	1.8	4 607	3.1
Economic Development, Trade and Marketing	195 235	68.0	7	0.0	6 702	2.3	12 640	4.4
Land Administration	370 945	69.8	9 585	1.8	12 914	2.4	22 818	4.3
Total	2 788 628	70.1	40 460	1.0	103 943	2.6	193 539	4.9

	Salaries		Overtime		HOA		Medical aid	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical aid as a % of personnel cost
Deeds Registration Trading Entity	469 076	68,64	46 260	6,77	25 498	3,73	39 703	5,8
Total	469 076	68,64	46 260	6,77	25 498	3,73	39 703	5,8

Table 3.1.4: Salaries, overtime, homeowner's allowance and medical aid by salary band for the period 1 April 2024 to 31 March 2025

Salary bands	Salaries		Overtime		HOA		Medical aid	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical aid as a % of personnel cost
Lower skilled (Levels 1–2)	24 471	64.0	760	2.0	3 207	8.4	7 122	18.6
Skilled (Levels 3–5)	174 539	63.5	6 638	2.4	15 096	5,5	28 855	10.5
Highly skilled production (Levels 6–8)	659 528	47.6	22 281	1.6	48 454	3.5	87 837	6.3
Highly skilled supervision (Levels 9–12)	1 376 258	83.7	10 763	0.7	31 056	1.9	64 521	3.9
Senior management (Levels 13–16)	317 751	80.7	0	0.0	5 828	1.5	5 081	1.3
Contract (Level 1–2)	121	87.1	0	0.0	0	0.0	0	0.0
Contract (Level 3–5)	2 508	96.8	6	0.2	0	0.0	0	0.0
Contract (Level 6–8)	3 306	96.8	0	0.0	0	0.0	0	0.0
Contract (Level 9–12)	154 040	100	0	0.0	0	0.0	55	0.0
Contract (Level 13–16)	24 179	92.4	0	0.0	302	1.2	68	0.3
Contract other	1 876	49.3	12	0.3	0	0.0	0	0.0
Periodical remuneration	697	100	0	0.0	0	0.0	0	0.0
Abnormal appointment	49 354	100	0	0.0	0	0.0	0	0.0
Total	2 788 628	70.1	40 460	1.0	103 943	2.6	193 539	4.9

Deeds

Salary bands	Salaries		Overtime		HOA		Medical aid	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical aid as a % of personnel cost
Lower skilled (Levels 1–2)	0	0	0	0	0	0	0	0
Skilled (Levels 3–5)	22 934	65,75	2 510	7,20	2 068	5,93	3 723	10,67
Highly skilled production (Levels 6–8)	225 317	64,73	30 923	8,88	11 416	3,28	26 475	7,60
Highly skilled supervision (Levels 9–12)	178 398	73,73	12 827	5,30	4 119	1,70	9 133	3,77
Senior management (Levels 13–16)	41 791	72,36	0	0	7 895	13,67	372	0,64
Contract (Level 1–2)	0	0	0	0	0	0	0	0
Contract (Level 3–5)	636	100	0	0	0	0	0	0
Contract (Level 6–8)	0	0	0	0	0	0	0	0

Salary bands	Salaries		Overtime		HOA		Medical aid	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical aid as a % of personnel cost
Contract (Level 9–12)	0	0	0	0	0	0	0	0
Contract (Level 13–16)	0	0	0	0	0	0	0	0
Contract other	0	0	0	0	0	0	0	0
Abnormal appointment	0	0	0	0	0	0	0	0
Total	469 076	68,64	46 260	6,77	25 498	3,73	39 703	8,46

3.2 Employment and vacancies

The tables in this section summarise the position regarding employment and vacancies. The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any members of staff who are additional to the establishment. This information is presented in terms of three key variables: programme, salary band and critical occupations. Departments have identified critical occupations that have to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

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

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Administration	2 150	1 797	16,4	9
Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management	1 031	908	11,9	146
Food Security, Land Reform and Restitution	1 790	1 577	11,9	47
Rural Development	198	170	14,1	4
Economic Development, Trade and Marketing	423	353	16,5	1
Land Administration	863	734	14,9	0
Total	6 455	5 539	14,2	207

*Please note that the totals do not include abnormal and periodical employees.

**Totals reflected is for DALRRD

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Deeds Registration Trading Entity	1 376	1 095	20,4	0
Total	1 376	1 095	20,4	0

*Please note that the totals do not include abnormal and periodical employees.

**Totals reflected is for Deeds Office

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

Salary band	Number of posts on approved establishment		Number of posts filled		Vacancy rate %		Number of employees additional to the establishment	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Lower skilled (Levels 1–2)	293	0	239	0	18,4	0	9	0
Skilled (Levels 3–5)	1 223	190	1 065	147	12,9	22,6	3	0
Highly skilled production (Levels 6–8)	2 175	752	1 887	627	13,2	16,6	18	0
Highly skilled supervision (Levels 9–12)	2 360	382	2 025	281	14,2	26,4	167	0
Senior management (Levels 13–16)	404	52	323	40	20,0	23,1	10	0
Total	6 455	1 376	5 539	1 095	14,2	20,4	207	0

*Please note that the totals do not include abnormal and periodical employees.

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

Occupation	Number of posts on approved establishment		Number of posts filled		Vacancy rate %		Number of employees additional to the establishment	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Administration clerks	300	27	266	22	11,3	18,5	1	0
Administration officer	252	16	224	11	11,1	31,3	1	0
Agricultural and horticultural produce inspector	38	0	34	0	10,5	0,0	0	0
Agricultural and forestry manager	48	0	32	0	33,3	0,0	0	0
Agricultural scientist	114	0	93	0	18,4	0,0	0	0
Agricultural technician	2	0	2	0	0,0	0,0	0	0
All artisans in the building metal machinery, etc.	4	0	0	0	100,0	0,0	0	0
Animal behaviourist	2	0	2	0	0,0	0,0	0	0
Auxiliary support officer	44	0	40	0	9,1	0,0	0	0
Call or contact centre clerk	11	0	11	0	0,0	0,0	0	0
Career development practitioner	1	0	1	0	0,0	0,0	0	0
Caretaker/cleaner	1	0	0	0	100,0	0,0	0	0
Cartographer	107	0	83	0	22,4	0,0	0	0
Chief financial officer	1	0	0	0	100,0	0,0	0	0
Chief information officer	1	0	1	0	0,0	0,0	0	0
Clerical supplementary workers	89	0	80	0	10,1	0,0	0	0
Communication and marketing manager	1	0	1	0	0,0	0,0	0	0
Communication coordinator	46	0	39	0	15,2	0,0	0	0
Communication strategist	1	0	1	0	0,0	0,0	0	0
Community development practitioner	12	0	10	0	16,7	0,0	0	0
Compliance officer	21	0	17	0	19,0	0,0	0	0
Computer network technician	6	0	4	0	33,3	0,0	0	0
Craft and related workers	79	0	57	0	27,8	0,0	0	0
Data entry clerk	84	0	77	0	8,3	0,0	0	0
Data scientist	1	0	1	0	0,0	0,0	0	0
Disaster management manager	2	0	2	0	0,0	0,0	0	0
Driller	1	0	1	0	0,0	0,0	0	0
Earth and soil scientist	1	0	1	0	0,0	0,0	0	0
Economist	60	0	47	0	21,7	0,0	0	0
Elementary workers	159	9	125	2	21,4	77,8	10	0

Occupation	Number of posts on approved establishment		Number of posts filled		Vacancy rate %		Number of employees additional to the establishment	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Employee wellness practitioner	9	0	8	0	11,1	0,0	0	0
Enquiry clerk	4	0	4	0	0,0	0,0	0	0
Environmental manager	2	0	2	0	0,0	0,0	0	0
Environmental science technician	1	0	1	0	0,0	0,0	0	0
Environmental scientist	4	0	4	0	0,0	0,0	0	0
Events manager	5	0	4	0	20,0	0,0	0	0
Facilities manager	1	0	1	0	0,0	0,0	0	0
Farm aid	69	0	64	0	7,2	0,0	0	0
Filing and registry clerk	155	11	139	8	10,3	27,3	0	0
Finance clerk	160	46	140	40	12,5	13,0	0	0
Finance manager	2	0	1	0	50,0	0,0	0	0
Financial accountant	125	20	103	10	17,6	50,0	0	0
Food inspector	5	0	3	0	40,0	0,0	0	0
Food trade assistant	19	3	14	0	26,3	100,0	1	0
Forensic technician	8	0	7	0	12,5	0,0	0	0
Forest and conservation worker	12	0	12	0	0,0	0,0	0	0
Fraud examiner	3	0	3	0	0,0	0,0	0	0
General accountant	6	0	3	0	50,0	0,0	0	0
Geographer	2	0	2	0	0,0	0,0	0	0
Geographic information systems technician	37	0	30	0	18,9	0,0	0	0
Graphic designer	3	0	2	0	33,3	0,0	0	0
Groundskeeper	15	0	13	0	13,3	0,0	0	0
Handyperson	19	0	16	0	15,8	0,0	0	0
Head of national government component	1	0	1	0	0,0	0,0	0	0
Head of provincial government component	7	0	6	0	14,3	0,0	0	0
Heads of national department	1	0	1	0	0,0	0,0	0	0
Health and safety managers	1	0	1	0	0,0	0,0	0	0
HR clerk	86	21	76	15	11,6	28,6	0	0
HR manager	1	0	1	0	0,0	0,0	0	0
HR practitioner	21	11	13	3	38,1	72,7	0	0
ICT security specialist	5	0	2	0	60,0	0,0	0	0
ICT systems analyst	40	14	33	8	17,5	42,9	0	0
Information technology and systems manager	1	1	1	1	0,0	0,0	0	0
Internal audit manager	7	0	7	0	0,0	0,0	0	0
Internal auditor	41	0	37	0	9,8	0,0	0	0
Irrigationist	9	0	9	0	0,0	0,0	0	0
Laundry worker (general)	12	0	9	0	25,0	0,0	0	0
Legal administration officer	34	456	18	365	47,1	20,0	0	0
Legal clerk	0	376	0	336	0,0	10,6	0	0
Legal related manager	5	0	4	0	20,0	0,0	0	0
Librarian	5	0	5	0	0,0	0,0	0	0
Library assistant	1	0	1	0	0,0	0,0	0	0
Light vehicle driver	4	0	2	0	50,0	0,0	0	0
Livestock inspector	2	0	2	0	0,0	0,0	0	0
Managers	328	49	272	37	17,1	24,5	8	0
Messengers	47	0	38	0	19,1	0,0	0	0
Meteorologist	3	0	3	0	0,0	0,0	0	0

Occupation	Number of posts on approved establishment		Number of posts filled		Vacancy rate %		Number of employees additional to the establishment	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Middle manager: HR and organisational development	140	23	128	21	8,6	8,7	0	0
Middle manager: Administrative related	240	9	204	3	15,0	66,7	2	0
Middle manager: Agriculture and forestry related	140	0	126	0	10,0	0,0	0	0
Middle manager: Aviation related	1	0	0	0	100,0	0,0	0	0
Middle manager: Engineering sciences related	48	0	36	0	25,0	0,0	16	0
Middle manager: Finance and economics related	159	25	141	20	11,3	20,0	0	0
Middle manager: Information technology related	42	15	41	5	2,4	66,7	0	0
Middle manager: Internal audit	1	0	0	0	100,0	0,0	0	0
Middle manager: Legal related	13	117	11	93	15,4	20,5	0	0
Middle manager: Natural science related	202	0	173	0	14,4	0,0	1	0
Middle manager: Communication and information related	14	0	9	0	35,7	0,0	0	0
Mixed crop farm production manager	3	0	3	0	0,0	0,0	0	0
Office cleaner	76	0	60	0	21,1	0,0	0	0
Office machine operator	13	0	12	0	7,7	0,0	0	0
Organisational development practitioner	5	0	5	0	0,0	0,0	0	0
Other middle manager	18	0	16	0	11,1	0,0	0	0
Personal assistant	125	15	120	11	4,0	26,7	2	0
Policy administration	2	0	2	0	0,0	0,0	0	0
Policy analyst	1	0	1	0	0,0	0,0	0	0
Policy and planning managers	2	0	2	0	0,0	0,0	0	0
Professionals	1000	10	875	5	12,5	50,0	16	0
Programme or project manager	2	1	1	1	50,0	0,0	2	0
Receptionist (general)	25	0	24	0	4,0	0,0	0	0
Regulatory inspector	1	0	1	0	0,0	0,0	0	0
Research and development manager	3	0	3	0	0,0	0,0	0	0
Risk officer	4	0	1	0	75,0	0,0	0	0
Health and safety practitioner	12	3	10	0	16,7	100,0	0	0
Secretary (general)	143	3	127	3	11,2	0,0	0	0
Security officer	76	0	65	0	14,5	0,0	0	0
Skilled agricultural forest and fisheries workers	218	0	198	0	9,2	0,0	1	0
Skills development facilitator/practitioner	4	0	2	0	50,0	0,0	0	0
Statistician	17	0	17	0	0,0	0,0	0	0
Strategy/monitoring and evaluation manager	2	0	1	0	50,0	0,0	0	0
Supply chain clerk	135	43	121	34	10,4	20,9	0	0
Supply chain practitioner	169	32	134	25	20,7	21,9	0	0

Occupation	Number of posts on approved establishment		Number of posts filled		Vacancy rate %		Number of employees additional to the establishment	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Surveying or cartographic technician	133	0	103	0	22,6	0,0	0	0
Surveyor	286	0	259	0	9,4	0,0	0	0
Switchboard operator	20	10	20	8	0,0	20,0	0	0
Systems administrator	3	0	2	0	33,3	0,0	0	0
Systems developer	1	0	1	0	0,0	0,0	0	0
Technical and associate technician's occupations	25	0	22	0	12,0	0,0	0	0
Technical (ICT) support services manager	32	9	28	8	12,5	11,1	0	0
Training and development professional	7	0	6	0	14,3	0,0	0	0
Truck driver (general)	3	0	3	0	0,0	0,0	0	0
Valuer	1	0	0	0	100,0	0,0	0	0
Veterinarian	29	0	20	0	31,0	0,0	146	0
Veterinary public health professional/practitioner	30	0	23	0	23,3	0,0	0	0
Veterinary technologist	5	0	5	0	0,0	0,0	0	0
Water control officer	2	0	2	0	0,0	0,0	0	0
Web administrator	1	0	1	0	0,0	0,0	0	0
Web designer	1	0	1	0	0,0	0,0	0	0
Web technician	2	0	2	0	0,0	0,0	0	0
Word processing operator	1	1	1	0	0,0	100,0	0	0
Total	6 455	1 376	5 539	1 095	14,2	20,4	207	0

*Please note that the totals do not include additional, abnormal and periodical employees.

3.3 Filling of SMS posts

The tables in this section provide information on employment and vacancies as these relate to members of the SMS (excluding 2 Ministers, 2 Deputy Ministers, and 1 Special Advisor) by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed time frames, and disciplinary steps taken.

Table 3.3.1: SMS posts information as on 31 March 2025

SMS level	Total number of funded SMS posts		Total number of SMS posts filled		% of SMS posts filled		Total number of SMS posts vacant		% of SMS posts vacant	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Director-general	1	0	1	0	0,4	0	0	0	0	0
Salary level 15	11	1	9	1	2,8	2,5	2	0	2,5	0
Salary level 14	78	15	56	13	17,6	32,5	22	2	27,1	16,7
Salary level 13	309	36	252	26	79,2	65,0	57	10	70,4	83,3
Total	399	52	318	40	100	100	81	12	100	100

Table 3.3.2: SMS posts information as on 30 September 2024

SMS level	Total number of funded SMS posts		Total number of SMS posts filled		% of SMS posts filled		Total number of SMS posts vacant		% of SMS posts vacant	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Director-general	1	0	1	0	0,3	0	0	0	0	0
Salary level 15	11	1	9	1	2,7	2,4	2	0	2,8	0
Salary level 14	78	15	60	13	18,3	31,7	18	2	25,4	18,2
Salary level 13	309	36	258	27	78,7	65,9	51	9	71,8	81,8

Total	399	52	328	41	100	100	71	11	100	100
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Table 3.3.3: Advertising and filling of SMS posts for the period 1 April 2024 to 31 March 2025

SMS level	Advertising	Filling of posts	
	Number of vacancies per level advertised in six months of becoming vacant	Number of vacancies per level filled in six months after becoming vacant	Number of vacancies per level not filled in six months but filled in 12 months
Director-general	0	0	0
Salary level 15	0	2	2
Salary level 14	0	2	0
Salary level 13	0	7	1
Total	0	11	3

Table 3.3.4: Reasons for not having complied with the filling of funded vacant SMS posts—advertised within six months and filled within 12 months after becoming vacant

Reasons for vacancies not advertised within six months:
The implementation of DPSA Circular 49 of 2023, pertaining to the directive on the implementation of control measures aimed at assisting executive authorities in managing fiscal sustainability during the process of creating and filling vacant posts in departments.
Reasons for vacancies not filled within twelve months:
The implementation of DPSA Circular 49 of 2023, pertaining to the directive on the implementation of control measures aimed at assisting executive authorities in managing fiscal sustainability during the process of creating and filling vacant posts in departments.

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

None.

3.4 Job evaluation

Within a nationally determined framework, executive authorities may evaluate or re-evaluate any job in their organisations. In terms of the Regulations, all vacancies on salary level 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the period under review. This table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1: Job evaluation by salary band for the period 1 April 2024 to 31 March 2025

No jobs were evaluated during the period 1 April 2024 to 31 March 2025.

The following table provides a summary of the number of employees whose positions were upgraded because of their posts being upgraded. The number of employees might differ from the number of posts upgraded because not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2: Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2024 to 31 March 2025

Beneficiaries	African	Asian	Coloured	White	Total
Female	2	0	0	0	2
Male	0	0	0	0	0
Total	2	0	0	0	2
Employees with a disability					0

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3: Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2024 to 31 March 2025

Occupation	Number of employees		Remuneration level		Job evaluation level		Reason for deviation	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Administration clerks	87	9	6	6	5	5	Grade progression	Grade progression
Administration clerks	16	0	7	0	5	0	Grade progression	–
Administration clerks	2	1	7	7	6	6	Grade progression	Grade progression
Administration clerks	1	0	8	0	5	0	Retention	–
Administration clerks	7	3	8	8	7	7	Grade progression	Grade progression
Administration clerks	1	0	11	0	5	0	Retention	–
Administration officer	16	0	8	0	7	0	Grade progression	–
Administration officer	2	0	9	0	8	0	Retention	–
Administration officer	1	0	10	0	8	0	Retention	–
Administration officer	1	0	11	0	7	0	Retention	–
Agricultural and horticultural produce inspector	8	0	8	0	7	0	Grade progression	–
Agricultural and horticultural produce inspector	1	0	12	0	11	0	Grade progression	–
Agricultural and horticultural produce inspector	1	0	15	0	14	0	Retention	–
Agricultural scientist	1	0	8	0	7	0	Grade progression	–
Agricultural scientist	1	0	9	0	8	0	OSD	–
Agricultural scientist	3	0	10	0	9	0	OSD	–
Agricultural scientist	5	0	11	0	8	0	OSD	–
Agricultural scientist	2	0	12	0	11	0	Grade progression	–
Agricultural technician	2	0	11	0	8	0	OSD	–
Auxiliary support officer (custodial)	2	0	5	0	4	0	Grade progression	–
Auxiliary support officer (custodial)	8	0	6	0	5	0	Grade progression	–
Auxiliary support officer (custodial)	11	0	7	0	6	0	Grade progression	–
Call or contact centre clerk	8	0	6	0	5	0	Grade progression	–
Cartographer	4	0	7	0	6	0	Grade progression	–
Cartographer	2	0	8	0	6	0	Out of adjustment	–
Cartographer	1	0	8	0	7	0	Grade progression	–
Clerical supplementary workers	9	0	6	0	5	0	Grade progression	–

Occupation	Number of employees		Remuneration level		Job evaluation level		Reason for deviation	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Clerical supplementary workers	11	0	7	0	6	0	Grade progression	—
Clerical supplementary workers	2	0	9	0	8	0	OSD	—
Communication coordinator	8	0	10	0	9	0	Grade progression	—
Community development practitioner	2	0	10	0	9	0	Grade progression	—
Compliance officer	4	0	10	0	9	0	Grade progression	—
Computer network technician	1	0	10	0	9	0	Grade progression	—
Craft and related workers	14	0	3	0	2	0	Grade progression	—
Data entry clerk	1	0	5	0	4	0	Grade progression	—
Data entry clerk	13	0	7	0	6	0	Grade progression	—
Driller	1	0	8	0	7	0	Grade progression	—
Economist	1	0	10	0	9	0	Grade progression	—
Economist	2	0	12	0	10	0	JE	—
Elementary workers	5	0	3	0	2	0	Grade progression	—
Elementary workers	2	0	4	0	2	0	Grade progression	—
Elementary workers	1	0	5	0	3	0	Grade progression	—
Elementary workers	13	0	5	0	4	0	Grade progression	—
Elementary workers	1	0	6	0	4	0	Grade progression	—
Elementary workers	10	0	6	0	5	0	Grade progression	—
Elementary workers	2	0	7	0	4	0	Retention	—
Elementary workers	1	0	7	0	6	0	Grade progression	—
Employee wellness practitioner	3	0	10	0	9	0	Grade progression	—
Enquiry clerk	1	0	7	0	6	0	Grade progression	—
Farm aid	24	0	3	0	2	0	Grade progression	—
Farm aid	2	0	5	0	2	0	Out of adjustment	—
Filing and registry clerk	36	3	6	6	5	5	Grade progression	Grade progression
Filing and registry clerk	8	0	7	0	5	0	Grade progression	—
Filing and registry clerk	1	0	7	0	6	0	Grade progression	—
Filing and registry clerk	3	0	8	0	7	0	Grade progression	—
Finance clerk	45	15	6	6	5	5	Grade progression	Grade progression

Occupation	Number of employees		Remuneration level		Job evaluation level		Reason for deviation	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Finance clerk	4	1	7	7	5	5	Grade progression	Grade progression
Finance clerk	12	2	8	8	7	7	Grade progression	Grade progression
Financial accountant	14	0	8	0	7	0	Grade progression	–
Financial accountant	1	0	9	0	8	0	Retention	–
Food inspector	1	0	11	0	9	0	OSD	–
Food trade assistant	2	0	5	0	4	0	Grade progression	–
General accountant	1	0	8	0	7	0	Grade progression	–
Geographic information systems technician	1	0	10	0	9	0	OSD	–
Geographic information systems technician	2	0	11	0	10	0	OSD	–
Geographic information systems technician	2	0	12	0	10	0	OSD	–
Groundskeeper	3	0	3	0	2	0	Grade progression	–
HR clerk	10	4	6	6	5	5	Grade progression	Grade progression
HR clerk	5	0	7	0	5	0	Grade progression	–
HR clerk	11	0	8	0	7	0	Grade progression	–
HR practitioner	1	0	10	0	9	0	Grade progression	–
HR practitioner	0	1	0	8	0	7	–	Grade progression
ICT systems analyst	1	1	10	10	9	9	Grade progression	Grade progression
ICT systems analyst	3	0	12	0	11	0	Grade progression	–
Internal auditor	13	0	10	0	9	0	Grade progression	–
Laundry worker (general)	8	0	3	0	2	0	Grade progression	–
Legal administration officer	0	90	0	8	0	7	–	Grade progression
Legal administration officer	1	0	9	0	8	0	OSD	–
Legal administration officer	0	33	0	10	0	9	–	Grade progression
Legal administration officer	2	0	10	0	5	0	OSD	–
Legal administration officer	2	0	13	0	12	0	OSD	–
Legal clerk	0	1	0	6	0	3	–	Out of adjustment

Occupation	Number of employees		Remuneration level		Job evaluation level		Reason for deviation	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Legal clerk	0	10	0	6	0	5	–	Grade progression
Legal clerk	0	165	0	7	0	6	–	Grade progression
Light vehicle driver	2	0	4	0	3	0	Grade progression	–
Managers	4	0	14	0	13	0	Retention	–
Managers	1	0	15	0	13	0	Retention	–
Messengers	19	0	3	0	2	0	Grade progression	–
Messengers	2	0	4	0	3	0	Grade progression	–
Middle manager: HR and organisational development	1	0	7	0	6	0	Grade progression	–
Middle manager: HR and organisational development	2	0	8	0	7	0	Grade progression	–
Middle manager: HR and organisational development	16	3	10	10	9	9	Grade progression	Grade progression
Middle manager: HR and organisational development	12	2	12	12	11	11	Grade progression	Grade progression
Middle manager: Administrative related	25	0	10	0	9	0	Grade progression	–
Middle manager: Administrative related	1	0	11	0	9	0	Retention	–
Middle manager: Administrative related	34	1	12	12	11	11	Grade progression	Grade progression
Middle manager: Agriculture and forestry related	4	0	12	0	11	0	Grade progression	–
Middle manager: Agriculture and forestry related	3	0	13	0	12	0	Foreign representation	–
Middle manager: Agriculture and forestry related	1	0	14	0	12	0	Foreign representation	–
Middle manager: Finance and economics related	13	1	10	10	9	9	Grade progression	Grade progression
Middle manager: Finance and economics related	24	2	12	12	11	11	Grade progression	Grade progression
Middle manager: Information technology related	11	1	12	12	11	11	Grade progression	Grade progression
Middle manager: Legal related	0	27	0	12	0	11	–	Grade progression
Middle manager: Natural science related	54	0	12	0	11	0	Grade progression	–
Middle manager: Communication	2	0	12	0	11	0	Grade progression	–
Office cleaner	15	0	3	0	2	0	Grade progression	–

Occupation	Number of employees		Remuneration level		Job evaluation level		Reason for deviation	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Organisational development practitioner	2	0	10	0	9	0	Grade progression	–
Other: Middle manager	6	0	10	0	9	0	Grade progression	–
Other: Middle manager	4	0	12	0	11	0	Grade progression	–
Personal assistant	23	0	8	0	7	0	Grade progression	–
Personal assistant	1	0	10	0	8	0	Retention	–
Policy analyst	1	0	10	0	9	0	Grade progression	–
Policy and planning managers	1	0	15	0	14	0	Retention	–
Professionals	20	0	8	0	7	0	Grade progression	–
Professionals	23	1	10	10	9	9	Grade progression	Grade progression
Professionals	3	0	12		10		Out of adjustment	–
Receptionist (general)	15	0	6	0	4	0	Grade progression	–
Receptionist (general)	2	0	6	0	5	0	Grade progression	–
Secretary (general)	97	1	6	6	5	5	Grade progression	Grade progression
Secretary (general)	1	0	7	0	5	0	Retention	–
Secretary (general)	1	0	8	0	5	0	Retention	–
Security officer	10	0	6	0	3	0	Grade progression	–
Security officer	4	0	7	0	3	0	Grade progression	–
Security officer	6	0	7	0	5	0	Grade progression	–
Security officer	1	0	8	0	7	0	Grade progression	–
Security officer	5	0	10	0	9	0	Grade progression	–
Skilled agricultural forest and fishery workers	1	0	7	0	6	0	Grade progression	–
Skilled agricultural forest and fishery workers	36	0	10	0	9	0	Grade progression	–
Skilled agricultural forest and fishery workers	3	0	11	0	7	0	OSD	–
Skilled agricultural forest and fishery workers	5	0	11	0	8	0	OSD	–
Skilled agricultural forest and fishery workers	1	0	11	0	10	0	OSD	–
Skilled agricultural forest and fishery workers	1	0	12	0	10	0	OSD	–
Skilled agricultural forest and fishery workers	3	0	12	0	11	0	Grade progression	–

Occupation	Number of employees		Remuneration level		Job evaluation level		Reason for deviation	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Skills development facilitator/practitioner	1	0	10	0	9	0	Grade progression	–
Statistician	3	0	10	0	8	0	JE	–
Statistician	1	0	10	0	9	0	Grade progression	–
Statistician	4	0	12	0	11	0	Grade progression	–
Supply chain clerk	8	0	3	0	2	0	Grade progression	–
Supply chain clerk	38	4	6	6	5	5	Grade progression	Grade progression
Supply chain clerk	9	0	7	0	5	0	Grade progression	–
Supply chain clerk	3	1	8	0	7	0	Grade progression	Grade progression
Supply chain practitioner	12	0	8	0	7	0	Grade progression	–
Supply chain practitioner	13	0	10	0	9	0	Grade progression	–
Surveying or cartographic technician	2	0	8	0	7	0	Grade progression	–
Surveying or cartographic technician	1	0	9	0	7	0	Retention	–
Surveying or cartographic technician	5	0	11	0	10	0	OSD	–
Surveyor	2	0	8	0	7	0	Grade progression	–
Surveyor	1	0	9	0	7	0	OSD	–
Surveyor	2	0	9	0	8	0	OSD	–
Surveyor	3	0	11	0	9	0	OSD	–
Surveyor	5	0	11	0	10	0	OSD	–
Surveyor	1	0	13	0	9	0	OSD	–
Switchboard operator	1	0	5	0	4	0	Grade progression	–
Switchboard operator	2	0	7	0	4	0	Grade progression	–
Switchboard operator	4	4	7	7	6	6	Grade progression	Grade progression
Switchboard operator	1	0	8	0	7	0	Grade progression	–
Systems administrator	1	0	10	0	9	0	Grade progression	–
Technical and associate technician's occupations	4	0	7	0	6	0	Grade progression	–
Technical and associate technician's occupations	1	0	8	0	6	0	Grade progression	–
Technical (ICT) support services manager	2	0	10	0	9	0	Grade progression	–
Technical (ICT) support services manager	0	1	0	9	0	6	–	Out of adjustment

Occupation	Number of employees		Remuneration level		Job evaluation level		Reason for deviation	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Technical (ICT) support services manager	2	0	12	0	11	0	Grade progression	–
Truck driver (general)	1	0	4	0	3	0	Grade progression	–
Truck driver (general)	2	0	5	0	3	0	Grade progression	–
Veterinarian	5	0	12	0	11	0	Grade progression	–
Veterinary public health professional/practitioner	1	0	10	0	9	0	Grade progression	–
Web technician	1	0	10	0	9	0	Grade progression	–
Word processing operator	1	0	8	0	7	0	Grade progression	–
Total number of employees whose salaries exceeded the level determined by job evaluation							1 186	388
% of total employed							21,4	35,4

The following table summarises the beneficiaries of the above in terms of race, gender and disability.

Table 3.4.4: Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2024 to 31 March 2025

Beneficiary	African	Asian	Coloured	White	Total
Female	497	15	80	96	688
Male	382	9	46	61	498
Total	879	24	126	157	1 186
Employees with a disability	22	1	0	12	35

Deeds

Beneficiary	African	Asian	Coloured	White	Total
Female	141	12	37	57	247
Male	98	5	15	23	141
Total	239	17	52	80	388
Employees with a disability	4	0	2	3	9

3.5 Employment changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and by critical occupations.

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

Salary band	Number of employees at beginning of period April 2024		Appointments and transfers into the department		Terminations and transfers out of the department		Turnover rate (%)	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Lower skilled (Levels 1–2)	248	0	5	0	4	0	1,6	0,0
Skilled (Levels 3–5)	1 083	151	16	7	26	7	2,4	4,7
Highly skilled production (Levels 6–8)	1 950	638	31	5	103	19	5,4	3,0
Highly skilled supervision (Levels 9–12)	2 102	294	26	3	96	16	4,7	5,6
SMS Band A	265	27	1	3	14	4	5,4	14,8
SMS Band B	59	14	0	1	7	2	12,1	14,3
SMS Band C	9	1	0	0	0	0	0,0	0,0
SMS Band D	4	0	4	0	4	0	80,0	0,0

Salary band	Number of employees at beginning of period April 2024		Appointments and transfers into the department		Terminations and transfers out of the department		Turnover rate (%)	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Total	5 720	1 125	83	19	254	48	4,5	4,3

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

Occupation	Number of employees at beginning of period 1 April 2024		Appointments and transfers into the department		Terminations and transfers out of the department		Turnover rate (%)	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Administration clerks	271	22	3	1	8	1	3,0	4,5
Administration officer	237	11	4	0	17	0	7,4	0,0
Agricultural and horticultural produce inspector	34	0	3	0	3	0	8,8	0,0
Agricultural and forestry manager	35	0	0	0	3	0	9,0	0,0
Agricultural scientist	96	0	2	0	5	0	5,3	0,0
Agricultural technician	2	0	0	0	0	0	0,0	0,0
Animal behaviourist	2	0	0	0	0	0	0,0	0,0
Auxiliary support officer	41	0	0	0	1	0	2,5	0,0
Call or contact centre clerk	11	0	0	0	0	0	0,0	0,0
Career development practitioner	1	0	0	0	0	0	0,0	0,0
Caretaker/cleaner	0	0	0	0	0	0	0,0	0,0
Cartographer	94	0	0	0	11	0	12,4	0,0
Chief financial officer	0	0	0	0	0	0	0,0	0,0
Chief information officer	1	0	0	0	0	0	0,0	0,0
Clerical supplementary workers	81	0	1	0	2	0	2,5	0,0
Communication and marketing manager	1	0	0	0	0	0	0,0	0,0
Communication coordinator	40	0	0	0	1	0	2,5	0,0
Communication strategist	1	0	0	0	0	0	0,0	0,0
Community development practitioner	11	0	0	0	1	0	9,5	0,0
Compliance officer	19	0	0	0	2	0	11,1	0,0
Computer network technician	3	0	2	0	1	0	28,6	0,0
Craft and related workers	63	0	0	0	6	0	10,0	0,0
Data entry clerk	77	0	0	0	0	0	0,0	0,0
Data scientist	1	0	0	0	0	0	0,0	0,0
Disaster management manager	2	0	0	0	0	0	0,0	0,0
Driller	1	0	0	0	0	0	0,0	0,0
Earth and soil scientist	1	0	0	0	0	0	0,0	0,0
Economist	52	0	0	0	5	0	10,1	0,0
Elementary workers	131	2	1	0	7	0	5,5	0,0
Employee wellness practitioner	9	0	0	0	1	0	11,8	0,0
Enquiry clerk	4	0	0	0	0	0	0,0	0,0
Environmental manager	2	0	0	0	0	0	0,0	0,0
Environmental science technician	1	0	0	0	0	0	0,0	0,0
Environmental scientist	4	0	0	0	0	0	0,0	0,0
Events manager	5	0	0	0	1	0	22,2	0,0
Facilities manager	1	0	0	0	0	0	0,0	0,0

Occupation	Number of employees at beginning of period 1 April 2024		Appointments and transfers into the department		Terminations and transfers out of the department		Turnover rate (%)	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Farm aid	61	0	4	0	1	0	1,6	0,0
Filing and registry clerk	141	7	2	3	4	2	2,9	26,7
Finance clerk	144	42	0	0	4	2	2,8	4,9
Finance manager	0	0	0	0	0	0	0,0	0,0
Financial accountant	106	10	2	0	6	0	5,7	0,0
Food inspector	3	0	0	0	0	0	0,0	0,0
Food trade assistant	13	0	1	0	0	0	0,0	0,0
Forensic technician	7	0	0	0	0	0	0,0	0,0
Forest and conservation worker	10	0	2	0	0	0	0,0	0,0
Fraud examiner	3	0	0	0	0	0	0,0	0,0
General accountant	3	0	0	0	0	0	0,0	0,0
Geographer	2	0	0	0	0	0	0,0	0,0
Geographic information systems technician	31	0	0	0	1	0	3,3	0,0
Graphic designer	2	0	0	0	0	0	0,0	0,0
Groundskeeper	13	0	0	0	0	0	0,0	0,0
Handyperson	16	0	0	0	0	0	0,0	0,0
Head of national government component	0	0	0	0	0	0	0,0	0,0
Head of provincial government component	6	0	0	0	0	0	0,0	0,0
Heads of national department	2	0	3	0	2	0	100,0	0,0
Health and safety managers	1	0	0	0	0	0	0,0	0,0
HR clerk	82	14	0	5	6	4	7,6	27,6
HR manager	1	0	4	0	0	0	0,0	0,0
HR practitioner	14	2	1	1	2	0	14,8	0,0
ICT security specialist	2	0	0	0	0	0	0,0	0,0
ICT systems analyst	35	8	0	0	2	0	5,9	0,0
Information technology and systems manager	1	1	3	1	0	0	0,0	0,0
Internal audit manager	7	0	0	0	0	0	0,0	0,0
Internal auditor	38	0	0	0	1	0	2,7	0,0
Irrigationist	9	0	0	0	0	0	0,0	0,0
Laundry worker (general)	10	0	0	0	1	0	10,5	0,0
Legal administration officer	24	375	0	2	6	12	28,6	3,2
Legal clerk	0	346	0	0	0	10	0,0	2,9
Legal related manager	2	0	3	3	1	0	33,3	0,0
Librarian	5	0	0	0	0	0	0,0	0,0
Library assistant	1	0	1	0	0	0	0,0	0,0
Light vehicle driver	2	0	0	0	0	0	0,0	0,0
Livestock inspector	2	0	0	0	0	0	0,0	0,0
Managers	289	42	1	0	18	6	6,4	15,2
Messengers	39	0	0	0	1	0	2,6	0,0
Meteorologist	3	0	0	0	0	0	0,0	0,0
Middle manager: HR and organisational development	136	23	0	0	8	2	6,1	9,1
Middle manager: administrative related	206	3	3	0	5	0	2,4	0,0
Middle manager: agriculture and forestry related	125	0	2	0	1	0	0,8	0,0
Middle manager: aviation related	0	0	0	0	0	0	0,0	0,0

Occupation	Number of employees at beginning of period 1 April 2024		Appointments and transfers into the department		Terminations and transfers out of the department		Turnover rate (%)	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Middle manager: engineering sciences related	38	0	0	0	2	0	5,4	0,0
Middle manager: finance and economics related	144	21	1	1	4	2	2,8	9,8
Middle manager: information technology related	42	4	0	1	1	0	2,4	0,0
Middle manager: legal related	12	96	0	0	1	5	8,7	5,3
Middle manager: natural science related	180	0	3	0	10	0	5,7	0,0
Middle manager: communication and information related	15	0	0	0	4	0	33,3	0,0
Mixed crop farm production manager	3	0	0	0	0	0	0,0	0,0
Office cleaner	63	0	0	0	3	0	4,9	0,0
Office machine operator	12	0	0	0	0	0	0,0	0,0
Organisational development practitioner	4	0	2	0	1	0	22,2	0,0
Other middle manager	16	0	0	0	0	0	0,0	0,0
Personal assistant	121	11	0	1	1	1	0,8	9,1
Policy administration	2	0	0	0	0	0	0,0	0,0
Policy analyst	1	0	0	0	0	0	0,0	0,0
Policy and planning managers	2	0	0	0	0	0	0,0	0,0
Professionals	894	5	4	0	23	0	2,6	0,0
Programme or project manager	1	1	0	0	0	0	0,0	0,0
Receptionist (general)	22	0	2	0	0	0	0,0	0,0
Regulatory inspector	1	0	0	0	0	0	0,0	0,0
Research and development manager	3	0	0	0	0	0	0,0	0,0
Risk officer	1	0	1	0	0	0	0,0	0,0
Health and safety practitioner	13	0	0	0	3	0	26,1	0,0
Secretary (general)	125	3	7	0	5	0	4,0	0,0
Security officer	67	0	0	0	2	0	3,0	0,0
Skilled agricultural forest and fishery workers	201	0	5	0	8	0	4,0	0,0
Skills development facilitator/practitioner	4	0	0	0	2	0	66,7	0,0
Statistician	17	0	0	0	0	0	0,0	0,0
Strategy/monitoring and evaluation manager	1	0	0	0	0	0	0,0	0,0
Supply chain clerk	123	35	2	0	4	1	3,3	2,9
Supply chain practitioner	145	25	2	0	13	0	9,3	0,0
Surveying or cartographic technician	112	0	0	0	9	0	8,4	0,0
Surveyor	265	0	2	0	8	0	3,1	0,0
Switchboard operator	20	8	0	0	0	0	0,0	0,0
Systems administrator	3	0	0	0	1	0	40,0	0,0
Systems developer	1	0	0	0	0	0	0,0	0,0
Technical and associate technician's occupations	21	0	2	0	1	0	4,7	0,0
Technical (ICT) support services manager	29	8	0	0	1	0	3,5	0,0

Occupation	Number of employees at beginning of period 1 April 2024		Appointments and transfers into the department		Terminations and transfers out of the department		Turnover rate (%)	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Training and development professional	6	0	0	0	0	0	0,0	0,0
Truck driver (general)	1	0	2	0	0	0	0,0	0,0
Veterinarian	22	0	0	0	2	0	9,5	0,0
Veterinary public health professional/practitioner	23	0	0	0	0	0	0,0	0,0
Veterinary technologist	5	0	0	0	0	0	0,0	0,0
Water control officer	2	0	0	0	0	0	0,0	0,0
Web administrator	1	0	0	0	0	0	0,0	0,0
Web designer	1	0	0	0	0	0	0,0	0,0
Web technician	2	0	0	0	0	0	0,0	0,0
Word processing operator	1	0	0	0	0	0	0,0	0,0
Total	5 720	1 125	83	19	254	48	4,5	4,3

***Reflected data includes terminations and appointments from the previous FY which was only implemented during the current FY due to various reasons.

The table below identifies the major reasons why members of staff left the department.

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

Termination type	Number		% of total resignations	
	DALRRD	Deeds	DALRRD	Deeds
Death	14	2	5,5	4,2
Resignation	134	22	52,8	45,8
Expiry of contract	3	0	1,2	0
Dismissal operational changes	0	0	0	0
Dismissal misconduct	6	0	2,4	0
Dismissal inefficiency	0	0	0	0
Discharged because of ill health	5	4	1,9	8,3
Retirement	65	17	25,6	35,4
Transfer to other public service departments	27	3	10,6	6,3
Other	0	0	0	0
Total	254	48	100	100
Total number of employees who left as a percentage of total employment			4.6	4.4

Table 3.5.4: Promotions by occupation for the period 1 April 2024 to 31 March 2025

Occupation	Employees 1 April 2024		Promotions to another salary level		Salary level promotions as a % of employees by occupation		Progressions to another notch within a salary level		Notch progression as a % of employees by occupation	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Administration clerks	271	22	0	0	0	0	159	8	58,3	36,4
Administration officer	237	11	0	0	0	0	162	7	68,4	63,6
Agricultural and horticultural produce inspector	34	0	0	0	0	0	34	0	100,0	0,0
Agricultural and forestry manager	35	0	0	0	0	0	6	0	17,1	0,0
Agricultural scientist	96	0	1	0	1,0	0	90	0	93,8	0,0
Agricultural technician	2	0	0	0	0	0	1	0	50,0	0,0
Animal behaviourist	2	0	0	0	0	0	1	0	50,0	0,0
Auxiliary support officer	41	0	1	0	2,4	0	8	0	19,5	0,0
Call or contact centre clerk	11	0	0	0	0	0	9	0	81,8	0,0

Occupation	Employees 1 April 2024		Promotions to another salary level		Salary level promotions as a % of employees by occupation		Progressions to another notch within a salary level		Notch progression as a % of employees by occupation	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Career development practitioner	1	0	0	0	0	0	1	0	100,0	0,0
Cartographer	94	0	1	0	1,1	0	104	0	110,6	0,0
Chief information officer	1	0	0	0	0	0	0	0	0	0,0
Clerical supplementary workers	81	0	0	0	0	0	8	0	9,9	0,0
Communication and marketing manager	1	0	0	0	0	0	0	0	0	0
Communication coordinator	40	0	0	0	0	0	24	0	60,0	0,0
Communication strategist	1	0	0	0	0	0	0	0	0	0
Community development practitioner	11	0	0	0	0	0	9	0	81,8	0,0
Compliance officer	19	0	0	0	0	0	12	0	63,2	0,0
Computer network technician	3	0	1	0	33,3	0	2	0	66,7	0,0
Craft and related workers	63	0	0	0	0	0	11	0	17,5	0,0
Data entry clerk	77	0	1	0	1,3	0	32	0	41,6	0,0
Earth and soil scientist	1	0	0	0	0	0	1	0	100,0	0,0
Disaster management	2	0	0	0	0	0	0	0	0	0
Driller	1	0	0	0	0	0	0	0	0	0
Data scientist	1	0	0	0	0	0	0	0	0	0
Economist	52	0	0	0	0	0	27	0	51,9	0,0
Elementary workers	131	2	0	0	0	0	72	0	55,0	0,0
Employee wellness practitioner	9	0	0	0	0	0	0	0	0	0
Enquiry clerk	4	0	0	0	0	0	1	0	25,0	0,0
Environmental manager	2	0	0	0	0	0	1	0	50,0	0,0
Environmental science technician	1	0	0	0	0	0	1	0	100,0	0,0
Environmental scientist	4	0	0	0	0	0	3	0	75,0	0,0
Events manager	5	0	0	0	0	0	0	0	0,0	0,0
Facilities manager	1	0	0	0	0	0	0	0	0,0	0,0
Farm aid	61	0	0	0	0	0	42	0	68,9	0,0
Filing and registry clerk	141	7	0	2	2	28,6	71	3	50,4	42,9
Finance clerk	144	42	0	0	0	0	79	19	54,9	45,2
Finance manager	0	0	0	0	0	0	0	0	0,0	0,0
Financial accountant	106	10	0	0	0	0	66	7	62,3	70,0
Food inspector	3	0	0	0	0	0	1	0	33,3	0,0
Food trade assistant	13	0	0	0	0	0	8	0	61,5	0,0
Forensic technician	7	0	0	0	0	0	5	0	71,4	0,0
Forest and conservation worker	10	0	0	0	0	0	4	0	40,0	0,0
Fraud examiner	3	0	0	0	0	0	0	0	0,0	0,0
General accountant	3	0	0	0	0	0	3	0	100,0	0,0
Geographer	2	0	0	0	0	0	0	0	0,0	0,0
Geographic information systems technician	31	0	0	0	0	0	18	0	58,1	0,0

Occupation	Employees 1 April 2024		Promotions to another salary level		Salary level promotions as a % of employees by occupation		Progressions to another notch within a salary level		Notch progression as a % of employees by occupation	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Graphic designer	2	0	0	0	0	0	2	0	100,0	0,0
Groundskeeper	13	0	0	0	0	0	10	0	76,9	0,0
Handyperson	16	0	0	0	0	0	9	0	56,3	0,0
Head of national government component	0	0	0	0	0	0	0	0	0,0	0,0
Head of provincial government component	6	0	0	0	0	0	0	0	0,0	0,0
Heads of national department	2	0	0	0	0	0	0	0	0,0	0,0
Health and safety managers	1	0	0	0	0	0	1	0	100,0	0,0
HR clerk	82	14	0	0	0	0	57	8	69,5	57,1
HR manager	1	0	1	0	100,0	0	0	0	0,0	0,0
HR practitioner	14	2	0	1	0	50,0	17	3	121,4	150,0
ICT security specialist	2	0	1	0	50,0	0	1	0	50,0	0,0
ICT systems analyst	35	8	0	0	0	0	14	6	40,0	75,0
Information technology and systems manager	1	1	0	0	0	0	1	0	100,0	0,0
Internal audit manager	7	0	1	0	14,3	0	2	0	28,6	0,0
Internal auditor	38	0	0	0	0	0	0	0	0,0	0,0
Irrigationist	9	0	0	0	0	0	3	0	33,3	0,0
Laundry worker (general)	10	0	0	0	0	0	5	0	50,0	0,0
Legal administration officer	24	375	1	1	4,2	0,3	12	226	50,0	60,3
Legal clerk	0	346	0	0	0	0	0	144	0,0	41,6
Legal related manager	2	0	0	0	0	0	0	0	0,0	0,0
Librarian	5	0	0	0	0	0	2	0	40,0	0,0
Library assistant	1	0	0	0	0	0	0	0	0,0	0,0
Light vehicle driver	2	0	0	0	0	0	2	0	100,0	0,0
Livestock inspector	2	0	0	0	0	0	1	0	50,0	0,0
Managers	289	42	1	0	0,3	0	41	0	14,2	0,0
Messengers	39	0	1	0	2,6	0	11	0	28,2	0,0
Meteorologist	3	0	0	0	0	0	0	0	0,0	0,0
Middle manager: HR and organisational development	136	23	0	0	0	0	45	14	33,1	60,9
Middle manager: Administrative related	206	3	0	0	0	0	59	1	28,6	33,3
Middle manager: Agriculture and forestry related	125	0	1	0	0,8	0	53	0	42,4	0,0
Middle manager: Aviation related	0	0	0	0	0	0	0	0	0,0	0,0
Middle manager: Engineering sciences related	38	0	0	0	0	0	24	0	63,2	0,0
Middle manager: Finance and economics related	144	21	1	0	0,7	0	51	9	35,4	42,9

Occupation	Employees 1 April 2024		Promotions to another salary level		Salary level promotions as a % of employees by occupation		Progressions to another notch within a salary level		Notch progression as a % of employees by occupation	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Middle manager: Information technology related	42	4	0	0	0	0	18	4	42,9	100,0
Middle manager: Legal related	12	96	0	0	0	0	3	65	25,0	67,7
Middle manager: Natural science related	180	0	4	0	2,2	0	122	0	67,8	0,0
Middle manager: Communication and information related	15	0	0	0	0	0	6	0	40,0	0,0
Mixed crop farm production manager	3	0	0	0	0	0	3	0	100,0	0,0
Office cleaner	63	0	0	0	0	0	38	0	60,3	0,0
Office machine operator	12	0	0	0	0	0	8	0	66,7	0,0
Organisational development practitioner	4	0	0	0	0	0	1	0	25,0	0,0
Other: Middle manager	16	0	0	0	0	0	3	0	18,8	0,0
Personal assistant	121	11	0	0	0	0	64	6	52,9	54,5
Policy administration	2	0	0	0	0	0	0	0	0,0	0,0
Policy analyst	1	0	0	0	0	0	1	0	100,0	0,0
Policy and planning managers	2	0	0	0	0	0	0	0	0,0	0,0
Professionals	894	5	3	1	0,3	20,0	389	3	43,5	60,0
Programme or project manager	1	1	0	0	0	0	1	0	100,0	0,0
Receptionist (general)	22	0	0	0	0	0	12	0	54,5	0,0
Regulatory inspector	1	0	0	0	0	0	1	0	100,0	0,0
Research and development manager	3	0	0	0	0	0	2	0	66,7	0,0
Risk officer	1	0	0	0	0	0	1	0	100,0	0,0
Health and safety practitioner	13	0	0	0	0	0	4	0	30,8	0,0
Secretary (general)	125	3	0	0	0	0	59	2	47,2	66,7
Security officer	67	0	0	0	0	0	29	0	43,3	0,0
Skilled agricultural forest and fishery workers	201	0	0	0	0	0	130	0	64,7	0,0
Skills development facilitator/practitioner	4	0	0	0	0	0	4	0	100,0	0,0
Statistician	17	0	0	0	0	0	16	0	94,1	0,0
Strategy/monitoring and evaluation manager	1	0	0	0	0	0	0	0	0,0	0,0
Supply chain clerk	123	35	0	0	0	0	56	13	45,5	37,1
Supply chain practitioner	145	25	1	0	0,7	0	61	18	42,1	72,0
Surveying or cartographic technician	112	0	0	0	0	0	39	0	34,8	0,0
Surveyor	265	0	0	0	0	0	49	0	18,5	0,0
Switchboard operator	20	8	0	0	0	0	11	3	55,0	37,5

Occupation	Employees 1 April 2024		Promotions to another salary level		Salary level promotions as a % of employees by occupation		Progressions to another notch within a salary level		Notch progression as a % of employees by occupation	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Systems administrator	3	0	0	0	0	0	0	0	0,0	0,0
Systems developer	1	0	0	0	0	0	0	0	0,0	0,0
Technical and associate technician's occupations	21	0	0	0	0	0	6	0	28,6	0,0
Technical (ICT) support services manager	29	8	0	0	0	0	23	5	79,3	62,5
Training and development professional	6	0	0	0	0	0	6	0	100,0	0,0
Truck driver (general)	1	0	0	0	0	0	1	0	100,0	0,0
Veterinarian	22	0	0	0	0	0	12	0	54,5	0,0
Veterinary public health professional/practitioner	23	0	0	0	0	0	8	0	34,8	0,0
Veterinary technologist	5	0	0	0	0	0	2	0	40,0	0,0
Water control officer	2	0	0	0	0	0	2	0	100,0	0,0
Web administrator	1	0	0	0	0	0	1	0	100,0	0,0
Web designer	1	0	0	0	0	0	0	0	0,0	0,0
Web technician	2	0	0	0	0	0	0	0	0,0	0,0
Word processing operator	1	0	0	0	0	0	0	0	0,0	0,0
Total	5 720	1 125	21	5	0,1	0,4	2 691	574	47,0	51,0

*Number of employees, including the minister and deputy minister

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

Salary band	Employees 1 April 2024		Promotions to another salary level		Salary bands promotions as a % of employees by salary level		Progressions to another notch within salary level		Notch progression as a % of employees by salary band	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Lower skilled (Levels 1–2)	248	0	0	0	0,0	0,0	65	0	26,2	0,0
Skilled (Levels 3–5)	1 083	151	1	0	0,1	0,0	409	28	37,8	18,5
Highly skilled production (Levels 6–8)	1 950	638	6	2	0,3	0,3	1 057	359	54,2	56,3
Highly skilled supervision (Levels 9–12)	2 102	294	13	2	0,6	0,7	1 120	187	53,3	63,6
Senior Management (Levels 13–16)	337	42	1	1	0,3	2,4	40	0	11,9	0,0
TOTAL	5 720	1 125	21	5	0,1	0,4	2 691	574	47,0	51,0

3.6 Employment equity

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

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Clerical support workers	372	32	7	15	627	79	12	75	1 219
Elementary	148	31	0	3	126	26	0	1	335
Managers	560	28	14	41	488	27	15	53	1 226
Plant and machine operators and assemblers	4	0	0	2	0	0	0	0	6
Professionals	768	38	5	50	820	33	13	60	1 787
Protect rescue social health science support personnel	31	5	0	13	14	2	0	1	66
Security and custodian personnel	16	5	0	1	14	5	0	1	42
Skilled agricultural forestry fisheries craft related trade workers	161	12	1	11	85	6	4	3	283
Technicians and associate technical occupations	220	9	5	9	259	26	12	35	575
TOTAL	2 280	160	32	145	2 433	204	56	229	5 539

*Please note that the totals do not include additional, abnormal and periodical employees.

Deeds

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Clerical support workers	168	17	4	7	215	37	6	23	477
Elementary	2	0	0	0	0	0	0	0	2
Managers	82	7	3	10	59	5	4	11	181
Professionals	154	12	3	18	147	22	10	33	399
Technicians and associate technical occupations	25	0	0	0	10	0	0	1	36
TOTAL	431	36	10	35	431	64	20	68	1 095

*Please note that the totals do not include additional, abnormal and periodical employees.

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

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (Levels 15–16)	10	0	0	1	6	0	0	1	18
Senior management (Level 13–14)	159	11	9	11	98	6	4	14	312
Professionally qualified and experienced specialists and mid-management (Levels 9–12)	822	47	12	82	845	47	23	84	1 962
Skilled technical and academically qualified workers, junior management, supervisors, foremen (Levels 6–8)	898	47	8	45	1 127	99	27	124	2 375

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Semiskilled and discretionary decision-making (Levels 3–5)	321	52	3	6	293	49	2	6	732
Unskilled and defined decision-making (Levels 1–2)	70	3	0	0	64	3	0	0	140
Total	2 280	160	32	145	2 433	204	56	229	5 539

Please note this is employees' levels, not post levels.

*Please note that the totals do not include abnormal and periodical employees.

Deeds

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (Levels 15–16)	0	0	0	0	0	0	0	1	1
Senior management (Level 13–14)	19	4	0	1	9	2	1	3	39
Professionally qualified and experienced specialists and mid-management (Levels 9–12)	130	6	3	15	90	9	7	22	282
Skilled technical and academically qualified workers, junior management, supervisors, foremen (Levels 6–8)	234	18	6	17	301	44	12	42	674
Semiskilled and discretionary decision-making (Levels 3–5)	48	8	1	2	31	9	0	0	99
Unskilled and defined decision-making (Levels 1–2)	0	0	0	0	0	0	0	0	0
Total	431	36	10	35	431	64	20	68	1 095

Please note this is employees' levels not post levels.

*Please note that the totals do not include abnormal and periodical employees.

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

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	2	0	0	1	1	0	0	0	4
Senior management	0	0	0	0	1	0	0	0	1
Professionally qualified and experienced specialists and mid-management	9	0	0	1	15	0	0	1	26
Skilled technical and academically qualified workers, junior management, supervisors, foremen	17	0	0	0	14	0	0	0	31
Semiskilled and discretionary decision-making	9	1	0	0	5	0	0	0	15
Unskilled and defined decision-making	4	0	0	0	1	0	0	0	5
Total	41	1	0	2	37	0	0	1	82
Employees with disabilities	1	0	0	0	0	0	0	0	1

Deeds

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	0	0	0	0	0	0	0	0
Senior management	3	0	0	0	1	0	0	0	4
Professionally qualified and experienced specialists and mid-management	2	0	0	0	1	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen	0	0	0	1	3	1	0	0	5
Semiskilled and discretionary decision-making	4	2	0	0	1	0	0	0	7
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
Total	9	2	0	1	6	1	0	0	19
Employees with disabilities	0	0	0	0	0	0	0	0	0

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

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	0	0	0	0	0	0	0	0
Senior management	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	6	0	0	0	7	0	0	0	13
Skilled technical and academically qualified workers, junior management, supervisors, foremen	3	0	0	0	3	0	0	0	6
Semiskilled and discretionary decision-making	1	0	0	0	0	0	0	0	1
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
Total	11	0	0	0	10	0	0	0	21
Employees with disabilities	0	0	0	0	0	0	0	0	0

Deeds

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	0	0	0	0	0	0	0	0
Senior management	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	1	0	0	0	1	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen	0	0	0	0	2	0	0	0	2

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Semiskilled and discretionary decision-making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
Total	2	0	0	0	3	0	0	0	5
Employees with disabilities	0	0	0	0	0	0	0	0	0

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

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	2	0	0	0	2	0	0	0	4
Senior management	9	0	2	2	6	0	0	1	20
Professionally qualified and experienced specialists and mid-management	45	2	2	7	29	1	1	7	94
Skilled technical and academically qualified workers, junior management, supervisors, foremen	29	7	0	2	43	6	4	10	101
Semiskilled and discretionary decision-making	11	5	1	1	7	1	0	0	26
Unskilled and defined decision-making	3	0	0	0	1	0	0	0	4
Total	99	14	5	12	88	8	5	18	249
Employees with disabilities	1	0	0	1	0	1	0	1	5

Deeds

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	0	0	0	0	0	0	0	0
Senior management	5	0	0	0	1	0	0	0	6
Professionally qualified and experienced specialists and mid-management	4	2	0	2	5	0	1	2	16
Skilled technical and academically qualified workers, junior management, supervisors, foremen	7	0	0	1	4	0	1	6	19
Semiskilled and discretionary decision-making	4	0	0	2	1	0	0	0	7
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
Total	20	2	0	5	11	0	2	8	48
Employees with disabilities	0	0	0	0	0	0	0	0	0

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

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	643	21	12	81	385	14	9	38	1 203

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

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	196	15	11	17	119	8	5	19	390
Professionals	540	46	14	109	469	96	32	167	1 473
Technicians and associate professionals	462	39	12	31	471	42	20	34	1 111
Clerks	940	33	20	59	1 282	151	21	165	2 671
Service and sales workers	37	6	0	15	14	2	0	1	75
Craft and related trade workers	0	0	0	0	0	0	0	0	0
Plant, machine operators and assemblers	76	10	0	2	18	5	0	0	111
Elementary occupations	148	20	1	2	55	5	3	3	237
Total	2 399	169	58	235	2 428	309	81	389	6 068
Employees with disabilities	47	3	1	12	47	5	1	18	134

3.7 Signing of performance agreements by members of the SMS

All members of the SMS must conclude and sign performance agreements within specific time frames. Information regarding the signing of performance agreements by the members of the SMS, the reasons for not complying within the prescribed time frames and disciplinary steps taken is presented here.

Table 3.7.1: Signing of performance agreements by members of the SMS as 31 May 2024

SMS level	Total number of funded SMS posts	Total number of members of the SMS	Total number of signed performance agreements	Signed performance agreements as % of total number of members of the SMS
Director-general	1	1	1	100
Salary level 15	11	10	10	100
Salary level 14	75	75	70	93
Salary level 13	295	295	278	94
TOTAL	382	381	359	94

Table 3.7.2: Reasons for not having concluded performance agreements for all members of the SMS as on 31 May 2024

- Non-compliance by the members of the SMS and the relevant supervisors.

Table 3.7.3: Disciplinary steps taken against members of the SMS for not having concluded performance agreements as on 31 May 2024

- Status report and consequence management by the relevant branch head implementation approved by the director-general. Consequence management approved by the director-general and submitted to the relevant branch head for implementation.

3.8 Performance rewards

To encourage good performance, the department granted the following performance rewards during the year under review. The information is presented in terms of race, gender and disability, salary band and critical occupation.

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

Race, gender and disability	Beneficiary profile						Cost			
	Number of beneficiaries		Number of employees		% of total within group		Cost		Average cost per employee	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
African	4	0	4 440	834	0.1	0	86 000	0	21 500	0
Male	2	0	2 111	412	0.1	0	59 000	0	29 500	0
Female	2	0	2 329	422	0.1	0	27 000	0	13 500	0
Asian	0	0	75	29	0.0	0	0	0	0	0
Male	0	0	23	10	0	0	0	0	0	0
Female	0	0	52	19	0	0	0	0	0	0
Coloured	0	0	347	94	0	0	0	0	0	0
Male	0	0	149	32	0	0	0	0	0	0
Female	0	0	198	62	0	0	0	0	0	0
White	0	0	347	98	0	0	0	0	0	0
Male	0	0	133	34	0	0	0	0	0	0
Female	0	0	214	64	0	0	0	0	0	0
Total	4	0	5 209	1 055	0.1	0	86 000	0	21 500	0

**Source: Information indicated in the table is from PERSAL. It differs from the information on the Annual Financial Statements (AFS) because they include transactions that were captured on BAS. Totals on BAS also include payments of employees who left the department after the financial year, as well as other manual transactions.

Table 3.8.2: Performance rewards by salary band for personnel below SMS for the period 1 April 2024 to 31 March 2025

Salary band	Beneficiary profile						Cost					
	Number of beneficiaries		Number of employees		% of total within salary bands		Total cost (R'000)		Average cost per employee		Total cost as a % of the total personnel expenditure	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Lower skilled (Levels 1–2)	0	0	140	0	0,0	0,0	0	0	0	0	0	0
Skilled (Levels 3–5)	0	0	732	99	0,0	0,0	0	0	0	0	0	0
Highly skilled production (Levels 6–8)	1	0	2 375	674	0,04	0,0	25	0	25 000	0	0	0
Highly skilled supervision (Levels 9–12)	3	0	1 962	282	0,2	0,0	61	0	20 333	0	0	0
Total	4	0	5 209	1 055	0,05	0,0	86	0	21 500	0	0	0

Table 3.8.3: Performance rewards by occupation for the period 1 April 2024 to 31 March 2025

Occupation	Beneficiary profile						Cost			
	Number of beneficiaries		Number of employees		% of total within occupation		Total cost)		Average cost per employee	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Supply chain practitioner	1	0	134	0	0,7	0	25 000	0	25 000	0
Surveyor	1	0	259	0	0,4	0	33 000	0	33 000	0
Community development practitioner	1	0	10	0	10,0	0	18 000	0	18 000	0
Middle manager: Natural science related	1	0	173	0	1,0	0	10 000	0	10 000	0
Total	4	0	576	0	0,7	0	86 000	0	21 500	0

****Source:** Information indicated in the table is from PERSAL. It differs from the information on the AFS because they include transactions that were captured on BAS. Totals on BAS also include payments of employees who left the department after the financial year, as well as other manual transactions.

Performance bonuses were paid due to backdated outstanding performance rewards (e.g., Arbitration cases).

Table 3.8.4: Performance related rewards (cash bonus) by salary band for members of the SMS for the period 1 April 2024 to 31 March 2025

No performance related rewards (cash bonus) were paid to members of the SMS during this period.

3.9 Foreign workers

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

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

Salary band	1 April 2024				31 March 2025				Change			
	Number		% of total		Number		% of total		Number		% change	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Lower skilled (Levels 1–2)	0	0	0	0	0	0	0	0	0	0	0	0
Skilled (Levels 3–5)	0	0	0	0	0	0	0	0	0	0	0	0
Highly skilled production (Levels 6–8)	0	0	0	0	0	0	0	0	0	0	0	0
Highly skilled supervision (Levels 9–12)	10	0	83,3	0	8	0	88,9	0	-2	0	20,0	0
Senior management (Levels 13–16)	2	1	16,7	100	1	1	11,1	100	-1	0	50,0	0
Total	12	1	100	100	9	1	100	100	-3	0	25,0	0

Table 3.9.2: Foreign workers by major occupation for the period 1 April 2024 and 31 March 2025

Major occupation	1 April 2024				31 March 2025				Change			
	Number		% of total		Number		% of total		Number		% change	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Architects, town and traffic planners	1	0	8,3	0	1	0	11,1	0	0	0	0	0
Engineers and related professional	3	0	25,0	0	2	0	22,2	0	-1	0	33,3	0
Natural science related	1	0	8,3	0	1	0	11,1	0	0	0	0	0
Senior Managers	1	1	8,3	100	1	1	11,1	100	0	0	0	0

Major occupation	1 April 2024				31 March 2025				Change			
	Number		% of total		Number		% of total		Number		% change	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Social sciences related	1	0	8,3	0	1	0	11,1	0	0	0	0	0
Veterinarians	5	0	41,7	0	3	0	33,3	0	-2	0	40,0	0
Total	12	1	100	100	9	1		100	-3	0	25,0	0

3.10 Leave utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

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

Salary band	Total days	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1–2)	826	73,8	117	2,6	7	621
Skilled (Levels 3–5)	4 951	71,9	577	12,9	9	5 705
Highly skilled production (Levels 6–8)	15 317	70,4	1 915	42,8	8	29 149
Highly skilled supervision (Levels 9–12)	12 176	73,7	1 636	36,6	7	40 709
Senior management (Levels 13–16)	1 395	80,9	228	5,1	6	7 347
Total	34 665	72,3	4 473	100	8	83 531

Deeds

Salary band	Total days	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1–2)	0	0	0	0	0	0
Skilled (Levels 3–5)	831	72,4	91	9,5	9	873
Highly skilled production (Levels 6–8)	5 043	64,8	584	61,0	9	8 673
Highly skilled supervision (Levels 9–12)	2 114	66,7	252	26,3	8	6 405
Senior management (Levels 13–16)	245	84,6	31	3,2	8	1 327
Total	8 233	66,7	958	100	9	17 278

Table 3.10.2: Disability leave (temporary and permanent) for the period 1 January 2024 to 31 December 2024

Salary band	Total days	% days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1–2)	339	100	18	4,2	19	264
Skilled (Levels 3–5)	2 117	100	73	17,2	29	2 392
Highly skilled production (Levels 6–8)	5 274	100	208	48,8	25	9 780
Highly skilled supervision (Levels 9–12)	3 491	100	116	27,2	30	11 635
Senior management (Levels 13–16)	251	100	11	2,6	23	1 302
Total	11 472	100	426	100	27	25 373

Deeds

Salary band	Total days	% days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1–2)	0	0	0	0	0	0
Skilled (Levels 3–5)	110	100	11	8,1	10	117
Highly skilled production (Levels 6–8)	2 088	100	96	70,6	22	3 716
Highly skilled supervision (Levels 9–12)	639	100	26	19,1	25	1 962
Senior management (Levels 13–16)	79	100	3	2,2	26	408
Total	2 916	100	136	100	21	6 203

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

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

Salary band	Total days taken		Number of employees using annual leave		Average per employee	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Lower skilled (Levels 1–2)	4 389	0	191	0	23	0
Skilled (Levels 3–5)	18 341	2 221	742	108	25	21
Highly skilled production (Levels 6–8)	66 520	18 394	2 480	692	27	27
Highly skilled supervision (Levels 9–12)	58 637	8 157	2 283	297	26	27
Senior management (Levels 13–16)	8 959	1 184	347	43	26	28
Total	156 846	29 956	6 043	1 140	26	26

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

Salary band	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Average capped leave per employee as at 31 December 2024
Lower skilled (Levels 1–2)	0	0	0	4
Skilled (Levels 3–5)	50	6	8	29
Highly skilled production (Levels 6–8)	36	17	2	24
Highly skilled supervision (Levels 9–12)	22	8	3	24
Senior management (Levels 13–16)	9	4	2	38
Total	117	35	3	26

Deeds

Salary band	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Average capped leave per employee as at 31 December 2024
Lower skilled (Levels 1–2)	0	0	0	0
Skilled (Levels 3–5)	0	0	0	12
Highly skilled production (Levels 6–8)	0	0	0	16
Highly skilled supervision (Levels 9–12)	3	2	2	23
Senior management (Levels 13–16)	0	0	0	19
Total	3	2	2	19

The following table summarises payments made to employees as a result of leave that was not taken.

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

Reason	Total amount (R'000)		Number of employees		Average per employee (R)	
	DALRRD	Deeds	DALRRD	Deeds	DALRRD	Deeds
Leave pay-out for 2024/25 owing to non-utilisation of leave for the previous cycle	2 249	0	59	0	38 119	0
Capped leave pay-outs on termination of service for 2024/25	3 900	878	45	15	86 667	58 533
Current leave pay-out on termination of service for 2024/25	7 140	1 484	189	37	37 778	40 108
Total	13 289	2 362	293	52	45 355	45 423

3.11 HIV and AIDS and health promotion programmes

Table 3.11.1: Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
Agricultural machine users (Farm workers, engineering services)	Preventive strategies through awareness campaigns and health education
Migrant workers (Border posts and fence, quarantine stations and camps) projects	HIV counselling and testing and general health screening
(Infrastructure Support, WUID)	Care and support through home visits, Employee Assistance Programme and referrals for treatment.
Shift workers	Provision of PPE/clothing
General workers (When coming into contact with body fluids)	Preventative strategies through awareness campaigns and health education

Table 3.11.2 Details of health promotion and HIV and Aids programmes

Questions	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	√		Ms Mmapitso Mashele—Director: Employee Relations (ER)
2. Does the department have a designated unit, or have you designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	√		Sub directorate: Employee Health and Wellness Management (EHWM) 1 x deputy director 3 x wellness national coordinators (ASDs) 2 x EAP national practitioners 2 x occupational/health promotion specialists (ASDs) 7 x wellness provincial coordinators (ASDs)
3. Has the department introduced an employee assistance or health promotion programme for your employees? If so, indicate the key elements/services of the programme.	√		• Psycho-social services; • Physical wellness; • Health and productivity management. disease management, health promotion/awareness and health screening); • Life-skills programmes; • HIV and AIDS, TB and STI counselling and testing.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	√		• 9 x provincial EHWM committees have been established. Committee members have been appointed formally as per the Employee Assistance Programme Association (EAPA) Standards and DPSA Framework; • Representation includes EHWM coordinators, HR managers, communication, spiritual and union representatives.

Questions	Yes	No	Details, if yes
5. Has the department reviewed its employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	√		- HIV and AIDS, TB and STI Policy; - Wellness Management Policy; - Health Productivity Management; - Sport and Recreation Management Policy.
6. Has the department introduced measures to protect HIV positive employees or those perceived to be HIV positive from discrimination? If so, list the key elements of these measures.	√		- HIV and AIDS Policy is being implemented. - Awareness and education on HIV&AIDS Management. - Provision of care and support by in-house EHWM practitioners and referral to health facilities and contracted service provider.
7. Does the department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have achieved.	√		HIV counselling and testing (HCT) is incorporated into EHWM events/office-based services, World AIDS Day and Sexually Transmitted Infections/Condom Week
8. Has the department developed measures/indicators to monitor and evaluate the impact of your health promotion programme? If so, list these measures/indicators	√		Analytical reports from GEMS of health screening (Chronic conditions and HIV and AIDS and TB) following the wellness days and analysis of evaluation forms completed by participants on wellness days.

3.12 Labour relations

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

Subject matter	Date
None.	

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

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

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0,0
Verbal warning	0	0,0
Written warning	920	94,1
Final written warning	10	1,0
Suspended without pay	2	0,2
Dismissal	4	0,4
Not guilty	25	2,6
Resignation owing to misconduct	6	0,6
Retired	1	0,1
Case withdrawn	10	1,0
Transferred	0	0,0
Total	978	100,0

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

Type of misconduct	Number	% of total
Misuse of government vehicle	2	0,2
Abscondments/absent without authorisation	5	0,5
Failure to follow process	0	0,0
Fraud	10	1,0
Non-financial disclosure	927	92,0
Assault/threats to assault	0	0,0
Poor performance	0	0,0
Irregularities in handling projects	63	6,3
Unacceptable conduct	0	0,0
Total	1 007	100,0

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

Grievances	Number	% of total
Number of grievances resolved	102	65,4
*Number of grievances not resolved	54	34,6
Total number of grievances lodged	156	100,0

Table 3.12.5: Disputes logged with councils for the period 1 April 2024 to 31 March 2025

Disputes	Number	% of total
Number of disputes upheld	7	8,2
Number of disputes dismissed	13	15,3
Matter settled	0	0,0
Still pending	65	76,5
Total number of disputes lodged	85	100,0

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

Strike actions
1 Section 77 protest action by COSATU was observed during this period (7 October 2024).

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

Precautionary suspensions	
Number of people suspended	4
Number of people whose suspension exceeded 30 days	4
Average number of days suspended	1 year, 4 months
Cost of suspension	R3 020 331

3.13 Skills development

This section highlights the efforts of the department regarding skills development.

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

Occupational category	Gender	Number of employees as at 1 April 2024	Training needs identified at start of the reporting period				
			Learnerships	Skills programmes and other short courses	Other forms of training ABET	Internal bursaries	Total
Legislators, senior officials and managers	Female	127	0	100	0	12	1120
	Male	202	0	100	0	8	108
Professionals	Female	819	0	400	0	82	482
	Male	838	0	300	0	57	357
Technicians and associate professionals	Female	984	0	345	0	53	398
	Male	888	0	250	0	53	303
Clerks	Female	915	0	700	0	78	778
	Male	472	0	500	0	58	558
Service and sales workers	Female	19	0	300	0	2	302
	Male	53	0	150	0	3	153
Craft and related trade workers	Female	4	0	100	0	0	100
	Male	19	0	65	0	0	65
Plant and machine operators and assemblers	Female	3	0	65	0	2	67
	Male	23	0	50	0	1	51
Elementary occupations	Female	141	0	50	0	1	51
	Male	213	0	25	0	2	27
Gender subtotals	Female	3 012	0	2 060	0	230	2 290
	Male	2 708	0	1 440	0	182	1 622
Total		5 720	0	3 500	0	412	3 912

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

Occupational category	Gender	Number of employees as at 1 April 2024	Training provided within the reporting period				Total
			Learnerships	Skills programmes and other short courses	Other forms of training		
					Bursaries	ABET	
Legislators, senior officials and managers	Female	127	0	154	12	0	166
	Male	202	0	171	8	0	179
Professionals	Female	819	0	829	82	0	911
	Male	838	0	743	57	0	800
Technicians and associate professionals	Female	984	0	548	53	0	601
	Male	888	0	500	53	0	553
Clerks	Female	915	0	813	78	0	891
	Male	472	0	456	58	0	514
Service and sales workers	Female	19	0	704	2	0	706
	Male	53	0	66	3	0	69
Craft and related trades workers	Female	4	0	1	0	0	1
	Male	19	0	5	0	0	5
Plant and machine operators and assemblers	Female	3	0	2	2	0	4
	Male	23	0	2	1	0	3
Elementary occupations	Female	141	0	10	1	0	11
	Male	213	0	35	2	0	37
Gender subtotals	Female	3 012	0	3 061	230	0	3 291
	Male	2 708	0	1 978	182	0	2 160
Total		5 720	0	5 039	412	0	5 451

3.14 Injury on duty

The following tables provide basic information on injury on duty.

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

Nature of injury on duty	Number	% of total
Required basic medical attention only	5	100
Temporary total disablement	0	0,0
Permanent disablement	0	0,0
Fatal	0	0,0
Total	5	100

3.15 Utilisation of consultants**Table 3.15.1: Report on consultant appointments using appropriated funds**

Project title	Total number of consultants who worked on the project	Duration: Workdays	Contract value in Rand (R'000)
BBBEE Charters Compliance	2	120 days	100
Technical expert on education and training to assist agricultural colleges	1	180 days	400
Forensic investigation services	4	150 days	693
ICT professional resources	3	250 days	5 382
Review of commodity clearance applications	10	9 days	95
Review of trail release applications	18	15 days	140
Review of general release applications	6	4 days	38
Review of facility registration applications	3	3 days	26
Land Use Schemes and Spatial Development Frameworks Assessment Tool	1	12 months	153
Development of a comprehensive hybrid system (Capacity building) for Spatial Planning and Land Use Management	1	12 months	3 071
Review of a compliance monitoring and enforcement tool for the implementation of the Spatial Planning and Land Use Management	1	12 months	1 136

Project title	Total number of consultants who worked on the project	Duration: Workdays	Contract value in Rand (R'000)
Development of the Madibeng Land Use Scheme	1	7 months	420
Research on the impact of SDFs on spatial transformation in South Africa	1	24 months	1 139
KZN National Urban Spatial Transformation and Economic Transition Region Regional Spatial Development Framework	1	4 months	649
Finalisation of the Amendment of the Planning Profession Act, 2002 (Act No. 36 of 2002) and Regulations	1	3 months	459
Amendment of the Spatial Planning and Land Use Management 2015 Regulations as well as to align the Regulations with the SPLUMA amendments	1	12 months	879
A Standard Format for SPLUMA Compliant Capital Expenditure Framework	1	12 months	776
Environmental Impact Assessment and provision of environmental authorisation for the proposed AmaMfengu Nation's SmartAgriot Silverpasture Agroforestry (planting of fruit and medicinal trees for biodiversity) project with a total footprint that amounts to approximately 7 931 hectares within the Mquma Local Municipality, Amathole District Municipal Area, EC	1	5 months	335
Environmental Impact Assessment and provision of environmental authorisation for the proposed establishment of a Piggery-Production and Poultry Enterprise for the Sixhenxhe Agricultural Cooperative on Portion 4 of the Farm 1048 in East London, within Buffalo City Metropolitan Municipality, EC	1	15 months	155
Environmental Impact Assessment and provision of environmental authorisation and waste management license for the proposed establishment of a plastic to fuel recycling plant in Sibanye Village, within Nkomazi Local Municipality, Ehlanzeni District Municipality, MP	1	15 months	155
Provide an environmental authorisation, in terms of the National Environmental Management Act, 1998 (Act No. 107 of 1998) ("NEMA") for the proposed establishment of the Nduli Piggery Project, Zolani Small-Scale Farmers Piggery Project, PLAS Farm Project and Thembaletu Small-Scale Farmers for various districts, Cape Winelands, Garden Route and City of Cape Town Metropolitan within WC	1	15 months	518
Environmental Impact Assessment and provision of environmental authorisation in terms of the National Environmental Management Act, 1998 (Act No. 107 of 1998) ("NEMA"); for the proposed agriculture developments in the West Rand District Municipality, for Mr Topo—Poultry Facility, Mr Shai—Poultry Project Mamedupi Mohlala/Viola Farming Enterprise, Mr Mdaka—TMK Fresh Eggs, Mr Mpye/Philmar Poultry, Mr Selebi—Mmogo Reka Kgona Cooperative, Boyzen Cooperative, Siyathuthuka Cooperative, Mrs Hendricks and Thulani Mthethwa	1	15 months	274
Development of a framework for intergovernmental support and coordination against Chapter 3 of the SPLUMA and other relevant legislation developed	1	6 months	803

Project title	Total number of consultants who worked on the project	Duration: Workdays	Contract value in Rand (R'000)
Guidelines to implement the Land Planning Programme for areas under Traditional and Khoi-San Leadership	1	9 months	650
Enoch Mgijima Land Use Scheme	1	12 months	634
Mhlontlo Land Use Scheme	1	12 months	385
Dr Beyers Naudé Municipal Spatial Development Framework	1	12 months	450
Chris Hani District Spatial Development Framework	1	12 months	570
Mafube LM Spatial Development Framework (multiyear, 13 Sep 2023 to 23 Aug 2024)	1	100 days	448
Mantsopa LM Spatial Development Framework (multiyear, 13 Sep 2023 to 23 Aug 2024)	1	100 days	448
Ngwathe LM Spatial Development Framework (multiyear, 13 Sep 2023 to 23 Aug 2024)	1	100 days	448
FS Provincial Spatial Development Framework (multiyear, 1 Sep 2023 to 26 Feb 2025)	1	228 days	1 278
ROC Application for DALRRD (multiyear, 29 Dec 2022 to cont.)	1	250 days	0
Merafong Spatial Development Framework	1	10 months	828
Sokhulumi Precinct Plan	1	7 months	696
Zeekoeihoek Precinct Plan	1	9 months	541
Lesedi Local Municipality Land Use Scheme	1	10 months	697
Rand West City Local Municipality Land Use Scheme	1	10 months	425
Sekhukhune Rural Development Sector Plan	1	12 months	782
Mopani Rural Development Sector Plan	1	12 months	691
Musina-Makhado Regional Spatial Development Framework	1	18 months	94
The Review of Mkhondo Spatial Development Framework	1	176	375
The Review of Chief Albert Spatial Development Framework	1	176	375
Identification of State Land for release for Human Settlements	1	176	460
Thaba Chweu Spatial Development Framework	1	176	490
Kathu CBD Precinct Plan	1	192	633
NC Provincial Spatial Development Framework	1	374	1 786
Hessequa Local Municipal Spatial Development Framework	1	12 months	435
Laingsburg Local Municipal Spatial Development Framework	1	12 months	647
Knysna Sedgefield Municipal Spatial Development Framework	1	12 months	369
Garden Route Municipal Spatial Development Framework	1	12 months	828
Kannaland Local Municipal Spatial Development Framework	1	12 months	666

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand (R'000)
52	91	N/A	34 925

***Totals reflected above is applicable to consultants in the HR environment.

Table 3.15.2: Analysis of consultant appointments using appropriated funds, in terms of historically disadvantaged individuals

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
BBBEE Charters Compliance	100	100	2
Technical expert on education and training to assist agricultural colleges (D: SC)	0	0	0
Forensic investigation services (Restitution)	51	51	1
ICT professional resources	0	0	0
Review of commodity clearance application	0	0	0
Review of trail release applications	0	0	0
Review of general release applications	0	0	0
Review of facility registration applications	0	0	0
Land Use Schemes and Spatial Development Frameworks Assessment Tool	0	0	0
Development of a comprehensive hybrid system (Capacity building) for Spatial Planning and Land Use Management	100	100	1
Review of a compliance monitoring and enforcement tool for the implementation of the Spatial Planning and Land Use Management	100	100	1
Development of Madibeng Land Use Scheme	100	100	1
Research on the impact of SDFs on spatial transformation in South Africa	100	100	1
KZN National Urban Spatial Transformation and Economic Transition Region Regional Spatial Development Framework	100	100	1
Finalisation of the Amendment of the Planning Profession Act, 2002 (Act No. 36 of 2002) and Regulations	100	100	1
Amendment of the Spatial Planning and Land Use Management 2015 Regulations as well as to align the Regulations with the SPLUMA Amendments	100	100	1
A Standard Format for SPLUMA Compliant Capital Expenditure Framework	51	0	1
Environmental Impact Assessment and provision of environmental authorisation for the proposed AmaMfengu Nation's SmartAgriot Silverpasture Agroforestry (planting of fruit and medicinal trees for biodiversity) project with a total footprint that amount to approximately 7 931 ha within the Mngoma Local Municipality, Amathole District Municipal Area, EC	100	100	1
Environmental impact assessment and provision of environmental authorisation for the proposed establishment of a Piggery-Production and Poultry Enterprise for the Sixhenxe Agricultural Cooperative on Portion 4 of the Farm 1048 in East London, within Buffalo City Metropolitan Municipality, EC	100	100	1
Environmental Impact Assessment and provision of environmental authorisation and Waste Management License for the proposed establishment of a plastic to fuel recycling plant in Sibanye Village, within Nkomazi Local Municipality, Ehlanzeni District Municipality, MP	100	100	1
Provide an environmental authorisation, in terms of the National Environmental Management Act, 1998 (Act 107 of 1998) ("NEMA") for the proposed establishment of a Nduli Piggery Project, Zolani Small-Scale Farmers Piggery Project, PLAS Farm Project and Thembaletu Small-Scale Farmers for	100	100	1

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
various districts, Cape Winelands, Garden Route and City of Cape Town Metropolitan within WC			
Environmental Impact Assessment and provision of environmental authorisation in terms of the National Environmental Management Act, 1998 (Act No. 107 of 1998) ("NEMA"); for the proposed agriculture developments in the West Rand District Municipality, for Mr Topo—Poultry Facility, Mr Shai—Poultry Project Mamedupi Mohlala/Viola Farming Enterprise, Mr Mdaka—TMK Fresh Eggs, Mr Mpye/Philmar Poultry, Mr Selebi—Mmogo Reka Kgona Cooperative, Boyzen Cooperative, Siyathuthuka Cooperative, Mrs Hendricks and Thulani Mthethwa	100	100	1
Development of a framework for intergovernmental support and coordination against Chapter 3 of the SPLUMA and other relevant legislation developed	51	51	3
Guidelines to implement the Land Planning Programme for areas under Traditional and Khoi-San Leadership	100	100	1
Enoch Mgijima Land Use Scheme	51	51	2
Mhlontlo Land Use Scheme	51	51	1
Dr Beyers Naudé Municipal Spatial Development Framework	100	100	5
Chris Hani District Spatial Development Framework	100	100	4
Mafube LM Spatial Development Framework	100	100	3
Mantsopa LM Spatial Development Framework	100	100	3
Ngwathe LM Spatial Development Framework	100	100	3
FS Provincial Spatial Development Framework	0	0	0
ROC Application for DALRRD	0	0	0
Merafong Spatial Development Framework	51	51	1
Sokhulumi Precinct Plan	51	51	1
Zeekoeihoek Precinct Plan	51	51	1
Lesedi Local Municipality Land Use Scheme	0	0	0
Rand West City Local Municipality Land Use Scheme	100	100	1
Sekhukhune Rural Development Sector Plan	0	0	0
Mopani Rural Development Sector Plan	0	0	0
Musina-Makhado Regional Spatial Development Framework	51	51	2
The Review of Mkhondo Spatial Development Framework	100	100	1
The Review of Chief Albert Spatial Development Framework	100	100	1
Identification of State Land for release for Human Settlements	100	100	1
Thaba Chweu Spatial Development Framework	100	100	1
Kathu CBD Precinct Plan	10	0	0
NC Provincial Spatial Development Framework	3	0	0
Hessequa Local Municipal Spatial Development Framework	51	50	1
Laingsburg Local Municipal Spatial Development Framework	100	100	2
Knysna Sedgefield Municipal Spatial Development Framework	51	50	1
Garden Route Municipal Spatial Development Framework	51	50	2

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Kannaland Local Municipal Spatial Development Framework	100	100	5

Table 3.15.3: Report on consultant appointments using donor funds

No consultants were appointed by using donor funds.

Table 3.15.4: Analysis of consultant appointments using donor funds, in terms of historically disadvantaged individuals

No consultants were appointed by using donor funds.

3.16 Severance packages

Table 3.16.1: Granting of employee-initiated severance packages for the period 1 April 2024 to 31 March 2025

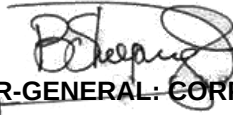
No employees were granted severance packages for the period 1 April 2024 to 31 March 2025.

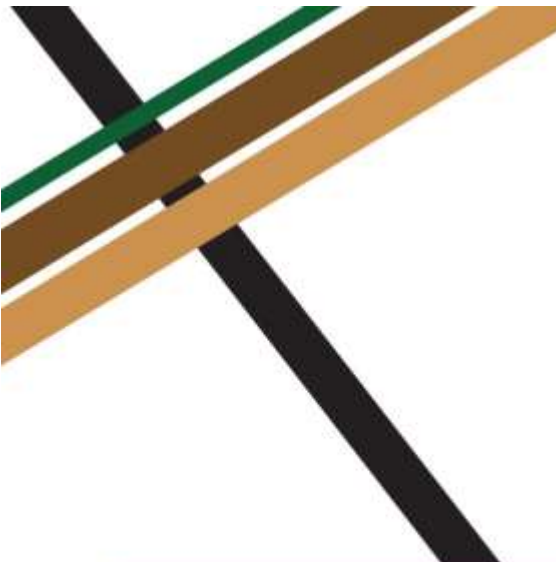
SIGNED OFF BY ACTING DEPUTY DIRECTOR-GENERAL: CORPORATE SERVICES

MR DBS LUPUNGELA

ACTING DEPUTY DIRECTOR-GENERAL: CORPORATE SUPPORT SERVICES

DATE: 17/09/2025





Part E

**Department of
Agriculture, Land Reform
and Rural Development**

**Public Finance Management
Act (PFMA) Compliance
Report**



Irregular, fruitless and wasteful unauthorised expenditure and material losses

Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	199 230	224 150
Adjustment to opening balance	–	4 564
Opening balance as restated	–	228 714
Add: Irregular expenditure confirmed	844	1 302
Less: Irregular expenditure condoned	–	–
Less: Irregular expenditure not condoned and removed	(12 532)	(30 786)
Less: Irregular expenditure recoverable	–	–
Less: Irregular expenditure not recoverable and written off	–	–
Closing balance	187 542	199 230

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure that was under assessment	–	–
Irregular expenditure that relates to the prior year and identified in the current year	–	1 302
Irregular expenditure for the current year	844	–
Total	844	1 302

b) Details of irregular expenditure (under assessment, determination and investigation)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure under assessment	299 938	2 210
Irregular expenditure under determination	–	–
Irregular expenditure under investigation	–	–
Total	299 938	2 210

The total irregular expenditure under assessment is R 299 938 million made up of cases arising from forensic investigations: The nature of these cases relates to non-compliance to supply chain in relation to services secured for travel management amounting to R81 874m; use of legal services service providers amounting to R107 703m; mismanagement of recapitalisation and development funds amounting to R25, 751m and mismanagement of drought relief funds amounting to R84, 610m.

c) Details of irregular expenditure condoned

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure condoned	–	–
Total	–	–

d) Details of irregular expenditure removed (not condoned)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure NOT condoned and removed	12 532	–
Total	12 532	–

e) Details of irregular expenditure recoverable

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure recoverable	–	–
Total	–	–

f) Details of irregular expenditure written off (irrecoverable)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure written off	–	–
Total	–	–

Additional disclosure relating to inter-institutional arrangements

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution *is not* responsible for the non-compliance)

Description
Total

h) Details of irregular expenditure cases where an institution is involved in an inter-institutional arrangement (where such institution *is* responsible for the non-compliance)

Description	2024/2025	2023/2024
	R'000	R'000
	–	–
Total	–	–

i) Details of disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken

Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	131 100	60 591
Adjustment to opening balance	–	70 540
Opening balance as restated	131 100	131 131
Add: Fruitless and wasteful expenditure confirmed	5 888	29
Less: Fruitless and wasteful expenditure recoverable	–	–
Less: Fruitless and wasteful expenditure not recoverable and written off	–	(60)
Closing balance	136 988	131 100

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	–	–
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	–	–
Fruitless and wasteful expenditure for the current year	5 888	29
Total	5 888	29

b) Details of fruitless and wasteful expenditure (under assessment, determination and investigation)

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under assessment	598 061	229 042
Fruitless and wasteful expenditure under determination	5 687	–
Fruitless and wasteful expenditure under investigation	30 024	–
Total	633 772	229 042

Fruitless and wasteful expenditure under assessment is mainly made up of:

- 1. Vodacom PES initiative cases cleared under Vodacom through M&E and call centre amounts to the value of R115,2 million. A total of R70,5 million was confirmed owing to beneficiaries being unreachable (R68 million) and negative response amount to R2 million. The balance vouchers under assessment amount to R48,7 million.*
- 2. PDA implementing agents—A total of R53,3 million proof of deliveries submitted by EC, KZN and LP were rejected and sent back for assessment.*
- 3. Termination of contracts amounting to R382,408 million.*
- 4. An amount of R8,391 million for travel agencies made up of payments that did not comply to internal procedures.*

c) Details of fruitless and wasteful expenditure recoverable

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure recoverable	–	–
Total	–	–

d) Details of fruitless and wasteful expenditure not recoverable and written off

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure written off	–	60
Total	–	60

e) Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
Total

Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2024/2025 R'000	2023/2024 R'000
Opening balance	—	—
Adjustment to opening balance	—	—
Opening balance as restated	—	—
Add: unauthorised expenditure confirmed	—	—
Less: unauthorised expenditure approved with funding	—	—
Less: unauthorised expenditure approved without funding	—	—
Less: unauthorised expenditure recoverable	—	—
Less: unauthorised not recoverable and written off	—	—
Closing balance	—	—

Reconciling notes

Description	2024/2025 R'000	2023/2024 R'000
Unauthorised expenditure that was under assessment	—	—
Unauthorised expenditure that relates to the prior year and identified in the current year	—	—
Unauthorised expenditure for the current year	—	—
Total	—	—

b) Details of unauthorised expenditure (under assessment, determination and investigation)

Description	2024/2025 R'000	2023/2024 R'000
Unauthorised expenditure under assessment	—	—
Unauthorised expenditure under determination	—	—
Unauthorised expenditure under investigation	—	—
Total	—	—

Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) and (iii)

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2024/2025 R'000	2023/2024 R'000
Theft	—	—
Other material losses	—	—
Less: Recoverable	—	—
Less: Not recoverable and written off	—	—
Total	—	—

b) Details of other material losses

Nature of other material losses	2024/2025 R'000	2023/2024 R'000
N/A	—	—
	—	—
Total	—	—

c) Other material losses recoverable

Nature of losses	2024/2025 R'000	2023/2024 R'000
N/A	—	—
	—	—
Total	—	—

d) Other material losses not recoverable and written off

Nature of losses	2024/2025	2023/2024
	R'000	R'000
N/A	–	–
	–	–
Total	–	–

Late and/or non-payment of suppliers

Description	Number of invoices	Consolidated value
		R'000
Valid invoices received	92 892	10 698 738
Invoices paid within 30 days or agreed period	53 769	9 704 480
Invoices paid after 30 days or agreed period	1 929	720 143
Invoices older than 30 days or agreed period (unpaid and without dispute)	1 694	14 016
Invoices older than 30 days or agreed period (unpaid and in dispute)	0	0

Delay by business units to submit invoices for processing.
 Budget realignment.
 Unresolved queries on the payment document.
 Delay by business units to approve invoices for processing.
 Network challenges.
 Note that 35 500 invoices, valued at R260 million, were received in the current review period, but were not yet due for payment at the time of reporting.

Information on Supply Chain Management

Procurement by other means: Above R1 million reported to NT and AGSA

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Request to obtain approval for the appointment of a sole supplier for the procurement of consumables for the UHPLC-MSMS and the maintenance and unforeseen breakdown services of the two UHPLC-MSMS', and Shimadzu nitrogen generator for a period of three years.	Shimadzu South Africa	Sole source	OR-053193 OR-053210	1 283 894,36
Request to obtain approval from the director-general to approve the deviation from the prescribed SCM processes for bids and quotations to procure avicide (Falcolan) for the control of Quelea bird outbreaks from the sole supplier.	Philagro South Africa	Sole source	OR-053135	8 947 000
The provision of parking to employees based at ABSA Office (PSSC) and Nedbank Building (RLCC) in LP.	Fundigenix Moolman Parking	Single source	LP-006123	1 581 612,48

Procurement of consumables/parts for the Shimadzu analytical instruments in WC and EC.	Advanced African Technology	Sole source	OW-019429 OW-019430	1 179 032,90
Appointment of Morar Incorporated in line with Treasury Regulation 16A6.4 and the Framework for SCM as published in Gazette No. 25767 dated 5 December 2003 (paragraph 6(4)).	Morar Incorporated	Single source	OR-053268	5 272 976,61
Request to obtain approval from the director-general to approve the deviation from the prescribed SCM processes for bids and quotations to procure larvicide (Vectobac) for the control of blackfly outbreaks from the sole supplier.	Philagro South Africa	Sole source	OR-053377	4 140 000,00
Appointment of a service provider to supply, deliver and maintain Forcepoint Email Security Software for a period of one year.	Iguard SA	Multiple source	OR-053334	1 737 720,96
Procurement of a Cavity Ring-Down Spectrometer for the Sub-directorate: Liquor Products Laboratories of the Directorate: Food Safety and Quality Assurance.	Elemental Analytics	Sole source	OR-053601	7 446 825
Renewal of licenses for the Electronic Document Management System (EDMS) solution, VicieCM for a period of 12 months from a sole source.	Edge Consulting	Sole source	–	2 280 000
Appointment of a service provider to supply Checkpoint Firewall devices, software licenses and support for the DALRRD for a period of 24 months.	Foursight IT Business Solutions	Multiple source	OR-053641	25 059 183,65
Request to appoint a service provider to supply, rack, install and configure one server, 120 hard drives and a drive enclosure for a Fujitsu storage for two offices in Pretoria and one in Stellenbosch.	CHM Vuwani Computer Solutions	Multiple source	AJ-028351	2 980 687,44
Procurement of seven compatible fixed-wing drones	Optron	Sole source	FS-011399	10 288 279,50
Procurement of FMD vaccine	OBP	Sole source	AJ-028359 (SLA)	72 999 949,50
Procurement of Microsoft licences	Microsoft	Sole source	AJ-028357	97 158 567,42

Supply, installation and support of VMWare by Broadcom Software for the DALRRD	CoCre8 Technology Solutions	Multiple source	OR-053798	21 243 602
The roll-out of the Sterile Insect Technique against the Mediterranean fruit fly in South Africa.	Deciduous Fruit Producers Trust	Sole source	OR-053787	15 286 000
Total				278 885 331,82

Contract variations and expansions: I

Project description	Name of supplier	Contract modification type (Expansion or variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Total						



Part E

Agricultural Land Holdings Account

Public Finance Management
Act (PFMA) Compliance
Report

Irregular, fruitless and wasteful expenditure

Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2024/25 R'000	2023/24 R'000
Opening balance	398 446	326 707
Prior period errors	–	–
Add: Irregular expenditure confirmed	82 692	71 739
Less: Irregular expenditure condoned/removed	–	–
Less: Irregular expenditure not condoned and removed	–	–
Less: Irregular expenditure recoverable	–	–
Less: Irregular expenditure not recovered and written off	–	–
Closing balance	481 137	398 446

Irregular expenditure relates to:

1. Strengthening of Relative Rights projects—management fees (2017/18)

Strengthening of Relative Rights (SRR) management fees amount to R41,805 million and grant expenditure amount to R37,508 million.

- A forensic investigation has been completed. A criminal case has been registered and is in progress. Recovery of loss through the Prevention of Crime Act is in progress.

2. Land Development Support

Land Development Support (LDS) programme implementing agents procured goods and services of R236,394 million (2019/20) without following supply chain management prescripts.

- A forensic investigation is currently underway.

3. Recapitalisation and Development Programme—drought

Expenditure amounting to R11,000 million was incurred during the 2016/17 financial year through emergency deviation, however, work has not been completed yet.

- A forensic investigation has been concluded and the process of implementing the recommendation is in progress.

4. Letting of immovable state assets at less than market related tariff without prior approval

Transactions amounting to R71,739 million are a result of letting immovable state assets at less than market related tariff prior approval from NT as per Treasury Regulation 16A.7.4, which states that “the letting of immovable state property (excluding state housing for officials and political office bearers) must be at market-related tariffs, unless the relevant Treasury approves otherwise. No state property may be let free of charge without the prior approval of the relevant Treasury”.

- The policy was subsequently scraped; however, the matter was referred to the Employee Relations Unit for implementation of consequence management and is in progress.

5. Contravention of Supply Chain Management processes—additional work by service provider for technical support (2024/25)

The irregular expenditure of R27 000 relates to additional work performed during the upgrade of the ACCPAC system. This work was not included in the original approved scope of work at the time of the bid and resulted in costs exceeding the approved contract amount.

- The matter is still under assessment.

6. Land Development Support—unauthorised acquisition of livestock (2024/25)

Total amount of R482 000 relates to purchasing of livestock under an expired contract.

- The matter is still under assessment.

7. Disposal of assets—non-compliance with Treasury Regulations 19.6 and 21.3.1 (2024/25)

Assets with a net book value of R82,183 million relate to disposal of state land during the financial year without obtaining approval as per the correct regulation. Approval was obtained under Treasury Regulation 16.A.7.3 instead of 21.3.1. and 19.6.

- The matter is still under assessment.

Reconciling notes to the annual financial statement disclosure

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure that was under assessment in 2023/24	–	–
Irregular expenditure that relates to 2023/24 and identification in 2024/25	–	–
Irregular expenditure for the current year	82 692	71 739

b) Details of current and previous year irregular expenditure (Under assessment, determination and investigation)

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure under assessment	–	–
Irregular expenditure under determination	82 692	71 739
Irregular expenditure under investigation	236 394	236 394

c) Details of current and previous year irregular expenditure condoned

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure condoned/removed	–	–
Total	–	–

d) Details of current and previous year irregular expenditure removed—(not condoned)

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure removed (not condoned)	–	–
Total	–	–

e) Details of current and previous year irregular expenditure recovered

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure recovery—commenced	79 313	79 313
Total	–	–

No irregular expenditure was recovered or where recovery has commenced in the current financial year.

f) Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2023/24 R'000	2022/23 R'000
Irregular expenditure written off	–	–
Total	–	–

g) Details on non-compliance cases where an institution is involved in an inter-institutional arrangement (Where such institution is not responsible for the non-compliance)

Not applicable.

h) Details on non-compliance cases where an institution is involved in an inter-institutional arrangement (Where such institution is responsible for the non-compliance)

Not applicable.

Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/25 R'000	2023/24 R'000
Opening balance	237 130	245 417
Prior period errors	–	(17 017)
Add: Fruitless and wasteful expenditure confirmed	18 184	8 955
Less: Fruitless and wasteful expenditure condoned/ written off	–	(225)
Less: Fruitless and wasteful expenditure recoverable	–	–
Closing balance	255 314	237 130

Fruitless and wasteful expenditure relates to:

1. Strengthening of Relative Rights projects

Fruitless and wasteful expenditure on SRR projects relates to the transfers of development funds to non-viable entities amounting to R94,838 million.

- An investigation by the Forensic Investigation Unit (FIU) was concluded. A criminal case has been registered and is in progress. Recovery of loss through the Prevention of Crime Act is in progress.

2. Recapitalisation and Development Programme projects

Fruitless and wasteful expenditure relates to no value received from funds transferred (Recapitalisation and Development Programme (RADP) and other related costs) amounting to R94,148 million for the development of farms.

- An investigation conducted by the SIU on three projects was concluded and it was realised that these matters have prescribed.

The department granted conditional grants to PLAS beneficiaries whereby they were supposed to account for in line with the signed agreements. The fruitless and wasteful expenditure under assessment where beneficiaries have not accounted amounts to R336,679 million that was reported in the previous financial year, and the balance that is still under assessment amounts to R312,711 million. The decrease is as a result of:

- Some of the beneficiaries have since accepted debt;
- Some fully accounted through invoices or additional information was provided; and
- Furthermore, a total amount of R20,231 million under determination relates to deceased, untraceable beneficiaries and legal cases that have prescribed.

3. Losses and damages

Fruitless and wasteful expenditure relates to a payment amounting to R8,500 million on losses and damages as a result of a veld fire that occurred on one of the neighbouring farms and the fire then spread to a PLAS farm, from where it proceeded to another farm. The matter was taken to court and a settlement was reached with the Plaintiffs.

- Recovery on the matter has commenced and consequence management is ongoing.

4. Other fruitless and wasteful expenditure

A total amount of R13,629 million relates to interest paid on water rights, rates and taxes:

- Matters are still under assessment and some recovery and consequence management is underway.

5. Other debt

During the COVID-19 pandemic, the department introduced a support programme for smallholder farmers, providing them with input vouchers that could only be redeemed through approved suppliers. Civil servants were explicitly excluded from benefiting from this initiative. However, subsequent reviews revealed that some civil servants had unduly received these benefits. Legal opinion has recommended that some matters have prescribed for recovery.

- Fruitless and wasteful expenditure under determination amounts to R4,467 million.

Reconciling notes to the annual financial statement disclosure

Description	2024/25 R'000	2023/24 R'000
Fruitless and wasteful expenditure that was under assessment	312 711	336 679
Fruitless and wasteful expenditure that relates to 2022/23 and identification in 2023/24	–	–
Fruitless and wasteful expenditure current year	18 184	8 955
Total	18 184	8 955

b) Details of current and previous year fruitless and wasteful expenditure (Under assessment, determination and investigation)

Description	2024/25 R'000	2023/24 R'000
Fruitless and wasteful expenditure under assessment	312 711	336 679
Fruitless and wasteful expenditure under determination	71 887	61 840
Fruitless and wasteful expenditure under investigation	–	–

c) Details of current and previous year fruitless and wasteful expenditure recovered

Description	2024/25 R'000	2023/24 R'000
Fruitless and wasteful expenditure recovery commenced/recommended	176 540	175 539

Details of current and previous year fruitless and wasteful expenditure recovered and written off

Description	2024/25 R'000	2023/24 R'000
Fruitless and wasteful expenditure written off	–	225

d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off

Description	2024/25 R'000	2023/24 R'000
Fruitless and wasteful expenditure written off	–	–

e) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Not applicable

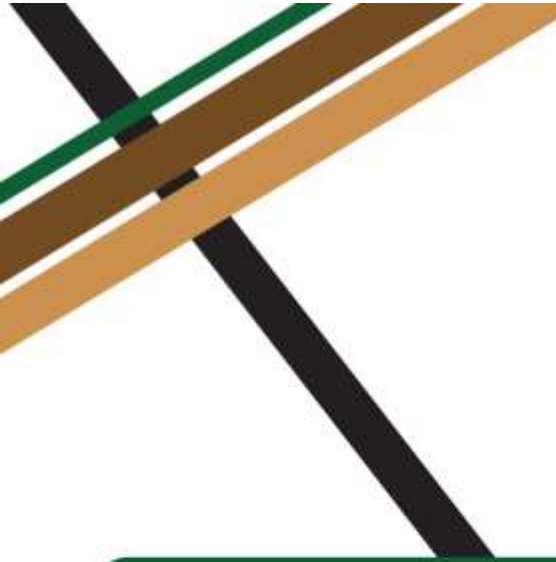
Information on late and/or non-payment of suppliers

Description	Number of invoices	Consolidated value
		R'000
Valid invoices received	525	202 514 486,12
Invoices paid within 30 days or agreed period	466	156 007 215,38
Invoices paid after 30 days or agreed period	31	6 422 817,16
Invoices older than 30 days or agreed period (Unpaid and without dispute/non-compliant)	–	–
Invoices older than 30 days or agreed period (Unpaid and in dispute/non-compliant)	28	40 084 453,58

The trading entity in the year under review received 525 invoices for payment and as per the above table, 89% of suppliers were paid within 30 days and 6% after 30 days. A total number of 28 invoices (5%) were not paid to suppliers at reporting date.

Reasons for ALHA not to effect payment within 30 days are attributed below:

The majority of payments processed after 30 days are municipal rates and taxes whereby delays are due to non-compliant invoices. Some of the reasons provided by municipalities are the billing system, incorrect rates used and other important variables that must be cleared before processing a payment.



Part E

Deeds Registration Trading Entity

Public Finance Management
Act (PFMA) Compliance
Report



Irregular, fruitless and wasteful, unauthorised expenditure and material losses

Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	226 080	224 900
Adjustment to opening balance	–	27 735
Opening balance as restated	226 080	252 635
Add: Irregular expenditure confirmed	401	1 180
Less: Irregular expenditure condoned	–	–
Less: Irregular expenditure not condoned and removed	–	–
Less: Irregular expenditure recoverable ¹	–	27 735
Less: Irregular expenditure not recoverable and written off	–	–
Closing balance	226 481	226 080

The amounts disclosed in the current financial year relates to irregular expenditure incurred because of contravention of Supply Chain Management Policy and Treasury Regulations:

The amount of R4 515.87 for the CTN Konika Minolta Contract. Service rendered without obtaining prior approval. Current contract ended 31 July, but the machine was used until September 2024.

The amount of R6 384.00 for the Additional costs incurred for removal of blinds at OCRD. Variation of scope.

The amount of R10 000.00 for the appointment of wellness speaker without following prescribed SCM procurement procedures.

The amount of R308.68 for the CTN Konika Minolta Contract. Service rendered without obtaining prior approval. Current contract ended 30 September 2024, but the machine was used until December 2024.

The amount of R184.32 for the CTN Evolution Technology Contract. Due to late delivery, a loan machine provided by the supplier, copy charges billed on loaned machine.

The amount of R379 757.60 for the JHB partitioning.

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure that was under assessment	–	–
Irregular expenditure that relates to the prior year and identified in the current year	–	73
Irregular expenditure for the current year	401	1 107
Total	401	1 180

b) Details of irregular expenditure (Under assessment, determination and investigation)

Description ²	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure under assessment	380	–
Irregular expenditure under determination	21	1 180
Irregular expenditure under investigation	–	–
Total	401	1 180

¹ Transfer to receivables

² Group similar items

Irregular expenditure under assessment

The amount of R379 757.60 for the JHB partitioning.

The amount of R184,32 for the CTN Evolution Technology Contract. Owing to late delivery, loan machine provided by supplier, copy charges billed on loaned machine.

Irregular expenditure under determination

The amount of R6 384,00 for the additional costs incurred for removal of blinds at OCRD. Variation of scope.

The amount of R10 000,00 for the appointment of a wellness speaker without following prescribed SCM procurement procedures.

The amount of R308,68 for the CTN Konika Minolta Contract. Service rendered without obtaining prior approval. Current contract ended 30 September 2024, but the machine was used until December 2024.

The amount of R4 515,87 for the CTN Konika Minolta Contract. Service rendered without obtaining prior approval. Current contract ended 31 July but the machine was used until September 2024.

Irregular expenditure under investigation

None

c) Details of irregular expenditure condoned

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure condoned	—	—
Total	—	—

No irregular expenditure was condoned in 2024/2025.

d) Details of irregular expenditure removed (Not condoned)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure NOT condoned and removed	—	—
Total	—	—

No irregular expenditure was removed in 2024/2025.

e) Details of irregular expenditure recoverable

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure recoverable	—	27 735
Total	—	—

Irregular expenditure recoverable relates to a case which was investigated and concluded, and the departmental FCC indicated that the amount will be recovered through a process done by legal services.

f) Details of irregular expenditure written off (irrecoverable)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure written off	—	—
Total	—	—

No irregular expenditure was written off (irrecoverable) in 2024/2025.

Additional disclosure relating to inter-institutional arrangements.

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (Where such institution *is not* responsible for the non-compliance)

Description
None.
Total R0,00

None, N/A.

h) Details of irregular expenditure cases where an institution is involved in an inter-institutional arrangement (Where such institution *is* responsible for the non-compliance)³

Description	2024/2025	2023/2024
	R'000	R'000
None	—	—
None	—	—
None	—	—
Total	—	—

None, N/A.

i) Details of disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
Transgression letters were sent to relevant officials stating that “strong disciplinary action will in future be taken against the official should a similar incident occur”.
Condonation letters have been prepared and are in progress for approval.

Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	8 492	5 556
Adjustment to opening balance	—	—
Opening balance as restated	8 492	5 556
Add: Fruitless and wasteful expenditure confirmed	522	2 936
Less: Fruitless and wasteful expenditure recoverable ⁴	—	—
Less: Fruitless and wasteful expenditure not recoverable and written off	—	—
Closing balance	9 014	8 492

Current year fruitless expenditure consists of:

Confirmed and under determination or investigation

The amount of R947,50 for a no-show shuttle service. Trip cancelled due to inclement weather conditions.

The amount of R281 077,96 for legal costs paid illegally. Transfer of state property to third parties. Maurice Phillips Wisenberg.

The amount of R76 993,65 for a buy-out contract with Vodacom.

The amount of R52 588,04 for a penalty and cancelled flight ticket.

³ Refer to paragraphs 3.12, 3.13 and 3.14 of Annexure A (PFMA Compliance and Reporting Framework) to National Treasury Instruction No. 4 of 2022/2023

⁴ Transfer to receivables

The amount of R120.00 for post office penalty.

The amount of R7 650.00 for a penalty for accommodation cancellation.

The amount of R40.00 for service fees (call out to travel agent).

The amount of R2 526.00 penalty for TV license.

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	–	–
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	–	3
Fruitless and wasteful expenditure for the current year	522	2 933
Total	522	2 936

b) Details of fruitless and wasteful expenditure (Under assessment, determination and investigation)

Description ⁵	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under assessment	15	–
Fruitless and wasteful expenditure under determination	507	2 936
Fruitless and wasteful expenditure under investigation	–	–
Total	522	2 936

Refer to schedule 1.2(a)

c) Details of fruitless and wasteful expenditure recoverable

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure recoverable	–	–
Total	0	0

d) Details of fruitless and wasteful expenditure not recoverable and written off

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure written off	–	–
Total	–	–

e) Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken	
N/A.	
Total	

⁵ Group similar items

Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	—	—
Adjustment to opening balance	—	—
Opening balance as restated	—	—
Add: unauthorised expenditure confirmed	—	—
Less: Unauthorised expenditure approved with funding	—	—
Less: Unauthorised expenditure approved without funding	—	—
Less: Unauthorised expenditure recoverable ⁶	—	—
Less: Unauthorised not recoverable and written off ⁷	—	—
Closing balance	0	0

No unauthorised expenditure was identified in the 2023/2024 financial year.

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Unauthorised expenditure that was under assessment	—	—
Unauthorised expenditure that relates to the prior year and identified in the current year	—	—
Unauthorised expenditure for the current year	—	—
Total	0	0

b) Details of unauthorised expenditure (under assessment, determination and investigation)

Description ⁸	2024/2025	2023/2024
	R'000	R'000
Unauthorised expenditure under assessment	—	—
Unauthorised expenditure under determination	—	—
Unauthorised expenditure under investigation	—	—
Total	0	0

Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) and (iii))⁹

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2024/2025	2023/2024
	R'000	R'000
Theft	—	465
Other material losses	59	500
Less: Recoverable	—	-17
Less: Not recoverable and written off	—	-31
Total	59	917

b) Details of other material losses

Nature of other material losses	2024/2025	2023/2024
	R'000	R'000
<i>(Group major categories, but list material items)</i>	—	—
Inventory	59	—
Damage—vehicles	—	403
Dents and scratches—vehicles	—	97
Total	59	500

⁶ Transfer to receivables

⁷ This amount may only be written off against available savings.

⁸ Group similar items

⁹ Information related to material losses must be disclosed in the annual financial statements.

c) Other material losses recoverable

Nature of losses	2024/2025	2023/2024
	R'000	R'000
<i>(Group major categories, but list material items)</i>	—	—
N/A	—	—
	—	—
	—	—
	—	—
Total	0	0

d) Other material losses not recoverable and written off

Nature of losses	2024/2025	2023/2024
	R'000	R'000
<i>(Group major categories, but list material items)</i>	—	—
N/A	—	—
	—	—
	—	—
	—	—
Total	0	0

Late and/or non-payment of suppliers

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	7 863	187 751
Invoices paid within 30 days or agreed period	7 335	180 646
Invoices paid after 30 days or agreed period	6	324
Invoices older than 30 days or agreed period (Unpaid and without dispute)	1	1
Invoices older than 30 days or agreed period (Unpaid and in dispute)	14	1

Suppliers paid after 30 days for the following reasons:

- Invoices disputed due to duplicates being presented
- Incorrect amounts charged/ billed disputed and query was resolved after 30 days
- PO invoices split for the same service; time taken by supplier to consolidate

Note that there are 507 valid invoices and valued at R6 779m, were received but not due as at 31 March 2025.

Supply Chain Management

Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Repairing of a printer	Mustek Limited	Sole supplier	N/A	R2 795,79
Emergency repairs of aircons for LP Deeds Registry server room	Motati Group	Emergency procurement	N/A	R13 950,00
Catering services for moderation committee meeting between MP and Johannesburg	Nojoji Enterprise Pty (Ltd) Pty	Urgent procurement	N/A	R20 280,00

Emergency plumbing services: sewerage blockage	Patric Human Plumbing	Emergency procurement	N/A	R2 100,00
Cleaning and hygiene services from 1 June to 31 July 2024	Mjo Consulting	Urgent procurement	N/A	R273 273,74
Repairs and maintenance of office aircons	LP Refrigeration and Airconditioning	Emergency procurement	N/A	R61 582,50
Procurement of spare keys	Speedy Locksmiths and City Locksmiths (Pty) Ltd	Sole supplier	N/A	R6 716,00
Oracle software support and maintenance from 1 September 2024 to 31 August 2025	Oracle Corporation	Sole supplier	N/A	R12 696 297,60
Services from the landlord for the partitioning of the building structure to create additional offices	Kapson Project cc	Single source	N/A	R379 757,60
Renewal of Oracle hardware and support maintenance from 1 December 2024 to 30 November 2025	Oracle Corporation	Sole supplier	N/A	R9 623 540,02
Annual license renewal for Accpac Software Assurance Programme within Deeds and ALHA from 1 January 2025 to 31 December 2025	DotCoLab (Pty) Ltd	Single source	N/A	R1 136 791,07
Procurement of repairs, maintenance and support services for Oracle equipment that is out of warranty	ETS Innovations	Multiple source	N/A	R1 768 182,50
Delivery of the head square cam lock and high security system, master key cabinet and security gate at the Registrar of Deeds	Assa Abloy (Pty) Ltd	Sole supplier	N/A	R791 399,64
Annual license renewal of Caseware Software Solutions for preparation of financial statements within the Deeds Registration Trading Entity and ALHA for 1 February 2025 to 31 January 2028	Adapt IT (Pty) Ltd	Sole supplier	N/A	R251 890,11
Once-off plumbing services at King Williams Town, the office encountered a sudden sewerage blockage	Patric Human Plumbing	Emergency procurement	N/A	R1 400,00
Catering services for eDRS Business Workstream	Servest Corporate	Single source	N/A	R54 983,34
Once-off plumbing services: Sudden sewerage blockage	Patrick Human Plumbing	Emergency procurement	N/A	R21 000,00
Once-off plumbing services: Sudden sewerage blockage	Patric Human Plumbing	Emergency procurement	N/A	R1 200,00

Repair of franking machine	PBSA	Single source	N/A	R2 357,50
Replacement of the wastewater drainage PVC pipes at the sink at female toilets	Build Master Projects (Pty) Ltd	Emergency	N/A	R7 980,00
Repair burst toilets water supply pipes	Patrick Human Plumbing	Emergency	N/A	R25 230,00
Replace burst pipes in the ablution facility at FS Deeds Registry	Morero Mpho Mohlouoa (Pty) Ltd	Emergency	N/A	R18 350,00
Diagnose and remedy of bad smell	Isac Pest Control, Cleaning and Garden Services	Emergency	N/A	R29 100,00
Replacement of burst pipe at female toilet	Lebogang Construction Projects	Emergency	N/A	R4 200,00
Refill of water Jojo tank	Ditlane Construction (Pty) Ltd	Emergency	N/A	R2 600,00
Storage of microfilms	Metrofile	Single source	N/A	R27 145,29
Total				R27 224 102,70

Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or variation)	Contract number	Original contract value	Value of previous contract expansion /s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Extension of contract for rendering of cash collection with three months from 1 Oct to 31 Dec 2024	Fidelity Cash Solutions Pty Ltd	Variation	DALRRD (CRD-02) 2022/23	R1 348 894,80	0,00	R168 611,85
Contract extension for lease of water cooler dispenser and supply of purified water bottle and paper cup from 1 July to 30 Sept 2024	Horizen Holdings (Pty) Ltd	Variation	5/2/2/1—DALRRD 0049 (2020/2021)	R126 555,84	0,00	R21 432,96
Variation 1: Installation of additional telephone lines and telephone instruments at GP South Deeds Registry	Variation 1: Installation of additional telephone lines and telephone instruments	Variation	DALRRD (CRD-17) 2020/21	R2 944 672,75	0,00	R44 321,90

Labour rates adjustment for rendering of hygiene service at GP South Deeds Registry	Mashau Conment Holdings (Pty) Ltd	Variation		R1 166 133,48	0,00	R4 548,96
Labour rates adjustment for rendering of cleaning service at GP South Deeds Registry	M-Jnr and Olwethu Consulting (Pty) Ltd	Variation	DALRRD (CRD-06) 2023/24	R1 788 788,85	R73 782,24	R116 305,80
Labour rates adjustment for rendering of cleaning and hygiene service at Western Cape Deeds Registry	G Naidoo Contractors (Western Cape) CC T/A Spick 'N Span Cleaning	Variation	DALRRD (CRD-01) 2023/24	R3 679 975,68	R83 712,96	R76 976,76
Contract variation to adjust contract deposit amount for rental of parking at WC Deeds Registry	Truworthe Limited	Variation	PO091771	R638 928,10	0,00	R1 956,15
Extension of contract for leasing of telephone system at WC Deeds Registry from 16 September 2024 to 15 March 2025	Advanced Voice Systems (Pty) Ltd	Variation	DALRRD (CRD-17) 2020/21	R1 222 138,05	0,00	R189 568,53
Labour rates adjustment for rendering of cleaning and hygiene service at KZN Deeds Registry	Sheshisah Business Enterprise (Pty) Ltd	Variation	DALRRD (CRD-12) 2023/24	R2 999 988,52	0,00	R75 275,04
Extension of a contract for rendering of cleaning and hygiene service at KZN Deeds Registry from 1 to 31 May 2024	M-Jnr and Olwethu Consulting (Pty) Ltd	Variation	DALRRD (CRD-18) 2021/22	R2 802 802,92	R266 485,28	R68 287,45
Contract extension for provision of	Metrofile Pty td	Variation	PMB08/202 4/25	R145 959,93	0,00	R22 908,00

off-site storage facility and testing of microfilm rolls and backup tapes at KZN Deeds Registry from 1 to 31 Oct 2024						
Contract extension for provision of off-site storage facility and testing of microfilm rolls and backup tapes at KZN Deeds Registry from 1 to 28 Feb 2025	Metrofile Pty td	Variation	PO107122	R78 269,00	0,00	R24 282,48
Labour rates adjustment for rendering of garden service at FS Deeds Registry	Dottedline Holdings (Pty) Ltd	Variation	PO108379	R700 800,00	0,00	R6 879,60
Labour rates adjustment for rendering of cleaning and hygiene service at FS Deeds Registry	M-Jnr and Olwethu Consulting (Pty) Ltd	Variation	DALRRD (CRD-07) 2023/24	R1 990 990,56	R81 037,20	R126 605,52
Contract extension for rendering of cleaning and hygiene service at NC Deeds Registry	Samagaba Cleaning Services (Pty) Ltd	Variation	DALRRD (CRD-06) 2022/23	R1 252 220,49	R94 286,32	R50 981,62
Extension of cleaning and hygiene service at Mthatha Deeds Registry	M-Jnr and Olwethu Consulting Pty Ltd	Variation	PO092247	R279 364,56	R25 620,00	R15 015,15
Extension of cleaning and hygiene service at KWT Deeds Registry	M-JNR and Olwethu Consulting (Pty) Ltd	Variation	RFQ No. KWT (012)2023/24	R930,930,24	R33,818,64	R35,223,52
Labour rates adjustment for rendering of cleaning	Liwano Farming Enterprise (Pty) Ltd	Variation	RFQ No. (UMT-01)2023/24	R598 623,28	R16 664,88	R26 028,96

and hygiene service at FS Deeds Registry						
Labour rates adjustment for rendering of cleaning and hygiene service at MP Deeds Registry	Kameso Total Hygiene Services CC	Variation	DALRRD (CRD-08) 2022/24	R1 731 587,87	R122 571,32	R18 899,68
Extension of contract for rendering of cleaning and hygiene service at Bloemfontein Deeds Registry	M-Jnr and Olwethu Consulting Pty Ltd	Variation	DALRRD (CRD-14) 2021/22	R1 839 839,18	R185 155,21	R83 360,51
Extension of contract for rendering of hygiene service at Office of the Chief Registrar of Deeds (Agriculture Place Building)	Kgatisi Trading CC	Variation	DALRRD (CRD-07) 2020/21	R3 938 900,76	R123 588,83	R79 995,00
Extension of contract for rendering of cleaning and hygiene service at Vryburg Deeds Registry	Kgatisi Trading CC	Variation	DALRRD (CRD-07) 2020/21	R858 849,69	R41 603,59	R43 552,53
Total						R1 301 017,97



Part F

Department of
Agriculture, Land Reform
and Rural Development
Financial Information

6.1 Report of the auditor-general to Parliament on vote no. 29: Department of Agriculture, Land Reform and Rural Development

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Department of Agriculture, Land Reform and Rural Development (DALRRD) set out on pages 196 to 272, which comprise the appropriation statement, statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, and 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, except for the effects and possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the DALRRD as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standards and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and Division of Revenue Act, 24 of 2024 (Dora).

Basis for qualified opinion

Prepayments and advances

3. The department did not recognise the prepayments and advances made toward the purchases of immovable tangible capital assets - land and subsoil assets in accordance with *MCS Chapter 9: General assets and liabilities*. The department disclosed capital work-in-progress before the transfer of ownership and control of these immovable tangible assets had taken place. Consequently, prepayments and advances were understated by R106 million and expenditure for capital assets and CWIP for immovable tangible assets were overstated by R106 million in Notes 11.1; 9 and 34.2 to the financial statements respectively. Additionally, there was an impact on the surplus for the period.

Advances paid (expensed)

4. I was unable to obtain sufficient appropriate audit evidence that advances paid (expensed) had been properly disclosed in Note 11.4 to the financial statements. This was due to the status of the accounting records and the non-submission of the information that supports the reduction of the advances. I was unable to confirm these advances paid (expensed) by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to advances paid (expensed) stated at R1 801 million (2024: R2 492 million) in Note 11.4 to the financial statements.
5. In addition, some of these advances paid (expensed) related to a loan scheme where the contracts had expired in previous years, for which the full amount of the loans disbursed and the related receivables was not accounted for, in terms of the agreement as required by *MCS Chapter 9: General assets and liabilities*. I was unable to determine the full extent of the misstatement as it was impracticable to do so.

Departmental revenue

6. I was unable to obtain sufficient appropriate audit evidence for departmental revenue disclosed. The department did not maintain adequate supporting documentation to confirm the validity of the revenue recorded. I was unable to confirm the departmental revenue by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to departmental revenue stated at R438 million in Note 2 to the financial statements.

Contingent liabilities

7. The department did not account for contingent liabilities for the current and prior year in accordance with *MCS Chapter 14, Provisions and contingencies*. The assumptions that were used to calculate the value of the contingent liabilities was not reliable and reasonable. I was unable to determine the full extent of the over or understatement of contingent liabilities, as it was impracticable to do so.
8. In addition, I was unable to obtain sufficient appropriate audit evidence to determine the full extent of the contingent liability, as adequate systems were not in place to maintain records for contingent liabilities, and I could not confirm this by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to contingent liabilities stated at R5 618 million in Note 20 to the financial statements.

Capital commitments

9. Capital commitments were not accounted for in terms of Chapter 14 of the *MCS, Provisions and contingencies*. The department included in the commitment's disclosure note, amounts relating to contracts that had expired at year end. Consequently, capital commitments are overstated by R102 million in Note 21 to the financial statements.

Irregular expenditure

10. Not all irregular expenditure was included in Note 26 to the financial statements, as required by section 40(3)(i) of the PFMA. Expenditure was incurred in contravention of the SCM requirements, resulting in irregular expenditure. I was unable to determine the full extent of the irregular expenditure that occurred during the financial year as it was impracticable to do so.

Fruitless and wasteful expenditure

11. Not all fruitless and wasteful expenditure was included in Note 26 to the financial statements, as required by section 40(3)(i) of the PFMA. Expenditure was incurred as a result of various instances of losses identified, resulting in fruitless and wasteful expenditure. I was unable to determine the full extent of the fruitless and wasteful expenditure that occurred during the financial year as it was impracticable to do so.

Immovable tangible capital assets- Capital work in progress (CWIP)

12. The department did not reassess the value of work-in-progress (CWIP) on infrastructure projects at the resumption of the project as required by *MCS Chapter 11: Capital assets*. As a result, the CWIP balance disclosed in Note 34.2 was overstated by R159,7 million.
13. In addition, the department did not exclude halted and slow-moving projects from the CWIP balance as required by *Chapter 11 of MCS*. Projects that had experienced no progress for several years remained included in CWIP. I was unable to determine the full extent of any overstatement of CWIP or understatement of capital assets written off. Consequently, I was unable to determine whether any adjustment to the CWIP balance, stated at R1.6 billion in the financial statements, was necessary.

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 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 matters

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

Restatement of prior year figures

18. As disclosed in Note 37 to the financial statements, the corresponding figures for 31 March 2024 were restated as a result of errors in the financial statements of the department at, and for the year ended, 31 March 2025.

Impairments

19. As disclosed in Notes 12.5 and 25.3 to the financial statements, a provision has been made for impairment of R14,5 million for the impairment of receivables and R129,8 million for the impairment of accrued departmental revenue.

Material underspending of the vote by the department

20. As disclosed in the appropriation statement, the department materially underspent the budget by R952, 6 million on mainly programmes 3 and 4.

Other matters

I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited supplementary schedules

21. The supplementary information set out on pages 273 to 300 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 them.

Splitting of the department

22. On 1 October 2024, *Proclamation No. 199 of 2024* that was signed by the President of South Africa, was issued in *Government Gazette No. 51368* dated 11 October 2024 where the transfer of administration and powers and functions were entrusted by legislation to certain Cabinet members in terms of Section 97 of the Constitution of the Republic of South Africa:

- The agriculture related legislation was transferred to the Minister of Agriculture; and
- The Land Reform and Rural Development legislation was entrusted to the Minister of Land Reform and Rural Development.

23. The 2024 *National Macro-organisation of Government Process* outlines the process for the splitting of Department of Agriculture, Land Reform and Rural Development into the Department of Agriculture and Department of Land Reform and Rural Development, where it was decided that the foundational documents for the two departments be published with an effective date of 1 April 2025 to align with the budget process for the 2025/26 fiscal year.

24. As at 31 March 2025, the Department of Agriculture, Land Reform and Rural Development ceased to exist as a single department based on the proclamation.

Responsibilities of the accounting officer for the financial statements

25. 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 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.
26. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

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

27. 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.
28. 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 191 of the annexure to the auditor's report, forms part of our auditor's report.

Report on the audit of the annual performance report

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

Programme	Page numbers	Purpose
Programme 3 - Food Security, Land Reform and Restitution	45 – 48	Acquires and redistribute land and promote food security and agrarian reform programmes.
Programme 4: Rural Development	49 – 50	Facilitates rural development strategies for socioeconomic growth.
Programme 5: Economic Development, Trade and Marketing	51 – 53	Promotes economic development, trade and market access for agriculture products and foster international relations for the sector.
Programme 6: Land Administration	54 – 57	Provides and maintains an inclusive, effective, and comprehensive system of planning, geospatial information, cadastral surveys, legally secure tenure, and conduct land administration that promotes social, economic and environmental sustainability.

31. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.
32. I performed procedures to test whether:
 - the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives;
 - all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included;
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that we can confirm the methods and processes to be used for measuring achievements;
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated;
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents;
 - the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable;
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over or underachievement of targets.
33. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
34. The material findings on the reported performance information for the selected programmes are as follows:

Programme 4: Rural Development

6.2.1 Number of reports on National Rural Youth Service Corps participants linked to economic opportunities

35. The indicator was not clearly defined during the planning process. The department measured the number of reports as its targets without specifying the level of performance required to accurately measure actual performance of the national youth service corps linked to economic opportunities. Consequently, the indicator is not useful for measuring and reporting on progress against planned objectives.

Programme 5: Economic Development, Trade and Marketing

Missing indicators

36. The department contributes to the maintenance of existing markets and increased market access for traders to sell their goods/ products in the domestic and international markets in terms of the Strategic Plan. However, indicators to measure performance on this objective were omitted from the approved planning documents. Consequently, the achievement of this objective was not planned or accounted for, which is likely to result in it not being delivered and undermines transparency and accountability on the progress towards achievement of the political mandate.

Indicator	Reasons provided by accounting officer for non-inclusion
% increase in the value of agricultural exports	The indicator has been included in the operational plan and reported quarterly
% increase in domestic use (value added) of agricultural products	The indicator has been included in the operational plan and reported quarterly

Programme 6: Land Administration

8.3.1 Number of monitoring reports on National Spatial Development Framework spatial action areas developed

37. The indicator was not clearly defined during the planning process. The department measured the number of reports as its targets without specifying the level of performance required to accurately measure actual performance of the measuring the implementation of the NSDF. Consequently, the indicator is not useful for measuring and reporting on progress against planned objectives.

Other matters

38. I draw attention to the matters below.

Achievement of planned targets

39. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and under achievements. This information should be considered in the context of the material findings on the reported performance information.
40. The tables that follow provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 45 to 58.

Programme 3: Food security, land reform and restitution

Targets achieved: 83% Budget spent: 99,97%		
Key service delivery indicator not achieved	Planned target	Reported achievement
Number of land claims settled	319	288

Programme 4: Rural Development

Targets achieved: 67% Budget spent: 81,65%		
Key service delivery indicator not achieved	Planned target	Reported achievement
Number of young people trained through the National Rural Youth Service Corps Programme	1 751	1 740

Programme 5: Economic Development, Trade and Marketing

Targets achieved: 60% Budget spent: 91,55%		
Key service delivery indicator not achieved	Planned target	Reported achievement
Number of FPSUs supported to be functional	37	36
Number of enterprises supported	138	109

Material misstatements

41. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Programmes 4: Rural Development, 5: Economic Development, Trade and Marketing and 6: Land Administration. Management did not correct the misstatements, and I reported material findings in this regard.

Report on compliance with legislation

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

Annual financial statements

46. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by Section 40(1) (a) and (b) of the PFMA.
47. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and the supporting records could not be provided, which resulted in the financial statements receiving a qualified opinion.

Revenue management

48. I was unable to obtain sufficient appropriate audit evidence that appropriate processes were implemented to provide for the reconciliation and safeguarding of information about revenue, as required by treasury regulation 7.2.1.
49. Effective and appropriate steps were not taken to collect all money due, as required by Section 38(1)(c)(i) of the PFMA.

Expenditure management

50. Effective and appropriate steps were not taken to prevent irregular expenditure, as required by Section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. As reported in the basis for the qualified opinion the value as disclosed in Note 26 of the financial statements does not reflect the full extent of the irregular expenditure incurred. The majority of the irregular expenditure disclosed in the financial statements was caused by the non-adherence to supply chain management prescripts.
51. Effective steps were not taken to prevent fruitless and wasteful expenditure, as required by Section 38(1)(c)(ii) of the PFMA and Treasury Regulation 9.1.1. As reported in the basis for the qualified opinion the value as disclosed in Note 26 to the financial statements does not reflect the full extent of the fruitless and wasteful expenditure incurred. The majority of the fruitless and wasteful

expenditure disclosed in the financial statements was caused by late payment of invoices that resulted in interest being charged to the department.

- 52. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by Section 38(1)(f) of the PFMA and Treasury Regulation 8.2.3.
- 53. Effective internal controls were not in place for approval and processing of payments, as required by Treasury Regulation 8.1.1.

Consequence management

- 54. Disciplinary steps were not taken against some of the officials who had incurred and/or permitted irregular expenditure as required by Section 38(1) (h) (iii) of the PFMA.
- 55. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred fruitless and wasteful expenditure as required by Section 38(1)(h)(iii) of the PFMA. This was due to proper and complete records that were not maintained as evidence to support the investigations into fruitless and wasteful expenditure.

Asset management

- 56. Proper control systems were not in place at the department to ensure the safeguarding and maintenance of assets, as required by Section 38(1)(d) of the PFMA.
- 57. Preventative mechanisms were not in place to eliminate theft and loss of assets, as required by Treasury Regulation 10.1.1(a).

Transfers of funds

- 58. Appropriate measures were not maintained to ensure that transfers and subsidies to entities were applied for their intended purposes, as required by Treasury Regulation 8.4.1.

Procurement and contract management

- 59. Some of the goods and services of a transaction value above R1 000 000 were procured without inviting competitive bids as required by Treasury Regulation 16A6.1, paragraph 3.3.1 of NTI 02 of 2021/22, paragraph 4.1 of NTI 03 of 2021/22 and TR 16A6.4.

Other information in the annual report

- 60. The accounting officer is responsible for the other information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
- 61. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
- 62. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
- 63. I did not receive the other information prior to 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.

Internal control deficiencies

64. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
65. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified of opinion and the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
66. Leadership was not always effective, as evidenced by the misstatements identified in the annual financial statements, annual performance reporting and non-compliance with laws and regulations.
67. Management did not ensure that there were adequate internal control processes in place to monitor the funds paid to other government entities to ensure that the fund accounted for correctly and use for intended purpose.
68. Leadership did not have adequate oversight controls to ensure that action plans to address prior year findings are monitored and addressed.
69. Management did not implement controls over daily and monthly processing and reconciling transactions, resulting payments made without proof of service rendered.
70. The management did not implement effective monitoring of compliance with applicable legislation.

Material irregularities

71. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit.

Material irregularities in progress

72. Section 45 (a) of the PFMA, 1999 (Act No.1 of 1999) states that an official in a department must ensure that the system of financial management and internal control established for that department, is carried out within the area of responsibility of that official.
73. The Department of Agriculture, Land Reform and Rural Development, as part of its land support programme, provided grant beneficiaries with funding as part of business plans approved by the department. As part of the funding conditions, the initial grant tranche payments were paid out as an advance and at the end of each tranche interval, the advance would be required to be reconciled to qualifying expenses actually incurred.
74. Not all the reconciliations were performed at the end of production cycles as required. Furthermore, some contracts have since expired without the reconciliations being finalised. Consequently, the department could not fully determine if the monies disbursed as part of the recapitalisation grants were utilised for the intended purposes.
75. Therefore, contrary to the requirements of Section 45(a) of the PFMA, officials of the department did not ensure that the system of financial management and internal control established for the department, was carried out within the area of responsibility of that official in the monitoring, evaluation and reconciliation of the recapitalisation grants.
76. The non-compliance with Section 45(a) of the PFMA is likely to result in a material financial loss for the department. The financial loss is considered likely due to the possibility that the department is still able to recover the losses from the relevant parties.

77. The accounting officer was notified of the material irregularity on 26 July 2023 and invited to make a written submission on the actions taken or to be taken to address the matter.
78. After receiving the notification, the department has taken measures to recover the funds that were uncounted, including consequence management in relation to the officials implicated which at the date of this report was still in progress.
79. I will continue to follow up on the implementation of the planned actions during my next audit.

Other reports

80. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

Investigations

81. The department has tasked internal forensic investigators to investigate a series of alleged financial misconduct by officials of the department. These investigations were in progress at the date of this auditor's report.

Auditor - General.

Pretoria

31 July 2025



Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

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

Compliance with legislation - selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA) and regulations and instructions issued in terms of the act	PFMA 40(1)(c)(i) PFMA 40(1)(b) PFMA 40(1)(a) PFMA 38(1)(d) PFMA 38(1)(h)(iii) PFMA 38(1)(c)(ii) PFMA 39(1)(a) PFMA 39(2)(a) PFMA 43(4) PFMA 38(1)(c)(ii) PFMA 38(1)(b) PFMA 45(b)
Public Service Act 103 of 1994 (PSA) and regulations issued in terms of the act	Regulation 13 (C)
Public service regulations 2001	PSR 25(1)(e)(i) and (iii)
Preferential Procurement Policy Framework Act 5 of 2000 and regulations and instructions issued in terms of the act	Treasury reg 16A6.1; Treasury reg.16A6.2(b) M Instruction Note 02 of 2021-22 par 3.2.1 (bids advertised on or after 1 April 2022) PFMA SCM instruction note 03 of 2021/22 par 4.1. PFMA instruction note no.3 of 2021/22 definition PFMA instruction note no.3 of 2021/22 par. 4.2 (b)
Construction Industry Development Board Act 38 of 2000 and regulations issued in terms of the act	Section 18(1)
State Information Technology Agency Act 88 of 1998 and regulations issued in terms of the act	Section 7(3)
Prevention and Combating of Corrupt Activities Act 12 of 2004	PRECCA 34(1)
PFMA instruction note no.3 of 2021/22	Par. 4.1, Par. 4.2 (b), Par. 4.3, Par 4.4 & Par. 4.4 (c) & (d)
Treasury Regulations	Treasury reg 16A6.1 Treasury reg 16A3.2 (fairness) Treasury reg 16A3.2(a) and (b) Treasury reg R16A6.3 (a), (b) (c) & (e) Treasury reg 16A6.4 Treasury reg 16A6.5 Treasury reg 16A6.6 Treasury reg. 16A.7.1 Treasury reg. 16A.7.3 Treasury reg. 16A.7.6 Treasury reg. 16A.7.7 Treasury reg 16A8.3 Treasury reg.16A8.4 Treasury reg 16A9.1(b)(ii), (d), (e) Treasury reg 16A9.1(d), (e) & (f) Treasury reg 16A9.2(a)(ii) Treasury reg. 8.2.1 Treasury reg. 8.2.2 Treasury reg. 29.1.1(a) & (c) Treasury reg. 29.3.1 Treasury reg. 30.1.1 Treasury reg. 30.1.3(a), (b) & (d) Treasury reg. 30.1.3(b) Treasury reg. 30.1.3(d) Treasury reg. 30.2.1 Treasury reg. 31.1.2(c) Treasury reg. 31.2.1

	Treasury reg. 31.3.3 Treasury reg. 33.1.1 Treasury reg. 33.1.3 TR 16A9.1(b)(ii) TR 16A9.1(e) TR 16A9.1(f) TR 9.1.1 TR 6.3.1(a) & (d) TR 6.3.1(b) & (d) TR 6.3.1(c) TR 6.4.1(b) TR 9.1.1 TR 8.1.1 TR 8.2.1 TR 8.2.3 TR 15.10.1.2(c) TR 5.1.1 TR 5.2.3(a) TR 5.2.1 TR 5.2.3(d) TR 5.3.1 TR 19.6.1 TR 16A.7.3 TR 16A.7.6 TR 16A.7.7 TR 10.1.1(a) TR 10.1.2 TR 9.1.4 TR 12.5.1 TR 9.1.4 TR 12.5.1 TR 9.1.4 TR 12.5.1 TR 4.1.3 TR 4.1.1 TR 16A9.1(b)(ii) TR 18.2 TR 19.8.4 TR 17.1.1 TR 8.4.1
Practice Note 7 of 2009/10	Par 4.1.2
Practice Note 5 of 2009/10	Par.3.3
National Treasury Instruction 4A of 2016/17	par 6
National Treasury Instruction note 4 of 2015/16	Par. 3.4
National Treasury Instruction 01 of 2021/2022	Par. 4.1
National Treasury Instruction 07 of 2017/18	Par. 4.3
Treasury Instruction Note 11 of 2020/21 par 3.1	Paragraph 3.1; 3.4 (b) and 3.9
SCM Instruction Note 02 of 2021/22	Par.3.2.1 Par.3.2.4 Par. 3.3.1 par 4.1
SCM Instruction Note 3 of 2016	Note 3
SCM Instruction 3 of 2016	Note 6
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; Section 2(1)(a); Section 2(1)(b); Section 2(1)(f)
Preferential procurement regulation of 2017 (PPR)	Regulation 4(1); Regulation 4(2) Regulation 5(1); Regulation 5(3); Regulation 5(6); Regulation 5(7) Regulation 6(8)

	Regulation 7(8) Regulation 8(2); Regulation 8(5) Regulation 9(1); Regulation 10(1); Regulation 10(2) Regulation 11(1); Regulation 11(2)
Preferential procurement regulation of 2011 (PPR)	Regulation 9(1), 9(5)
Preferential procurement regulation of 2022 (PPR)	Regulation 4(4) Regulation 5(4)
National Treasury SCM Instruction 4 of 2015/16	Paragraph 4.1
National Treasury SCM Instruction Note 05 2020/21	Paragraph 1; 2; 4.8; 4.9 & 5.3
National Treasury SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2; 4.3; 4.4 & 4.4(d)
National Treasury instruction note 4 of 2015/16	Paragraph 3.4
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
CIDB Regulations	Regulation 17& 25(7A)
SITA Act	Section 7(3)
SBD	SBD 6.2 issued in 2015/16
Second amendment NT Instruction No 5 of 2020/21	Paragraph 1
Erratum NT Instruction note No 5 of 2020/21	Paragraph 2

ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025

6.2 Annual Financial Statements – Department of Agriculture, Land Reform and Rural Development

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**NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29**

**APPROPRIATION STATEMENT
for the year ended 31 March 2025**

Appropriation per programme									
2024/25								2023/24	
Programme	Approved budget	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final budget	Final budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration	2 750 074	–	298 773	3 048 847	2 995 180	53 667	98,2	2 956 594	2 948 289
2. Agricultural Production, Biosecurity and Resources Management	2 284 858	–	284 686	2 569 544	2 542 627	26 917	99,0	2 392 129	2 375 551
3. Food Security, Land Reform and Restitution	9 646 196	–	(461 328)	9 184 868	8 521 159	663 709	92,8	9 057 136	9 054 480
4. Rural Development	785 632	–	(62 851)	722 781	590 154	132 627	81,7	840 724	840 698
5. Economic Development, Trade and Marketing	792 478	–	(47 571)	744 907	681 968	62 939	91,6	804 768	794 996
6. Land Administration	738 586	–	(11 709)	726 877	714 075	12 802	98,2	706 346	700 356
TOTAL	16 997 824	–	–	16 997 824	16 045 163	952 661	94,4	16 757 697	16 714 370

TOTAL (brought forward)
Reconciliation with statement of financial performance

ADD

Departmental receipts
NRF Receipts
Aid assistance

Actual amounts per statement of financial performance (Total revenue)

ADD

Aid assistance

Prior year unauthorised expenditure approved without funding

Actual amounts per statement of financial performance (Total expenditure)

2024/25				2023/24	
Final budget	Actual expenditure			Final budget	Actual expenditure
R'000	R'000			R'000	R'000
438 578				355 408	
–				–	
143 115				114 555	
17 579 517				17 227 660	
	7 491				50 206
	16 052 654				16 764 576

NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Appropriation per economic classification									
	2024/25							2023/24	
	Approved budget	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final budget	Final budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	8 088 244	(114 440)	47 310	8 021 114	7 822 954	198 160	97,5	7 688 503	7 654 815
Compensation of employees	4 109 723	–	–	4 109 723	3 975 638	134 085	96,7	4 198 070	4 171 590
Goods and services	3 978 521	(120 328)	47 310	3 905 503	3 841 428	64 075	98,4	3 490 404	3 483 196
Interest and rent on land	–	5 888	–	5 888	5 888	–	100,0	29	29
Transfers and subsidies	7 919 691	(100 753)	(83 453)	7 735 485	7 054 305	681 180	91,2	8 047 085	8 037 458
Provinces and municipalities	2 674 215	137 075	26	2 811 316	2 788 195	23 121	99,2	2 467 592	2 467 584
Departmental agencies and accounts	2 152 807	–	–	2 152 807	2 152 533	274	100,0	2 146 233	2 145 776
Higher education institutions	–	8 073	1 839	9 912	9 912	–	100,0	–	–
Foreign governments and international organisations	50 403	468	–	50 871	43 686	7 185	85,9	48 258	39 101
Public corporations and private enterprises	467 806	–	–	467 806	423 169	44 637	90,5	481 556	481 554
Non-profit institutions	8 530	(468)	(26)	8 036	6 397	1 639	79,6	8 335	8 335
Households	2 565 930	(245 901)	(85 292)	2 234 737	1 630 413	604 324	73,0	2 895 111	2 895 108
Payments for capital assets	989 889	207 976	36 143	1 234 008	1 160 687	73 321	94,1	1 018 157	1 018 148
Buildings and other fixed structures	445 487	(116 002)	1 617	331 102	287 209	43 893	86,7	429 792	429 791
Machinery and equipment	106 599	8 205	34 526	149 330	146 296	3 034	98,0	174 592	174 585
Heritage assets	20 000	–	–	20 000	1 834	18 166	9,2	–	–
Biological assets	–	–	–	–	–	–	–	55	54
Land and subsoil assets	415 034	318 542	–	733 576	725 348	8 228	98,9	410 127	410 127
Software and other intangible assets	2 769	(2 769)	–	–	–	–	–	3 591	3 591
Payments for financial assets	–	7 217	–	7 217	7 217	–	100,0	3 952	3 949
Total	16 997 824	–	–	16 997 824	16 045 163	952 661	94,4	16 757 697	16 714 370

NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 1: Administration									
2024/25								2023/24	
	Approved budget	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final budget	Final budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Subprogramme									
1. Ministry	67 154	(15 873)	2 033	53 314	50 855	2 459	95,4	45 280	45 196
2. Department Management	120 883	(24 014)	–	96 869	92 183	4 686	95,2	96 844	96 769
3. Internal Audit	60 222	15 214	30	75 466	70 775	4 691	93,8	52 030	52 009
4. Financial Management Services	281 130	(13 164)	574	268 540	258 493	10 047	96,3	302 544	302 259
5. Corporate Support Services	805 039	(10 959)	34 067	828 147	813 224	14 923	98,2	846 089	840 252
6. Provincial Operations	525 656	(6 475)	1 578	520 759	503 901	16 858	96,8	517 084	515 082
7. Office Accommodation	889 990	55 271	260 491	1 205 752	1 205 749	3	100,0	1 096 723	1 096 722
Total for subprogrammes	2 750 074	–	298 773	3 048 847	2 995 180	53 667	98,2	2 956 594	2 948 289

NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 1: Administration									
	2024/25							2023/24	
	Approved budget	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final budget	Final budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	2 707 504	(1 966)	259 264	2 964 802	2 911 149	53 653	98,2	2 851 581	2 843 423
Compensation of employees	1 221 541	—	—	1 221 541	1 169 195	52 346	95,7	1 144 614	1 136 475
Goods and services	1 485 963	(7 659)	259 264	1 737 568	1 736 261	1 307	99,9	1 706 967	1 706 948
Interest and rent on land	—	5 693	—	5 693	5 693	—	100,0	—	—
Transfers and subsidies	2 799	1	5 302	8 102	8 088	14	99,8	5 831	5 684
Provinces and municipalities	123	—	26	149	145	4	97,3	109	110
Departmental agencies and accounts	1 523	—	—	1 523	1 516	7	99,5	1 601	1 454
Households	1 153	1	5 276	6 430	6 427	3	100,0	4 121	4 120
Payments for capital assets	39 771	1	34 207	73 979	73 979	—	100,0	98 121	98 121
Buildings and other fixed structures	6 275	1 940	1 617	9 832	9 832	—	100,0	12 931	12 931
Machinery and equipment	32 831	(1 274)	32 590	64 147	64 147	—	100,0	81 599	81 599
Software and other intangible assets	665	(665)	—	—	—	—	—	3 591	3 591
Payments for financial assets	—	1 964	—	1 964	1 964	—	100,0	1 061	1 061
Total	2 750 074	—	298 773	3 048 847	2 995 180	53 667	98,2	2 956 594	2 948 289

NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 2: Agricultural Production, Biosecurity and Natural Resources Management									
2024/25								2023/24	
	Approved budget	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final budget	Final budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Subprogramme									
1. Inspection and Quarantine Services	398 839	84 808	282 847	766 494	766 016	478	99,9	520 943	515 783
2. Plant Production and Health	174 893	(23 709)	1 839	153 023	152 965	58	100,0	160 724	156 053
3. Animal Production and Health	326 691	(35 034)	—	291 657	277 211	14 446	95,0	244 681	238 025
4. Natural Resources and Disaster Management	296 476	(25 537)	—	270 939	259 735	11 204	95,9	269 100	269 019
5. Biosecurity	6 774	(528)	—	6 246	5 516	730	88,3	5 125	5 115
6. Agricultural Research Council	1 081 184	—	—	1 081 184	1 081 184	—	100,0	1 191 556	1 191 556
7. Onderstepoort Biological Products	1	—	—	1	—	1	—	—	—
Total for subprogrammes	2 284 858	—	284 686	2 569 544	2 542 627	26 917	99,0	2 392 129	2 375 551

NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
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APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 2: Agricultural Production, Biosecurity and Natural Resources Management									
	2024/25							2023/24	
	Approved budget	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final budget	Final budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	1 019 319	(282)	276 109	1 295 146	1 271 091	24 055	98,1	1 049 882	1 033 560
Compensation of employees	747 946	—	—	747 946	724 587	23 359	96,9	707 161	694 755
Goods and services	271 373	(282)	276 109	547 200	546 504	696	99,9	342 721	338 805
Transfers and subsidies	1 229 876	—	1 839	1 231 715	1 228 853	2 862	99,8	1 298 719	1 298 464
Provinces and municipalities	90 328	(1)	—	90 327	87 804	2 523	97,2	79 859	79 858
Departmental agencies and accounts	1 081 450	—	—	1 081 450	1 081 184	266	100,0	1 191 811	1 191 556
Higher education institutions	—	8 073	1 839	9 912	9 912	—	100,0	—	—
Public corporations and private enterprises	48 001	—	—	48 001	47 928	73	99,8	25 000	25 000
Households	10 097	(8 072)	—	2 025	2 025	—	100,0	2 049	2 050
Payments for capital assets	35 663	2	6 738	42 403	42 403	—	100,0	43 474	43 474
Buildings and other fixed structures	9 735	(9 501)	—	234	234	—	100,0	—	—
Machinery and equipment	23 824	11 607	6 738	42 169	42 169	—	100,0	43 474	43 474
Heritage assets	—	—	—	—	—	—	—	—	—
Software and other intangible assets	2 104	(2 104)	—	—	—	—	—	—	—
Payments for financial assets	—	280	—	280	280	—	100,0	54	53
Total	2 284 858	—	284 686	2 569 544	2 542 627	26 917	99,0	2 392 129	2 375 551

NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 3: Food Security, Land Reform and Restitution									
	2024/25							2023/24	
	Approved budget	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final budget	Final budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Subprogramme									
1. Food Security and Agrarian Reform	3 136 833	41 069	(280 291)	2 897 611	2 817 718	79 893	97,2	2 309 563	2 308 059
2. Land Redistribution and Tenure Reform	852 711	70	(7 630)	845 151	835 684	9 467	98,9	809 364	808 637
3. National Extension Services and Sector Capacity Development	608 257	(24 052)	–	584 205	574 705	9 500	98,4	538 764	538 637
4. Land Development and Post Settlement Support	463 481	(8 136)	1	455 346	454 870	476	99,9	593 101	593 087
5. Commission on the Restitution of Land Rights	82 392	(12 346)	(45 200)	24 846	24 741	105	99,6	3 844	3 837
6. Restitution	3 482 206	3 395	(128 208)	3 357 393	2 793 125	564 268	83,2	3 903 506	3 903 229
7. Agricultural Land Holdings Account	855 674	–	–	855 674	855 674	–	100,0	734 942	734 942
8. Ingonyama Trust Board	21 867	–	–	21 867	21 867	–	100,0	23 781	23 781
9. Office of the Valuer-General	142 775	–	–	142 775	142 775	–	100,0	140 271	140 271
Total for subprogrammes	9 646 196	–	(461 328)	9 184 868	8 521 159	663 709	92,8	9 057 136	9 054 480

NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 3: Food Security, Land Reform and Restitution									
	2024/25							2023/24	
	Approved budget	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final budget	Final budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	2 599 016	(106 531)	(357 982)	2 134 503	2 103 939	30 564	98,6	2 064 945	2 062 295
Compensation of employees	1 145 814	—	—	1 145 814	1 116 508	29 306	97,4	1 417 267	1 417 267
Goods and services	1 453 202	(106 726)	(357 982)	988 494	987 236	1 258	99,9	647 649	644 999
Interest and rent on land	—	195	—	195	195	—	100,0	29	29
Transfers and subsidies	6 468 388	(100 754)	(103 347)	6 264 287	5 639 381	624 906	90,0	6 520 584	6 520 579
Provinces and municipalities	2 583 744	137 076	—	2 720 820	2 700 236	20 584	99,2	2 387 601	2 387 600
Departmental agencies and accounts	1 020 316	—	—	1 020 316	1 020 316	—	100,0	898 994	898 994
Public corporations and private enterprises	375 243	—	—	375 243	375 241	2	100,0	406 966	406 964
Households	2 489 085	(237 830)	(103 347)	2 147 908	1 543 588	604 320	71,9	2 827 023	2 827 022
Payments for capital assets	578 792	203 149	1	781 942	773 703	8 239	98,9	469 057	469 056
Buildings and other fixed structures	135 986	(108 441)	—	27 545	27 536	9	100,0	33 332	33 332
Machinery and equipment	27 772	(6 952)	1	20 821	20 819	2		25 543	25 543
Biological assets	—	—	—	—	—	—	—	55	54
Land and subsoil assets	415 034	318 542	—	733 576	725 348	8 228	98,9	410 127	410 127
Payments for financial assets	—	4 136	—	4 136	4 136	—	100,0	2 550	2 549
Total	9 646 196	—	(461 328)	9 184 868	8 521 159	663 709	92,8	9 057 136	9 054 480

NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 4: Rural Development									
2024/25								2023/24	
	Approved budget	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final budget	Final budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Subprogramme									
1. National Rural Youth Services Corps	199 711	36 730	6 688	243 129	242 182	947	99,6	352 221	352 207
2. Rural Infrastructure Development	562 840	(36 014)	(69 539)	457 287	325 714	131 573	71,2	469 317	469 305
3. Technology Research and Development	23 081	(716)	–	22 365	22 258	107	99,5	19 186	19 186
Total for subprogrammes	785 632	–	(62 851)	722 781	590 154	132 627	81,7	840 724	840 698

NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 4: Rural Development									
	2024/25							2023/24	
	Approved budget	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final budget	Final budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	431 169	(407)	(70 035)	360 727	293 180	67 547	81,3	427 522	427 501
Compensation of employees	153 710	—	—	153 710	146 668	7 042	95,4	151 342	151 335
Goods and services	277 459	(407)	(70 035)	207 017	146 512	60 505	70,8	276 180	276 166
Transfers and subsidies	35 547	—	7 184	42 731	42 731	—	100,0	27 630	27 629
Households	35 547	—	7 184	42 731	42 731	—	100,0	27 630	27 629
		—							
Payments for capital assets	318 916	—	—	318 916	253 836	65 080	79,6	385 361	385 357
Buildings and other fixed structures	293 268	—	—	293 268	249 384	43 884	85,0	382 411	382 411
Machinery and equipment	5 648	—	—	5 648	2 618	3 030	46,4	2 950	2 946
Heritage assets	20 000	—	—	20 000	1 834	18 166	9,2	—	—
		—	—						
Payments for financial assets	—	407	—	407	407	—	100,0	211	211
Total	785 632	—	(62 851)	722 781	590 154	132 627	81,7	840 724	840 698

NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 5: Economic Development, Trade and Marketing									
	2024/25							2023/24	
	Approved budget	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final budget	Final budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Subprogramme									
1. International Relations and Trade	169 200	(15 600)	(1 443)	152 157	141 960	10 197	93,3	156 913	147 147
2. Co-operatives Development	81 266	(5 140)	(623)	75 503	28 621	46 882	37,9	81 781	81 775
3. Agro-Processing, Marketing and Rural Industrial Development	496 247	20 740	(45 505)	471 482	465 622	5 860	98,8	516 303	516 303
4. National Agricultural Marketing Council	45 765	—	—	45 765	45 765	—	100,0	49 771	49 771
Total for subprogrammes	792 478	—	(47 571)	744 907	681 968	62 939	91,6	804 768	794 996

NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 5: Economic Development, Trade and Marketing									
	2024/25							2023/24	
	Approved budget	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final budget	Final budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	647 136	(366)	(43 702)	603 068	591 879	11 189	98,1	657 241	656 631
Compensation of employees	297 986	—	—	297 986	286 935	11 051	96,3	261 170	261 170
Goods and services	349 150	(366)	(43 702)	305 082	304 944	138	100,0	396 071	395 461
Transfers and subsidies	137 338	—	934	138 272	86 523	51 749	62,6	141 419	132 261
Provinces and municipalities	3	—	—	3	1	2	33,3	3	2
Departmental agencies and accounts	45 765	—	—	45 765	45 765	—	100,0	49 771	49 771
Foreign governments and international organisations	47 008	—	—	47 008	39 823	7 185	84,7	40 876	31 719
Public corporations and private enterprises	44 562	—	—	44 562	—	44 562	—	49 590	49 590
Households	—	—	934	934	934	—	100,0	1 179	1 179
Payments for capital assets	8 004	—	(4 803)	3 201	3 200	1	100,0	6 071	6 068
Buildings and other fixed structures	223	—	—	223	223	—	100,0	1 118	1 117
Machinery and equipment	7 781	—	(4 803)	2 978	2 977	1	100,0	4 953	4 951
Payments for financial assets	—	366	—	366	366	—	100,0	37	37
Total	792 478	—	(47 571)	744 907	681 968	62 939	91,6	804 768	794 996

**NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29**

**APPROPRIATION STATEMENT
for the year ended 31 March 2025**

Programme 6: Land Administration									
	2024/25							2023/24	
	Approved budget	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final budget	Final budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Subprogramme									
1. National Geomatics Management Services	539 201	5 997	4 550	549 748	545 598	4 150	99,2	537 094	531 205
2. Spatial Planning and Land Use	185 377	(3 804)	(16 233)	165 340	158 328	7 012	95,8	156 862	156 816
3. Deeds Registration	1	–	–	1	–	1	–	1	–
4. South African Council of Planners	8 530	(468)	(26)	8 036	6 397	1 639	79,6	8 335	8 335
5. South African Geomatics Council	3 752	–	–	3 752	3 752	–	100,0	4 054	4 000
6. Integrated Land Administration	1 725	(1 725)	–	–	–	–	–	–	–
Total for subprogrammes	738 586	–	(11 709)	726 877	714 075	12 802	98,2	706 346	700 356

NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 6: Land Administration									
	2024/25							2023/24	
	Approved budget	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final budget	Final budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	684 100	(4 888)	(16 344)	662 868	651 716	11 152	98,3	637 332	631 404
Compensation of employees	542 726	—	—	542 726	531 745	10 981	98,0	516 516	510 588
Goods and services	141 374	(4 888)	(16 344)	120 142	119 971	171	99,9	120 816	120 816
Transfers and subsidies	45 743	—	4 635	50 378	48 729	1 649	96,7	52 902	52 841
Provinces and municipalities	17	—	—	17	9	8	52,9	20	14
Departmental agencies and accounts	3 753	—	—	3 753	3 752	1	100,0	4 056	4 001
Foreign governments and international organisations	3 395	468	—	3 863	3 863	—	100,0	7 382	7 382
Non-profit institutions	8 530	(468)	(26)	8 036	6 397	1 639	79,6	8 335	8 335
Households	30 048	—	4 661	34 709	34 708	1	100,0	33 109	33 109
Payments for capital assets	8 743	4 824	—	13 567	13 566	1	100,0	16 073	16 073
Machinery and equipment	8 743	4 824	—	13 567	13 566	1		16 073	16 073
Payments for financial assets	—	64	—	64	64	—	100,0	39	38
Total	738 586	—	(11 709)	726 877	714 075	12 802	98,2	706 346	700 356

**NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2025**

- 1. Details of transfers and subsidies as per the Appropriation Act, 2024 (Act No.40 of 2024) (after virement)**
Details of these transactions can be viewed in the note on Transfers and Subsidies, and Annexure 1(A-H) of the Annual Financial Statements.
- 2. Details of specifically and exclusively appropriated amounts voted (after virement)**
Details of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.
- 3. Details on payments for financial assets**
Details of these transactions per programme can be viewed in the note to payments for financial assets to the Annual Financial Statements.
- 4. Explanations of material variances from Amounts Voted (after virement):**

4.1 Per programme

Programme	Final budget R'000	Actual expenditure R'000	Variance R'000	Variance as a % of final budget %
Administration	3 048 847	2 995 180	53 667	2
Agricultural Production, Biosecurity and Natural Resources Management	2 569 544	2 542 627	26 917	1
Food Security, Land Reform and Restitution	9 184 868	8 521 159	663 709	7
Rural Development	722 781	590 154	132 627	18
Economic Development, Trade and Marketing	744 907	681 968	62 939	8
Land Administration	726 877	714 075	12 802	2
Total	16 997 824	16 045 163	952 661	

Administration: The underspending was mainly due to vacant posts.

Agricultural Production, Biosecurity and Natural Resources Management: The underspending was mainly due to vacant posts.

Food Security, Land Reform and Restitution: The underspending was mainly due to: delays in supporting subsistence farmers through the PES Initiative as a result of challenges that were experienced by the PDAs, such as late delivery of ordered items and delivery of incorrect or incomplete number of ordered items; and delays in finalising land claims settlements due to slow payment process.

Rural Development: The underspending was due to delays in the finalisation of rural infrastructure projects, mainly as a result of challenges such as community disputes with contractors, pending township establishment approval and rainy weather conditions.

Economic Development, Trade and Marketing: The underspending was mainly due to delays in transferring AgriBEE funds to the Land Bank as a result of outstanding progress reports and vacant posts.

Land Administration: The underspending was mainly due to vacant posts.

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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2025**

4.2 Per economic classification

Economic classification	Final budget R'000	Actual expenditure R'000	Variance R'000	Variance as a % of final budget %
Current expenditure	8 021 114	7 822 954	198 160	2,47
Compensation of employees	4 109 723	3 975 638	134 085	3
Goods and services	3 905 503	3 841 428	64 075	2
Interest and rent on land	5 888	5 888	—	—
Transfers and subsidies	7 735 485	7 054 305	681 180	9
Provinces and municipalities	2 811 316	2 788 195	23 121	1
Departmental agencies and accounts	2 152 807	2 152 533	274	—
Higher education institutions	9 912	9 912	—	—
Public corporations and private enterprises	467 806	423 169	44 637	10
Foreign governments and international organisations	50 871	43 686	7 185	14
Non-profit institutions	8 036	6 397	1 639	20
Households	2 234 737	1 630 413	604 324	27
Payments for capital assets	1 234 008	1 160 687	73 321	6
Buildings and other fixed structures	331 102	287 209	43 893	13
Machinery and equipment	149 330	146 296	3 034	2
Heritage assets	20 000	1 834	18 166	91
Specialised military assets	—	—	—	—
Biological assets	—	—	—	—
Land and subsoil assets	733 576	725 348	8 228	1
Software and other intangible assets	—	—	—	—
Payments for financial assets	7 217	7 217	—	—
Total	16 997 824	16 045 163	952 661	

The underspending was mainly due to: vacant posts; delays in supporting subsistence farmers through the PES Initiative as a result of challenges that were experienced by PDAs, such as late delivery of ordered items and delivery of incorrect or incomplete number of ordered items; delays in finalising land claims settlements due to the slow payment process; delays in the implementation of rural infrastructure projects as a result of challenges such as community disputes with contractors and rainy weather; and delays in transferring of AgriBEE funds to the Land Bank as a result of outstanding progress reports.

4.3 Per conditional grant

Conditional grant	Final budget R'000	Actual expenditure R'000	Variance R'000	Variance as a percentage of final budget %
Comprehensive Agricultural Support Programme Grant	2 041 343	2 020 759	20 584	1
Ilima/Letsema Project Grant	448 343	448 343	—	—
Land Care Programme Grant	90 205	87 462	2 743	3
Total	2 579 891	2 556 564	23 327	4

**NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
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**STATEMENT OF FINANCIAL PERFORMANCE
as at 31 March 2025**

		2024/25	2023/24
	Note	R'000	R'000
REVENUE			
Annual appropriation	1	16 997 824	16 757 697
Departmental revenue	2	438 578	355 408
Aid assistance		143 115	114 555
TOTAL REVENUE		17 579 517	17 227 660
EXPENDITURE			
Current expenditure			
Compensation of employees	4	3 975 638	4 171 590
Goods and services	5	3 841 428	3 483 196
Interest and rent on land	6	5 888	29
Aid assistance	3	7 266	3 870
Total current expenditure		7 830 220	7 658 685
Transfers and subsidies			
Transfers and subsidies	8	7 054 305	8 037 458
Aid assistance	3	—	40 305
Total transfers and subsidies		7 054 305	8 077 763
Expenditure for capital assets			
Tangible assets	9	1 160 912	1 014 557
Software and other intangible assets	9	—	9 622
Total expenditure for capital assets		1 160 912	1 024 179
Payments for financial assets	7	7 217	3 949
TOTAL EXPENDITURE		16 052 654	16 764 576
SURPLUS/(DEFICIT) FOR THE YEAR		1 526 863	463 084
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		952 661	43 327
Annual appropriation		952 661	43 327
Departmental revenue and NRF receipts	15	438 578	355 408
Aid assistance	3	135 624	64 349
SURPLUS/(DEFICIT) FOR THE YEAR		1 526 863	463 084

**NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
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**STATEMENT OF FINANCIAL POSITION
as at 31 March 2025**

	Note	2024/25 R'000	2023/24 R'000
ASSETS			
Current assets		1 155 596	527 400
Cash and cash equivalents	11	1 071 027	503 029
Prepayments and advances	13	72 983	15 129
Receivables	14	11 586	9 242
Non-current assets		44 308	25 076
Investments	15	1	1
Receivables	14	44 307	25 075
TOTAL ASSETS		1 199 904	552 476
LIABILITIES			
Current liabilities		1 185 083	539 772
Voted funds to be surrendered to the Revenue Fund	17	952 661	43 327
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	19	43 066	19 077
Payables	21	53 732	413 019
Aid assistance repayable	4	129 834	40 919
Aid assistance unutilised	4	5 790	23 430
Non-current liabilities			
Payables	22	1	1
TOTAL LIABILITIES		1 185 084	539 773
NET ASSETS		14 820	12 703
Represented by:			
Recoverable revenue		14 820	12 703
TOTAL		14 820	12 703

**NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
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**STATEMENT OF CHANGES IN NET ASSETS
as at 31 March 2025**

		2024/25	2023/24
	Note	R'000	R'000
Recoverable revenue			
Opening balance		12 703	11 261
Transfers:		2 117	1 442
Recoverable revenue written off	8.3	(1 121)	(612)
Debts recovered (included in departmental revenue)		(3 642)	(3 774)
Debts raised		6 880	5 828
Closing balance		14 820	12 703
TOTAL		14 820	12 703

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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		17 577 416	17 221 061
Annual appropriation funds received	1.1	16 997 824	16 757 697
Departmental revenue received	3	382 505	311 308
Interest received	3.3	53 972	37 501
Aid assistance received	4	143 115	114 555
Net (increase)/decrease in working capital		(438 717)	(110 210)
Surrendered to Revenue Fund		(457 916)	(954 650)
Surrendered to RDP Fund/Donor		(64 349)	(125 648)
Current payments		(7 824 332)	(7 658 656)
Interest paid	7	(5 888)	(29)
Payments for financial assets	8	(7 217)	(3 949)
Transfers and subsidies paid		(7 054 305)	(8 077 763)
Net cash flow available from operating activities	23	1 724 692	290 156
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received			—
Payments for capital assets	10	(1 160 912)	(1 024 179)
Proceeds from sale of capital assets	3.4	2 101	6 599
(Increase)/decrease in non-current receivables	14	—	2 274
Net cash flow available from investing activities		(1 158 811)	(1 015 306)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		2 117	1 442
Net cash flows from financing activities		2 117	1 442
Net increase/(decrease) in cash and cash equivalents		567 998	(723 708)
Cash and cash equivalents at beginning of period		503 029	1 226 737
Cash and cash equivalents at end of period	24	1 071 027	503 029

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025**

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies	
The financial statements have been prepared in accordance with the relevant accounting policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information. The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation. Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the PFMA, 1999 (Act No. 1 of 1999) (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act, 2024 (Act No. 24 of 2024).	
1	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2	Going concern The financial statements have been prepared on a going concern basis.
3	Presentation currency Amounts have been presented in the currency of the South African Rand (R), which is also the functional currency of the department.
4	Rounding Unless otherwise stated, financial figures have been rounded to the nearest one thousand Rand (R'000).
5	Foreign currency translation Cash flows arising from foreign currency transactions are converted into the South African Rand using the spot exchange rates prevailing at the date of payment/ receipt.
6	Comparative information
6.1	Prior period comparative information Prior period comparative information has been presented in the current year's financial statements. Where necessary, figures included in the prior period financial statements have been reclassified to ensure that the format in which the information has been presented is consistent with the format of the current year's financial statements.
6.2	Current year comparison with the budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7	Revenue
7.1	Appropriated funds Appropriated funds comprise departmental allocations as well as direct charges against the revenue fund (i.e., statutory appropriation).

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025**

	Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. Appropriated funds are measured at the amounts receivable. The net amount of any appropriated funds due to/ from the relevant revenue fund at the reporting date is recognised as a payable/ receivable in the statement of financial position.
7.2	Departmental revenue Revenue (other than appropriated funds) is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Departmental revenue is measured at the cash amount received. Transfers (other than appropriations) are usually from local or international donors and are received under terms and conditions as agreed between the department and the donor. In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value. Departmental revenue is generated through the sale of goods and/or assets other than capital assets; the sale of capital assets; the rendering of services or the earning of interest, dividends and rent on land and financial transactions in assets and liabilities. The recording of revenue coincides with the receipt of funds from the recipient of goods and or services. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.
7.3	Accrued departmental revenue Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; • the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration receivable at the reporting date. This includes revenue from services rendered, fines, penalties, and leases of State land and commercial property. Accrued departmental revenue is assessed for impairment at the end of each reporting period to reflect the estimated reduction in recoverable amounts. An impairment is disclosed (but not recognised as an accounting adjustment) where: • the debtor is experiencing significant financial difficulty; • there is a high probability that the debtor will default on payments; • the receivable is significantly past due with no active recovery arrangement.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025

	The department assesses its state land and commercial lease debtors for impairment annually based on an analysis of outstanding balances, age of the debt, and debtor responsiveness. Impairment of accrued departmental revenue is disclosed to show the estimated reduction in the recorded carrying value. For amounts due to the department, significant financial difficulties of the debtor, and the probability that the debtor will default on payments are all considered indications of impairment. Debts that are deemed irrecoverable are written off in accordance with the department's approved debt write-off policy and the relevant provisions of the PFMA and Treasury Regulations. Write-offs are made according to the department's debt write-off policy.
8	Expenditure
8.1	Compensation of employees
8.1.1	Salaries and wages Salaries and wages are recognised in the statement of financial performance on the date of payment. 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 the expenditure for capital assets in the statement of financial performance.
8.1.2	Social contributions Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	Other expenditure Other expenditure (such as goods and services, transfers and subsidies, and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold. Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.
8.3	Financial transactions in assets and liabilities Debts are written off when they are identified as irrecoverable. Debts that are written off are limited to the amount of savings and/or underspending of appropriated funds. A debt that is written off is recorded in the notes to the financial statements. No provision is made for irrecoverable amounts, but an estimate is included in the notes to the financial statements. All other losses are recognised once authorisation has been granted for the recognition thereof.
8.4	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
8.5	Leases

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025**

8.5.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue. The operating lease commitments are recorded in the notes to the financial statements. Operating lease revenue arises from lease agreements in which the department acts as the lessor, leasing out State land, agricultural, restitution or commercial properties to external parties. Under an operating lease, the risks and rewards of ownership remain with the department. • Lease revenue includes rental income from: Agricultural leases (e.g., state farms, grazing land, crop cultivation); and • Commercial leases (e.g., office space, retail outlets on government-owned property). • Revenue is only recognised when cash is actually received and the asset remains recorded in the department's asset register, and impairment reviews under the department's debt management policy. Lease agreements are managed and monitored by the Property Management units, and lease terms are documented with the tenant, specifying rental amounts, payment terms, renewal conditions, and termination clauses.
8.5.2	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. At commencement of the finance lease term, finance lease assets acquired are recorded and measured at: • the fair value of the leased asset, or if lower; • the present value of the minimum lease payments. Finance lease assets acquired prior to 1 April 2024 are recorded and measured at the present value of the minimum lease payments. Finance lease assets shall be derecognised in the financial statements when: • the lease agreement is terminated or expires; • the department loses control over the asset. The asset is disposed of or transferred.
9	Aid Assistance
9.1	Aid assistance received Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025**

	Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as payable in the statement of financial position.
9.2	Aid assistance paid Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivables in the statement of financial position.
10	Cash and cash equivalents Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
11	Prepayments and advances Prepayments and advances are recognised in the statement of financial position when the department receives or disburses cash. Prepayments and advances are initially and subsequently measured at cost. Prepayments and advances expensed before 1 April 2024 are recorded until the goods, services, or capital assets are received, or the funds are utilised in accordance with the contractual agreement. Advances (payments to government entities) are recognised in the statement of financial performance if the advance is material and was budgeted for as an expense in the year in which the actual advance was made.
12	Loans and receivables Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written off. Write-offs are made according to the department's write-off policy. Receivables shall be de-recognised in the financial statements when: • the amount is received or settled; • the receivable is written off due to uncollectability; • the receivable is forgiven or waived.
13	Investments Investments are recognised in the statement of financial position at cost.
14	Financial assets
14.1	Financial assets (not covered elsewhere) A financial asset is recognised initially at its cost-plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written off.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025

	Financial assets shall be derecognized in the financial statements when: • the asset is sold, transferred, or disposed of; • the department loses control over the asset; • the asset expires or becomes valueless.
14.2	Impairment of financial assets Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements. Impairment will be based on the type of debt according to the applicable policy.
15	Payables Payables recognised in the statement of financial position are recognised at cost.
16	Capital assets
16.1	Immovable capital assets Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of capital nature is added to the cost of the asset at the end of the capital project and is ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes of the financial statements. An immovable capital asset shall be removed from the financial statements: • on disposal either through sale, transfer, or other means; or • when no future economic benefits or service potential are expected from its use or disposal.
16.2	Movable capital assets Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value, and where fair value cannot be determined, the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025**

	Biological assets are subsequently carried at fair value. Subsequent expenditure of capital nature is added to the cost of the asset at the end of the capital project and is ready for use, unless the movable asset is recorded by another department/entity, in which case the completed project costs are transferred to that department. Movable capital asset shall be removed from the financial statements: • on disposal, either through sale, transfer, or other means; or • when no future economic benefits or service potential are expected from its use or disposal.
16.3	Intangible assets Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value, and where fair value cannot be determined, the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Intangible assets shall be removed from the financial statements when: • the department loses control over the asset; • they expire or are disposed of; • they no longer provide future economic benefits.
16.4	Project Costs: Work-in-progress Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
17	Provisions and contingents
17.1	Provisions Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation or capital commitments retention to forfeit economic benefits as a result of events in the past. It is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation,

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025

	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. A retention liability is recognised as a financial liability where monies due to a contractor are withheld for a set period of time, during which the department has an enforceable right to have defects remedied by the contractor. The measurement of the retention liability is the same as payables from exchange transactions, which have been classified as financial liabilities. The liability is derecognised when it is settled or when the contractor defaults and is not entitled to settlement.
17.2	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. They can also be recorded 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. Contingent liabilities shall be derecognised in the financial statements when: • the outflow of economic benefits is no longer probable; • the contingent liability is settled or extinguished; • the underlying obligation or claim expires or is withdrawn.
17.3	Contingent assets Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department. Contingent assets shall be derecognised in the financial statements when: • the inflow of economic benefits is no longer probable; • the contingent asset is settled or realised; • the underlying claim or right expires or is withdrawn.
17.4	Capital commitments Capital commitments are recorded at cost and disclosed as contingent liabilities or commitments in the notes to the financial statements. Payments related to capital commitments are recognised as expenditure when paid. The department maintains records of all capital commitments to ensure budgetary control and proper financial management. They are reported based on the total contract value less any payments already made by year-end. The disclosure includes: • Description of the nature and purpose of the commitment; • Total contracted amount; • Amounts paid to date; • Outstanding amounts to be paid; and • Expected timing of future payments.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025**

17.5	Operating lease commitments Lease payments under operating leases are recognised as expenditure or revenue when paid or received, respectively. Operating lease commitments are disclosed by the following periods: • Not later than one year; • Later than one year and not later than five years; and • Later than five years. The disclosure includes the total future minimum lease payments payable (as lessee) or receivable (as lessor) under non-cancellable operating leases.
18	Unauthorised expenditure Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure. Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either: • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. Unauthorised expenditure recorded in the notes to the financial statements comprises: • unauthorised expenditure that was under assessment in the previous financial year; • unauthorised expenditure relating to the previous financial year and identified in the current year; • unauthorised expenditure incurred in the current year; • the movement of unauthorised expenditure that is recorded in the annual report.
19	Fruitless and wasteful expenditure Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable. Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises: • fruitless and wasteful expenditure that was under assessment in the previous financial year; • fruitless and wasteful expenditure relating to the previous financial year and identified in the current financial year; • fruitless and wasteful expenditure incurred in the current financial year; • the movement of fruitless and wasteful expenditure is recorded in the annual report.
20	Irregular expenditure Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	that is expected to be recovered and is derecognised 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 the following: • Irregular expenditure that was under assessment in the previous financial year; • Irregular expenditure relating to the previous financial year and identified in the current year; • Irregular expenditure incurred in the current year; and • The movement of irregular expenditure is recorded in the annual report.
21	Changes in accounting estimates and errors Changes in accounting policies are applied prospectively in accordance with MCS requirements. Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases, the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.
22	Events after the reporting date Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
23	Principal-agent arrangements The department is party to a principal-agent arrangement for organisations as disclosed in the notes to the financial statements. In terms of the arrangement, the department is the principal/agent and is responsible for providing funds for identified projects. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.
24	Departures from the MCS requirements Management has concluded that the financial statements present fairly the department's primary and secondary information. The department complied with MCS as required.
25	Capitalisation reserve The capitalisation reserve comprises 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 of, and the related funds are received.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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26	Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National Revenue Fund when recovered or are transferred to the statement of financial performance when written off.
27	Related party transactions Related party transactions within the minister portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. Key management personnel are those persons with the authority and responsibility for planning, directing and controlling the activities of the department. Key management personnel include all executive management on level 14 and above. The number of individuals and the full compensation of key management personnel and immediate family members and close relatives of key management personnel are recorded in the notes to the financial statements. The in-kind goods and services provided/received between the department and its related parties (departmental entities) are recorded and disclosed in the notes to the financial statement. The list of related party relationships and the nature thereof is disclosed in the notes to the financial statement.
28	Inventories An inventory shall be recorded and disclosed as inventory in the financial statements when it meets the following recognition criteria: • It is probable that future economic benefits or service potential associated with the item will flow to the department; and • The cost or fair value of the item can be measured reliably. At the date of acquisition, inventories are measured and recognised as expenditure under goods and services at the actual cost of purchase, including purchase price and any costs directly attributable to bringing the inventory to its present location and condition in the statement of financial performance. Physical counts and stock reconciliations are performed periodically to ensure that inventory records are accurate. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value except where the following applies: Inventories are measured at the lower cost and current replacement cost where they are held for: • distribution through a non-exchange; or • consumed in the production process of goods for distribution to be distributed at no charge or for a nominal charge). The cost of inventories is assigned by using the weighted average cost basis.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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29	Public-private partnerships 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. Payments made by the department to private partners are recognised as expenditure when paid. Cash receipts from PPP arrangements are recognised as revenue when received. Assets and liabilities related to PPPs are recognised only when cash transactions occur; no accrual-based recognition of assets, liabilities, or commitments is made. A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof, together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department, are recorded in the notes to the financial statements. The department complies with relevant legislative mandates and guidelines governing PPPs. The department is in a PPP agreement with the Tshala Bese Uyavuna Consortium.
30	Employee benefits The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the employee benefits note. Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date. The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
31	Transfers of functions Transfers of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts, at the date of transfer. Transfers of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.
32	Mergers Mergers are accounted for by the combined departments by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger. Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

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1. Annual Appropriation

1.1. Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for national departments (voted funds) and provincial departments:

Programmes	2024/25			2023/24		
	Final budget	Actual funds received	Funds not requested/not received	Final budget	Appropriation received	Funds not requested/not received
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	3 048 847	3 048 847	—	2 956 594	2 956 594	—
Agricultural Production, Biosecurity and Natural Resources Management	2 569 544	2 569 544	—	2 392 129	2 392 129	—
Food Security, Land Reform and Restitution	9 184 868	9 184 868	—	9 057 136	9 057 136	—
Rural Development	722 781	722 781	—	840 724	840 724	—
Economic Development, Trade and Marketing	744 907	744 907	—	804 768	804 768	—
Land Administration	726 877	726 877	—	706 346	706 346	—
Total	16 997 824	16 997 824	—	16 757 697	16 757 697	—

2. Departmental revenue

		2024/25	2023/24
	Note	R'000	R'000
Sales of goods and services other than capital assets	2.1	315 322	282 702
Interest, dividends and rent on land	2.2	60 538	42 486
Sales of capital assets	2.3	2 101	6 599
Transactions in financial assets and liabilities	2.4	60 276	23 519
Transfers received	2.5	341	102
Total revenue collected		438 578	355 408
Total		438 578	355 408

2.1. Sales of goods and services other than capital assets

		2024/25	2023/24
	Note	R'000	R'000
Sales of goods and services produced by the department		315 278	282 700
Sales by market establishment		1 294	1 391
Administrative fees		306 464	272 777
Other sales		7 520	8 532
Sales of scrap, waste and other used current goods		44	2
Total	2	315 322	282 702

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2.2. Interest, dividends and rent on land

		2024/25	2023/24
	Note	R'000	R'000
Interest		53 972	37 501
Rent on land		6 566	4 985
Total	2	60 538	42 486

2.3. Sales of capital assets

		2024/25	2023/24
	Note	R'000	R'000
Tangible capital assets		2 101	6 599
Machinery and equipment		1 771	5 911
Land and subsoil assets		330	688
Total	2	2 101	6 599

2.4. Transactions in financial assets and liabilities

		2024/25	2023/24
	Note	R'000	R'000
Receivables		2 942	3 381
Other receipts, including recoverable revenue		57 334	20 138
Total	2	60 276	23 519

2.5. Transfers received

		2024/25	2023/24
	Note	R'000	R'000
International organisations		3	–
Public corporations and private enterprises		338	102
Total	2	341	102

2.5.1. Gifts, donations and sponsorships received in-kind (not included in the main note or sub note)

		2024/25	2023/24
	Note	R'000	R'000
Gifts	Annex 1H	–	21
Donations		–	2 563
Sponsorships		504	335
Total gifts, donations and sponsorships received in kind		504	2 919

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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2.6. Cash received not recognised (not included in the main note)

	2024/25			
	Opening balance R'000	Amount received R'000	Amount paid to the revenue fund R'000	Closing balance R'000
Name of entity				
Gauteng Provincial Treasury	–	8 252	8 252	–
Mpumalanga Provincial Treasury	–	14	14	–
Limpopo Provincial Treasury	–	7 777	7 777	–
Eastern Cape Provincial Treasury	–	590	590	–
Western Cape Provincial Treasury	–	2 000	2 000	–
Free State Provincial Treasury	–	4 273	4 273	–
Office of the Valuer-General	–			–
North West Provincial Treasury	–	1 518	1 518	–
Northern Cape Provincial Treasury	–	3	3	–
Total	–	24 427	24 427	–

Cash received not recognised (not included in the main note) 2023/24

	Opening balance R'000	Amount received R'000	Amount paid to the revenue fund R'000	Closing balance R'000
Name of entity				
Gauteng Provincial Treasury	–	37 749	37 749	–
Mpumalanga Provincial Treasury	–	104	104	–
Limpopo Provincial Treasury	–	5 248	5 248	–
Eastern Cape Provincial Treasury	–	16 968	16 968	–
Free State Provincial Treasury	–	11 312	11 312	–
Office of the Valuer-General	–	21 900	21 900	–
North West Provincial Treasury	–	34 641	34 641	–
Northern Cape Provincial Treasury	–	174	174	–
Total	–	128 096	128 096	–

3. Aid assistance

	2024/25 R'000	2023/24 R'000
Note		
Opening balance	64 349	125 648
As restated	64 349	125 648
Transferred from statement of financial performance	135 624	64 349
Paid during the year	(64 349)	(125 648)
Closing balance	135 624	64 349

3.1. Analysis of balance by source

	2024/25 R'000	2023/24 R'000
Note		
Aid assistance from RDP	129 834	40 919
Aid assistance from other sources	5 790	23 430
3	135 624	64 349

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3.2. Analysis of balance

		2024/25	2023/24
	Note	R'000	R'000
Aid assistance unutilised		5 790	23 430
Aid assistance repayable		129 834	40 919
Closing balance	3	135 624	64 349
Aid assistance not requested/not received		140 205	111 253

DALRRD has requested National Treasury to defer R140 204 891.65 for RDP funds relating to the Wines and Spirits Sector –EU to 2025/26.

3.2.1. Aid assistance prepayments (expensed) 2024/25

Name of entity	Amount as at 1 April 2024 R'000	Less: Received in the current year R'000	Less: Other R'000	Amount as at 31 March 2025 R'000
Goods and services	40 314		190	40 504
Total	40 314	–	190	40 504

Donor funding for the Wines and Spirits programme of R40,919 million was paid to the Land Bank for the implementation of the grant funding programme during the 2023/24 financial year.

Fund: R40,305 million

Management fees: R614 000,00

Account cost and interest are included in the above table—Fund account

No disbursements were made during the 2024/25 financial year.

**Aid assistance prepayments
(expensed) 2023/24**

Name of entity	Amount as at 1 April 2023 R'000	Less: Received in the current year R'000	Add /less: Other R'000	Add Current year prepay-ments R'000	Amount as at 31 March 2024 R'000
Goods and services	–	–	–	40 314	40 314
Total	–	–	–	40 314	40 314

Donor funding for the Wines and Spirits programme of R40,919 million was paid to the Land Bank for the implementation of the grant funding programme.

Fund: R40,305 million

Management fees: R614 000,00

Account cost and interest are included in the above table—Fund account

3.3. Aid assistance expenditure per economic classification

		2024/25	2023/24
	Note	R'000	R'000
Current		7 266	3 870
Capital	9	225	6 031
Transfers and subsidies		–	40 305
Total aid assistance expenditure		7 491	50 206

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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4. Compensation of employees

4.1. Salaries and wages

		2024/25	2023/24
	Note	R'000	R'000
Basic salary		2 788 628	2 730 184
Performance award		383	2 943
Service based		6 644	5 523
Compensative/circumstantial		48 924	356 994
Periodic payments		—	1 007
Other non-pensionable allowances		584 626	555 855
Total		3 429 205	3 652 506

4.2. Social contributions

		2024/25	2023/24
	Note	R'000	R'000
Employer contributions			
Pension		347 180	335 374
Medical		193 539	180 922
UIF		—	2
Bargaining council		727	676
Insurance		4 987	2 110
Total		546 433	519 084
Total compensation of employees		3 975 638	4 171 590
 Average number of employees		 6 358	 8 312

The Directorate: Infrastructure Support has two projects Drilling and FMD of which the COE and goods and services expenditure are capitalised.
Compensation of employees—excludes R6,793 million disclosed as project costs (refer to note 9).

5. Goods and services

		2024/25	2023/24
	Note	R'000	R'000
Administrative fees		27 899	43 740
Advertising		10 088	11 264
Minor assets	5.1	2 589	3 515
Bursaries (employees)		14 933	8 817
Catering		18 845	4 517
Communication		72 820	87 361
Computer services	5.2	179 161	170 453
Consultants: Business and advisory services		440 383	256 416
Infrastructure and planning services		2 831	7 412
Laboratory services		697	989
Legal services		163 613	263 826
Contractors		38 328	28 549
Agency and support/ outsourced services		57 370	35 395
Entertainment		15	2
Audit cost – external	5.3	19 763	18 764
Fleet services		55 495	49 930
Inventories	5.4	880 284	479 036
Consumables	5.5	51 252	78 468
Operating leases		754 634	655 795
Property payments	5.6	529 041	523 851
Rental and hiring		2 980	738
Transport provided as part of the departmental activities		441	—
Travel and subsistence	5.7	358 497	500 309
Venues and facilities		39 015	90 353
Training and development		93 121	146 609
Other operating expenditure	5.8	27 333	17 087
Total		3 841 428	3 483 196

The Directorate: Infrastructure Support has two projects: Drilling and FMD, of which the COE and Goods and Services expenditure are capitalised.
Goods and services – excludes R10,991 million disclosed as project costs (refer to note 9).

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5.1. Minor assets

	2024/25	2023/24
	R'000	R'000
Tangible capital assets	2 589	3 515
Machinery and equipment	2 589	3 515
Total	2 589	3 515

Note

5

5.2. Computer services

	2024/25	2023/24
	R'000	R'000
SITA computer services	13 461	10 477
External computer service providers	165 700	159 976
Total	179 161	170 453

Note

5

5.3. Audit cost—external

	2024/25	2023/24
	R'000	R'000
Regularity audits	19 763	18 764
Total	19 763	18 764

Note

5

5.4. Inventories

	2024/25	2023/24
	R'000	R'000
Clothing material and accessories	4 975	1 973
Farming supplies	775 816	332 203
Food and food supplies	1 895	2 669
Fuel, oil and gas	8 958	6 254
Materials and supplies	6 742	16 484
Medical supplies	16	12
Medicine	6 568	21 309
Other supplies	75 314	98 132
Total	880 284	479 036

Note

5.4.1

5

5.4.1. Other supplies

	2024/25	2023/24
	R'000	R'000
Ammunition and security supplies	2	2
Assets for distribution	70 925	94 809
Machinery and equipment	—	94 809
Other assets for distribution	70 925	—
Other	4 387	3 321
Total	75 314	98 132

Note

5.4

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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5.5. Consumables

	2024/25	2023/24
	R'000	R'000
Consumable supplies	23 851	49 927
Uniform and clothing	5 860	–
Household supplies	6 528	25 998
Building material and supplies	5 186	10 183
Communication accessories	107	8 856
IT consumables	1 927	798
Other consumables	4 243	4 092
Stationery, printing and office supplies	27 401	28 541
Total	51 252	78 468

Note

5

5.6. Property payments

	2024/25	2023/24
	R'000	R'000
Municipal services	74 810	78 967
Property management fees	252 456	245 043
Property maintenance and repairs	9 844	15 848
Other	191 931	183 993
Total	529 041	523 851

Note

5

5.7. Travel and subsistence

	2024/25	2023/24
	R'000	R'000
Local	342 273	484 368
Foreign	16 224	15 941
Total	358 497	500 309

Note

5

5.8. Other operating expenditure

	2024/25	2023/24
	R'000	R'000
Professional bodies, membership and subscription fees	684	615
Resettlement costs	872	4 154
Other	25 777	12 318
Total	27 333	17 087

Note

5

6. Interest and rent on land

	2024/25	2023/24
	R'000	R'000
Interest paid	5 888	29
Total	5 888	29

Note

7. Payments for financial assets

	2024/25	2023/24
	R'000	R'000
Other material losses written off	4 566	2 401
Debts written off	2 651	1 548
Total	7 217	3 949

Note

7.1

7.2

**NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
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7.1. Other material losses written off

		2024/25	2023/24
Nature of losses	Note	R'000	R'000
Damaged rental vehicles—officials did not forfeit state cover		4 275	2 352
No show		134	49
Other		157	
Total	7	4 566	2 401

7.2. Debts written off

		2024/25	2023/24
Nature of debts written off	Note	R'000	R'000
Recoverable revenue written off			
Bursary debt		332	10
Salary overpayment		10	34
Tax debt		—	4
GADI Students		778	448
Leave without pay		1	61
Losses/ damages—employees		—	8
Cell phone debt		—	5
Losses/ damages—non-employees		—	27
State guarantee/ subsistence and travel		—	15
Total		1 121	612
Other debt written off			
Salary overpayment		48	10
Tax debt		16	2
Bursary debt		—	4
Cell phone debt		—	2
Leave without pay		11	9
GADI students		1 455	902
Other		—	7
Total		1 530	936
Total debt written off	8	2 651	1 548

Other	2023/24
State guarantee	R4 000
Subsistence and travel	R2 000
Losses/damages—non-employees	R1 000
Another total:	R7 000

8. Transfers and subsidies

		2024/25	2023/24
	Note	R'000	R'000
Provinces and municipalities	39 & 40	2 788 195	2 467 584
Departmental agencies and accounts	Annex 1B	2 152 533	2 145 776
Higher education institutions	Annex 1C	9 912	—
Foreign governments and international organisations	Annex 1E	43 686	39 101
Public corporations and private enterprises	Annex 1D	423 169	481 554
Non-profit institutions	Annex 1F	6 397	8 335
Households	Annex 1G	1 630 413	2 895 108
Total		7 054 305	8 037 458

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9. Expenditure for capital assets

	2024/25	2023/24
Note	R'000	R'000
Tangible capital assets	1 160 912	1 014 557
Buildings and other fixed structures	287 209	429 791
Heritage assets	1 834	–
Machinery and equipment	146 521	174 585
Land and subsoil assets	725 348	410 127
Biological assets	–	54
Intangible capital assets		9 622
Software	–	9 622
Total	1 160 912	1 024 179

The following amounts have been included as project costs in Expenditure for capital assets

Compensation of employees	6 793	6 511
Goods and services	10 991	10 209
Total	17 784	16 720

9.1. Analysis of funds utilised to acquire capital assets – 2024/25

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible capital assets	1 160 687	225	1 160 912
Buildings and other fixed structures	287 209	–	287 209
Heritage assets	1 834	–	1 834
Machinery and equipment	146 296	225	146 521
Land and subsoil assets	725 348	–	725 348
Total	1 160 687	225	1 160 912

The R225 000 represents lab equipment purchased from funds received from the EU-SADC EPA.

9.2. Analysis of funds utilised to acquire capital assets – 2023/24

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible capital assets	1 014 557	–	1 014 557
Buildings and other fixed structures	429 791	–	429 791
Machinery and equipment	174 585	–	174 585
Land and subsoil assets	410 127	–	410 127
Biological assets	54	–	54
Intangible capital assets	3 591	6 031	9 622
Software	3 591	6 031	9 622
Total	1 018 148	6 031	1 024 179

9.3. Finance lease expenditure included in Expenditure for capital assets

	2024/25	2023/24
Note	R'000	R'000
Tangible capital assets	27 982	30 769
Machinery and equipment	27 982	30 769
Total	27 982	30 769

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10. Cash and cash equivalents

	2024/25	2023/24
	R'000	R'000
Consolidated Paymaster General Account	1 070 504	502 561
Cash on hand	523	468
Total	1 071 027	503 029

Included in the Cash and Cash Equivalents are the following funds that are not available for departmental activities against the funds:
Agency service funds: R5,336 million
Donor funds: R135,624 million

11. Prepayments and advances

	2024/25	2023/24
	R'000	R'000
Travel and subsistence	2 795	2 248
Prepayments (not expensed)	53 609	10 664
Advances paid (not expensed)	16 579	2 217
Total	72 983	15 129

Analysis of total prepayments and advances

Current prepayments and advances	72 983	15 129
Total	72 983	15 129

11.1. Advances paid (not expensed) 2024/25

	Amount as at 1 April 2024 R'000	Less: Amounts expensed in current year R'000	Add/ Less: Other R'000	Add current year advances R'000	Amount as at 31 March 2025 R'000
National departments	2 217	(1 003 615)	–	1 017 977	16 579
Total	2 217	(1 003 615)	–	1 017 977	16 579

Advances are paid to the Department of Government Communication and Information Systems (GCIS) for purposes of various media campaigns that it runs on behalf of the department. The funds are advanced based on the pro-forma invoice that the GCIS sends to the department. Once the campaign has run, the final invoice is then sent to the department for the department to correctly account for it against expenditure items, and at the same time, reduce the balance of the advance.

Advances paid to the Department of International Relations and Cooperation (DIRCO) for mission expenditure.

PDAs: PES Initiative 3 Support to Subsistence Producers.

UCT/2U Getsmart (US) LLC: Short courses in compliance management by Get Smart.

Advances paid (not expensed) 2023/24

	Amount as at 1 April 2023 R'000	Less: Amounts expensed in current year R'000	Add/ Less: Other R'000	Add current year advances R'000	Amount as at 31 March 2024 R'000
National departments	3 726	(610 425)	(1 417)	610 333	2 217
Total	3 726	(610 425)	(1 417)	610 333	2 217

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Advances were paid to GCIS for the purposes of various media campaigns that it runs on behalf of the department.
The funds are advanced based on the pro-forma invoice that the GCIS sends to the department. Once the campaign has run, the final invoice is then sent to the department for it to correctly account for the invoice against expenditure items, and at the same time, reduce the balance of the advance.
Advances were paid to DIRCO for mission expenditure.

11.2. Prepayments (Not expensed) 2024/25

		Amount as at 1 April 2024 R'000	Less: Amounts expensed in current year R'000	Add/ Less: Other R'000	Add Current year prepay- ments R'000	Amount as at 31 March 2025 R'000
	<i>Note</i>					
Goods and services		10 664	(375 301)	–	396 210	31 573
Capital assets		–	(17 902)		39 938	22 036
Total	11	10 664	(393 203)	–	436 148	53 609

Prepayment to Fruit SA for developing the e-certification system.
Prepayment to ECDC for development and support Mvezo irrigation farming and Zwelihle community hall project. Mbodla Heritage Facility Project.
Prepayment to Tshala Bsse Uyavuna for the management of the PPP building.
Media 24: Exhibition Stand at World Congress on Conservation Agriculture.
Grain SA: Nampo exhibition Stand
The Royal Agric Exhibition: Royal Agric Exhibition stand.
Fruit Mzansi Africa Maintenance and system development/support through the e-certification system and workgroups.
Thembababa Trading Land development support funding.
Sesiyakhona: Land Development Support.

**Prepayments (not expensed)
2023/24**

		Amount as at 1 April 2023 R'000	Less: Amounts expensed in current year R'000	Add/ Less: Other R'000	Add Current year prepay- ments R'000	Amount as at 31 March 2024 R'000
	<i>Note</i>					
Goods and services	11	–	(64 848)	–	75 512	10 664
Total	11	–	(64 848)	–	75 512	10 664

The department contracted the services of an external firm of attorneys for purposes of providing legal services to land reform beneficiaries under the Land Rights Management Facility (LRMF). The funds are advanced in line with the MoU that was entered into between the department and the service provider. The funds are expensed as and when the services are provided. The service provider provides the department with a progress report of what has been done and the cost thereof, together with the invoices already paid from the advance. These invoices are then captured onto the department's general ledger to correctly reflect expenditure incurred in the department.

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11.3. Prepayments (Expensed)

	Amount as at 1 April 2024 R'000	Less: Received in the current year R'000	Less: Other R'000	Amount as at 31 March 2025 R'000
Goods and services	122 806	(117 442)		5 364
Total	122 806	(117 442)	–	5 364

These funds were advanced in line with the PES Initiative that was introduced to provide relief to distressed farmers affected by the Covid-19 pandemic. The assistance is provided through the issuance of e-vouchers to the farmers.

The department did not have the resources to administer the e-voucher function, thus the services of an external service provider (Vodacom) were outsourced to administer the vouchers. Funds are dispersed to Vodacom in line with the department's approval process. Vodacom will, in turn, disperse the vouchers to the approved farmers through the Connected Farmer e-voucher solution.

Funds were transferred to the Grant Holding accounts of Phumzile Mkhende Mdubane and Sukuma Mswati Farming Project for development purposes.

	2023/24				
	Amount as at 1 April 2023 R'000	Less: Receive d in the current year R'000	Add/ Less: Other R'000	Add Current year prepay- ments R'000	Amount as at 31 March 2024 R'000
Goods and services	518 751	–	(417 023)	21 078	122 806
Capital assets	30 439	–	(30 439)	–	–
Total	549 190	–	(477 462)	21 078	122 806

These funds were advanced in line with PES Initiative that was introduced to provide relief to distressed farmers affected by the COVID-19 pandemic. The assistance is provided through the issuance of e-vouchers to the farmers.

The department did not have the resources to administer the e-voucher function, thus the services of an external service provider (Vodacom) were outsourced to administer the vouchers. Funds are dispersed to Vodacom in line with the department's approval process. Vodacom will, in turn, disperse the vouchers to the approved farmers through the Connected Farmer e-voucher solution.

11.4. Advances paid (expensed)

	Amount as at 1 April 2024 R'000	Less: Received in the current year R'000	Less: Other R'000	Amount as at 31 March 2025 R'000
Public entities	1 758 581	(421 848)	(8 201)	1 328 532
Other institutions	733 520	(260 550)		472 970
Total	2 492 101	(682 398)	(8 201)	1 801 502

National departments:

Public entities: The Land Bank, NAMC and Agricultural Research Council (ARC).

Other institutions: National Research Foundation, SA Farmers Development Association and Eastern Cape Development Corporation.

MAFISA Intermediaries and IDC.

The funds are disbursed to these entities in line with the MoUs that the department has concluded with these entities.

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Advances paid (Expensed) 2023/24

	Amount as at 1 April 2023 R'000	Less: Received in the current year R'000	Add/ Less: Other R'000	Add Current year advances R'000	Amount as at 31 March 2024 R'000
National departments	33 000	–	(33 000)	–	–
Public entities	2 141	–	(979 396)	596 554	1 758
	423				581
Other institutions	346 079	–	(366 570)	20 871	733 520
Total	2 520	–	(645 826)	617 425	2 492
	502				101

National Departments: Justice.
Public entities: The Land Bank and ARC.
Other institutions: Fruit SA, Human Research Council, National Research Foundation and SA Farmers Development Association, Eastern Cape Development Corporation, MAFISA Intermediaries and IDC.
The funds are disbursed to these entities in line with the MoUs that the department has concluded with these entities.

12. Receivables

		2024/25			2023/24		
		Current R'000	Non- current R'000	Total R'000	Current R'000	Non- current R'000	Total R'000
Claims recoverable	<i>Note 12.1</i>	8 525		8 525	2 886	–	2 886
Recoverable expenditure	<i>12.3</i>	2 172	4 241	6 413	5 450	5 919	11 369
Staff debt	<i>12.4</i>	771	19 427	20 198	881	18 658	19 539
Other receivables	<i>12.5</i>	118	20 639	20 757	25	498	523
Total		11 586	44 307	55 893	9 242	25 075	34 317

12.1. Claims recoverable

		2024/25 R'000	2023/24 R'000
National departments	<i>Note</i>	8 425	2 751
Public entities		100	135
Total	<i>12</i>	8 525	2 886

12.2. Recoverable expenditure

		2024/25 R'000	2023/24 R'000
<i>Damaged vehicles</i>	<i>Note</i>	3 196	5 138
Salary: Reversal control		2 579	2 645
Salary: Tax debt		270	431
Other		6	238
Salary: Deduction disallowance		86	94
Salary: Medical aid		122	–
Telephone Control Acc.		3	–
Pension Recoverable Account		51	51
Salary: GEHS refund control		100	2 772
Total	<i>12</i>	6 413	11 369

Other: 2024/25
Sal: Pension fund:
Sal: ACB Recalls: R6 Thousand
Total: R6 thousand

Other: 2023/24
Sal: Pension fund: R0 Thousand
Sal: ACB Recalls: R238 Thousand
Total: R238 000

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12.3. Staff debt

		2024/25	2023/24
	Note	R'000	R'000
Bursary debt		10 959	9 061
Student debt—GADI		1 527	3 523
Leave without pay		1 860	1 761
Salary debt		2 744	2 429
GG Accident		346	341
Losses/Damages—employees and non-employees		313	293
Tax debt		250	124
Suppliers		1 597	1 484
Other staff debt		602	523
Total	12	20 198	19 539

<i>Other staff debt:</i>	2024/25	2023/24
<i>Subsidised motor scheme:</i>	R86 000	R5 000
<i>Cell phone debt:</i>	R85 000	R78 000
<i>Travel and subsistence:</i>	R50 000	R57 000
<i>Fruitless and wasteful expenditure:</i>	R6 000	R0
<i>Loss and liable:</i>	R375 000	R383 000
Total	R602 000	R523 000

12.4. Other receivables

		2024/25	2023/24
	Note	R'000	R'000
Transport payment suspense		507	523
BXI other receivable		20 250	
Total	12	20 757	523

12.5. Impairment of receivables

		2024/25	2023/24
	Note	R'000	R'000
Estimate of impairment of receivables		14 544	16 949
Total		14 544	16 949

13. Investments

		2024/25	2023/24
	Note	R'000	R'000
Non-current			
Shares and other equity			
Onderstepoort Biological Products Ltd		1	1
Total		1	1
Total non-current investments		1	1

		2024/25	2023/24
	Note	R'000	R'000
Analysis of non-current investments			
Opening balance		1	1
Closing balance		1	1

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14. Voted funds to be surrendered to the Revenue Fund

	2024/25	2023/24
	R'000	R'000
Opening balance	43 327	599 177
As restated	43 327	599 177
Transferred from the statement of financial performance (as restated)	952 661	43 327
Paid during the year	(43 327)	(599 177)
Closing balance	952 661	43 327

15. Departmental revenue and NRF receipts to be surrendered to the Revenue Fund

	2024/25	2023/24
	R'000	R'000
Opening balance	19 077	19 142
As restated	19 077	19 142
Transferred from the statement of financial performance (as restated)	438 578	355 408
Paid during the year	(414 589)	(355 473)
Closing balance	43 066	19 077

16. Payables—current

	2024/25	2023/24
	R'000	R'000
Clearing accounts	6 384	8 834
Other payables	47 348	404 185
Total	53 732	413 019

16.1. Clearing accounts

Description	2024/25	2023/24
Identify major categories, but list material items	R'000	R'000
Salary: Income tax	3 752	1 553
Salary: Pension fund	153	46
Salary: ACB recalls	328	1 523
Salary: Medical aid	26	55
Salary: Reversal control account	845	1 128
Salary: GEHS refund control	699	4 466
Salary: Recoverable Acc	559	—
Sal Deduction Disallowance	1	47
Sal: Tax debt	21	16
Total	6 384	8 834

16.2. Other payables

Description	2024/25	2023/24
Disallowance of damages and losses	R'000	R'000
Payable: Adv: N/Dept Adv Acc Restitution	1 126	4 793
Payable Adv pub corp and Print ent	31 070	55 380
Restitution Bank Account	2 320	—
Transport payment suspense	—	294 573
Money to be paid	5	52
Debt Acc	7 477	45 583
Agency Services	8	—
T&S Advance Acc	5 336	3 804
Total	47 348	404 185

Money to be paid: Revenue payable to BMA after reconciliation.

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17. Payables—non-current

	Note	2024/25			2023/24
		One to two years R'000	Two to three years R'000	Older than three years R'000	Total R'000
Other payables	17.1	1			1
Total		1	–	–	1

17.1. Other payables

Description	Note	2024/25 R'000	2023/24 R'000
Onderstepoort Biological Products Ltd		1	1
Total	17	1	1

18. Net cash flow available from operating activities

	Note	2024/25 R'000	2023/24 R'000
Net surplus/(deficit) as per Statement of Financial Performance		1 526 863	463 084
Add back non-cash/cash movements not deemed operating activities		197 829	(172 928)
(Increase)/decrease in receivables		(21 576)	(3 141)
(Increase)/decrease in prepayments and advances		(57 854)	(8 669)
Increase/(decrease) in payables - current		(359 287)	(98 400)
Proceeds from the sale of capital assets		(2 101)	(6 599)
Expenditure on capital assets		1 160 912	1 024 179
Surrenders to the Revenue Fund		(457 916)	(954 650)
Surrenders to RDP fund/donors		(64 349)	(125 648)
Net cash flow generated by operating activities		1 724 692	290 156

19. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2024/25 R'000	2023/24 R'000
Consolidated Paymaster General account		1 070 504	502 561
Cash on hand		523	468
Total		1 071 027	503 029

20. Contingent liabilities and contingent assets

20.1. Contingent liabilities

Liable to	Nature	Note	2024/25 R'000	2023/24 R'000
Claims against the department		Annex 3B	5 402 939	3 868 686
Other		Annex 3B	215 714	–
Total			5 618 653	3 868 686

Interest and legal costs that may arise from claims against the State are not disclosed as contingent liability as the occurrence obligation depends on the handing down of an order by a court that the department is liable for payment of interest and legal costs, and it is only in instances where the department is not appealing or reviewing the order.

There are some claims brought against the department that are not sounding in money and which are therefore not quantifiable due to the nature of the claims not sounding in money.

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The cases reported under contingent liabilities in Annexure 3B represent legal cases instituted against DALRRD, which are in various stages of investigation/legal actions. Also included are Occupation Specific Dispensation (OSD's) claims that are unpaid and are subject to approval. The outstanding Restitution claims' values cannot be disclosed at this stage, as the claims are still subject to the business processes of the commission, i.e., research, gazetting, options workshops, valuations, etc., and possible dismissals.

20.2. Contingent assets

	Note	2024/25 R'000	2023/24 R'000
Nature of contingent asset			
Asset seized during a forfeiture order by the Assets Forfeited Unit (AFU)		13 010	13 010
Legal claims by the department		34 167	54 417
Total		47 177	67 427

Legal: The cases reported under contingent assets represent legal cases instituted by DALRRD/AFU, which are in various stages of legal action.

21. Capital commitments

	Note	2024/25 R'000	2023/24 R'000
Buildings and other fixed structures		980 197	1 562 433
Machinery and equipment		21 621	6 312
Total		1 001 818	1 568 745

These commitments include restitution land claims, rural development projects, and computer equipment and furniture.

22. Accruals and payables not recognised

22.1. Accruals

	Note	30 Days R'000	30+ Days R'000	Total R'000	2023/24 Total R'000
Listed by economic classification					
Goods and services		32 982	332 336	365 318	124 481
Transfers and subsidies		935	3 939	4 874	10 568
Capital assets		1 034	144	1 178	1 148
Other		17		17	526
Total		34 968	336 419	371 387	136 723

	Note	2024/25 R'000	2023/24 R'000
Listed by programme level			
Programme 1 Administration		351 670	106 169
Programme 2 Agricultural Production, Biosecurity And Resources Management		9 547	777
Programme 3 Food Security, Land Reform and Restitution		6 963	22 386
Programme 4 Rural Development		2 071	5 107
Programme 5 Economic Development, Trade and Marketing		586	1 320
Programme 6 Land Administration		550	964
Total		371 387	136 723

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22.2. Payables not recognised

	<i>Note</i>	2024/25		2023/24	
		30 Days R'000	30+ Days R'000	Total R'000	Total R'000
Listed by economic classification					
Goods and services		126 002	6 310	132 312	51 989
Transfers and subsidies		22 600	2 569	25 169	4 730
Capital assets		38 911	–	38 911	282 396
Other		33	–	33	–
Total		187 546	8 879	196 425	339 115

	<i>Note</i>	2024/25	2023/24
		R'000	R'000
Listed by programme level			
Programme 1 Administration		44 745	26 453
Programme 2 Agricultural Production, Biosecurity and Resources Management		4 847	6 713
Programme 3 Food Security, Land Reform and Restitution		144 955	287 550
Programme 4 Rural Development		1 707	14 269
Programme 5 Economic Development, Trade and Marketing		12	807
Programme 6 Land Administration		159	3 323
Total		196 425	339 115

	<i>Note</i>	2024/25	2023/24
		R'000	R'000
Included in the above totals are the following:			
Confirmed balances with other departments	Annex 5	46 660	11 905
Confirmed balances with other government entities	Annex 5	85 098	13 984
Total		131 758	25 889

23. Employee benefits

	<i>Note</i>	2024/25	2023/24
		R'000	R'000
Leave entitlement		188 256	168 530
Service bonus		108 235	104 978
Capped leave		41 201	42 862
Other		4 628	4 752
Total		342 320	321 121

At this stage, the department is not able to reliably measure the long-term portion of the long service awards.

Leave entitlement balance has been considered and the negative balances is R3,413 million, which resulted from the following:

At the beginning of the year, officials are allocated 22 or 30 days of vacation leave for the whole year, which is prorated from month to month. Sometimes officials take leave that is more than the leave accumulated for a particular period, which then results in the pro-rated days of that period being exceeded, hence the negative balance.

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24. Lease commitments

24.1. Operating leases 2024/25

	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than one year	–	1	464 885	23 521	488 407
Later than one year and not later than five years	–	3	913 728	8 194	921 925
Later than five years	–	38	107 630	–	107 668
Total lease commitments	–	42	1 486 243	31 715	1 518 000

2023/24

	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than one year	–	1	476 205	11 670	487 876
Later than one year and not later than five years	–	3	889 328	736	890 067
Later than five years	–	39	42 174	–	42 213
Total lease commitments	–	43	1 407 707	12 406	1 420 156

Existing lease agreements: The lease commitments for lease office accommodation/buildings/facilities/ land were based on the actual lease tariff and escalation rate per annum, as outlined in the signed lease agreements/cost analyses per building/facility/land. Refer to schedules in this regard.

Lease extended by NDPW (month to month basis):
The National Department of Public Works and Infrastructure (NDPWI) extends the leases on a month-to-month basis to allow monthly rental payments until the finalisation of the lease renewals or acquisition of alternative office space as per Procurement Instruction (PI) and the DALRRD's "Schedules for the renewal of leaseholds as well as the extension of leaseholds on a month-to-month basis" dated Monday, 7 October 2024. Refer to the enclosed schedules in this regard.

State-owned accommodation charges: The State-owned accommodation charges over the MTEF period are included in the above figure.

GG vehicles: The lease has expired, yet the department still uses the vehicles. The process of renewing the lease has not begun.
The lease thus continues on a month-to-month basis and management has not yet decided whether to continue with the lease or not.

24.2. Finance leases **

2024/25

	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than one year	–	–	–	8 713	8 713
Later than one year and not later than five years	–	–	–	7 616	7 616
Total lease commitments	–	–	–	16 329	16 329

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2023/24

	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than one year	–	–	–	3 338	3 338
Later than one year and not later than five years	–	–	–	2 166	2 166
Total lease commitments	–	–	–	5 503	5 503

** This note excludes leases relating to PPPs as they are separately disclosed in the note on *Public Private Partnerships*.

The finance leases consist of photocopy machines leases.

24.3. Operating lease future revenue 2024/25

	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than one year	–	15 198	–	–	15 198
Later than one year and not later than five years	–	68 724	–	–	68 724
Later than five years	–	2 290 320	–	–	2 290 320
Total operating lease revenue receivable	–	2 374 242	–	–	2 374 242

2023/24

	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than one year	–	13 656	–	–	13 656
Later than one year and not later than five years	–	78 826	–	–	78 826
Later than five years	–	2 284 411	–	–	2 284 411
Total operating lease revenue receivable	–	2 376 893	–	–	2 376 893

Operating leases revenue: Farm/Agricultural and commercial leases PPE of R27,597 million

25. Accrued departmental revenue

	2024/25 R'000	2023/24 R'000
Sales of goods and services other than capital assets	26 098	31 331
Interest, dividends and rent on land	483 828	466 733
Other	1	–
Total	509 927	498 063

The other is rounding off the difference

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25.1. Analysis of accrued departmental revenue

	2024/25	2023/24
	R'000	R'000
Opening balance	460 635	304 112
Less: amounts received	(272 951)	(219 142)
Add: amounts recorded	322 615	413 682
Less: amounts written off/reversed as irrecoverable	(372)	(589)
Closing balance	509 927	498 063

25.2. Accrued departmental revenue written off

	2024/25	2023/24
	R'000	R'000
Nature of losses		
Trade debtors	162	21
Lease debtors	—	429
Conveyancers	210	138
Total	372	588

25.3. Impairment of accrued departmental revenue

	2024/25	2023/24
	R'000	R'000
Estimate of impairment of accrued departmental revenue	129 869	120 066
Total	129 869	120 066

26. Unauthorised, Irregular and Fruitless and wasteful expenditure

	2024/25	2023/24
	R'000	R'000
Irregular expenditure – current year	844	1 302
Fruitless and wasteful expenditure – current year	5 888	29
Total	6 732	1 331

Information on any criminal or disciplinary steps taken as a result of unauthorised expenditure, irregular expenditure, and fruitless and wasteful expenditure is included in the annual report under the PFMA compliance report.

27. Related party transactions

	2024/25	2023/24
	R'000	R'000
Year end balances arising from revenue/payments		
Payables to related parties	(47)	(163)
Total	(47)	(163)

	2024/25	2023/24
	R'000	R'000
In-kind goods and services (provided)/received		
The department paid for the office space for the Deeds	(97 905)	(92 680)
Deeds Registration Trading account has rendered services	389 513	316 381
Commission on Restitution of Land Rights	(17 264)	(15 165)
The Department paid for the office space for the OVG	(1 074)	(918)
The Department paid for the office space for the BMA	—	(62 694)
Total	273 270	144 924

Ministerial portfolio:
Department:
Public entity/Schedule
Agricultural Research Council: 3A
National Agricultural Marketing Council: 3A
Perishable Products Export Control Board: 3A

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Onderstepoort Biological Products: 3B
 Deeds Registration Trading Entity: 2A
 Agricultural Land Holdings Account: Provision of Land Assistant, 1993 (Act No. 126 of 1993)
 Office of the Valuer General: 3A
 Commission on Restitution of Land Rights: Restitution Act, 1994 (Act No. 22 of 1994) as amended, read together with section 1 of the PFMA.
 Ingonyama Trust Board: 3A
 South African Veterinary Council—Veterinary and Para-Veterinary Professions Act, 1982 (Act No. 19 of 1982)
 Agricultural Produce Agents Council - Agricultural Produce Agents Act, 1992 (Act No. 12 of 1992)
 National Council of Societies for the Prevention of Cruelty to Animals—Societies for the Prevention of Cruelty to Animals Act, 1993 (Act No. 169 of 1993)
 South African Council for Planners—Planning Profession Act, 2002 (Act No. 36 of 2002)
 South African Geomatics Council—Geomatics Profession Act, 2013 (Act No. 19 of 2013)
 Wine Certification Authority, Liquor Products Act, 1989 (Act No. 60 of 1989) (amended).
 The OVG is mandated to provide valuation services to the department in line with the Property Valuations Act.
 These valuation services cannot be quantified.
 AHLA falls under the administration of the DALRRD. The executives and provincial officials of the department spend some of their time on the affairs of the trading entity.
 Furthermore, the department provides the services of internal audit, information technology and staff training in kind and it cannot be quantified.

28. Key management personnel

	2024/25 R'000	2023/24 R'000
Political office bearers (<i>provide detail below</i>)	10 521	6 934
Officials:		
Level 15 to 16	31 429	31 462
Level 14	104 604	106 350
Family members of key management personnel	8 899	8 450
Total	155 453	153 196

29. Public private partnership

Unitary fee paid	400 911	348 930
Fixed component	400 911	348 930
Analysis of indexed component	14 490	65
Goods and services (excluding lease payments)	14 490	65
Capital/(Liabilities)	815 023	811 009
Property	815 023	811 009
Other	13 680 373	18 505 654
Other obligations	13 680 373	18 505 654

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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Any guarantees issued by the department are disclosed in the note on *contingent liabilities*.

PPP is defined as a contract between a public sector institution/municipality and a private party, in which the private party assumes substantial financial, technical and operational risks in the design, financing, building, and operation of a project.

Summary of the PPP:

The PPP is between DALRRD and Tshala Bese Uyavuna Consortium

The Status of PPP:

The DALRRD has registered a PPP project with NT and prepared the feasibility study comprising needs analysis, option analysis, project due diligence, value assessment, economic valuation and procurement plan, which were also submitted to NT.

In line with the PPP manual, the department further obtained the following approvals:

Treasury Approval I: Design Procurement Processes

Other costs: Utilities fees paid

Other Obligations: Commitments: Unitary fee (refer to the Word version for details)

Treasury Approval IIA: Pre-qualification of parties, Issuing of RFP, receive bids, compare bids with feasibility study, select the preferred bidder and prepare a value for money report.

Treasury Approval IIB: Negotiations with the preferred bidder

Treasury Approval III: Approval to sign the PPP agreement (approval granted by the National Treasury in May 2017)

PROPOSED PPP PROJECT PLAN

- a) The PPP building will accommodate all Pretoria-based offices, including National Office and Deeds
- b) The building will have 82 434 square meters, 1 124 parking bays and will accommodate 2 400 staff members.
- c) The building will be fully serviced, which will include the provision of the following services by private party:
 - Printing services;
 - Cleaning services;
 - Catering services;
 - Maintenance service; and
 - Furniture.
- d) Note: The private party will operate the building for a period of 25 years and thereafter the building becomes State property.

City of Tshwane issued a certificate of occupancy on 15 March 2023.

30. Provisions

	2024/25	2023/24
Note	R'000	R'000
Razzmatazz	–	1 704
Richfield graduate	–	2
OSD cases	15 177	49 591
Capital commitment retention	47 364	45 700
Total	62 541	96 997

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30.1. Reconciliation of movement in provisions—2024/25

	Razzmatazz R'000	Richfields graduate R'000	OSD Cases R'000	Contracts R'000	Total provisions R'000
Opening balance	1 704	2	49 591	45 700	96 997
Increase in provision	—	—	170	16 241	16 411
Settlement of provision	—	—	(13 952)	(14 248)	(28 200)
Unused amount reversed	(1 704)	(2)	(20 632)	—	(22 338)
Change in provision due to change in the estimation of inputs	—	—	—	(329)	(329)
Closing balance	—	—	15 177	47 364	62 541

Reconciliation of movement in provisions – 2023/24

	Razzmatazz R'000	Richfields graduate R'000	OSD Cases R'000	Contracts R'000	Total provisions R'000
Opening balance	1 704	2	49 591	45 700	96 997
Closing balance	1 704	2	49 591	45 700	96 997

Razzmatazz and Richfields provisions relate to claims against the state from previous financial years for which prescription lapsed.

Contracts provision for retention relates to a percentage of funds withheld by the department as security to ensure that construction projects are completed. The obligation is settled when the retention period lapses.

OSD provision relates to cases that were approved by the relevant authority and await final calculations and payments.

31. Non-adjusting events after reporting date

On June 30, 2024, the president announced a government reorganisation, leading to the establishment of the NMOG. This resulted in the demerging of the DALRRD into two separate entities: DoA and DLRRD.

The budget and BAS databases for the separate entities became operational from 1 April 2025.

The staff component of the DoA is still managed on the DLRRD PERSAL database until the approval and subsequent transfer processes are finalised.

Ms N Moyo was appointed the Acting Director-General for DLRRD on 7 April 2025.

Mr M Ramasodi was appointed the Director-General for DoA on 9 May 2025 and will also be responsible for the finalisation of the DALRRD 2024/25 Annual Financial Statements and Annual Report.

In terms of the PES Phase 3 project, the department paid R513,453 million to the PDAs for procurement and distribution of farming supplies to beneficiaries.

The provinces distributed the supplies, and the process is continuing after the reporting date.

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32. Movable Tangible Capital Assets

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

	2024/25				
	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	1 450 463		117 754	(60 422)	1 507 795
Transport assets	232 947		35 813	(24 565)	244 195
Computer equipment	786 127		66 575	(26 390)	826 312
Furniture and office equipment	172 535		6 829	(4 510)	174 854
Other machinery and equipment	258 853		8 537	(4 957)	262 433
BIOLOGICAL ASSETS	621	—	222	(533)	310
Biological assets	621	—	222	(533)	310
FINANCE LEASE ASSETS	13 722	—	10 954	(—)	24 676
Finance lease assets	13 722	—	10 954	(—)	24 676
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	1 464 806	—	128 930	(60 955)	1 532 781

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

	2023/24				
	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	1 341 682	(5 603)	145 836	(31 452)	1 450 463
Transport assets	208 104	563	41 443	(17 163)	232 947
Computer equipment	701 953	1 955	91 615	(9 396)	786 127
Furniture and office equipment	173 879	(5 039)	6 549	(2 854)	172 535
Other machinery and equipment	257 746	(3 082)	6 229	(2 040)	258 853
BIOLOGICAL ASSETS	404	211	6	(—)	621
Biological assets	404	211	6	(—)	621
FINANCE LEASE ASSETS	8 482	—	5 240	(—)	13 722
Finance lease assets	8 482	—	5 240	(—)	13 722
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	1 350 568	(5 392)	151 082	(31 452)	1 464 806

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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32.1.1. Prior period error

Nature of prior period error

Note

Relating to 2022/23 *[affecting the opening balance]*
Transport equipment and computer equipment
Furniture, office equipment, and other machinery and equipment
Biological assets—GADI

2023/24

R'000

(5 392)

2 518

(8 121)

211

Relating to 2023/24

(0)

Transport assets
Computer equipment, furniture, and office equipment
Other machinery and equipment

136

(2)

(135)

Total prior period errors

(5 392)

The adjustments are due to asset class amendments of the entire population of the asset register.

32.2. Minor assets

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

	2024/25						
	Specia- lised military assets R'000	Softwar e and other intangibl e assets R'000	Heritage assets R'000	Machine ry and equip- ment R'000	Biologic al assets R'000	Finance lease assets R'000	Total R'000
Opening balance	—	43	—	159 904	1 357	—	161 305
Value adjustments	—	—	—	—	(123)	—	(123)
Additions	—	—	—	2 651	2 020	—	4 671
Disposals	(—)	(3)	(—)	(10 840)	(1 468)	(—)	(12 311)
Total Minor assets	—	40	—	151 715	1 786	—	153 542

	Specia- lised military assets	Softwar e and other intangibl e assets	Heritage assets	Machine ry and equip- ment	Biologic al assets	Finance lease assets	Total
Number of R1 minor assets	—	—	—	27 154	—	—	27 154
Number of minor assets at cost	—	15	—	77 624	822	—	78 461
Total number of minor assets	—	15	—	104 778	822	—	105 615

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

	2023/24						
	Specialised military assets R'000	Software and other 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	–	43	–	160 339	1 706	–	162 088
Additions	–	–	–	3 436	561	–	3 997
Disposals	(–)	(–)	(–)	(3 871)	(910)	(–)	(4 781)
Total Minor assets	–	43	–	159 904	1 357	–	161 305

	Specialised military assets	Software and other intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
Number of R1 minor assets	–	–	–	31 298	–	–	31 298
Number of minor assets at cost	–	16	–	93 327	769	–	94 112
Total number of minor assets	–	16	–	124 625	769	–	125 410

32.2.1. Prior period error

Nature of prior period error

Relating to 2022/23 *[affecting the opening balance]*
Machinery and equipment BAUD
Library books

Note

Total prior period errors

2023/24
R'000
(8 700)
(8 441)
(259)
(8 700)

32.3. Movable capital assets written off

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2025

	2024/25						
	Specialised military assets R'000	Software and other 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	—	24	—	71 262	2 001	—	73 287
Total movable assets written off	—	24	—	71 262	2 001	—	73 287

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2024

	2023/24					
	Specialised military assets R'000	Software and other intangible assets R'000	Heritage assets R'000	Machine ry and equip- ment R'000	Biologic al assets R'000	Finance lease assets R'000
Assets written off	–	–	–	34 481	910	–
Total movable assets written off	–	–	–	34 481	910	–

33. Intangible Capital Assets

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

	2024/25			
	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
SOFTWARE	88 915	1 772	(7 984)	82 703
TOTAL INTANGIBLE CAPITAL ASSETS	88 915	1 772	(7 984)	82 703

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

	2023/24				
	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Software	77 031	–	11 884	–	88 915
Total intangible capital assets	77 031	–	11 884	–	88 915

33.2. Intangible capital assets: Capital work-in-progress

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2025

		Opening balance 1 April 2024 R'000	Current Year WIP R'000	Ready for use (Assets to the AR)/Contracts terminated R'000	Closing balance 31 March 2025 R'000
Software and other intangible assets	Note	27 987	723	6 463	22 246
Total	Annex 7	27 987	723	6 463	22 246

Current year WIP as per the worksheet: The ready-for-use assets are the Enquiry Management System, Knowledge Management System, and NARYSEC systems taken to the Asset Register. Further systems that were identified to be terminated are also included in the worksheet and removed from WIP.

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CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2024

	Opening balance 1 April 2023 R'000	Prior period error R'000	Current Year WIP R'000	Ready for use (Assets to the AR)/Contra cts terminated R'000	Closing balance 31 March 2024 R'000
<i>Note</i>					
Software and other intangible assets	19 425	–	9 723	1 162	27 987
Total	19 425	–	9 723	1 162	27 987

Computer Software represents the self-developed in-house systems ready for use. Enquiry Management and NARYSEC IMS (Youth Leadership Programme) are maintained on the Asset Register.

34. Immovable Tangible Capital Assets

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

	2024/25			
	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	1 556 034	352 907	(718 501)	1 190 440
Dwellings	793		(263)	530
Non-residential buildings	811 809	4 014	(236)	815 587
Other fixed structures	743 432	348 893	(718 002)	374 323
LAND AND SUBSOIL ASSETS	789 614	12 138	(23 204)	778 548
Land	789 614	12 138	(23 204)	778 548
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	2 345 648	365 045	(741 705)	1 968 988

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

	2023/24				
	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	1 481 103	(140 781)	634 353	(418 641)	1 556 034
Dwellings	793		–	(–)	793
Non-residential buildings	805 817		5 992	(–)	811 809
Other fixed structures	674 493	(140 781)	628 361	(418 641)	743 432
LAND AND SUBSOIL ASSETS	805 650	12 409	20 538	(48 983)	789 614
Land	805 650	12 409	20 538	(48 983)	789 614
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	2 286 753	(128 372)	654 891	(467 624)	2 345 648

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34.1.1. Prior period error

Relating to 2023/24

The R3,600 payment was made on 11 January 2023, but the property was only registered on 25 July 2024. R5 000 was added through legislation, and R12,4 million through a court order. Rural Development reduced the register by R140,781 million—assets were not fully completed.

Total prior period errors

2023/24
R'000
(128 372)
(128 372)
(128 372)

34.2. Immovable tangible capital assets: Capital work-in-progress

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25			
	Opening balance 1 April 2024	Current Year WIP	Ready for use (Assets to the AR)/Contracts terminated	Closing balance 31 March 2025
	R'000	R'000	R'000	R'000
Buildings and other fixed structures	1 389 477	188 836	260 413	1 317 900
Land and subsoil assets	342 791	725 348	782 415	285 724
Total	1 732 268	914 184	1 042 828	1 603 624

Note
Annex 7

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance 1 April 2023	Prior period error R'000	Current Year WIP	Ready for use (Assets to the AR)/Contr acts terminated	Closing balance 31 March 2024
	R'000	0	R'000	R'000	R'000
Buildings and other fixed structures	1 456 013	—	361 583	428 119	1 389 477
Land and subsoil assets	783 424	—	410 127	850 760	342 791
Total	2 239 437	—	771 710	1 278 879	1 732 268

Note

34.3. Immovable capital assets (additional information)

	Estimated completion date	Note	2024/25 Area	2023/24 Area
b) Properties deemed vested land parcels		Annex 9	1 564	2 374

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35. Principal-agent arrangements

35.1. Department acting as the principal

	2024/25	2023/24
Note	R'000	R'000
The Land and Agricultural DBSA	–	2 597
SAFDA	1 466	1 059
Entsika	–	20
Cotton SA	11	865
Other	13 888	23 267
Nkosi Sabelo Incorp	–	1 366
Total	15 365	29 174

	2024/25	2023/24
1. Potatoes South Africa	R106 000,00	R229 000,00
2. Peulwana Agricultural Financial Services	R896 000,00	R1 579 000,00
3. PSJ Group	R6 000,00	R144 000,00
4. Normax Holding	R1 127 000,00	R2 810 000,00
5. Second Generation and Call Bix Trading	R73 000,00	R400 000,00
6. Seriti Institute	R59 000,00	R125 000,00
7. Thuso Enviro and Agri Development	R1 001 000,00	R1 969 000,00
8. RKM Consultancy	R0	R206 000,00
9. IT Mirror Consulting	R311 000,00	R696 000,00
10. Kgokagano Trading	R0	R124 000,00
11. Indalo Agriconsulting and Projects	R176 000,00	R402 000,00
12. Manekwane Business	R0,00	R0,00
13. Masumini Capital/Nkwele agribusiness	R36 000,00	R349 000,00
14. KMA Business	R0,00	R0,00
15. Innovations and Solutions	R0,00	R0,00
16. Lunonet	R1 668 000,00	R3 404 000,00
17. Lond Marx Group	R208 000,00	R330 000,00
18. Leap Beta	R936 000,00	R1 037 000,00
19. National Student Financial Aid Scheme (NSFAS)	R3 567 000,00	R7 212 000,00
20. Ndvwenjane	R94 000,00	R25 000,00
21. Khumo ea Tsebo Advisory Services	R433 000,00	R260 000,00
22. Ntinga OR Tambo	R21 000,00	R60 000,00
23. Neo Solutions	R0,00	R0,00
24. Green Development Foundation NPC	R8 000,00	R549 000,00
25. PDA KwaZulu-Natal Dept Agric and Rural Dev	R0,00	R0,00
26. PDA Mpumalanga Department Agric and Rural Dev	R0,00	R0,00
27. PDA Eastern Cape Dept Agric and Rural Dev	R0,00	R0,00
28. DBSA	R0,00	R0,00
29. Eastern Cape Development Corporation "ECDC"	R1 379 000,00	R1 357 000,00
30. University Free State	R0,00	R0,00
31. South African Grain Association (SAGRA)	R1 785 000,00	R601 000,00
32. Gauteng Provincial Government	R0,00	R0,00
33. Northern Cape Provincial Government (PSI)	R0,00	R0,00
34. North West Agric and Rural Dev (PSI)	R0,00	R0,00
35. Limpopo Department Agric and Rural Dev (PSI)	R0,00	R0,00

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35.2. Department acting as the agent

35.2.1. Revenue received for agency activities

	2024/25 R'000	2023/24 R'000
Note		
<i>Include a list of the entities for which the department acts as an agent and the amounts received for these agency duties</i>		
DHE—NSF growth and Dev Stra	—	—
Merseta	—	—
DHE – NSF DALRRD Bursaries	—	—
AgriSETA	—	—
SANBI	—	—
Total	—	—

- | |
|--|
| <p>a. The funding was received from DHE for the DAFF's Development of Young Producers, Enterprise and Skills Development Programme to optimise the Job Opportunities and the Improve Livelihoods projects.</p> <p>b. The funds are for the training of farmer production support units.</p> <p>c. The bursaries are for the colleges of agriculture project.</p> <p>d. The funding of procurement equipment for Biodiversity Biobanks.</p> <p>e. The funding is for training and development (AgriSETA).</p> <p>f. The funding for laboratory consumables and lab equipment (SANBI).</p> |
|--|

35.2.2. Reconciliation of funds and disbursements—2024/25

Category of revenue or expenditure per arrangement	Total funds received R'000	Expenditure incurred against funds R'000
DHE—NSF growth and Dev Stra	350	350
Merseta	1	1
DHE—NSF DALRRD bursaries	75 773	71 723
AgriSETA	774	—
SANBI	882	370
Total	77 780	72 444

Reconciliation of funds and disbursements—2023/24

Category of revenue or expenditure per arrangement	Total funds received R'000	Expenditure incurred against funds R'000
DHE—NSF growth and Dev Stra	10 017	9 667
Merseta	1	—
DHE—NSF DALRRD bursaries	149 299	146 693
AgriSETA	1 000	476
SANBI	323	—
Total	160 640	156 836

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36. Changes in accounting estimates and changes in accounting policies

36.1. Changes in accounting policies 2023/24

Nature of change in accounting policy	Note	Opening balance before the change (1 Apr 2023)	Adjustment of opening balance	Restated opening balance after the change (1 Apr 2023)	Adjustment for 2023/24	Restated closing balance (31 Mar 2024)
		R'000	R'000	R'000	R'000	R'000
Finance lease assets						
Movable Tangible Capital Assets	31	—	8 482	8 482	5 240	13 722

Prepayments and advances expensed: Effective from 1 April 2024 the department no longer expensed prepayments and advances. Pre-payments and advances are recognised in the statement of financial position when the department disburses the cash.
The department will continue to disclose the sub-notes until the balances are cleared.

37. Prior period errors

37.1. Correction of prior period errors

	Note	2023/24		
		Amount bef error correction R'000	Prior period error R'000	Restated R'000
Revenue: (E.g., Annual Appropriation, Departmental revenue, Aid assistance, etc.)				
Note 2.6.1-Gift, donations and Sponsorship received in kind	N 2.6.1 & 1H	298	37	335
Net effect		298	37	335

N 2.6.1 D: PH reported sponsorship in 2024/25 relating to 2023/24.

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		2023/24		
		Amount bef error correction R'000	Prior period error R'000	Restated R'000
<i>Assets: (E.g., Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)</i>				
	Note			
Immovable assets: Land and Subsoil and Rural Development (RD)	Note 34	2 474 020	(128 372)	2 345 648
Operating leases revenue	Note 24.2	2 349 296	27 597	2 376 893
Movable Assets	Note 31	1 456 477	(5 393)	1 451 084
Immovable assets: CWIP	Note 34.2	1 601 373	130 896	1 732 269
Minor Assets	Note 32.2	170 005	(8 700)	161 305
Finance Leases	Note 24.2	6 660	(1 157)	5 503
Advances paid (expensed): Public entities and Other Institutions	Note 11.4	1 902 429	589 672	2 492 101
Accrued departmental revenue Closing Balance 2023/24	Note 25	498 063	(37 428)	460 635
Accrued departmental revenue Opening Balance 2023/24		386 474	(82 362)	304 112
Net effect		10 844 797	484 753	11 329 550

Note 34: The R3,600,00 payment was made on 11 January 2023 but the property was only registered on 25 July 2024. The R4,000,00 was added through legislation and R12,4 million with a court order. RD decreased due to assets not being ready for use.

Note 31: The adjustments are due to asset class amendments of the entire asset register population.

Note 25: Accrued departmental revenue: Adjustments of Rent on Land, Land Bank and Conveyancers through revisions and corrections in terms of the contracts/MoU.

Note: 24: Transferred properties updated after 2023/24 AFS, which resulted in an increase in the commitment.

Note 34.2 Immovable assets CWIP: R15 million was removed from D: Facility Management — feasible studies not included in asset register and a formula error of R1,117 million. Rural Development added assets that were removed from the asset register as it was not complete.

32.2: Adjustment to minor assets is due to the disposal in machinery and equipment.

Note 24.2 Finance lease photocopier machines were reported twice in the 2023/24 financial year.

Note 11.4: NRF - advances and expenditure for the 2022/23 and 2021/22 financial year, advances/expenditure for ECDC and balances of IDC & NAMC were not included. Dept of Justice's advance was removed as it was actually expensed. Land Bank AgriBEE—Land Bank - interest must accrued to the fund and not the department and funds allocated to IDC was not separately reported.

		2023/24		
		Amount bef error correction R'000	Prior period error R'000	Restated R'000
<i>Liabilities: (E.g., Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)</i>				
	Note			
Contingent Liability (SIU and OSD)	Note 20	1 939 269	1 929 417	3 868 686
Commitments	Note 21	1 566 579	2 166	1 568 745
Employee benefits (Long service award)	Note 23	4 785	(33)	4 752
Provisions	Note 30	1 706	95 291	96 997
Net effect		3 512 339	2 026 841	5 539 180

Note 23 Employee Benefits —Adjustments is due to non-qualifying employees included on the report.
Note 20 SIU Contingent Liability included proclamation R24 and R8 which are paid by AHLA.

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Increase in OSD is due to cases which were not reported in the previous financial year, amounting to R1,892 billion.
Decrease in OSD cases of R 46,623 million is due to the arbitration award case GPBC 344/20215, which has been moved to note 36 provision. The department is in the process to effect the payment.
Note 21: Adjustments were due to a reduction of land claims restitution commitments and an increase in contract capital commitments.
Note 30. OSD cases arbitration award case GPBC 344/20215. The department is in the process to effect the payment.
Adjustment is mainly due to capital commitment retention which was not reported in the previous financial year.

		2023/24		
		Amount bef error correction R'000	Prior period error R'000	Restated R'000
<i>Other: (E.g., Unauthorised expenditure, Irregular expenditure, Fruitless and wasteful expenditure, etc.)</i>				
Aid assistance prepayments expensed	Note 3.2.1	40 919	(605)	40 314
Note 34: Principal Agent Arrangements	Note 34	28 309	865	29 174
Note 26 UIFW	Note 26		1 302	1 302
Note 11.3 Prepayments expensed: O/B 2023/24	Note 11.3	482 922	66 268	549 190
Note 11.3 Prepayments expensed: 2023/24 movement	Note 11.3	(456 208)	29 824	(426 384)
Note 27 Related Party	Note 27	131 712	13 212	144 924
Net effect		227 654	110 866	338 520

Note 3.2.1: R40,919 million – R613,785,23 adjusted as management fees were incorrectly included.
Note 34: Adjustment is due to an auditing finding issued in 2023/24, wherein Cotton SA was not included in the note. SAGRA was identified and added as a new addition to the note.
Note 26: UIFW—Cases were confirmed in 2024/25—expenditure relating to prior year.
Note 11.3: PPE relates to bank charges, rejected vouchers, payments withheld, advances not reported, and duplicated vouchers redeemed in the previous period but paid later.
Note 27: Adjustments made which increased the closing balance for 2023/24.

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38. Transfer of functions and mergers

38.1. Transfer of functions

The Border Management Authority Act, 2020 (Act No. 2 of 2020), published on 21 July 2020, established the Border Management Authority (BMA). The BMA reports to the Minister of Home Affairs.

The department entered into a Memorandum of Understanding (MoU) with the BMA, commencing on 1 April 2023 for a maximum period of 24 months. The purpose of the MoU was to establish a temporary shared service arrangement between the BMA and DALRRD in respect of the services. The services include the following: Facilities Management and Security, Information Communication and Technology (ICT), Bursaries, Revenue, Fleet Management, Supply Chain Management, Records Management and Financial Services. The department shall assist the BMA with the performance of the services and the BMA shall reimburse the expenses. Revenue collected shall be disallowed and paid over to the BMA. Claims and revenue are accounted for in the ledger accounts of the department and subsequently reported in the financial statements. Officials from the Directorates: Inspections Services and Animal Health were transferred to the BMA.

With the 2023 ENE budget process, all the funds in relation to the BMA were transferred to the Department of Home Affairs.

As at 31 March 2025, the immovable and movable assets were transferred to the BMA as the control was relinquished together with the transfer of staff on 1 April 2023. The S42 process was not finalised.

38.1.1. Notes

	Balance before transfer date	Functions (transferred)/received	Functions (transferred)/received	Functions (transferred)/ received	Balance after transfer date
	R'000	Dept name (<i>Specify</i>) R'000	Dept name (<i>Specify</i>) R'000	Dept name (<i>Specify</i>) R'000	R'000
Movable tangible capital assets	1 551 050	(18 270)	–		1 532 780
Immovable tangible capital assets	1 593	(499)	–		1 094
Intangible capital assets	82 709	(6)	–		82 703

Note

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39. Statement of conditional grants paid to the provinces

Name of Province/ grant	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
	Division of Revenue Act/ Provincial grants	Roll overs	Adjust-ments	Total Available	Actual transfer	Fund s with-held	Re-alloca-tions by Na-tional Treas-ury or Natio-nal de-part-ment	Amount received by depart-ment	Amount spent by depart-ment	Un-spent funds	% of avail-able funds spent by depart-ment	Division of Revenue Act/Provi ncial grants	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Summary by province													
EC	330 593	—	—	330 593	330 593	—	—	330 593	329 193	—	99,6%	317 887	317 887
FS	260 969	—	—	260 969	260 969	—	—	260 969	285 297	—	109,3%	254 501	254 501
GP	138 406	—	—	138 406	116 721	—	—	116 721	90 227	—	77,3%	139 209	139 209
KZN	383 156	—	—	383 156	383 156	—	—	383 156	296 756	—	78,0%	295 688	295 688
LP	316 207	—	—	316 207	316 207	—	—	316 207	305 766	—	96,7%	305 672	305 672
MP	233 225	—	—	233 225	233 225	—	—	233 225	203 394	—	87,2%	235 408	235 408
NC	187 634	—	—	187 634	185 992	—	—	185 992	165 772	—	89,1%	191 562	191 562
NW	255 407	—	—	255 407	255 407	—	—	255 407	205 451	—	80,4%	249 617	249 617
WC	174 294	—	300 000	474 294	474 294	—	—	474 294	205 787	—	43,4%	176 482	176 482
TOTAL	2 279 891	—	300 000	2 579 891	2 556 564	—	—	2 556 564	2 087 643	—		2 166 026	2 166 026

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Name of Province/ Grant	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
	Division of Revenue Act/ Provincial grants	Roll overs	Adjust-ments	Total Available	Actual transfer	Fund s withheld	Re-alloca-tions by Na-tional Treas-ury or Natio-nal de-part-ment	Amount received by depart-ment	Amount spent by depart-ment	Un-spent funds	% of avail-able funds spent by depart-ment	Division of Revenue Act/Provi ncial grants	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Summary by grant													
Comprehensive Agricultural Support Grant	1 741 343	—	300 000	2 041 343	2 020 759	—	—	2 020 759	1 553 004	—	77,0%	1 501 590	1 501 590
Ilima/Letsema Project Grant	448 343	—	—	448 343	448 343	—	—	448 343	447 960	—	99,9%	584 978	584 978
Land Care Programme Grant	90 205	—	—	90 205	87 462	—	—	87 462	86 679	—	99,1%	79 458	79 458
TOTAL	2 279 891	—	300 000	2 579 891	2 556 564	—	—	2 556 564	2 087 643	—		2 166 026	2 166 026

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Name of Province/ Grant	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
	Division of Revenue Act/ Provincial grants	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds with-held	Re-alloca-tions by Na-tional Treas-ury or Natio-nal de-part-ment	Amount received by depart-ment	Amount spent by depart-ment	Un-spent funds	% of avail-able funds spent by depart-ment	Division of Revenue Act/Provin-cial grants	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Comprehensive Agricultural Support Programme (CASP)													
Eastern Cape	261 158	–	–	261 158	261 158	–	–	261 158	259 763	–	99,5%	235 169	235 169
Free State	197 896	–	–	197 896	197 896	–	–	197 896	204 829	–	103,5%	177 283	177 283
Gauteng	105 365	–	–	105 365	84 781	–	–	84 781	59 551	–	70,2%	97 924	97 924
KwaZulu-Natal	313 640	–	–	313 640	313 640	–	–	313 640	227 240	–	73,1%	212 993	212 993
Limpopo	247 211	–	–	247 211	247 211	–	–	247 211	233 626	–	94,5%	222 900	222 900
Mpumalanga	171 554	–	–	171 554	171 554	–	–	171 554	141 759	–	82,6%	155 230	155 230
Northern Cape	127 656	–	–	127 656	127 656	–	–	127 656	125 315	–	98,2%	116 271	116 271
North West	192 437	–	–	192 437	192 437	–	–	192 437	144 920	–	75,3%	171 617	171 617
Western Cape	124 426	–	300 000	424 426	424 426	–	–	424 426	156 001	–	36,8%	112 203	112 203
TOTAL	1 741 343	–	300 000	2 041 343	2 020 759	–	–	2 020 759	1 553 004	–		1 501 590	1 501 590

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Name of Province/ Grant	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
	Division of Revenue Act / Provincial grants	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds with-held	Re-alloca-tions by Na-tional Treas-ury or Natio-nal de-part-ment	Amount received by depart-ment	Amount spent by depart-ment	Un-spent funds	% of avail-able funds spent by depart-ment	Division of Revenue Act/Provin-cial grants	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
<i>Ilima/ Letsema</i>													
EC	55 965	–	–	55 965	55 965	–	–	55 965	55 966	–	100,0%	70 483	70 483
FS	53 740	–	–	53 740	53 740	–	–	53 740	70 299	–	130,8%	69 402	69 402
GP	27 540	–	–	27 540	27 540	–	–	27 540	27 038	–	98,2%	37 385	37 385
KZN	55 389	–	–	55 389	55 389	–	–	55 389	55 389	–	100,0%	70 185	70 185
LP	55 322	–	–	55 322	55 322	–	–	55 322	58 466	–	105,7%	70 092	70 092
MP	51 773	–	–	51 773	51 773	–	–	51 773	51 743	–	99,9%	70 678	70 678
NC	51 771	–	–	51 771	51 771	–	–	51 771	34 629	–	66,9%	68 675	68 675
NW	53 521	–	–	53 521	53 521	–	–	53 521	51 108	–	95,5%	69 099	69 099
WC	43 322	–	–	43 322	43 322	–	–	43 322	43 322	–	100,0%	58 979	58 979
TOTAL	448 343	–	–	448 343	448 343	–	–	448 343	447 960	–		584 978	584 978

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Name of Province/ Grant	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER				GRANT ALLOCATION				TRANSFER
	Division of Revenue Act/ Provincial grants	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds with-held	Re-alloca-tions by Na-tional Treas-ury or Natio-nal de-part-ment	Amount received by depart-ment	Amount spent by depart-ment	Un-spent funds	% of avail-able funds spent by depart-ment	Division of Revenue Act/Provin-cial grants	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Infrastructure Development and Poverty Relief (Land Care)													
EC	13 470	–	–	13 470	13 470	–	–	13 470	13 464	–	100,0%	12 235	12 235
FS	9 333	–	–	9 333	9 333	–	–	9 333	10 169	–	109,0%	7 816	7 816
GP	5 501	–	–	5 501	4 400	–	–	4 400	3 638	–	82,7%	3 900	3 900
KZN	14 127	–	–	14 127	14 127	–	–	14 127	14 127	–	100,0%	12 510	12 510
LP	13 674	–	–	13 674	13 674	–	–	13 674	13 674	–	100,0%	12 680	12 680
MP	9 898	–	–	9 898	9 898	–	–	9 898	9 892	–	99,9%	9 500	9 500
NC	8 207	–	–	8 207	6 565	–	–	6 565	5 828	–	88,8%	6 616	6 616
NWt	9 449	–	–	9 449	9 449	–	–	9 449	9 423	–	99,7%	8 901	8 901
WC	6 546	–	–	6 546	6 546	–	–	6 546	6 464	–	98,7%	5 300	5 300
TOTAL	90 205	–	–	90 205	87 462	–	–	87 462	86 679	–		79 458	79 458

National departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

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**National Department surrender of unspent conditional grant not approved for rollover
Related to conditional grants schedule
of 2023/24**

Name of Province	Amount not approved for roll overs R'000	Amount received R'000	Amount surrendered to National Revenue Fund R'000	Amount still due R'000
Gauteng Prov. Treasury	–	8 252	8 252	–
Mpumalanga Prov. Treasury	–	14	14	–
Limpopo Prov. Treasury	–	7 777	7 777	–
Free State Prov. Treasury	–	4 273	4 273	–
Eastern Cape Prov. Treasury	–	590	590	–
Western Cape Prov. Treasury	–	2 000	2 000	–
North West Prov. Treasury	–	1 518	1 518	–
Northern Cape Prov. Treasury	–	3	3	–
TOTAL	–	24 427	24 427	–

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40. Statement of conditional grants and other transfers paid to municipalities

	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
Name of municipality	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
MUN B/Acc: Mun Rates and taxes									
EC: Whole Province	8 877	-	13 582	22 459	22 460	-	-	8 303	67 864
Ehlanzeni District Municipal MP	37	-	75 339	75 376	75 376	-	-	-	53 970
FS: Whole Province	1 273	-	(737)	536	536	-	-	1 198	483
Gert Sibande District Municipal MP	-	-	48 634	48 634	48 635	-	-	-	16 114
GP: Whole Province	1 440	-	309	1 749	1 749	-	-	8 126	7 364
KZN: Whole Province	3 998	-	3 437	7 435	7 436	-	-	3 797	8 148
LP: Whole Province	3 785	-	14 711	18 496	18 496	-	-	38 174	87 842
MP: Whole Province	63 587	-	(62 187)	1 400	1 399	-	-	66 892	400
NC: Whole Province	3 672	-	(3 672)	-	-	-	-	3 513	-
Nkangala District Municipal MP	-	-	32 415	32 415	32 416	-	-	-	24 906
NW: Whole Province	4 540	-	11 942	16 482	16 482	-	-	4 345	19 576
WC: Whole Province	2 153	-	3 376	5 529	5 529	-	-	10 486	13 737
Domestic Whole Country	-	-	-	-	54	-	-	-	-
Sub total	93 362	-	137 149	230 511	230 567	-	-	144 834	242 185
MUN B/Acc: Vehicle Licences Mun									
Domestic Whole Country	751	-	200	951	1 006	-	-	800	971

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	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Name of municipality									
EC: Whole Province	93	-	49	142	26	-	-	174	127
FS: Whole Province	4	-	4	8	7	-	-	28	9
GP: Whole Province	7	-	(4)	3	1	-	-	7	1
KZN: Whole Province	69	-	(49)	20	20	-	-	94	-
LP: Whole Province	9	-	(5)	4	1	-	-	12	1
MP: Whole Province	-	-	1	1	-	-	-	-	44
NC: Whole Province	13	-	(13)	-	-	-	-	5	-
NW: Whole Province	16	-	(13)	3	2	-	-	15	-
WC: Whole Province		-	2	2	1	-	-	41	1
Sub Total	962	-	172	1 134	1 064	-	-	1 176	1 154
TOTAL	94 324	-	137 321	231 645	231 632	-	-	146 010	301 558

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41. Broad Based Black Economic Empowerment performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

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ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

Name of Municipality	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
	DoRA and Other transfers	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury or National department	Amount received by municipality	Amount spent by municipality	Un-spent funds	% of available funds spent by municipality	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
MUN B/Acc: Mun Rates and taxes													
EC: Whole Province	8 877	-	13 582	22 459	22 460	-	-	-	-	-	-	8 303	67 864
Ehlanzeni District Municipal MP	37	-	75 339	75 376	75 376	-	-	-	-	-	-	-	53 970
FS: Whole Province	1 273	-	(737)	536	536	-	-	-	-	-	-	1 198	483
Gert Sibande District Municipal MP	-	-	48 634	48 634	48 635	-	-	-	-	-	-	-	16 114
GP: Whole Province	1 440	-	309	1 749	1 749	-	-	-	-	-	-	8 126	7 364

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Name of Municipality	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
	DoRA and Other transfers	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury or National department	Amount received by municipality	Amount spent by municipality	Un-spent funds	% of available funds spent by municipality	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
KZN: Whole Province	3 998	-	3 437	7 435	7 436	-	-	-	-	-	-	3 797	8 148
LP: Whole Province	3 785	-	14 711	18 496	18 496	-	-	-	-	-	-	38 174	87 842
MP: Whole Province	63 587	-	(62 187)	1 400	1 399	-	-	-	-	-	-	66 892	400
NC: Whole Province	3 672	-	(3 672)	-	-	-	-	-	-	-	-	3 513	-
Nkangala District Municipal MP	-	-	32 415	32 415	32 416	-	-	-	-	-	-	-	24 906
NW: Whole Province	4 540	-	11 942	16 482	16 482	-	-	-	-	-	-	4 345	19 576
WC: Whole Province	2 153	-	3 376	5 529	5 528	-	-	-	-	-	-	10 486	13 737
Domestic Whole Country	-	-	-	-	54	-	-	-	-	-	-	-	-
Sub Total	93 362		137 149	230 511	230 568							144 834	300 404
MUN B/Acc: Vehicle								-	-	-	-		

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Name of Municipality	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
	DoRA and Other transfers	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury or National department	Amount received by municipality	Amount spent by municipality	Un-spent funds	% of available funds spent by municipality	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Licences Mun													
Domestic Whole Country	751	-	200	951	1 006	-	-	-	-	-	-	800	971
EC: Whole Province	93	-	49	142	26	-	-	-	-	-	-	174	127
FS: Whole Province	4	-	4	8	7	-	-	-	-	-	-	28	9
GP: Whole Province	7	-	(4)	3	1	-	-	-	-	-	-	7	1
KZN: Whole Province	69	-	(49)	20	20	-	-	-	-	-	-	94	-
LP: Whole Province	9	-	(5)	4	1	-	-	-	-	-	-	12	1
MP: Whole Province	-	-	-	1	1	-	-	-	-	-	-	-	44
NC: Whole Province	13		(13)	-	-							5	-
NW: Whole Province	16	-	(13)	3	2	-	-	-	-	-	-	15	-
WC: Whole Province	-	-	2	2	1	-	-	-	-	-	-	41	1

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Name of Municipality	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
	DoRA and Other transfers	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury or National department	Amount received by municipality	Amount spent by municipality	Un-spent funds	% of available funds spent by municipality	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Eastern Cape: Whole Province	-	-	-	-	-	-	-	-	-	-	-	-	-
KwaZulu-Natal: Whole Province	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	962	-	172	1 134	1 064							1 176	1 154
TOTAL	94 324	-	137 321	231 645	231 632	-	-	-	-	-		146 010	301 558

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**ANNEXURE 1B
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

Departmental Agency or Account	2024/25						2023/24	
	TRANSFER ALLOCATION				TRANSFER			
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Agri Sector Education and Training Authority	1 496	–	–	1 496	1 496	100.0	1 575	1 432
Agricultural Land Holdings Acc	855 674	–	–	855 674	855 674	100.0	734 942	734 942
Agricultural Research Council	1 081 184	–	–	1 081 184	1 081 184	100.0	1 191 556	1 191 556
Ingonyama Trust Board	21 867	–	–	21 867	21 867	100.0	23 781	23 781
National Agricultural Marketing Council	45 765	–	–	45 765	45 765	100.0	49 771	49 771
Office of the Valuer General	142 775	–	–	142 775	142 775	100.0	140 271	140 271
Registration of Deeds Trade Account	1	–	–	1	–	–	1	–
SA Geomatics Council	3 752	–	–	3 752	3 752	100.0	4 055	4 000
Com: Licences	27	–	–	27	20	74.1	27	23
Departmental Agency: Donations and gifts	266	–	–	266	–	–	255	–
TOTAL	2 152 807	–	–	2 152 807	2 152 533	100.0	2 146 234	2 145 776

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**ANNEXURE 1C
STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS**

Higher Education Institution	2024/25							2023/24	
	TRANSFER ALLOCATION				TRANSFER				
	Adjusted Budget	Roll overs	Adjust-ments	Total Available	Actual transfer	Amount not transferred	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
University of Pretoria	10 000	–	–	10 000	9 912	88	0.9	–	–
TOTAL	10 000	–	–	10 000	9 912	88		–	–

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ANNEXURE 1D

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

Name of public corporation/private enterprise	2024/25								2023/24	
	GRANT ALLOCATION				EXPENDITURE					
	Adjusted Budget	Roll overs	Adjust-ments	Total Available	Actual transfer	% of Available funds trans-ferred	Capital	Current	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
Public Corporations										
Transfers	419 906	–	–	419 806	375 241	89.4	–	–	481 555	481 554
Land and Agric DBSA	1	–	–	1	–	–	–	–	406 965	406 964
Land and Agri DBSA	419 803	–	–	419 803	375 241	89.4	–	–	49 590	49 590
OBP: Onderstepoort Biological Products	1	–	–	1	–	–	–	–	25 000	25 000
Red Meat Industry Forum	1	–	–	1	–	–	–	–		–
Sub Total	419 806	–	–	419 806	375 241	89.4	–	–	481 555	481 554
Private Enterprises										
Transfers	48 001	–	–	48 001	47 928	–	–	–	48 001	47 928
Red Meat Industry Forum	1	–	–	1	–	–	–	–	1	–
Claims against State private enterprises	48 000	–	–	48 000	47 928	99.9	–	–	48 000	47 928
Sub Total	48 001	–	–	48 001	47 928	99.8	–	–	48 001	47 928
TOTAL	467 807	–	–	467 807	423 169	90.5	–	–	529 556	529 482

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ANNEXURE 1E

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

Foreign government/International organisation	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
	Adjusted Budget	Roll overs	Adjustment s	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Foreign Rates and Taxes (FIGO)	513	–	–	513	180	35,1	497	163
Sub fees: Con Group Inter Agr Res	10 978	–	–	10 978	8 729	79,5	11 006	–
Sub fees: CW Agric Bureau Inter	816	–	–	816	815	99,9	800	–
Sub fees: Food and Agric Org-UN	26 491	–	–	26 491	22 411	84,6	24 977	24 411
Sub fees: Int Un Pr-New VAR-Plant	1 128	–	–	1 128	1 127	99,9	1 198	1 137
Sub fees: Inter Comm-Agric Engine	24	–	–	24	13	54,2	23	14
Sub fees: Inter Cotton Advl Cncl	671	–	–	671	671	100,0	598	598
Sub fees: Inter Dairy Federation	64	–	–	64	64	100,0	60	60
Sub fees: Inter Grains Council	339	–	–	339	272	80,2	474	280
Sub fees: Inter Org Vine and Wine	1 581	–	–	1 581	1 572	99,4	1 505	1 504
Sub fees: Inter Seed Testing Assoc	226	–	–	226	108	47,8	220	220
Sub fees: Open GEO Conso	607	–	–	607	607	100,0	577	577
Sub fees: Org Econ Coop and Development	462	–	–	462	147	31,8	442	145
Sub fees: REG Cen Mapping of Res Dev	3 288	–	–	3 288	3 256	99,0	2 694	6 805
Sub fees: World Org Animal Health	3 715	–	–	3 715	3 714	100,0	3 187	3 187
Total	50 903	–	–	50 903	43 686	85,8	48 258	39 101

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**ANNEXURE 1F
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
	Adjusted budget R'000	Roll overs R'000	Adjustment s R'000	Total available R'000	Actual transfer R'000	% of available funds transferred %	Final budget R'000	Actual transfer R'000
Non-profit institutions								
Transfers								
SA Council for Planners	8 530	–	–	8 530	6 397	75,0	8 335	8 335
Total	8 530	–	–	8 530	6 397	75,0	8 335	8 335

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ANNEXURE 1G
STATEMENT OF TRANSFERS TO HOUSEHOLDS

Household	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
	Adjusted Budget	Roll overs	Adjustment s	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Claims against the State (Cash)	306	–	1 497	1 803	1 803	100,0	2 839	2 839
Leave Gratuity	2 268	–	9 341	11 609	11 609	100,0	9 703	9 703
Bursaries for non-employees	53 927	–	3 569	57 496	57 496	100,0	56 660	56 660
Restitutional Grants	2 396 268	–	(232 420)	2 163 848	1 516 351	70,1	2 795 680	2 795 680
Skills Development and Training	35 449	–	6 488	41 937	41 937	100,0	27 477	27 476
Farming Support	67 170	–	(13 048)	54 122	–	0,0	2 750	2 750
Donations and Gifts	10 542	–	(10 000)	542	–	0,0	518	–
Post Retirement benefits	–	–	1 217	1 217	1 217	100,0	–	–
Total	2 565 930	–	(233 356)	2 332 574	1 630 413	69,9	2 895 627	2 895 108

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**ANNEXURE 1H
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

Name of organisation	Nature of gift, donation or sponsorship	2024/25	2023/24
		R'000	R'000
Received in cash			
Sponsorships			
Current year 2024/25			
Food and Agriculture Organisation (FAO)		10	
World organisation for Animal health (WOAH)		33	
The United States Department of Agriculture		17	
African Union/INTERAFRICAN BEAU FOR Animal resource (AU_IBAR)		43	
FAO and AU-IBAR		15	
Singapoer Government		49	
Fruit SA		23	
ESRI		40	
SA GI KARRO LAMB (Cirad)		16	
SANCIDF		92	
Previous Year 2023/24			
Kemikalienspektioneon Swedish Chemical SA agency (KEM)	Training		17
Borlaug fellowship program	Training		22
AGNES	Meeting		5
Alliance for food Sovereignty in South (AFSA)	Meeting		6
SADC	Training		8
SPS Transparency Champions course	Training		8
World Trade Organisation (WTO)	Training		12
Dutch Embassy	Training		14
USDA	Training		10
Total sponsorships		338	102
Subtotal - received in cash		338	102
Received in kind			
Gifts			
Ms Belinda Hodes and Potatoes South Africa	Gift		1
Travel with Flair	Gift		20

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Name of organisation	Nature of gift, donation or sponsorship	2024/25	2023/24
		R'000	R'000
Total gifts			21
Donations			
Association of Meat Importers and Exporters (AMIE)	Donation		144
International Atomic Energy Agency (IAEA)	Donation		2 419
Total donations			2 563
Sponsorships			
Red Meat Abattoir Association (RMMA)		13	
International Atomic Energy Agency		60	
FAO		62	
FAO, Agriculture and nature resources policy analysis Network (FANRPAN)		31	
South African society for Animal sciences		2	
SADC		6	
Bloem show		3	
South African National Committee of International Dairy Federation (SANCIDF)		123	
EU Geographical Indication Support Fund		137	
The European Commission		67	
Japan International Corporation Agency (JICA)	Training		39
German Ministry for Food and Agriculture (GFFA)	Training		64
Bloem show	Workshop		3
Danish Embassy	Training		58
Japan International Corporation Agency (JICA)	Training		112
African Forum for Agricultural Advisory Services (AFAAS)	Training		4
Max Planck Institute of Animal Behaviour (MPIAB)	Training		18
Zambia's Ministry of Agriculture plant quarantine	Training		6
FAO	Training		9
Stellenbosch University	Training		22
Total sponsorships		504	335
Subtotal – received in kind		504	2 919
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED		842	3 021

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**ANNEXURE 1I
STATEMENT OF AID ASSISTANCE RECEIVED**

Name of donor	Purpose	Opening balance	Revenue	Expenditure	Paid back on/ by 31 March	Closing balance
		R'000	R'000	R'000	R'000	R'000
Aid assistance received in cash						
European Union	Economic Partnership Agreement implementation support programme in SA		130 059	225		129 834
European Commission	Transformation of the Wine and Spirit section in SA	40 919			40 919	–
Department of Small Business Development	ECO System Development for Small Enterprises (EDSE)	23 430	13 056	7 266	23 430	5 790
TOTAL AID ASSISTANCE RECEIVED		64 349	143 115	7 491	64 349	135 624

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ANNEXURE 2A

STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

Name of public entity	State Entities' PFMA Schedule type (state year end if not 31 March)	% Held 24/25	% Held 23/24	Number of shares held		Cost of investments		Net asset value of investments		Profit/(Loss) for the year		Losses guaran- teed
				R'000		R'000		R'000		R'000		Yes/No
				2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	
National/Provincial Public entity												
Onderstepoort Biological Products (Pty) Ltd	Manufacturing of vaccines and related products			1	1		—		—		—	
Subtotal				1	1		—		—		—	
TOTAL				1	1		—		—		—	

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ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2025

Nature of liability	Opening balance 1 April 2024	Liabilities incurred during the year	Liabilities paid/cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2025
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Legal – Litigation	246 159	–	48 277	–	197 882
PSSC – Litigation	240 498	–	374	–	240 124
Restitution – Chief Land Claims Comm	1 353 558	1 603 386	19 213	–	2 937 731
Occupational Specific Dispensation (OSD)	1 999 254	–	–	–	1 999 254
Employee Relations – Labour cases	25 340	7 725	5 489	–	27 575
Employee Relations – Labour cases (Other)	2 484	–	2 484	–	–
Damaged vehicles	282	270	190	–	362
Special investigating unit (SIU)	1 485	2 950	4 424	–	11
Subtotal	3 869 060	1 614 331	80 451	–	5 402 939
Other					
QCC	–	215 714	–	–	215 714
Subtotal	–	215 714	–	–	215 714
TOTAL	3 869 060	1 830 045	80 451	–	5 618 653

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**ANNEXURE 4
CLAIMS RECOVERABLE**

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25	
							Receipt date up to six (6) working days after year end	Amount
	31/03/2025 R'000	31/03/2024 R'000	31/03/2025 R'000	31/03/2024 R'000	31/03/2025 R'000	31/03/2024 R'000		R'000
Department								
National Departments								
Small Business Development	—	—	—	70	—	70	—	—
Department of Public Works	—	—	—	28	—	28	—	—
Department of Planning, Monitoring and Evaluation	—	—	—	65	—	65	—	—
Department of Public Service and Administration	—	—	39	—	39	—	—	—
Provincial Departments								
Department of Public Works: NW	—	—	61	—	61	—	—	—
Gauteng Provincial Education	—	—	—	38	—	38	—	—
Subtotal	—	—	100	201	100	201	—	—
Other Government Entities								
Deeds Registration Trading Account	—	—	2 364	2 626	2 364	2 626	—	—
Border Management Authority	—	—	4 857	59	4 857	59	—	—
Agricultural Land Holding Account	—	—	1 204	—	1 204	—	—	—
Subtotal	—	—	8 425	2 685	8 425	2 685	—	—
TOTAL		—	8 525	2 886	8 525	2 886		

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ANNEXURE 5
INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25 *	
							Payment date up to six (6) working days after year end	Amount
	31/03/2025 R'000	31/03/2024 R'000	31/03/2025 R'000	31/03/2024 R'000	31/03/2025 R'000	31/03/2024 R'000		R'000
DEPARTMENTS								
Current								
Department of Justice and Constitutional Development and Office of the State Attorney	2 571	4 967	—	—	2 571	4 967	—	—
South African Police Services	—	93	—	—	—	93	—	—
Department of Public Works	29 763	1 890	—	—	29 763	1 890	—	—
Department of Higher Education and Training	1 270	1 916	—	—	1 270	1 916	—	—
National School of Government	—	643	—	—	—	643	—	—
Department of International Relations	—	522	—	—	—	522	—	—
Gauteng Provincial Government G-Fleet	5 685	—	—	15 692	5 685	15 692	—	—
Western Cape Provincial Government	—	467	—	—	—	467	—	—
KwaZulu-Natal Provincial Government	—	1 407	—	—	—	1 407	—	—
Provincial Departments of Agriculture	—	—	85 095	—	85 095	—	—	—
Subtotal	39 289	11 905	85 095	15 692	124 384	27 597	—	—
Total Departments	39 289	11 905	85 095	15 692	124 384	27 597	—	—
OTHER GOVERNMENT ENTITIES								
Current								
Telkom SA	5 239	5 984	—	—	5 239	5 984	—	—
South African Post Office	—	—	3	—	3	—	—	—
The Office of the Auditor-General	—	1 786	—	—	—	1 786	—	—
Agricultural Research Council	—	451	—	—	—	451	—	—
State Information Technology Agency	—	85	—	—	—	85	—	—
Road Traffic Management Corporation	—	5 678	—	—	—	5 678	—	—
South African Council of Planners	2 132	—	—	—	2 132	—	—	—

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GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25 *	
							Payment date up to six (6) working days after year end	
	31/03/2025 R'000	31/03/2024 R'000	31/03/2025 R'000	31/03/2024 R'000	31/03/2025 R'000	31/03/2024 R'000		Amount R'000
Subtotal	7 371	13 984	3	–	7 374	13 984	–	–
Total Other Government Entities	7 371	13 984	3	–	7 374	13 984	–	–
TOTAL INTERGOVERNMENT PAYABLES	46 660	25 889	85 098	15 692	131 758	41 581	–	–

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ANNEXURE 6
INVENTORIES

	Clothing material and Access-sories	Farming Supplies	Food and Supplies	Fuel, oil and gas	Mate-rials and Sup-plies	Me-dical Sup-plies	Medicine	Others	Other sup-plies: Am-muni-tion and Se-curity sup-plies	Other supplies: Other assets for distribu-tion	Total
Inventories for the year ended 31 March 2025	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance											
Add/(Less: Adjustments to prior year balances											
Add: Additions/Purchases – Cash	4 975	775 816	1 895	8 958	6 742	16	6 568	4 387	2	70 925	880 284
Add: Additions - Non-cash											
(Less): Disposals	(4 975)	(775 816)	(1 895)	(8 958)	(6 742)	(16)	(6 568)	(4 387)	(2)	(70 925)	(880 284)
(Less): Issues											
Add/(Less): Received current, not paid; (Paid current year, received prior year)											
Add/(Less): Adjustments											
Closing balance	–	–	–	–	–	–	–	–	–	–	–

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	Clothing material and accessories	Farming Supplies	Food and Supplies	Fuel, oil and gas	Materials and Supplies	Medical Supplies	Medicine	Others	Other supplies: Ammunition and Security	Other supplies: Other assets for distribution	Total
Inventories for the year ended 31 March 2024	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance											
Add/(Less: Adjustments to prior year balances											
Add: Additions/Purchases—Cash	1 973	332 203	2 669	6 254	16 484	12	21 309	3 321	2	94 809	479 036
Add: Additions—Non-cash											
(Less): Disposals	(1 973)	(332 203)	(2 669)	(6 254)	(16 484)	(12)	(21 309)	(3 321)	(2)	(94 809)	(479 036)
(Less): Issues											
Add/(Less): Received current, not paid; (Paid current year, received prior year)											
Add/(Less): Adjustments											
Closing balance	–	–	–	–	–	–	–	–	–	–	–

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ANNEXURE 7
MOVEMENT IN CAPITAL WORK IN PROGRESS

Movement in capital work in progress for the year ended 31 March 2025

	Opening balance R'000	Current year CWIP R'000	Ready for use (Asset Register)/Contract terminated R'000	Closing balance R'000
MACHINERY AND EQUIPMENT				
Transport assets				
BUILDINGS AND OTHER FIXED STRUCTURES	1 389 477	188 836	260 413	1 317 900
Dwellings	416 596	6 414	–	423 010
Other fixed structures	972 882	182 422	260 413	894 891
LAND AND SUBSOIL ASSETS	342 791	725 348	782 415	285 724
Land	342 791	725 348	782 415	285 724
SOFTWARE	27 987	723	6 463	22 246
Software	27 987	723	6 463	22 246
TOTAL	1 760 255	914 907	1 049 291	1 625 870

Current year WIP as per the worksheet attached. The ready for use assets are the Enquiry Management System and the Knowledge Management system taken to the AR. Other systems were terminated as per the approval of the OCIO.

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Movement in capital work in progress for the year ended 31 March 2024

	Opening balance	Prior period error	Current year CWIP	Ready for use (Asset Register)/ Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT					
Transport assets					
BUILDINGS AND OTHER FIXED STRUCTURES	1 471 013	(13 883)	361 585	429 236	1 389 478
Dwellings	411 316	–	5 282	–	416 596
Other fixed structures	1 059 697	(13 883)	356 303	429 236	972 882
LAND AND SUBSOIL ASSETS	783 424	–	410 127	850 760	342 791
Land	783 424	–	410 127	850 760	342 791
SOFTWARE	19 425	–	9 723	1 162	27 987
Software	19 425	–	9 723	1 162	27 987
TOTAL	2 273 862	(13 883)	781 435	1 281 158	1 760 256

Computer Software represents the self-developed in-house systems ready for use. Enquiry Management and NARYSEC IMS (Youth Leadership Programme) are maintained on the Asset Register.

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**ANNEXURE 8A
INTERENTITY ADVANCES PAID (Note 13)**

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2025	31/03/2024	31/3/2025	31/03/2024	31/3/2025	31/03/2024
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Government Communications (GCIS)	–	1 007	–	–	–	1 007
Department of International Relations and Cooperations (DIRCO)	–	1 210	1 866	–	1 866	1 210
Subtotal	–	2 217	1 866	–	1 866	2 217
PROVINCIAL DEPARTMENTS						
Department of Agriculture LP	–	–	2 100	–	2 100	–
Department of Agriculture EC	–	–	53	–	53	–
Department of Agriculture NW	–	–	9 313	–	9 313	–
Department of Agriculture GP	–	–	3 141	–	3 141	–
Department of Agriculture NC	–	–	106	–	106	–
Subtotal	–	–	14 713	–	14 713	–
Total	–	2 217	16 579	–	16 579	2 217

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2025	31/03/2024	31/3/2025	31/03/2024	31/3/2025	31/03/2024
	R'000	R'000	R'000	R'000	R'000	R'000
OTHER ENTITIES						
Fruit SA	6 084	10 664	–	–	6 084	10 664
ECDC	–	–	29 959	–	29 959	–
BA Mogopa	–	–	8 229	–	8 229	–
Thembanani	–	–	5 162	–	5 162	–
Sesiyakhona	–	–	4 176	–	4 176	–
Subtotal	6 084	10 664	47 526	–	53 610	10 664
TOTAL	6 084	12 881	64 105	–	70 189	12 881

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**ANNEXURE 8B
INTERENTITY ADVANCES RECEIVED (Note 35)**

	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2025	31/03/2024	31/3/2025	31/03/2024	31/3/2025	31/03/2024
ENTITY	R'000	R'000	R'000	R'000	R'000	R'000

**NATIONAL
DEPARTMENTS
Current**

The following advances were received under the set of accounts: Agency Services

NSF: R10, 017 million received, expensed R9, 666 million during the 2023/24 financial year with a balance of R351 thousand. In 2024/25 an amount of R351 thousand was expensed, the remaining balance is R0.

MERSETA: R154 thousand, expensed R153 thousand during the 2022/23 financial year with a balance of R1 thousand that was surrendered in 2024/2025 financial year. Remaining balance R0.00.

NSF Bursaries: The 2023/24 financial year closed with a balance of R2, 605 million. Received R73, 167 million during the 2024/25 financial year, amount expensed during F/y R71,723 million remaining balance R4, 049 million.

AGRISETA: The 2023/24 balance of R524 thousand plus a further amount of R250 thousand that was received in the 2024/2025 financial year, leave a balance of R774 thousand.

SANBI: The balance for 2023/24 financial year was R323 thousand. Additional amount R560 thousand was received and R370 thousand was expensed. Remaining balance for 24/25 R513 thousand.

NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025

ANNEXURE 12
ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTES 4.2.1 AND 13.1 to 13.4)

Name of entity	Sector of the entity	Description of the item paid for	Classification category	Total contract value R'000	Balance outstanding as at 31 March 2024 R'000	Total amount prepaid /advanced in the current year R'000	Less: goods, services or capital assets received in the current year R'000	Add/less: other R'000	Balance outstanding as at 31 March 2025 R'000	Reason for prepayment or advance and for it remaining outstanding at year end (more details can be provided in the narrative blocks where necessary)
Prepayments										
Fruit SA	Non-Profit Company	E certification	Goods and services	–	10 664	34 706	(39 286)		6 084	N13.2
Mezzanine Ware RF	Private	PESI project	Goods and services	–	5 636	–	(5 636)		–	N13.2
Phumzile Mkhende Mdubane Sukuma Mswati Farming Project	Private	Transfer to grant holding account	Goods and services	–	8 129	–	(6 593)		1 536	N13.3
	Private	Transfer to grand holding account	Goods and services	–	12 949	–	(9 120)		3 829	N13.3
BA Mogopo Agriculture Holding	Private	Transfer to grant holding account	Goods and services	–	–	8 229	–		8 229	N13.2
Sesiyakhona	Private	Transfer to grant holding account	Goods and services	–	–	2 450	–		2 450	N13.2
Thembababa Trading MP	Private	Transfer to grant holding account	Goods and services	–	–	2 562	–		2 562	N13.2

NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025

Name of entity	Sector of the entity	Description of the item paid for	Classification category	Total contract value R'000	Balance outstanding as at 31 March 2024 R'000	Total amount prepaid /advanced in the current year R'000	Less: goods, services or capital assets received in the current year R'000	Add/less: other R'000	Balance outstanding as at 31 March 2025 R'000	Reason for prepayment or advance and for it remaining outstanding at year end (more details can be provided in the narrative blocks where necessary)
ECDC CAP	Private	Rural Development projects	Goods and services	–	–	26 821	(9 109)		17 712	N13.2
Thembababa Trading MP	Private	Rural Development projects	Capital assets	–	–	6 643	(4 044)		2 599	N13.2
Sesiyakhona	Private	Rural Development projects	Capital assets	–	–	6 475	(4 749)		1 726	N13.2
Total prepayments					37 378	87 886	(78 537)		46 727	
Advances ECDC G&S	Private	Rural Development projects	Goods and services	–	–	14 081	(1 834)		12 247	N13.2
Media 24	Private		Goods and services	–	–	58	(58)		–	N13.2
Grain SA	Private		Goods and services	–	–	18	(18)		–	N13.2
Royal exhibition show	Private		Goods and services	–	–	14	(14)		–	N13.2
Tshala Bese Uyavuna	Private		PPP	–	–	334 092	(334 092)		–	N13.2

NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025

Name of entity	Sector of the entity	Description of the item paid for	Classification category	Total contract value R'000	Balance outstanding as at 31 March 2024 R'000	Total amount prepaid /advanced in the current year R'000	Less: goods, services or capital assets received in the current year R'000	Add/less: other R'000	Balance outstanding as at 31 March 2025 R'000	Reason for prepayment or advance and for it remaining outstanding at year end (more details can be provided in the narrative blocks where necessary)
ARC	Public	Various services	Public entities	–	–	347 143	(347 143)		–	N13.2
NAMC	Public			–	8 201	–		(8 201)	–	N13.4
GCIS	Public	Communication	National							
			Department	–	1 007	–	369	(1 376)	–	N13.1
2U Getsmart	Public	Training	Other institutions	–	–	–	16	(16)	–	N13.1
Dept of Justice and Constitutional Development	Public	Legal Aid	National Department	–	–	–	–		–	
ARC	Public	Various services	Public entities	–	281 929	–	(163 174)		118 756	N13.4
National Research Foundation	Public	Various services	Public entities							
				–	1 971	–	(490)		1 481	N13.4
SA Farmers Dev Association	Public	Various services	Other institutions	–	105 318	–	(86 616)		18 702	N13.4
Land Bank	Public	Blended Finance	Public entities	–	–	375 241	(375 241)		–	N13.4
IDC	Private			–	523 353	–	(136 036)		387 317	N13.4
Land Bank	Public	Various funds	Public entities	–	1 468 450	–	(258 674)		1 209 776	N13.4
DIRCO	Public	Mission expenditure	National Department	–	1 210	16 000	(15 344)		1 866	N13.1
Land Bank	Public	Wine and Spirit EU:RDP	Public entities	–	40 314	–	–	190	40 504	N4.2.1

**NATIONAL DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
VOTE 29**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025**

Name of entity	Sector of the entity	Description of the item paid for	Classification category	Total contract value R'000	Balance outstanding as at 31 March 2024 R'000	Total amount prepaid /advanced in the current year R'000	Less: goods, services or capital assets received in the current year R'000	Add/less: other R'000	Balance outstanding as at 31 March 2025 R'000	Reason for prepayment or advance and for it remaining outstanding at year end (more details can be provided in the narrative blocks where necessary)
Eastern Cape Development Corporation	Public	Various Rural Development projects	Other institutions	–	22 008	–	(15 771)		6 237	N13.4
MAFISA: Intermediaries Dept of Agriculture	Financial Institution Public	Various PESI: KZN, MP, EC, LP, GT, NC, NW	Other institutions Departments	–	80 871	–	(21 638)		59 233	N13.4
				–	–	279 209	(264 496)		14 713	N13.1
Total advances					2 534 632	1 366 241	(2 022 031)	(8 011)	1 870 832	
TOTAL PREPAYMENTS AND ADVANCES					2 572 010	1 454 127	(2 100 568)	(8 011)	1 917 559	

6.3 Report of the Auditor-General to Parliament on the Agricultural Land Holdings Account

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Agricultural Land Holdings Account (ALHA) set out from pages 311 to 352, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, the cash flow statement and the statement of comparison of budget and actual amounts 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 Agricultural Land Holding Account as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Standard of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999.

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under these 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 trading entity 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.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Impairment on trade and other receivables from exchange transaction

7. As disclosed in Note 7 to the financial statements, the trading entity has receivables from exchange transactions totalling R759 million, with an impairment provision for doubtful debts of R703 million as at 31 March 2025. The receivables relating to operating leases on farms that are leased out to beneficiaries.

Restatement of corresponding figures

8. As disclosed in Note 28 to the financial statements, the corresponding figures for 31 March 2024 were restated as a result of an error in the financial statements of the trading entity at, and for the year ended, 31 March 2025.

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 GRAP and the requirements of the PFMA 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.

10. In preparing the financial statements, the accounting officer is responsible for assessing the trading entity'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 entity 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 305 of the annexure to the auditor's report, forms part of our auditor's report.

Report on the audit of the annual performance report

13. Section 40(3)(a) of the PFMA requires the trading entity to prepare an annual performance report. The performance information of the trading entity was reported in the annual performance report of DALRRD. The usefulness and reliability of the reported performance information was tested as part of the audit of the DALRRD and any audit findings are included in the management and auditor's report of DALRRD.

Report on compliance with legislation

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

Annual financial statements

18. The financial statements submitted for auditing were not fully prepared in accordance with the prescribed financial reporting framework as required by Section 40(1)(a) of the PFMA.
19. Material misstatements cash flow statement, related parties and statement of comparison of budget and actual amounts and services in kind identified by the auditors in the submitted financial statement were corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified opinion.

Revenue management

20. Effective and appropriate steps were not taken to collect all money due, as required by Section 38(1)(c)(i) of the PFMA.

Asset management

21. The trading entity disposed of assets without the Treasury's approval, as required by Treasury Regulation 19.6.1.1.

Consequences management

22. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by Section 38(1)(h)(iii) of the PFMA. This was because investigations into irregular expenditure were not performed.
23. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred fruitless and wasteful expenditure as required by Section 38(1)(h)(iii) of the PFMA. This was because investigations into fruitless and wasteful expenditure were not performed.

Other information in the Annual Report

24. The accounting officer is responsible for the other information included in the Annual Report. The other information referred to does not include the financial statements and the auditor's report.
25. My opinion on the financial statements and the report on compliance with legislation do not cover the other information included in the Annual Report, and I do not express an audit opinion or any form of assurance conclusion on it.
26. 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.
27. I did not receive the other information prior to 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.

Internal control deficiencies

28. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
29. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion and the material findings on compliance with legislation included in this report.
30. Leadership was not always effective, as evidenced by the misstatements identified in the annual financial statements and non-compliance with laws and regulations.
31. Management did not ensure that there were adequate internal control processes in place to detect or prevent any material misstatements.
32. Leadership did not have adequate oversight controls to ensure that action plans to address prior year findings were monitored and addressed.

33. Management did not implement controls over daily and monthly processing and reconciling transactions, resulting in payments being made for goods not received.
34. The management did not implement effective monitoring of compliance with applicable legislation.

Auditor-General

Pretoria
31 July 2025



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and on the Trading Entity's compliance with selected requirements in key legislation.

Financial statements

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trading Entity'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 Trading Entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a Trading Entity to cease operating as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); Section 38(1)(h)(iii); 38(1)(j); 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(4); Section 44(1); 44(2); 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); Regulation 5.2.3(d); 5.3.1; 7.2.1; 8.1.1; 8.2.1; Regulation 8.2.2; 8.2.3; 9.1.1; 9.1.4; 10.1.1(a); Regulation 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; Regulation 15.10.1.2(c); 16A3.2; 16A3.2(a); Regulation 16A6.1; 16A6.2(a); 16A6.2(b); Regulation 16A6.3(a); 16A6.3(b); 16A 6.3(c); Regulation 16A 6.3(e); 16A6.4; 16A6.5; 16A6.6; Regulation 16A7.1; 16A7.3; 167.6; 16A7.716A8.3; Regulation 16A8.4; 16A9.1(b)(ii); 16A9.1(d); Regulation 16A9.1(e); 16A9.1(f); 16A9.2; Regulation 16A9.2(a)(ii); 17.1.1; 18.2; 19.6.1; Regulation 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury instruction No. 5 of 2020/21	Paragraph 1; 2; 4.8; 4.9, 5.3
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 3 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
Practice Note 11 of 2008/9	Paragraph 2.1; 3.1(b)
Practice Note 5 of 2009/10	Paragraph 3.3
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; Regulation 6.3; 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; Regulation 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; Regulation 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

Part F

Annual Financial Statements- Agricultural Land Holdings Account (ALHA)

For the period ended 31 March
2025



AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Land Acquisition and Farmer Support
Business address	600 Lillian Ngoyi Pretoria 0002
Postal address	Private Bag X 833 Pretoria 0001
Bankers	ABSA
Auditors	AGSA

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

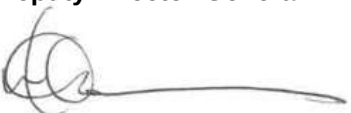
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Statement of Changes in Net Assets	313
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Significant Accounting Policies	317 – 331
Notes to the Audited Annual Financial Statements	332 – 352

The audited annual financial statements set out from page 311, which have been prepared on the going concern basis, were approved by the accounting authority on 31 July 2025 and were signed on its behalf by:


OC Nyamandi
Director: PLAS Lease and Asset Management


TS Ndove
Deputy Director-General: LRTR


MM Mokono
Acting Chief Financial Officer


M Ramasodi
Director-General

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Audit Committee Report

Audit committee members and attendance

Ms SP Mzizi (Chairperson)

Ms SJ Sekgobela

Ms MK Mbonambi

Audit committee (AC) responsibility

The AC reports that it has complied with its responsibilities arising from Section 38(10)(1) of the PFMA and Treasury Regulation 3.1.

AC also reports that it has adopted appropriate formal terms of reference as its AC Charter, has regulated its affairs in compliance with this charter, and has discharged all its responsibilities as contained therein.

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Statement of Financial Position as at 31 March 2025

		2025	2024
	Note(s)	R '000	Restated* R '000
Current assets			
Cash and cash equivalents	5	805 660	540 173
Inventories	6	2 665	-
Trade and other receivables from exchange transactions	7	152 429	146 081
Trade and other receivables from non-exchange transactions	8	811 707	779 570
Prepayments	9	5 712	22 362
		1 778 173	1 488 186
Non-current assets			
Property, plant and equipment	3	14 785 997	14 703 665
Intangible assets	4	3 479	3 421
		14 789 476	14 707 086
Total assets		16 567 649	16 195 272
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	10	79 312	77 315
Provisions	11	674 626	635 362
		753 938	712 677
Non-current liabilities			
Trade and other payables from exchange transactions	12	27 701	27 701
Total equity and liabilities		781 639	740 378
Net assets		15 786 010	15 454 894
Accumulated surplus		15 786 010	15 454 894
Total net assets		15 786 010	15 454 894

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Statement of Financial Performance

		2025	2024
	Note(s)	R '000	Restated* R '000
Revenue			
Revenue from exchange transactions			
Rental income on lease receivable	13	92 796	98 572
Interest on lease receivable	13	50 155	47 566
Interest income	13	104 623	104 560
Total revenue from exchange transactions		247 574	250 698
Revenue from non-exchange transactions			
Transfer revenue			
Grant income—non exchange	13	855 674	734 942
Donations received	13	18 396	27 526
Other revenue	13	22 098	25 527
Total revenue from non-exchange transactions		896 168	787 995
Total revenue	13	1 143 742	1 038 693
Expenditure			
Depreciation and amortisation		(83 170)	(81 178)
Impairments	14	(118 109)	(81 120)
Interest expense		(232)	(3 019)
Bad debts written off	17	(10 087)	(30 853)
Grant expense farmers	16	(267 690)	(255 006)
Loss on disposal of assets	3	(122 787)	(36 130)
General expenses	15	(210 549)	(191 852)
Total expenditure		(812 624)	(679 158)
Surplus for the year		331 118	359 535

* See Note 28

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Statement of Changes in Net Assets

	Accumulated surplus/deficit R '000	Total net assets R '000
Opening balance as previously reported	15 037 464	15 037 464
Adjustments	57 895	57 895
Prior year adjustments		
Balance at 01 April 2023 as restated*	15 095 359	15 095 359
Changes in net assets		
Surplus for the year	359 535	359 535
Total changes	359 535	359 535
Restated* balance at 01 April 2024	15 454 892	15 454 892
Changes in net assets		
Surplus for the year	331 118	331 118
Total changes	331 118	331 118
Balance at 31 March 2025	15 786 010	15 786 010

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Cash Flow Statement

	Note(s)	2025 R '000	2024 Restated* R '000
Cash flows from operating activities			
Cash receipts			
Sale of goods and services		54 481	42 684
Grant income		855 674	734 942
Interest income		52 087	50 554
Refund of grant disbursements		14 427	-
Other operating revenue		32 972	2 523
		<u>1 009 641</u>	<u>830 703</u>
Cash paid to suppliers and employees			
Suppliers and other payables		(435 102)	(445 555)
Interest expense		(232)	(3 019)
		<u>(435 334)</u>	<u>(448 574)</u>
Net cash flows from operating activities	18	<u>574 307</u>	<u>382 129</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(308 765)	(403 934)
Proceeds from sale of property, plant and equipment	3	5	-
Purchase of other intangible assets	4	(59)	(1 525)
Net cash flows from investing activities		<u>(308 819)</u>	<u>(405 459)</u>
Net increase/(decrease) in cash and cash equivalents		265 488	(23 330)
Cash and cash equivalents at the beginning of the year		<u>540 173</u>	<u>563 503</u>
Cash and cash equivalents at the end of the year	5	<u>805 661</u>	<u>540 173</u>

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustment s	Final budget	Actual amounts on comparabl e basis	Difference between final budget and actual	Reference
	R '000	R '000	R '000	R '000	R '000	
Statement of financial performance						
Revenue						
Non-tax revenue						
Other non-tax revenue	240 644	7 712	248 356	288 068	39 712	Note 32
Transfer received						
Government grants and subsidies	855 674	-	855 674	855 674	-	Note 32
Total revenue from non-Exchange transactions	1 096 318	7 712	1 104 030	1 143 742	39 712	
Expenditure						
Depreciation and amortisation	(75 962)	(9 011)	(84 973)	(83 170)	1 803	Note 32
Goods and services	(616 610)	224 946	(391 664)	(461 764)	(70 100)	Note 32
Grant expense farmers	(398 984)	10 818	(388 166)	(267 690)	120 476	Note 32
Total expenditure	(1 091 556)	226 753	(864 803)	(812 624)	52 179	
Surplus before taxation	4 762	234 465	239 227	331 118	91 891	

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R '000	R '000	R '000	R '000	R '000	
Statement of financial position						
Carrying value of assets	14 729 331	196 360	14 925 691	14 789 476	(136 215)	Note 32
Receivables and prepayments	805 156	100 117	905 273	972 513	67 240	Note 32
Cash and cash equivalents	302 051	247 524	549 575	805 660	256 085	Note 32
Total assets	15 836 538	544 001	16 380 539	16 567 649	187 110	
Accumulated surplus/(deficit)	15 120 367	558 890	15 679 257	15 786 010	106 753	Note 32
Trade and other payables from exchange transactions	111 524	(28 416)	83 108	79 312	(3 796)	Note 32
Provisions	604 647	(14 174)	590 473	674 626	84 153	Note 32
Trade and other payables from exchange transactions	-	27 701	27 701	27 701	-	Note 32
Total equity and liabilities	15 836 538	544 001	16 380 539	16 567 649	187 110	

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Significant accounting policies

	Note(s)	2025 R '000	2024 R '000
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1. Significant accounting policies

The significant accounting policies applied in the preparation of these audited annual financial statements are set out below.

1.1 Basis of preparation

The audited annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These audited annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

In the absence of an issued and effective Standards of GRAP, accounting policies for material transactions, events, or conditions were developed in accordance with Paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Budget

Budget information has been provided in a separate disclosure note in accordance with GRAP 1 and 24. GRAP 24 is applicable to all entities preparing their financial statements on accrual basis of accounting and is also applicable to all entities that are required or elect to make their approved budget publicly available.

ALHA budget does not meet the scope of GRAP 24 because its budget is not approved by Parliament. The trading entity has elected to make their approved budget available. ALHA presents separate statement of comparison of budget in the annual financial statements.

1.5 Significant judgements and estimates

In preparing the audited annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the audited annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the audited annual financial statements. Significant judgements include:

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Significant accounting policies

1.5 Significant judgements and estimates (continued)

Impairment of trade receivables

The entity assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the trading entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired.

Debtors are assessed on an individual basis; however, groups of debtors could be affected by the same evident circumstances that warrants a specific subgrouping to be justifiable. These debtors are classified according to those underlying circumstances for the purpose of compilation of an allowance for doubtful debts.

The following are some of the factors that should be considered, but the list is not exhaustive.

Category

Debt acknowledged/Entity/Commercial;
Debt acknowledged/Entity/Limited Operation;
Debt acknowledged/Entity/No Operation/Not Categorised
Debt acknowledged/Entity/Private/ Commercial;
Debt acknowledged/Entity/Recap/LDS
Debt acknowledged/Individual/Commercial;
Debt acknowledged/Individual/Limited Operation
Debt acknowledged/Individual/Not Applicable;
Debt acknowledged/Individual/Not Categorised/No Operation
Debt acknowledged/Individual/Recap/LDS;
Debt not acknowledged/Debt prescribed/Deceased;
Legal assessment/Not assessed/Approved write off; and
Refusal to pay/Intergovernmental.

Impairment of non-financial assets

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the entity for similar financial instruments.

Value in use of non-cash generating assets

The trading entity reviews and tests the carrying value of the assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indicators that impairment may have occurred, the remaining service potential of the asset is determined. This estimate is based on the availability of information to determine the remaining service potential of the asset.

Remaining useful lives of property, plant and equipment

The trading entity's management determines the estimated remaining useful lives and related depreciated charges for property, plant and equipment. This estimate is based on management's judgement, farming activities and operational factors. These estimates are based on the pattern in which an asset's future economic benefits or service potential is expected to be consumed by the trading entity.

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Significant accounting policies

1.5 Significant judgements and estimates (continued)

Depreciation

Depreciation is recognised on property, plant and equipment and is determined with reference to the useful lives of the underlying items. The useful lives of the assets are based on management's estimation of the assets condition at the end of the period of use, its current use and expected future use.

Replacement costs

Replacement costs is calculated using the average price asset purchased within ALHA, since a willing buyer willing seller market is used for acquisition of ALHA property, plant and equipment.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included for rates and taxes where average of payment was made for properties owned.

Budget information

Variances between budget and actual amounts are regarded as material when a 5% variance exists. All material differences are explained in the notes to the annual financial statements.

Impairment of other financial assets

The impairment loss on a financial asset measured at amortised cost is calculated as the difference between the asset carrying amount and the present value of the estimated future cash flow discounted at the financial asset original interest rate.

The present value of the future cash flows is determined based on the budgeted percentage performance achieved by entities that have been advanced concessionary loans.

1.6 Property, plant and equipment

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 period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the estimated cost of dismantling the asset and restoring the site on which it is operated.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Significant accounting policies

1.6 Property, plant and equipment (continued)

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 was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

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.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs, which are a condition of continuing use of an item of property, plant and equipment, and which meet the recognition criteria above, are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

Where the trading 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 qualify as property, plant and equipment if the recognition criteria is met.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives. Components of assets that are significant in relation to the whole assets and that have different useful lives are depreciated separately. The trading entity maintains and acquires assets to provide a social service to the community, with no intention to dispose of the assets for any economic gain.

The assets' residual values, useful lives and depreciation methods are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Significant accounting policies

1.6 Property, plant and equipment (continued)

The annual depreciation of items of property, plant and equipment have been assessed and based on the estimated asset useful lives as follows:

Item	Depreciation method	Average useful life
Agricultural land	Straight line	Unlimited
Infrastructure - Production facility - e.g., broilers	Straight line	40 – 50
Infrastructure - Production infrastructure – e.g., kraal	Straight line	30 – 50
Buildings - Farm dwellings/buildings	Straight line	40 – 50
Agricultural equipment - No Moving parts e.g., ploughs	Straight line	20 – 30
Agricultural equipment - High intensity moving parts e.g., chain saws	Straight line	5 – 7
Agricultural equipment - Mechanical e.g., tractors	Straight line	10 – 15
Agricultural equipment - Water low intensity – non-electrical	Straight line	30
Agricultural equipment - Water low intensity - electrical	Straight line	15 – 20
Electrical	Straight line	15
Office equipment	Straight line	5 – 10
Motor vehicles	Straight line	5 – 10

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the entity. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The entity assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

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 from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.7 Intangible assets

An asset is identifiable if it either:

- is separable, i.e., is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Significant accounting policies

1.7 Intangible assets (continued)

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised 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.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result, the asset is tested for impairment and the remaining carrying amount is amortised over its useful life. 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 charge to the Statement of Financial Performance.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Average useful life
Share packaging rights	Five (5) years

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note).

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in the trading entities surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback) and is recognised in the Statement of Financial Performance.

1.8 Revenue and Expenditure

Revenue from non-exchange transactions:

Revenue from non-exchange transactions refers to transactions where the trading entity received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from non-exchange transactions is measured at the amount of the increase in net assets recognised by the Trading Entity.

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Significant accounting policies

1.8 Revenue and Expenditure (continued)

Revenue from exchange transactions:

Revenue from exchange transactions is measured at the fair value of the consideration received or receivable considering the amount of any discounts allowed by the trading entity, for goods and services provided in the normal course of business.

Revenue from the sale of farms is recognised when all the following conditions have been satisfied:

- The entity has transferred to the purchaser the significant risks and rewards of ownership of the property;
- The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the property sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits or service potential associated with the transaction will flow to the trading entity; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest is recognised in surplus or deficit using the effective interest rate method.

Rental revenue arising from operating leases is accounted for on a straight-line basis over the lease terms.

Expenditure

The trading entity recognises expenditure on an accrual basis, meaning when the expenses are incurred, not when they are paid. Expenses are incurred when goods are received and services are rendered, whether or not an invoice has been received or payment has been made.

The policy exists to ensure adherence with GRAP, to promote consistent accounting treatment across the entity, and to ensure the operating results of the entity are not misstated as a result of expenses unrecorded or recorded improperly.

1.9 Leases

The trading entity as a lessor.

Classification.

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. An operating lease is a lease other than a finance lease.

Measurement

- Lease income from operating leases is recognised in income on a straight line basis over the lease term;
- Lease income is disclosed in the Statement of Financial Performance; and
- Any contingent rental income is recognised as surplus or deficit in the period in which it is receivable.

1.10 Financial instruments

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the “underlying”);
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and
- It is settled at a future date.

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Significant accounting policies

1.10 Financial instruments (continued)

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions. Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded on the market.

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Significant accounting policies

1.10 Financial instruments (continued)

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are 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 are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- contingent consideration of an acquirer in a transfer of functions between entities not under common control to which the Standard of GRAP on Transfer of Functions Between Entities Not Under Common Control (GRAP 106) applies
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
 - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - on initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking;
 - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
 - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Classification

The trading entity classifies its financial instruments at amortised cost, i.e., non-derivative financial assets or non-derivative financial liabilities that have a fixed or determined payments, excluding instruments that:

- the trading entity designates at fair value at initial recognition; or
- are held for trading.

The classification depends on the purpose for which the financial instruments were obtained or incurred and takes place at initial recognition. Classification is reassessed on an annual basis.

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Significant accounting policies

1.10 Financial instruments (continued)

Initial recognition

Financial instruments are recognised initially when the trading entity becomes a party to the contractual provisions of the instruments.

The trading entity classifies financial instruments, or their component parts on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and to the extent that the instrument satisfies the definition of a financial liability, a financial asset or a residual interest.

Initial measurement

Financial instruments are measured initially at fair value except for equity investments for which a fair value is not determined, which are measured at cost.

For financial instruments which are not at fair value, transaction costs are included in the initial measurement of the instrument.

Subsequent measurement

All financial assets at amortised cost are subsequently measured at amortised cost using the effective interest rate method, less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest rate method.

Impairment of financial assets

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 amounts due to the trading entity, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default on payments are all considered indications of impairment.

If there is objective evidence that an impairment loss on financial assets measured at amortised costs have been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the loss is reduced through the use of an allowance amount. The amount of the loss is recognised in surplus or deficit.

Impairment deficits are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Where financial assets are impaired through use of an allowance account, the amount of the deficit is recognised in surplus or deficit within operating expenses. When such assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Significant accounting policies

Trade and other receivables

The trade receivables are initially recognised at fair value and are subsequently stated at amortised costs less provision for impairment.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and are subject to an insignificant risk of changes in value. These are classified as financial assets at amortised cost.

1.11 Services in kind

The trading entity does not recognise services in kind as revenue. Services in kind are disclosed under related parties.

1.12 Commitments

No provision is made for projects approved for grant farmers at year end, unless the service in terms of the contract has been delivered or the contract is of an onerous nature. Where a project has been approved and the contract has been awarded at reporting date, but no expenditure has accrued, it is disclosed as commitment in the notes of the annual financial statements.

1.13 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.14 Irregular expenditure

Irregular expenditure, as defined in Section 1 of the PFMA, is expenditure other than unauthorised expenditure, incurred in contravention of, or that which is not in accordance with, a requirement of any applicable legislation, including:

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury Practice Note No. 4 of 2008/2009, which was issued in terms of sections 76(1) to 76(4) of the PFMA, requires the following (effective from 1 April 2008):

- Irregular expenditure that was incurred and identified during the current financial year and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.
- Irregular expenditure that was incurred and identified during the current financial year, and for which condonement is being awaited at year end, must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.
- Where irregular expenditure was incurred in the previous financial year and is only condoned in

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Significant accounting policies

the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year, and which was not condoned by the National Treasury, or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

1.15 Related parties

The trading entity has controls in place to aid in the identification of the related parties. The trading entity provides information on transactions with related parties in its financial statements. Disclosure of transactions with other government entities is only provided to the extent that the transaction was not on normal terms (not at arm's length).

1.16 Provisions

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date. A reliable estimate for the provision was calculated using available historical data per municipalities.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating surplus deficits.

1.17 Accounting by principals and agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

AGRICULTURAL LAND HOLDINGS ACCOUNT

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Significant accounting policies

Recognition

The entity, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The entity, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The entity recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.18 Going concern assumption

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

1.19 Other non-exchange receivables: Unspent grant – Farmers

Trade and other non-exchange receivables arise from the Trading Entity's unconditional right to the return of the funds from the beneficiaries in cases of default, breach and or termination of the contractual arrangement. Any contractual party that determines a default, breach and or termination must communicate through a written notice to the party that is in default. The legal remedies available in a situation of default, breach and/or termination as well as subsequent recovery of the funds will be dictated by various agreements signed by all parties.

All contractual agreements are assessed to determine the unconditional right for the return of the funds at initial recognition and subsequent measurement. In case of subsequent measurement whereby a receivable is recognised, the receivable will be dealt with in line with policy on other debtors.

Trade and other receivables from other debtors

Trade and other receivables are categorised as financial assets and are initially recognised at fair value and subsequently carried at amortised cost. Amortised cost refers to initial carrying amount plus interest less payments and impairments.

Assessment of impairment of non-exchange receivable shall be done in line with policy of impairment of receivable non-exchange par 1.5.

1.20 Contingent asset

A contingent asset is disclosed by the trading entity where there is a possible asset 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 wholly within the control of the trading entity.

1.21 Contingent liability

A contingent liability is disclosed by the trading entity where there is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of ALHA; or where there is a present obligation arising from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

AGRICULTURAL LAND HOLDINGS ACCOUNT

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Significant accounting policies

1.22 Prepayments

Prepaid expenses are amounts paid for by the trading entity representing costs incurred from which services or benefits are expected to be derived in the future.

The future write-off period of the incurred cost will normally be determined by the period of benefit covered by the prepayment. When the period arrives to which a prepaid cost relates the costs will be treated as a period cost for the period in question. Normally such prepaid costs will be written off based on the elapse of time.

Prepaid expenses should be classified as current assets unless a portion of the prepayment covers a period longer than 12 months. If there are prepayment costs with a benefit beyond 12 months, they should be classified as deferred charges in the Statement of Financial Position.

Prepaid expenses will be measured at the value of the services or goods to be received/receivable in the future.

1.23 Leasehold improvements

A leasehold improvement is an improvement made to a leased building/structure by a department that has the right to use this leasehold improvement over the term of the lease. This improvement will revert to the lessor in the event that the lease is terminated as a consequence of actions and omissions of the lessee.

1.24 Adoption of new GRAP standard

In the current year, the trading entity has adopted all new and revised standards and interpretations issued by the ASB that are relevant to its operations and are effective. The trading entity has early adopted the standard of GRAP 105 for the first time when the minister of finance set the effective date for the trading entity at 01 April 2019. The adoption of the standard has not had a material impact on the result of the trading entity that has resulted in more disclosures than would have provided in the annual financial statements.

1.25 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for:

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Current replacement cost is the cost the entity incurs to acquire the asset on the reporting date.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

ALHA is not involved in any agricultural activity or processing of biological assets into agricultural produce for sale. ALHA shall recognise the expenditure on biological assets as an expense at the date of acquisition and biological assets shall be transferred to the selected beneficiaries at the date of acquisition.

AGRICULTURAL LAND HOLDINGS ACCOUNT

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Significant accounting policies

1.26 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.

Judgements made by management in applying the criteria to designate assets as cash-generating assets or non-cash-generating assets are as follows:

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

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2. New standards and interpretations

2.1 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2025 or later periods but are not relevant to its operations:

Standard/interpretation:	Expected impact:
GRAP 107: Mergers	Unlikely there will be a material impact
GRAP 106: Transfer of functions between entities not under common control	Unlikely there will be a material impact
GRAP 105: Transfer of functions between entities under common control	Unlikely there will be a material impact
GRAP 1: (amended) Presentation of financial statements (Going concern)	Not expected to impact results but may result in an additional disclosure
GRAP 104: (as revised) Financial instruments	Unlikely there will be a material impact
GRAP 103: Heritage assets (as revised)	Unlikely there will be a material impact

AGRICULTURAL LAND HOLDINGS ACCOUNT

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand

3. Property, plant and equipment

	2025			2024		
	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost /Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	12 698 625	-	12 698 625	12 560 130	-	12 560 130
Buildings	2 283 456	(680 988)	1 602 468	2 256 149	(603 462)	1 652 687
Motor vehicles	126 437	(92 816)	33 621	117 292	(85 939)	31 353
Infrastructure	501 530	(151 257)	350 273	486 118	(131 772)	354 346
Work in progress	20 408	(14 765)	5 643	21 547	(14 765)	6 782
Farming machinery	211 710	(116 343)	95 367	202 700	(104 333)	98 367
Total	15 842 166	(1 056 169)	14 785 997	15 643 936	(940 271)	14 703 665

Reconciliation of property, plant and equipment—2025

	Opening balance	Additions	Additions through donations	Disposals	WIP – Move-ment	Depreciation	Impair-ment loss	Impair-ment reversal	Total
Land	12 560 130	245 151	-	(106 656)	-	-	-	-	12 698 625
Buildings	1 652 687	37 865	4 143	(11 238)	-	(48 104)	(44 657)	11 772	1 602 468
Motor vehicles	31 353	9 334	6	(63)	-	(6 839)	(170)	-	33 621
Infrastructure	354 346	10 312	11 623	(4 559)	-	(16 577)	(5 885)	1 013	350 273
Work in progress	6 782	-	-	-	(1 139)	-	-	-	5 643
Agricultural equipment	98 367	7 242	2 624	(276)	-	(11 650)	(1 006)	66	95 367
Total	14 703 665	309 904	18 396	(122 792)	(1 139)	(83 170)	(51 718)	12 851	14 785 997

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment—2024

	Opening balance	Additions	Additions through donation s	Disposal s	Depreci- ation	Impair- ment loss	Total
Land	12 283 473	310 305	-	(33 648)	-	-	12 560 130
Buildings	1 630 878	70 264	10 562	(1 807)	(46 952)	(10 258)	1 652 687
Motor vehicles	35 212	4 330	-	-	(6 882)	(1 307)	31 353
Infrastructure	348 029	9 781	13 889	(359)	(15 820)	(1 174)	354 346
Work in progress	21 479	68	-	-	-	(14 765)	6 782
Agricultural equipment	98 692	9 186	3 074	(316)	(11 524)	(745)	98 367
	14 417 763	403 934	27 525	(36 130)	(81 178)	(28 249)	14 703 665

Additional information

3.1. Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and impairment losses.

Net carrying value for PPE amounts to R14,786 billion (2024: R14,704 billion) after depreciation of R83,170 million and total net impairment of R38,868 million relates to impairment loss of R51,718 million and reversal of impairment amounting to R12,851 million.

The repairs and maintenance expenditure incurred in the current financial year amounts to R2,070 million.

3.2 Gain/loss on disposal of assets

The Trading Entity suffered a loss on disposal of land amounting to R122,878 million.

Furthermore, R122,787million relates to the transfer of state land properties through (i) donations to CPAs for agricultural purposes, NPDC auction, and farm dwellers to ensure security of tenure; and (ii) land transfer to qualifying Category 1, 2 and 3 farmers. These initiatives collectively resulted in significantly higher asset disposals compared to the prior year.

AGRICULTURAL LAND HOLDINGS ACCOUNT

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Figures in Rand thousand

4. Intangible assets

	2025			2024		
	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	-	(980)	(980)	-	(980)	(980)
Intangible assets under development	3 479	-	3 479	3 421	-	3 421
Intangible assets	980	-	980	980	-	980
Total	4 459	(980)	3 479	4 401	(980)	3 421

Reconciliation of intangible assets – 2025

	Opening balance	Additions	Total
Accumulated amortisation	(980)	-	(980)
Intangible assets under development	3 421	58	3 479
Intangible assets	980	-	980
	3 421	58	3 479

Reconciliation of intangible assets – 2024

	Opening balance	Additions	Total
Accumulated amortisation	(980)		(980)
Intangible assets under development	1 896	1 525	3 421
Intangible assets	980	-	980
	1 896	1 525	3 421

AGRICULTURAL LAND HOLDINGS ACCOUNT

Audited Annual Financial Statements for the year ended 31 March 2025

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5. Cash and cash equivalents

Bank balances	805 660	540 173
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The increase in cash and cash equivalent are held with a registered banking institution which is subjected to insignificant credit risk. The maximum exposure to credit risk at reporting date is the fair value of cash and cash equivalents mentioned above.

6. Inventories

Biological assets	2 665	-
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The total inventory amounting to R2,665 million comprises of biological assets that were acquired during the acquisition of land; however, this has not been handed over to the identified farmer. Transfer of these biological assets is expected to take place during the next financial year.

7. Trade and other receivables from exchange transactions

Deferred lease assets	95 715	104 460
Operating lease receivables	55 697	40 735
Accrued interest—from bank	1 017	886
	152 429	146 081

Credit quality of trade and other receivables

Net carrying value for operating lease receivable and servitude amounts to R55,69 7million (2024: R40,735 million) after impairment.

Operating lease receivable

Reconciliation of the allowance

Balance at the beginning of the year	628 072	575 737
Contributions to provision	75 380	52 335
	703 452	628 072

Trade and other receivables past due but not impaired

The ageing of amounts past due but not impaired is as follows:

Less than 3 months	4 414	3 175
3 to 6 months	2 431	2 205
6 to 12 months	6 650	6 115
Over 12 months	42 202	29 240
	55 697	40 735

Trade and other receivables impaired

Trade and other receivables of R759,149 million (2024: R668,807 million) The ageing of the impairment loss is as follows:

Current to 6 months	80 188	64 920
6 to 12 months	77 385	68 602
Over 12 months	601 576	535 285
	759 149	668 807

AGRICULTURAL LAND HOLDINGS ACCOUNT

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8. Trade and other receivables from non-exchange transactions

Unspent conditional grant farmers – LDS	754 962	709 196
Other debtors	56 745	70 374
	811 707	779 570

8.1. Unspent conditional grant farmers—Land development Support

Unspent conditional grants relate to the difference between transferred funds into individual beneficiaries' grant holding bank accounts and payments from the same bank accounts.

8.2 Other debtors

The net carrying value for other debtors amounts to R56,745 million after impairment. Other debtors raised in non-exchange.

9. Prepayments

Prepayments amounting to R5,712 million and R22,362 million (2024) relates to payments of goods and services prior to fully complying with the condition as per the terms and conditions indicated in the land development support programme and rates and taxes.

10. Trade and other payables from exchange transactions

Trade payables	55 605	57 537
Rental received in advance	23 707	19 778
	79 312	77 315

Trade payables relates to the payment of rates and taxes invoices from municipalities as well as other invoices that were accrued.

11. Provisions

Reconciliation of provisions – 2025

	Opening Balance	Additions	Utilised during the year	Total
Other provisions	635 362	130 541	(91 277)	674 626

Reconciliation of provisions – 2024

	Opening Balance	Additions	Utilised during the year	Total
Other provisions	638 771	101 963	(105 372)	635 362

Provision for rates and taxes has been provided as a result of the entity having a legal obligation to pay rates and taxes on properties under its custodianship. A reliable estimate for the provision was calculated using available historical data per property and municipalities.

No reliable estimate could be calculated for payment of rates and taxes between the period of 2007/08 to 2015/16 as a result of previous government property rates initially paid by the Department of Public Works and Infrastructure.

AGRICULTURAL LAND HOLDINGS ACCOUNT

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12. Trade and other payables from exchange transactions

Rates and taxes – Interest	15 467	15 467
Management fees	11 732	11 732
COVID consumables: Seeds/feeds/medicine/fertiliser/livestock	502	502
	27 701	27 701

The total amount of R27,70 1million relates to interest on rates and taxes as well as the NEF management fees where the process of settling these transactions is taking longer than expected.

13. Revenue

Rental income on lease receivable	92 796	98 572
Interest on lease receivable	50 155	47 566
Interest received	104 623	104 560
Grant income – non-exchange	855 674	734 942
Donation received – non-exchange	18 396	27 526
Other revenue – non-exchange	22 098	25 527
	1 143 742	1 038 693

14. Impairments

Property, plant and equipment	38 868	28 249
Lease debtors and other debtors	79 241	52 871
	118 109	81 120

15. General expenses

Audit fees	3 798	3 894
Advertising	211	254
Bank charges	61	64
Valuation	1 835	1 684
Professional fees	12 968	14 889
Water and electricity	2 013	1 038
Consumables	2	-
Tools and kits	36	46
Water rights levies	9 274	3 283
Computer services	141	-
Rates and taxes	168 568	155 756
Security expenses	7 107	4 995
Legal fees	129	-
Repairs and maintenance	2 070	1 728
Management fees	2 336	4 221
	210 549	191 852

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16. Grant expense farmers

Covid consumable: Seeds/feeds/medicine/fertiliser/livestock	-	1 089
Biological assets	8 844	2 730
Land development support programme	258 846	251 187
	267 690	255 006

16.1 Biological assets

Biological assets acquired are donated to beneficiaries upon allocation of land.

16.2 Land development support

Land Development Support (LDS) is a programme where farmers are assisted with infrastructure development, production inputs, working capital and machinery and implements for the objective of commercialising previously disadvantaged individuals.

17. Bad debts

Bad debts written off	10 087	30 853
	10 087	30 853

During the current financial year, the trading entity wrote off debt amounting to R10,087 million. Additionally, a prior-period error amounting to R5 000 was identified in the current financial year. This adjustment relates to a debt write-off for a lease that was omitted in the prior financial year. As a result, the bad debt amount disclosed for the previous financial year was restated to reflect this adjustment.

The ALHA Lease and Revenue Management Policy, Paragraph 7.17, provides the applicable guidance on the writing-off of bad debts. The debt written off relates to the following:

17.1 Deceased farmers

In the current financial year, it was discovered that there are farmers that were leasing state property who have since passed away and at the time of their passing they had existing debt with the entity. The assessment of pursuing this debt was conducted including evaluating the possibility of registering debt against the estate and it was deemed to be uneconomical to pursue the debt.

17.2 Outstanding balance is less than R2 000

During the current financial year, the entity identified individual accounts having balances of less than R2 000 and, according to the policy, it is deemed uneconomical to continue pursuing debt less than R2 000, taking into consideration resources that must be allocated to pursue such debt.

AGRICULTURAL LAND HOLDINGS ACCOUNT

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18. Cash generated from operations		
Surplus	331 118	359 535
Adjustments for non-cash items:		
Depreciation and amortisation	83 170	81 178
Loss on disposal of assets	122 787	36 130
Donation received	(18 396)	(27 526)
Impairment assets	38 868	28 249
Impairment—lease debtors	75 380	52 334
Bad debts written off	10 087	30 853
Accrued interest—from bank	1 017	886
Impairment—other debtors	3 862	536
Other provision – rates and taxes—additions (contribution)	130 542	101 963
Deferred lease asset	95 715	104 460
Adjust for changes in working capital:		
Inventories	(2 665)	-
Trade and other receivables from exchange transactions	(188 546)	(210 807)
Trade and other receivables from non-exchange transactions	(35 998)	(49 981)
Prepayments	16 650	(2 547)
Movement—other provision—rates and taxes—utilised	(91 278)	(105 372)
Trade and other payables from exchange transactions	1 994	(17 762)
	574 307	382 129

19. Financial instruments disclosure

Categories of financial instruments

2025

Financial assets

	At amortised cost	Total
Trade and other receivables from exchange transactions	55 697	55 697
Cash and cash equivalents	805 660	805 660
Accrued interest—from bank	1 017	1 017
	862 374	862 374

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	67 887	67 887

2024

Financial assets

	At amortised cost	Total
Trade and other receivables from exchange transactions	40 735	40 735
Cash and cash equivalents	540 173	540 173
Accrued interest – from bank	886	886
	581 794	581 794

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	69 773	69 773

AGRICULTURAL LAND HOLDINGS ACCOUNT

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20. Related parties

Controlling entity—Department of Agriculture, Land Reform and Rural Development

Entities under common control

- a. Agricultural Research Council —3A
- b. National Agricultural Management Council —3A
- c. Onderstepoort Biological Products —3B
- d. Perishable Products Export Control Board —3A
- e. KwaZulu-Natal Ingonyama Trust Board —3A
- f. Registration of Deeds Trading Account—2A
- g. Office of the Valuer-General —3A
- h. Commission on the Restitution of Land Rights—Restitution Act, 1994 (Act No. 22 of 1994) as amended, read together with Section 1 of the PFMA
- i. South African Veterinary Council—Veterinary and Para-Veterinary Professions Act, 1982 (Act No. 19 of 1982)
- j. Agricultural Produce Agents Council—Agricultural Produce Agents Act, 1992 (Act No. 12 of 1992)
- k. National Council of Societies for the Prevention of Cruelty to Animals—Societies for the Prevention of Cruelty to Animals Act, 1993 (Act No. 169 of 1993)
- l. South African Council for Planners—Planning Profession Act, 2002 (Act No. 36 of 2002)
- m. South African Geomatics Council—Geomatics Profession Act, 2013 (Act No. 19 of 2013)
- n. Wine Certification Authority, Liquor Products Act, 9189 (Act No. 60 of 1989) (amended)

All National spheres of Government of South Africa

No executive emoluments are paid by the trading entity as executives are remunerated by the Department of Agriculture, Land Reform and Rural Development.

DALRRD provides administrative services to the trading entity at no cost. These are not accounted for but disclosed as services in kind, refer to Note 21.

Related party balances

Inter-departmental payables

Department: Agriculture, Land Reform and Rural Development:	1 260	163
Payables		

Related party transactions

Department: Agriculture, Land Reform and Rural Development: Grant	855 674	734 942
Income		

The ALHA Trading Entity is a trading entity under the DALRRD. As such, certain services between the DALRRD and ALHA are in kind and are not at arm's length as ALHA receives grant from the department and payables relate to invoices that the department has paid on behalf of ALHA, and a claim has been instituted.

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21. Risk management

Financial risk management

The trading entity's activities expose it to a variety of financial risks including credit risk and liquidity risk.

The trading entity's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the trading entity's performance. Risk management is carried out by the management committee of the department under the risk management framework approved by the Audit Committee.

Liquidity risk

The table above analyses the trading entity's financial liabilities into relevant maturity groups based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are contractual undiscounted cash flows.

At 31 March 2025

	Less than 3 months R'000	Between 3 to 6 months R'000	Between 6 months to 1 year R'000	Total
Trade and other payables from exchange transactions	30 994	10 177	26 716	67 887

At 31 March 2024

	Less than 3 months R'000	Between 3 to 6 months R'000	Between 6 months to 1 year R'000	Total
Trade and other payables from exchange transactions	30 853	38 920	-	69 773

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2025	2024
Cash and cash equivalents	805 660	540 173
Trade and other receivable from exchange transactions	55 697	40 735
Accrued interest—from bank	1 017	886

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk. The entity is exposed to interest rate fluctuations on past due receivables and therefore changes in the interest rate will result in changes in future cash flows expected from these financial instruments. No other financial assets are past due or impaired in the current year.

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22. Service in-kind

22.1 Department of Agriculture, Land Reform and Rural Development (DALRRD) support

The trading entity operates under the administration of DALRRD. Executives and officials at the national, provincial and district levels dedicate a portion of their time to the trading entity's affairs. Additionally, DALRRD provides support services, including internal audit, information technology, human resource, office accommodation, furniture and equipment. No costs are charged by DALRRD for these services. Due to their nature, the value of these services in kind cannot be reliably measured and has therefore not been recognised in the financial statements.

22.2 Office of the Valuer-General (OVG) services

The OVG operates under the same ministerial portfolio as DALRRD. The OVG provides valuation services to DALRRD and in turn the trading entity benefits from the arrangement at no cost. The OVG does not charge any costs for these services, as the service is embedded in the service in kind provided to DALRRD. The cost cannot be reliably measured as the staff performs work for DALRRD and its entities.

22.3 Registrar of Deeds services

The Registrar of Deeds also falls under DALRRD's ministerial portfolio. The trading entity appoints and pays conveyancers directly to facilitate property transfers, and no costs are charged by the Registrar of Deeds in this process as it is covered by the private conveyors when facilitating; however, there other services in kind which include data and access to the systems that the DALRRD receives from Deeds whereby the entity benefits, and the cost cannot be reliably measured.

23. Fruitless and wasteful expenditure

Add: Fruitless and wasteful expenditure identified—current	18 184	8 955
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23.1 RADP projects

The department granted conditional grants to PLAS beneficiaries whereby they were supposed to account in line with signed agreements. The fruitless and wasteful expenditure under assessment which beneficiaries have not accounted amounts to R295,734 million.

23.2 COVID debtors

During the COVID-19 pandemic, the department introduced a support programme for smallholder farmers, providing them with input vouchers that could only be redeemed through approved suppliers. Civil servants were explicitly excluded from benefiting from this initiative. However, subsequent reviews revealed that some civil servants had unduly received these benefits. As a result, fruitless and wasteful expenditure under assessment amounts to R4,467 million.

24. Irregular expenditure

Add: Irregular expenditure	82 692	71 739
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The total irregular expenditure of R82,692 million consists of the following:

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Irregular expenditure (continued)

24.1 Land Development Support—Unauthorised livestock acquisition

An amount of R482 000 relates to livestock purchased for a farm supported under the Land Development Support (LDS) programme, where the transaction did not comply with the contractual terms between the department and the farmer.

24.2 Contravention of Supply Chain Management (SCM) processes

An amount of R27 000 pertains to additional work performed during the ACCPAC system upgrade, which was not covered under the originally approved bid.

24.3 Non-compliance with Treasury Regulations

Assets with a net book value of R82,183 million relates to transfer of State Land during the financial year without obtaining relevant prior approval from National Treasury, as required under Treasury Regulations 21.3.1. and 19.6 (approval was obtained in terms of sale of immovable assets under 16.A.7.3, however, the process was not done through sale).

25. Future minimum lease receivable

Due in—less than 1 year	193 814	197 022
Due in—2 to 5 years	775 561	780 912
Beyond 5 years	3 814 728	3 965 060
	4 784 103	4 942 994

The Trading Entity leases agricultural land to farmers under long-term agreements, with rentals calculated at either (i) 1% of the land's fair market value at inception or (ii) 2% of the land value, escalating annually at 6% or in line with CPIX, as per contractual terms. Qualifying farmers selected based on predefined criteria, including farming experience and scale may, upon fulfilling lease conditions, receive ownership of the farm at no additional cost.

The future minimum lease for the previous financial year has been restated, refer to note 28.

26. Commitments

Already contracted for but not provided for

Guarantees land acquisition – Capital	74 108	7 512
Land Development Support – Grant farmers – Capital	77 743	102 090
	151 851	109 602

Land Development Support reported in the previous financial year has been restated, refer to Note 28.

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27. Contingencies

Contingent asset and liabilities

27.1 Contingent asset

27.1.1 Claims instituted by the department against third parties in relation to grant funding programmes

27.1.1.1 Recapitalisation and Development (RADP)

The department has instituted legal proceedings against beneficiaries to recover the losses suffered by the department due to mismanagement of RADP funds. The total amount of the claims instituted is R8,587 million.

27.1.1.2 Strengthening of Relative Rights (SRR)

The department instituted legal proceedings against third parties for the mismanagement of funds that were allocated to one of the SRR projects. The total amount of the claim instituted is R65,000 million.

27.1.1.3 Leasehold improvements

The department has entered into a lease agreement which allowed the lessee to effect leasehold improvements. The contract indicates that the lessee shall forfeit compensation for his/her improvements on the property in the case where the farmer agreement is terminated.

Certain lessees have breached the agreement and the process of finalising whether the breach will result in the termination will be done as per of the State Land and Disposal Policy. In a case an agreement is terminated then the farmer loses his future economic benefits and those benefits will instead flow to the state (ALHA Trading Entity).

In the event the lease is terminated as a consequence of the actions or omissions of the lessee, the improvement shall become the property of the department, and no compensation shall be paid to the lessee for such improvements. Lessees that have breached the contract are taken through legal eviction process.

It is not practical for the trading entity to estimate the value of the improvements since the lessees were not able to keep proper supporting documents, and in such case a detailed valuation of property will be conducted upon the cases being settled.

27.2 Contingent liability

27.2.1 Rates and taxes

Subsequent to the rates and taxes assessment and communication with municipalities, the trading entity has at the end of the current financial year not received invoices for some accounts. The extent of the liability is unknown and it relates to the period between 2007 to 2016 as municipalities are required to submit invoices together with statements for proper reconciliation, therefore the amount and the timing is uncertain, but it is probable that the proceedings will result in cash outflows to the municipalities.

28. Prior period errors

During the 2024/25 financial year, the trading entity identified material errors in previous financial years that required correction. These adjustments have been applied retrospectively from the 2022/23 financial year as follows:

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28.1 Property, Plant and Equipment (PPE)

During the current financial year, management identified material errors in the recording of asset costs, depreciation calculations, impairment assessments, and asset disposals (including State Land properties). These errors resulted in a collective understatement of property, plant and equipment in prior periods. Corrective adjustments have been made to reduce the carrying value of PPE by R8,409 million, with corresponding impacts on accumulated surplus. The corrections also required restatement of depreciation charges and impairment losses in the statement of financial performance for affected periods.

28.2 Trade and other receivable non exchange:

During the current financial year, management identified and corrected material errors in non-exchange receivables totalling R15,316 million, comprising:

28.2.1 Other debtors—Recapitalisation and Development Programme (RADP) and Land Development Support

An amount of R1,927 million relates to a Recapitalisation and Development Programme (RADP) debtor where the farmer has formally acknowledged the debt. This adjustment has resulted in: (i) increased revenue recognition in the statement of financial performance, and (ii) a corresponding increase in trade and other receivables (non-exchange) under “other debtors” in the statement of financial position, including both the principal amount and accrued interest. All necessary corrections have been properly reflected.

28.2.2 Unspent Grant – Land Development Support

Land Development Support (LDS) unspent grant amounting to R17,243 million that relates to the previous financial years which resulted into an overstatement of unspent grant LDS. The statement of financial performance and position was corrected.

28.3 Trade and other receivable exchange

During the current financial year, management corrected material lease accounting errors amounting to R10,479 million comprising: R8,836 million in understated receivables from lease revenue billing and interest, lease discount reduction amounting to R1,647 million and bad debt write off amounting to R5 000 that was omitted in the previous financial year. These adjustments had an impact in revenue increase in the statement of financial performance, bad debt expense recognition and corresponding trade receivable restatements in the statement of financial position.

28.4 Deferred lease asset

A total amount of R700 000 on deferred lease asset relates to contracts that relate to previous financial years where lease smoothing was not recognised. An adjustment has been done retrospectively with an increase on the deferred lease asset.

28.5 Provision for doubtful debt—Lease debt

A total adjustment of R1,641 million relates to lease contracts of the previous financial year that were received in the current year and the error resulted into an overstatement of provision and the adjustment has been made with a decrease on provision for doubtful debt and impairment on lease debt.

28.6 Provision for doubtful debt—Other debtors

A total adjustment of R16,638 million relates to other debtors of the previous financial year that were omitted and the error resulted into an overstatement of provision and the adjustment has been made with a decrease on provision for doubtful debt and impairment on lease debt.

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28.7 Future Minimum lease

Future minimum lease debt has been adjusted during the current financial year with lease contracts that were not recognised in the previous financial year. The adjustment resulted into an increase in the future minimum lease that was reported in the previous year by R40,819 million.

28.8 Trade and other payables – Exchange

During the current financial year, management identified a R3,562 million understatement of liabilities and expenses resulting from unrecorded general expenditure invoices at the prior year-end. The error has been corrected through retrospective adjustments with an increase accrued liabilities in the statement of financial position, and general expenses in the statement of financial performance.

28.9 Prepayments

During the current financial year, management identified and corrected an overstatement of prepayments amounting to R18,131 million where delivery was in the previous financial year. This error was rectified by reducing the prepayments asset in the statement of financial position, and with an increase on grant farmers' expenditure in the statement of financial performance.

28.10 Provisions – Rates and taxes

During the current financial year, the estimates for rates and taxes provisions were revised in light of recent developments affecting the Trading Entity. The updated estimates resulted in a decrease amounting to R13,937 million in the provisions recognised in prior financial years. Accordingly, the adjustments were correctly reflected through a reduction in the provisions for the 2023/24 financial year.

28.11 Commitments

The closing balance for the 2023/24 financial year was restated by R197 000. This restatement resulted in a corresponding decrease in the opening balance for the current financial year.

28.12 Land Development Support Grant – Farmers

An overstatement of R197 000 was identified in the Land Development Support grant. As a result, the opening balances for the Land Development Support grant allocated to farmers have been restated to reflect the corrected amounts.

The correction of the error(s) results in adjustments as follows:

Statement of Financial Position

Property, plant and equipment	-	8 409
Trade and other receivables non-exchange	-	(15 316)
Trade and other receivables exchange	-	10 479
Trade and other payables exchange	-	(3 562)
Prepayments	-	(18 131)
Other provision – rates and taxes	-	13 937
Deferred lease asset/liability	-	769
Provision for doubtful debt – lease debt – receivable exchange	-	1 641
Provision for doubtful debt – lease debt – receivable non-exchange	-	16 638
Accumulated surplus	-	(57 895)
	-	(43 031)

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	2025 R '000	2024 R '000
Statement of financial performance		
The correction of the error(s) results in adjustments as follows:		
Depreciation and impairment – PPE	-	(18 233)
General expenses	-	42 779
Grant expense farmers	-	35 418
Gain/loss on disposal of assets	-	149
Revenue – non-exchange	-	6 702
Revenue – exchange	-	(5 855)
Bad debts written	-	5
Impairment	-	(18 279)
Interest expense	-	345
	-	43 031

From the beginning of 2022/23 financial year, the effect on retained earnings has been restated by R57,895 million.

29. Events after the reporting date

The trading entity does not have any transactions in the current financial year after the reporting date.

30. Change in estimate

Property, plant and equipment

The annual review of useful life of assets resulted in a decrease of R1,097 million in the depreciation charge to the Statement of Financial Performance.

31. Accounting by principals and agents

Details of the arrangement(s) is/are as follows:

In the 2018/19 financial year, a service level agreement was entered with National Emergent Red Meat Producers (NERPO) commodity organisation whose responsibility was to procure goods and services for farmers under the Land Development Support Programme under the Department of Agriculture, Land Reform and Rural Development (DALRRD).

No management fees to National Emergent Red Meat Producers (NERPO) were paid for the financial year.

Significant risk that arose in the financial year related to compliance with Supply Chain Management prescripts as well as communication with affected farmers concerned. The risk has been mitigated through cancellation of the procurement of services by National Emergent Red Meat Producers NERPO and only agreeing in providing technical agricultural services to farmers. The service level agreement has since been stopped only prior commitments are being implemented.

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	2025 R '000	2024 R '000
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32. Budget differences

Material differences between budget and actual amounts

The trading entity defines variances exceeding 5% as material. The explanations for these variances are provided below.

Statement of Financial Performance	Approved budget R'000	Adjust-ments R'000	Final Budget R'000	Actual amounts on comparable basis R'000	Difference between final budget and actual R'000	Reference
Revenue from exchange transactions	-	-	-	-	-	-%
Rental income on lease receivable	119 661	(30 272)	89 389	92 796	3 407	4%
Interest (outstanding debtors)	52 445	(16 508)	35 937	50 155	14 218	40%
Interest income	47 978	54 427	102 405	104 623	2 218	2%
Total revenue from exchange transactions	220 084	7 647	227 731	247 574	19 843	- %
Revenue from non-exchange transactions						
Government grants and subsidies	855 674	-	855 674	855 674	-	- %
Donation received	4 560	65	4 625	18 396	13 771	298%
Other revenue	16 000	-	16 000	22 098	6 098	38%
Total revenue from non-exchange transactions	876 234	65	876 299	896 168	19 869	-
Total revenue	1 096 318	65	1 104 030	1 143 742	39 857	- %
Expenditure						
Depreciation and amortisation	(75 962)	(9 011)	(84 973)	(83 170)	1 803	2%
Impairments	(81 127)	36 937	(44 190)	(118 109)	(73 919)	167%
Interest expense	-	-	-	(232)	(232)	100%
Bad debts written off	(62 754)	49 284	(13 470)	(10 087)	3 383	25%
Grant expense farmers	(398 984)	10 818	(388 166)	(267 690)	120 476	31%
General expenses	(259 390)	4 400	(254 990)	(210 549)	44 441	17%
Loss on disposal of assets	(213 339)	134 325	(79 014)	(122 787)	(43 773)	(55)%
Total expenditure	(1 091 556)	226 753	(864 803)	(812 624)	52 179	-
Surplus before tax	4 762	234 465	239 227	331 118	92 036	- %

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1. Interest on outstanding debt – 40%

The variance is attributed to low collection on lease rental and increase on debt book during the current financial year. The debt book increased significantly due to terms and condition of contracts.

2. Donation received – 298%

The variance is as a result of assets that were donated in the current financial year that were not anticipated.

3. Other revenue – 38%

The variance is as a result of billing during the current financial year of other debtors that was not anticipated for wherein the entity has exercised its rights to recover the funds.

4. Impairment – 167%

Variance is as a result of assessment of high number of PPE/assets resulting in high impairment as well as lease impairment increase due to low collection of the outstanding debt.

5. Interest expense – 100%

Variance is as a result of rates and taxes interest during the current financial year that was not budgeted for.

6. Bad debts written off – 25%

The variance is as a result of less debt that was identified or fewer incidents during the current financial year than anticipated.

7. Grant expense farmers – 31%

The variance is as a result of slow spending of grant from Grant Holding Accounts in the current financial year.

8. General expenses – 17%

The variance is as a result of low spending in rates and taxes during the current financial year than the estimated annual rates and taxes provision liability.

9. Loss on sale of disposal – (55%)

The variance relates to the State Land disposal that was done in the current financial year than anticipated for.

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				2025	2024	
				R '000	R '000	
32. Budget differences (continued)						
Statement of Financial Position	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Refence
	R'000	R'000	R'000	R'000	R'000	
Current assets	-	-	-	-	-	-
Inventories	-	-	-	2 665	2 665	100%
Trade and other receivables from exchange transactions	163 983	(16 347)	147 636	152 429	4 793	3%
Trade and other receivables from non-exchange transactions	625 421	92 094	717 515	811 707	94 192	13%
Prepayments	15 752	24 370	40 122	5 712	(34 410)	(86)%
Cash and cash equivalents	302 051	247 524	549 575	805 660	256 085	47%
	1 107 207	347 641	1 454 848	1 778 173	323 325	77%
Non-current assets						
Property, plant and equipment	14 726 435	195 256	14 921 691	14 785 997	(135 694)	1%
Intangible assets	2 896	1 104	4 000	3 479	(521)	13%
	14 729 331	196 360	14 925 691	14 789 476	(136 215)	-
Total assets	15 836 538	544 001	16 380 539	16 567 649	187 110	- %
Liabilities						
Current liabilities	-	-	-	-	-	- %
Trade and other payables from exchange transactions	111 524	(28 416)	83 108	79 312	(3 796)	(5)%
Provisions	604 647	(14 174)	590 473	674 626	84 153	14%
	716 171	(42 590)	673 581	753 938	80 357	- %
Non-current liabilities						
Trade and other payables from exchange transactions	-	27 701	27 701	27 701	-	100,00%
Total liabilities	716 171	(14 889)	701 282	781 639	80 357	-
Accumulated surplus	15 120 367	558 890	15 679 257	15 786 010	106 753	- %

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32. Budget differences (continued)

1. Inventories—100%

This variance is the result of a change in classification of unused material for LDS infrastructure where construction has not yet commenced.

2. Trade and other receivables from non-exchange transactions—13%

Variance is as a result of slow spending by farmers in terms of the conditional grant transferred to Grant Holding Bank Account.

3. Prepayments—(86%)

The variance is as a result of fewer rates and taxes invoices received in the year that overlaps in reporting financial years of entity than budgeted for.

4. Cash and cash equivalents—47%

Variance is as a result of slow spending in conditional grant disbursement, rates and taxes invoices as well as land acquisition.

5. Intangible assets—13%

Variance is as a result of delays in the finalisation of the software enhancement project in the current financial year.

6. Provisions—14%

Variance is as a result of provision contribution as well as slow utilisation in the provision in the current financial year. The entity only pays for rates and taxes upon receipt of invoices and statements of accounts from the municipalities.

6.5 Report of the Auditor-General to Parliament on Deeds Registration Trading Entity

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of Deeds Registration Trading Entity set out on pages 366 to 422 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 and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects and possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Deeds Registration Trading Entity as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of Public Finance Management Act 1 of 1999 (PFMA).

Basis for qualified opinion

Government grants and grant liability—unspent conditional grants and receipts

3. The trading entity did not account for revenue from government grants in compliance with GRAP 23, *Revenue from non-exchange transactions*. The trading entity did not recognise revenue from a government grant for which conditions were met. Consequently, revenue from government grants disclosed in the annual financial statements and grant liability-unspent conditional grants and receipts disclosed in note 12 to the financial statements were understated by R20 044 379 and overstated by the same amount, respectively. Additionally, there was an impact on the surplus and deficit for the current period and the accumulated surplus.
4. Furthermore, the trading entity did not correctly account for a prior period error on revenue from government grants in compliance with GRAP 3, *Accounting policies, changes in accounting estimates and errors*. The trading entity incorrectly recognised revenue from government grants in the current year instead of a prior period error. Consequently, revenue from government grants disclosed in the annual financial statements and grant liability-unspent conditional grants and receipts disclosed in note 12 to the financial statements were overstated by R7 899 330 and understated by the same amount, respectively. Additionally, there was an impact on the surplus and deficit for the current period and the accumulated surplus.

Property, plant and equipment

5. I was unable to obtain sufficient appropriate audit evidence for the amount disclosed as property, plant and equipment as assets that were recorded in the current year could not be located during the asset verification process. I could not confirm the amount for property, plant and equipment by alternative means. Consequently, I was unable to determine whether any adjustments relating to property, plant and equipment stated at R143 409 000 in note 8 to the financial statements were necessary.

6. Furthermore, I was unable to obtain sufficient appropriate audit evidence that the trading entity performed a re-assessment of useful lives for property, plant and equipment due to the status of the accounting records. Consequently, I was unable to determine whether any adjustments relating to property, plant and equipment stated at R143 409 000 in note 8 to the financial statements were necessary. Additionally, there was an impact on the surplus for the period and on the accumulated surplus.
7. I was unable to obtain sufficient appropriate audit evidence that the trading entity assessed property, plant and equipment for indications of impairment due to the status of the accounting records. Consequently, I was unable to determine whether any adjustments relating to property, plant and equipment stated at R143 409 000 in note 8 to the financial statements were necessary. Additionally, there was an impact on the surplus for the period and on the accumulated surplus.

Intangible assets

8. I was unable to obtain sufficient appropriate audit evidence for the amount disclosed as intangible assets as the trading entity did not implement effective systems of internal control to maintain proper accounting records. I could not confirm the amount for intangible assets by alternative means. Consequently, I was unable to determine whether any adjustments relating to intangible assets stated at R93 363 000 in note 9 to the financial statements were necessary.
9. Furthermore, I was unable to obtain sufficient appropriate audit evidence that the trading entity performed a re-assessment of useful lives for intangible assets with definite and indefinite useful lives due to the status of the accounting records. Consequently, I was unable to determine whether any adjustments relating to intangible assets stated at R93 363 000 in note 9 to the financial statements were necessary.
10. Lastly, I was unable to obtain sufficient appropriate audit evidence that the trading entity performed an impairment test for intangible assets with indefinite useful lives and whether it assessed intangible assets with finite useful lives for indications of impairment due to the status of the accounting records. Consequently, I was unable to determine whether any adjustments relating to intangible assets stated at R93 363 000 in note 9 to the financial statements were necessary.

Registration of deeds and sale of information and statutory receivables from exchange transactions

11. The trading entity did not disclose revenue from registration of deeds and sale of information and statutory receivables from exchange transactions in compliance with GRAP 1, *Presentation of financial statements*. The trading entity did not disclose separately each material class of revenue and receivables as required by GRAP 1.

Services in kind

12. I was unable to obtain sufficient appropriate audit evidence that the amount disclosed as services in kind was properly accounted for as the trading entity did not implement effective systems of internal control to maintain proper accounting records. I could not confirm the amount disclosed as services in kind by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the services in kind stated at R97 905 000 in note 33 to the financial statements.
13. Furthermore, the trading entity did not account for revenue from services in kind in accordance with GRAP 23, *Revenue from non-exchange transactions*. The trading entity did not recognise revenue from service in kind and the corresponding rental expenditure in the

statement of financial performance. I was unable to determine the full extent of the understatement to revenue from services in kind and the rental expenditure as it was impractical to do so.

Trade Payables

14. The trading entity did not account for trade payables in compliance with GRAP 104, *Financial instruments*. The trading entity did not recognize an overpayment that was received on services rendered. Consequently, payables from exchange transactions disclosed in note 11 to the financial statements and other receivables disclosed in note 6 to the financial statements were understated by R27 734 694.

Payables from exchange transactions

15. Furthermore, the trading entity did not correctly account for accrued leave pay in compliance with GRAP 104, *Financial instruments*. The trading entity incorrectly calculate the amount of accrued leave pay. Consequently, accrued leave pay disclosed in note 11 to the financial statements and leave pay provision charge in note 20 to the financial statements were understated by R13 961 078 respectively. Additionally, there was an impact on the surplus for the period and on the accumulated surplus.
16. The trading entity did not account for other payables in accordance with GRAP 104, *Financial instruments*. The trading entity recognised basic salary for the prior year in the current year. Consequently, basic salary disclosed in note 20 to the financial statements and the corresponding amount for other payables stated at R3 666 000 in note 11 were overstated by R11 164 137 and understated by the same amount, respectively. Additionally, there was an impact on the surplus and deficit for the current period and the accumulated surplus.
17. The trading entity did not account for accrued bonus in accordance with GRAP 104, *Financial instruments*. The trading entity recognised service bonuses for the prior year in the current year. Consequently, service bonuses disclosed in note 20 to the financial statements and the corresponding amount for accrued bonus stated at R18 383 000 in note 11 were overstated by R1 075 997 and understated by the same amount respectively. Additionally, there was an impact on the surplus and deficit for the current period and the accumulated surplus.
18. The trading entity did not account for other payables in compliance with GRAP 104, *Financial instruments*. The trading entity recognised overtime for the prior year in the current year. Consequently, overtime disclosed in note 20 to the financial statements and the corresponding amount for other payables stated at R3 666 000 in note 11 were overstated by R7 649 604 and understated by the same amount, respectively. Additionally, there was an impact on the surplus and deficit for the current period and the accumulated surplus.
19. I was unable to obtain sufficient appropriate audit evidence for the amount disclosed as sundry accruals as the trading entity did not implement effective systems of internal control to maintain proper accounting records. I could not confirm the amount for sundry accruals by alternative means. Consequently, I was unable to determine whether any adjustments relating to sundry accruals stated at R55 474 000 in note 11 to the financial statements were necessary.

Contingent liabilities—labour disputes and litigations

20. I was unable to obtain sufficient appropriate audit evidence that contingent liabilities from labour disputes were properly accounted for, as there were differences between the amount of contingent liabilities from labour disputes per the financial statements and the underlying records. I could not confirm the amount for contingent liabilities from labour disputes by alternative means. Consequently, I was unable to determine whether any adjustments were

necessary to contingent liabilities for labour disputes stated at R25 532 in note 25 to the financial statements.

21. Furthermore, included in the corresponding figure are restatements made to rectify prior year misstatements on contingent liabilities from litigations, but the restatement was not substantiated by supporting audit evidence. I could not confirm the amount contingent liabilities from litigations by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the corresponding figure of contingent liabilities from litigations stated at R82 554 000 in note 25 to the financial statements.

Contingent assets

22. I was unable to obtain sufficient appropriate audit evidence that contingent assets were properly accounted for, as there were differences between the amount of contingent assets per the financial statements and the underlying records. I could not confirm the amount for contingent assets by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to contingent assets stated at R416 000 000 in note 25 to the financial statements.
23. Furthermore, included in the corresponding figure are restatements made to rectify prior year misstatements, but the restatement was not substantiated by supporting audit evidence. I could not confirm contingent assets by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the corresponding figure of contingent assets stated at R416 000 000 in note 25 to the financial statements.

Commitments

24. The trading entity did not accurately account for commitments in compliance with GRAP 1, *Presentation of financial statements*. The trading entity incorrectly calculated the balance of commitments at year end. Consequently, commitments disclosed in note 23 to the financial statements were overstated by R25 259 599.

Net cash flows from operating activities

25. The trading entity did not correctly prepare and disclose the net cash flows from operating activities as required by GRAP 2, *Cash flow statements*. The trading entity incorrectly included non-cash items in determining cash flows from operating activities. I was not able to determine the full extent of the errors in the net cash flows from operating activities, as it was impracticable to do so.

Related parties

26. The trading entity did not identify and disclose all related party relationships with other entities in accordance with GRAP 20, *Related party disclosures*. The trading entity did not disclose relationships with entities under common control. The omission of this information materially affects the disclosures in the financial statement.
27. Furthermore, the trading entity did not disclose all related party balances with the entities under common control in compliance with GRAP 20, *Related party disclosures*. The trading entity omitted the disclosure of a related party balance with another entity under common control. Consequently, related party balances from trade payables in note 26 to the financial statements were understated by R27 734 694.

Context for opinion

28. 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.
29. I am independent of the trading entity 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.
30. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

31. I draw attention to the matter below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

32. As disclosed in note 27 and 28 to the financial statements, the corresponding figures for 31 March 2024 were restated because of an error in the financial statements of the trading entity at, and for the year ended, 31 March 2025.

An uncertainty relating to the future outcome of exceptional litigation

33. As disclosed in note 25 to the financial statements, litigation processes against the trading entity are underway relating to disputes around the registration of property and other legal matters. The total litigation before the courts amounts R103,417 million (2024: R82,554 million) and the remainder of the litigation could not be quantitatively measured for financial impact.

Responsibilities of the accounting officer for the financial statements

34. The accounting officer is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.
35. In preparing the financial statements, the accounting officer is responsible for assessing the trading entity'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 trading entity 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

36. 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.

37. 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 361 forms part of my auditor's report.

Report on the audit of the annual performance report

38. Section 40(3)(a) of the PFMA requires the trading entity to prepare an annual performance report. The performance information of the trading entity was reported in the annual performance report of the Department of Agriculture, Land Reform and Rural Development. The usefulness and reliability of the reported performance information was tested as part of the audit of the Department of Agriculture, Land Reform and Rural Development and any audit findings are included in the management and auditor's report of the department.

Report on compliance with legislation

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

Annual financial statements

43. The financial statements submitted for auditing were not fully prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by section 40(1)(a) and (b) of the PFMA.
44. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and the supporting records could not be provided, which resulted in the financial statements receiving a qualified opinion.

Consequence management

45. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 38(1)(h)(iii) of the PFMA. This was due to proper and complete records that were not maintained as evidence to support the investigations into irregular expenditure.
46. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred fruitless and wasteful expenditure as required by section 38(1)(h)(iii) of the PFMA. This was due to proper and complete records that were not maintained as evidence to support the investigations into fruitless and wasteful expenditure.

Procurement and contract management

47. Some of the goods and services were procured without obtaining at least three written price quotations in accordance with Treasury Regulation 16A6.1 and paragraph 3.2.1 of SCM instruction note 2 of 2021/22.
48. Some of the goods and services of a transaction value above R1 000 000 were procured without inviting competitive bids as required by Treasury Regulation 16A6.1, paragraph 3.3.1 of NTI 02 of 2021/22, paragraph 4.1 of NTI 03 of 2021/22 and TR 16A6.4.
49. Some of the information technology (IT) related goods and services, classified as mandatory, were not procured through SITA as required by Treasury Regulation 16A6.3(e) and section 7(3) of the SITA Act.

Other information in the annual report

50. 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.
51. My opinion on the financial statements and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
52. 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.
53. I did not receive the other information prior to 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.

Internal control deficiencies

54. I considered internal control relevant to my audit of the financial statements and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
55. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the material findings on compliance with legislation included in this report.
56. Leadership did not exercise effective oversight with regard to financial reporting and compliance as well as related internal controls.
57. Leadership was not effective in ensuring that established policies and procedures are timeously updated and communicated to enable and support the understanding and execution of internal control objectives, processes and responsibilities.
58. Management did not adequately implement due quality assurance processes in the preparation of annual financial statements. Management did not adequately implement the established controls relating to year end processing and reconciliation to ensure that all accruals are accounted for in the financial statements.

59. Ineffective demand and procurement planning by senior management, together with weaknesses identified in the contract management environment, resulted in the approval of unjustified deviations from prescribed procurement processes by the accounting officer, causing irregular expenditure.
60. An action plan was developed to address the non-compliance identified in relation to consequence management in the prior year. Regrettably, the leadership did not adequately monitor the effective implementation of this plan, resulting in the non-compliance recurring during the year under review.

Auditor-General

Pretoria

31 July 2025



Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and on the trading entity's compliance with selected requirements in key legislation.

Financial statements

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trading entity'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 trading entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a trading entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

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

Compliance with legislation—selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Section, regulation or paragraph
Public Finance Management Act 1 of 1999	Section 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 40(1)(a); 40(1)(b); 40(1)(c)(i); 44; 45(b);
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1; 7.2.1; 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(a)(ii); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; 19.6.1; 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9, 5.3
Second Amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulation, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)



Part F

Annual Financial
Statements-
Deeds Registration
Trading Entity

For the period ended 31 March
2025



Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Registration of Deeds
Business address	Agriculture Place 20 Steve Biko Road Arcadia Pretoria 0002
Bankers	Standard Bank
Auditors	Auditor-General of South Africa

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

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The audited annual financial statements set out on page 366 to 422, which have been prepared on the going concern basis, were approved by the accounting officer on 31 May 2025 and were signed on its behalf by:



CC Swart
Director: Financial Management and Accounting



N Phasha
Senior Financial Officer



Chief Registrar of Deeds



MM Mokono
(A)Chief Financial Officer



M Ramasodi
Director-General

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Statement of Financial Position as at 31 March 2025

	Note(s)	2025 '000	2024 Restated* '000
Assets			
Current assets			
Inventories	3	3 033	3 176
Prepayments	4	11 959	13 196
Statutory receivables from exchange transactions	5	83 955	73 066
Other receivables from exchange transactions	6	4 766	6 147
Cash and cash equivalents	7	542 439	487 479
		646 152	583 064
Non-current assets			
Property, plant and equipment	8	143 409	149 639
Intangible assets	9	93 363	73 491
		236 772	223 130
Non-current assets		236 772	223 130
Current assets		646 152	583 064
Total assets		882 924	806 194
Liabilities			
Current liabilities			
Finance lease obligation	10	2 013	1 430
Payables from exchange transactions	11	118 692	75 773
Grant liability—unspent conditional grants and receipts	12	36 171	44 070
		156 876	121 273
Non-current liabilities			
Finance lease obligation	10	1 834	1 899
Grant liability—unspent conditional grants and receipts	12	150 839	150 839
Provisions	13	8 208	8 695
		160 881	161 433
Non-current liabilities		160 881	161 433
Current liabilities		156 876	121 273
Total liabilities		317 757	282 706
Assets		882 924	806 194
Liabilities		(317 757)	(282 706)
Net assets		565 167	523 488
Accumulated surplus		565 167	523 488
Total net assets		565 167	523 488

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Statement of Financial Performance

	Note(s)	2025 '000	2024 Restated* '000
Revenue			
Revenue from exchange transactions			
Registration of deeds and sale of information		904 338	831 609
Other income		1 711	1 327
Interest received	16	35 589	37 305
Gain on foreign exchange	18	501	–
Total revenue from exchange transactions		942 139	870 241
Revenue from non-exchange transactions			
Transfer revenue			
Government grants		7 899	21 023
		942 139	870 241
		7 899	21 023
Total revenue	15	950 038	891 264
Expenditure			
Employee related costs	20	(683 292)	(641 003)
Depreciation and amortisation		(25 866)	(24 825)
Impairment loss/reversal of impairments		(3 963)	(1 963)
Finance costs	17	(429)	(265)
Loss on disposal of assets		(6 773)	(2 509)
Loss on foreign exchange	18	–	(550)
General expenses	21	(188 735)	(197 559)
Total expenditure		(909 058)	(868 674)
		–	–
Total revenue		950 038	891 264
Total expenditure		(909 058)	(868 674)
Operating surplus/deficit		–	–
Surplus before taxation		40 980	22 590
Taxation		–	–
Surplus for the year		40 980	22 590

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Statement of Changes in Net Assets

	Note(s)	Accumulated surplus/ deficit ' 000	Total net assets '000
Correction of errors	28	751	751
Prior year adjustments	27	(10 026)	(10 026)
Restated*balance at 01 April 2023		500 898	500 898
Changes in net assets Surplus for the 12 months		22 590	22 590
Total changes		22 590	22 590
Opening balance as previously reported		522 908	522 908
Adjustments			
Correction of errors 28		720	720
Prior year adjustments	27	559	559
Restated* balance at 01 April 2024 as restated*		524 187	524 187
Changes in net assets Surplus for the year		40 980	40 980
Total changes		40 980	40 980
Balance at 31 March 2025		565 167	565 167

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Cash Flow Statement

		2025	2024
	Note(s)	'000	Restated* '000
Cash flows from operating activities			
Receipts			
Registration of deeds and sale of information		894 282	850 523
Other receipts		3 176	2 812
Interest income		35 160	36 634
		<u>932 618</u>	<u>889 969</u>
Payments			
Cash paid for employee costs		(687 115)	(653 694)
Cash paid to suppliers and other		(179 107)	(211 219)
		<u>(866 222)</u>	<u>(864 913)</u>
Total receipts		932 618	889 969
Total payments		(866 222)	(864 913)
Net cash flows from operating activities	24	<u>66 396</u>	<u>25 056</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(6 973)	(32 934)
Proceeds from sale of property, plant and equipment	8	96	20
Purchase of other intangible assets	9	(1 389)	(22 362)
Net cash flows from investing activities		<u>(8 266)</u>	<u>(55 276)</u>
Cash flows from financing activities			
Finance lease payments		(3 170)	(1 064)
Net increase/(decrease) in cash and cash equivalents		<u>54 960</u>	<u>(31 284)</u>
Cash and cash equivalents at the beginning of the year		487 479	518 763
Cash and cash equivalents at the end of the year	7	<u>542 439</u>	<u>487 479</u>

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R '000	R '000	R '000	R '000	R '000	

Statement of Financial Performance

Revenue

Revenue from exchange transactions

Registration of deeds and sale of information	926 557	35 787	962 344	904 338	(58 006)	36,1
Other income	—	—	—	1 711	1 711	36,2
Retention of surplus	66 000	(43 990)	22 010	—	(22 010)	36,3
Interest received	39 070	—	39 070	35 589	(3 481)	36,4
Total revenue from exchange transactions	1 031 627	(8 203)	1 023 424	941 638	(81 786)	

Revenue from non-exchange transactions

Transfer revenue

Government grants	44 630	8 203	52 833	7 899	(44 934)	36,5
“Total revenue from exchange transactions”	1 031 627	(8 203)	1 023 424	941 638	(81 786)	
“Total revenue from non- exchange transactions”	44 630	8 203	52 833	7 899	(44 934)	
Total revenue	1 076 257	—	1 076 257	949 537	(126 720)	

Expenditure

Employee costs	(734 313)	—	(734 313)	(683 292)	51 021	36,6
Depreciation and amortisation	(26 302)	—	(26 302)	(25 866)	436	36,7
Impairment loss/Reversal of impairments	—	—	—	(3 963)	(3 963)	36,8
Finance costs	—	—	—	(429)	(429)	36,9
Sale of goods/Inventory	(4 761)	—	(4 761)	—	4 761	
General expenses	(315 642)	—	(315 642)	(188 735)	126 907	37,10
Total expenditure	(1 081 018)	—	(1 081 018)	(902 285)	178 733	
	1 076 257	—	1 076 257	949 537	(126 720)	
	(1 081 018)	—	(1 081 018)	(902 285)	178 733	
Operating surplus	(4 761)	—	(4 761)	47 252	52 013	
Loss on disposal of assets	—	—	—	(6 773)	(6 773)	36,11
Gain on foreign exchange	—	—	—	501	501	
	—	—	—	(6 272)	(6 272)	
	(4 761)	—	(4 761)	47 252	52 013	
	—	—	—	(6 272)	(6 272)	
Deficit before taxation	(4 761)	—	(4 761)	40 980	45 741	
Taxation	—	—	—	—	—	

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Significant Accounting Policies

	2025 R '000	2024 R '000
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1. Significant accounting policies

The significant accounting policies applied in the preparation of these audited annual financial statements are set out below.

1.1 Basis of preparation

The audited annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the PFMA, 1999 (Act No. 1 of 1999).

These audited annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. All amounts have been presented in the currency of the South African Rand (R), which is also the functional currency of the entity. Unless otherwise stated, all financial figures have been rounded to the nearest one thousand Rand (R'000). Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

These accounting policies are consistent with the previous period.

1.2 Going concern assumption

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

1.3 Materiality

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of Government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.4 Comparative figures

Where material accounting errors, which relate to prior periods that have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparative 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. Where necessary, comparative figures have been reclassified to confirm to changes in presentation in the current year.

The nature and reasons for the reclassification and restatement are disclosed in Note 28 (Prior year adjustments) to the Annual Financial Statements.

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Significant Accounting Policies

1.5 Significant judgements and sources of estimation uncertainty

In preparing the audited annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the audited annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the audited annual financial statements. Significant judgements include:

Statutory and other receivables

The entity assesses its statutory and other receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for statutory and other receivables is calculated on amounts that are over 90 days or more. Assessment for the impairment has been made on individual debtors based on specific probability of recovery. Consideration is also given with regard to payment received from long outstanding debtors after year end, as well as information obtained from any debt collector used by the trading entity. The fair value includes the initial recognition of the debts. Interest is levied on debts that are overdue.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in Note 13—Provisions.

Depreciation and amortisation

Depreciation recognition on property, plant and equipment is 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, 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.

Management determines fair value using available information to determine fair value of property, plant and equipment acquired through non-exchange transactions.

Impairment 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).

1.6 Property, plant and equipment

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 period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity;
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Significant Accounting Policies

1.6 Property, plant and equipment (continued)

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

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 was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

Subsequent to initial recognition, items of property, plant and equipment are carried at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on the depreciable amount using the straight-line method over the estimated useful life of the asset. 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 asset residual value, where applicable.

The asset residual value, useful lives and depreciation methods are reviewed at each financial year-end and adjusted prospectively, in accordance with GRAP 3 if appropriate.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight-line	15–30 years
Office equipment	Straight-line	3–10 years
IT equipment	Straight-line	3–10 years
Leasehold improvements	Straight-line	5–25 years
Photographic and technological equipment	Straight-line	13 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The entity assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

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 from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

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1.6 Property, plant and equipment (continued)

Assets that the entity holds for rentals to others, and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available for sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see Note 8).

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements.

1.7 Intangible assets

An asset is identifiable if it either:

- is separable, i.e., is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

An intangible asset is recognised 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.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale;
- there is an intention to complete and use or sell it;
- there is an ability to use or sell it;
- it will generate probable future economic benefits or service potential;
- there are available technical, financial and other resources to complete the development and to use or sell the asset; or
- the expenditure attributable to the asset during its development can be measured reliably.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

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1.7 Intangible assets (continued)

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result, the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Average useful life
Licenses and franchises	1 – 3 years
Computer software	Indefinite

1.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or collectability.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Initial recognition

The entity recognises a financial asset or a financial liability in its statements of financial position when the entity becomes a party to the contractual provisions of the instruments. The entity recognises financial assets using trade date accounting.

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Significant Accounting Policies

1.8 Financial instruments (continued)

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The entity first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the entity analyses a concessionary loan that is:

- a social benefit in accordance with the framework for the preparation and presentation of financial statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on revenue from non-exchange transactions (taxes and transfers), where it is the recipient of the loan.

Subsequent measurements of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at amortised cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Impairment and collectability of financial assets

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 are impaired.

Financial assets measured at amortised cost

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 credits losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly. The amount of the loss is recognised in the 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, the previously recognised impairment loss is reversed directly or by adjusting an allowance account. The reversal does 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 the surplus or deficit.

Derecognition:

Financial assets

The entity derecognises financial assets using trade date accounting.

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Significant Accounting Policies

1.8 Financial instruments (continued)

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognises the asset; and
 - recognises separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished, i.e., when the obligation specified in the contract is discharged, cancelled, expires or is waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on revenue from non-exchange transactions (taxes and transfers).

Presentations

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

1.9 Statutory receivables

Identification

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.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

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Significant Accounting Policies

1.9 Statutory receivables (continued)

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with legislation, supporting regulations, or similar means.

Recognition

The entity recognises statutory receivables as follows:

- If the transaction is an exchange transaction, using GRAP 9;
- If the transaction is a non-exchange transaction, using GRAP 23; or
- If the transaction is outside the scope of GRAP, recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Initial measurement

The entity initially measures statutory receivables at their transaction amount.

Subsequent measurement

The entity measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Accrued interest

Where the entity levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the Policy on Revenue from exchange transactions or the Policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Impairment losses

The entity assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

Significant Accounting Policies**1.9 Statutory receivables (continued)**

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the entity considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or other financial re-organisation.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

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 is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

In estimating the future cash flows, an entity considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk-free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The entity derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire, or are waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the entity, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognise the receivable; and
 - recognise separately any rights and obligations created or retained in the transfer.

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Significant Accounting Policies

1.9 Statutory receivables (continued)

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those, transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.10 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Finance leases—lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases—lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.11 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Inventories consisting of consumable stores are subsequently measured at the lower of cost and current replacement cost. The basis of determining cost is the weighted-average method.

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 current replacement cost is recognised as reduction of inventories recognised as an expense in the period in which the reversal occurs.

If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs.

1.12 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

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Significant Accounting Policies

1.12 Employee benefits (continued)

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave), where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service;

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund;
- as an expense, unless another standard requires or permits the inclusion of the contribution in the cost of an asset.

1.13 Provisions and contingencies

Provisions:

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation;
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

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1.13 Provisions and contingencies (continued)

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating surplus (deficit).

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Contingent liabilities:

Contingent liabilities is a possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly in the control of the entity; or a present obligation that arises from past events that is not recognised because:

- it is not probable that an outflow of resources and embodying economic benefits will be required to settle the obligations; or
- the amount of the obligation cannot be measured with sufficient reliability; or
- the contingent liability is recognised awaiting the outcome of legal action or dispute between two parties.

Contingent assets:

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by occurrence and non-occurrence of one or more uncertain future events not wholly within the control of the entity.

An entity shall not recognise a contingent asset.

When an inflow of economic benefits or service potential is probable, an entity shall disclose a brief description of the nature of contingent assets at the reporting date and, where practicable, an estimate of their financial effect measured using the principles set out for provisions.

1.14 Impairment of non-cash-generating assets

Non-cash-generating assets are assets that are not used with the objective of generating a commercial return. They are used to deliver goods and services.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

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1.14 Impairment of non-cash-generating assets (continued)

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Impairment of non-cash-generating assets (continued)

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the entity estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

1.15 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arises when the entity can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange or gives value to another entity without directly receiving approximately equal value in exchange.

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Significant Accounting Policies

1.15 Revenue from non-exchange transactions (continued)

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting entity.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to Government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised, it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Receivables that arise from statutory (non-contractual) arrangements are initially measured in accordance with this accounting policy, as well as the accounting policy on Statutory Receivables. The entity applies the accounting policy on Statutory Receivables for the subsequent measurement, derecognition, presentation and disclosure of statutory receivables.

Interest is recognised using the effective interest rate method for financial instruments and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

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Significant Accounting Policies

1.15 Revenue from non-exchange transactions (continued)

Services in-kind

Except for financial guarantee contracts, the entity recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the entity's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the entity disclose the nature and type of services in-kind received during the reporting period.

1.16 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- 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;
- 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.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

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1.16 Revenue from exchange transactions (continued)

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- The stage of completion of the transaction at the reporting date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest income

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

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

Interest is recognised in the surplus or deficit, using the effective interest rate method.

1.17 Rounding

Immaterial rounding differences could not be eliminated and were as a result of rounding inconsistencies in the software used to compile financial statements.

1.18 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the Statement of Financial Performance in the year that the expenditure was incurred or asset. The expenditures are classified in accordance with the nature of the expense/assets, and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

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Significant Accounting Policies

1.19 Irregular expenditure

Irregular expenditure as defined in Section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention or that is not in accordance with a requirement of any applicable legislation, including:

- a) the PFMA; or
- b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- c) any provincial legislation providing procurement procedures in that provincial government.

National Treasury Instruction No. 4 of 2022/2023, which was issued in terms of Section 51(1)(b)(ii) and 57(c) of the PFMA require the following (effective from 03 January 2003):

Expenditure recognised as irregular expenditure is expenditure that must have been recognised in the Statement of Financial Performance or a liability recognised in the statement of financial position. The earlier of an invoice or payment will trigger irregular expenditure for these transactions.

Irregular expenditure is recorded in the annual financial statements disclosure when incurred and confirmed. This relates to irregular expenditure incurred in the current financial year with a one-year comparative.

Irregular expenditure for the previous financial year (comparative amounts) must be recognised in the period in which they occurred as follows:

- a) Irregular expenditure incurred and confirmed in the previous financial year;
- b) Irregular expenditure that was under assessment in the previous financial year and confirmed in the current financial year;
- c) Irregular expenditure that was not discovered in the previous financial year and identified and confirmed in the current financial year; and
- d) Irregular expenditure payments relating to multi-year contracts that was not condoned or removed.

1.20 Prepaid expenses

Prepaid expenses are cash paid amounts that represent costs incurred from which a service or benefit is expected to be derived in the future.

The future write-off period of the incurred cost will normally be determined by the period of benefit covered by the prepayment. When the period arrives to which a prepaid cost relates the costs will be treated as a period cost for the period in question. Normally such prepaid costs would be written off based on the lapse of time and receipt of services rendered/goods received.

Prepaid expenses should be classified as current assets unless a portion of the prepayment covers a period longer than 12 months. If they are prepayments costs with a benefit beyond 12 months, they should be classified as non-current in the statement of financial position.

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Significant Accounting Policies

1.21 Cash and cash equivalents

Cash for reporting purposes will include cash in the bank and any petty cash.

Cash equivalents to be included on the cash line in the financial statements will consist primarily of term deposits, and all other highly liquid investments with a maturity of twelve months or less. Cash equivalents are stated at cost.

The following should be excluded from the cash and cash equivalents line in the financial statements reported in current assets:

- a) Cash subjected to restrictions that prevent its use within the next year; and
- b) Cash appropriated for other than its current purposes unless such cash offsets a current liability.

Cash is measured at fair value.

1.22 Expense recognition

The entity reports its expenses on the accrual basis, meaning when the expenses are incurred, not when they are paid. Expenses are incurred when goods are received and services are rendered, whether or not an invoice has been received or payment has been made.

The policy exists to ensure adherence with GRAP, to promote consistent accounting treatment across the entity, and to ensure the operating results of the entity are not misstated as a result of expenses unrecorded or recorded improperly.

1.23 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. As a minimum, the following are regarded as related parties of the reporting entity:

- a) A person or a close member of that person's family is related to the reporting entity if that person:
 - i. has a control or joint control over the reporting entity;
 - ii. has significant influence over the reporting entity; or
 - iii. is a member of the management of the entity or its controlling entity.
- b) An entity is related to the reporting entity if any of the following conditions apply:
 - i. the entity is a member of the same economic entity (which means that each controlling entity, controlled entity and fellow controlled entity is related to the others);
 - ii. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an economic entity of which the other entity is a member);
 - iii. both entities are joint ventures of the same third party;
 - iv. one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

Deeds Registration Trading Entity

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Significant Accounting Policies

1.23 Related parties (continued)

- v. the entity is a post-employment benefit plan for the benefit of employees of either the entity or an entity related to the entity. If the reporting entity is itself such a plan, the sponsoring employers are related to the entity;
- vi. the entity is controlled or jointly controlled by a person identified in(a); and
- vii. a person identified in (a)(i) has significant influence over that entity or is a member of the management of that entity (or its controlling entity).

An entity controls another entity when the entity is exposed, or has rights, to variable benefits from its involvement with the other entity and has the ability to affect the nature or amount of those benefits through its power over the other entity.

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity but does not have control over those policies.

Management comprises those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity. As a minimum, disclosures include:

- a) the amount of the transactions;
- b) the amount of outstanding balances, including commitments; and
 - i. their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and
 - ii. details of any guarantees given or received;
- c) provisions for doubtful debts related to the amount of outstanding balances; and
- d) the expense recognised during the period in respect of bad or doubtful debt due from related parties.

The reporting entity is exempt from all the disclosure requirements above in relation to related party transactions if that transaction occurs within:

- a) normal suppliers, and or client/recipient relationships on terms and conditions no more or less favourable than those which is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances; and
- b) terms and condition within the normal operating parameters established by that reporting entity's legal mandate.

Deeds Registration Trading Entity

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Significant Accounting Policies

1.24 Prior period error and changes in accounting policies

Prior period errors

Prior period errors are omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that;

- was available when financial statements for those periods were authorised for issue; and
- could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

Such errors may include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretation of facts, and fraud.

Material prior period errors are retrospectively corrected by:

- restating the comparative amounts for the prior period presented in which the error occurred; or
- if the error occurred before the earliest prior period presented, restating the opening balances of assets,

Changes in accounting estimates:

Prior period error and changes in accounting policies (continued)

As a result of uncertainties inherent in delivering services, conducting trading or other activities, many items in financial statements cannot be measured with precision but can only be estimated. The use of reasonable estimates is an essential part for the preparation of financial statements and does not undermine their reliability. An estimate may need revision if changes occur in the circumstances on which the estimates was based or as a result on new information or more experience. By its nature, the revision of an estimates does not relate to prior periods and is not a correction of an error.

The effect of a change in accounting estimates shall be recognised prospectively by including it in surplus or deficit in:

- the period of the change, if the change affects that period only; or
- the period of the change and future periods, if the change affects both.

1.25 Payable from exchange transactions

A liability is a present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits or services potential.

Payable from exchange transactions will be recognised as liabilities, if:

- it is probable that any future economic benefit or service potential associated with the item will flow from the entity;
- the item has a cost or value that can be measured reliably.

As part of the process of maintaining the accounting records in conformity with GRAP, once a transaction of obligation event has taken place, the liability shall be recorded in accounting records. This will normally occur upon the earlier receipt of the invoice or delivery of service/goods.

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Significant Accounting Policies

1.26 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity; therefore, salary commitments relating to employment contracts or social security benefit commitments are excluded.

Additional disclosure is made for unrecognised contractual commitments for routine, steady state business of the entity. These are aggregated to the commitments above except for commitments relating to salary commitments.

1.27 Accounting by principals and agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Recognition

The entity, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The entity, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The entity recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Significant Accounting Policies

1.28 Events after reporting date

Events after 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);
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event 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.

1.29 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At each reporting date:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction;
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous audited annual financial statements are recognised in surplus or deficit in the period in which they arise.

When a gain or loss on a non-monetary item is recognised directly in net assets, any exchange component of that gain or loss is recognised directly in net assets. When a gain or loss on a non-monetary item is recognised in surplus or deficit any exchange component of that gain or loss is recognised in surplus or deficit.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Significant Accounting Policies

1.30 Budget information

Entity is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 01/04/2024 to 31/03/2025.

The audited annual financial statements and the budget are on the same basis of accounting, therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of Comparison of Budget and Actual Amounts.

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

	2025 '000	2024 '000
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2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2025 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 107 Mergers	To be determined	Unlikely there will be a material impact
• GRAP 106 Transfer of functions between entities not under common control	To be determined	Unlikely there will be a material impact
▪ GRAP 105 Transfer of functions between entities under common control	To be determined	Unlikely there will be a material impact
• GRAP 2023 Improvements to the Standards of GRAP 2023	To be determined	Unlikely there will be a material impact
▪ GRAP 1 (amended): Presentation of Financial Statements (Going concern)	To be determined	Not expected to impact results but may result in additional disclosure
• GRAP 103 (as revised): Heritage assets	To be determined	Unlikely there will be a material impact
▪ iGRAP 22 Foreign currency transactions and advance consideration	01 April 2025	Unlikely there will be a material impact
▪ GRAP 104 (as revised): Financial instruments	01 April 2025	Unlikely there will be a material impact

3. Inventories

Stationery and consumable on hand

3 033 3 176

None of the entity's inventory is carried at current replacement cost. Accordingly, the balance as presented, represents the cost of inventories on hand. Inventories consist mainly of stationery and consumable material. Inventory to the value of R3,342 million (2024: R3,808 million) was recognised as an expense during the year. The inventories are recognised as an expense as and when consumed within the entity and the related expense.

The basis of determining cost is the weighted-average method.

4. Prepayments

Opening balance
Add: prepayments during the year
Less: expensed during the current year

13 196	5 019
26 950	13 196
(28 187)	(5 019)
11 959	13 196

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

	2025	2024
	'000	Restated* '000

4. Prepayments (continued)

The amount of R840 (2024: R771) is prepaid to the South African Broadcasting Corporation for television licences for some of the Deeds Registries.

The amount of R10 562 (2024: R12 540) is prepaid to the Post Office for post box renewals for some of the Deeds Registries.

The amount of R11,755 million (2024: R13,117 million) is prepaid to Oracle Corporation (Pty) Ltd for software update licence, and support and maintenance.

The amount of R948 (2024: R884) is prepaid to SASFIN Commercial Solution (Pty) Ltd for maintenance and support of franking machines.

The amount of R1 524 (2024: R3 131) is prepaid to FRAMA (Pty) Ltd for maintenance and support of franking machines.

The amount of R2 218 (2024: R2 101) is prepaid to PBSA (Pty) Ltd for maintenance and support of franking machines.

The amount of R147 975 (2024: R0) is prepaid to The National School of Governance for scheduled training.

The amount of R4 627 (2024: R0) was prepaid to Multichoice for annual subscription to DSTV.

The amount of R7 428 (2024: R12 926) was prepaid to SDM Holdings for annual subscription fee.

The amount of R27 540 (2024: R0) was prepaid to GetSmater for a training course.

The amount of R0 (2024: R46 239) was paid to JUTA for update on Deeds Acts and subscriptions.

5. Statutory receivables from exchange transactions

The statutory receivables arise from transactions outlined in the Deeds Registries Act, 1937 (Act No. 47 of 1937) and include transactions relating to:

- sale of information and copies;
- sale of bulk information;
- registration of property transfers;
- registration of bonds and other documents;
- bond cancellations;
- other annual fees such as subscription and cancellation fees.

The transactions are determined by the Deeds Regulation Board after consideration of charges in the Deeds environment. The fees are approved and Gazetted by the Minister. The current year fees have been gazetted in terms of Gazette No. 50239, Notice No. R.4447.

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

	2025 '000	2024 Restated* '000
5. Statutory receivables from exchange transactions (continued)		
Interest is charged on debts that have not been settled within the prescribed time from statement date. The interest rate applied to these debts is determined by the Minister of Finance by notice in the National Government gazette in accordance with Section 80(2) of the Public Finance Management Act, 1999 (Act No. 1 of the 1999). Other charges refers to reconnection fees for clients who have been disconnected due to non-payment and are determined as stated above in line with the Gazette by the minister.		
The entity assesses at each reporting date whether there is any indication of impairment on statutory receivables. This assessment is based on the ageing of statutory receivables as historical experience indicates that the more mature the receivable the more likely the occurrence of the default. Other factors also considered when known and could also be the basis of assessment for indication of impairment, such as the following:		
- Debtors financial difficulty evidenced by application for debt counselling, business rescue or an equivalent; - It is probable that the debtor will enter sequestration, liquidity or enter financial reorganisation; - A breach of terms of the transaction such as default or delinquency; and - Adverse changes in economic conditions.		
Due to the fact that all debts relating to statutory receivables are due to be settled within 30 days from date of transaction, effect of time value for money are often immaterial. The gross statutory receivables of R89,999 million (2024: R77,134 million*) is stated before a provision for impairment of statutory receivables of R6,044 million (2024: R4,068 million). The impairment of statutory receivables is determined from the age analysis of statutory receivables that are overdue for 90 days or longer. The prospects of recovery are assessed per individual account.		
Statutory receivables	89 999	77 134
Impairment of statutory receivables	(6 044)	(4 068)
	83 955	73 066
Impairment of statutory receivables—age analysis		
3 to 6 months	(6 044)	(4 068)
Statutory receivables age analysis		
Current	78 981	64 923
30 days	4 000	6 667
60 days	181	336
90 days	364	287
Over 90 days	6 473	4 921
	89 999	77 134

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

	2025	2024
	'000	Restated* '000
Reconciliation of impairment of statutory receivables		
Opening balance	(4 068)	(3 654)
Increase in impairments	(3 144)	(3 327)
Amount written off as uncollected	17	1 142
Impairment reversal	852	337
Interest accrued on impaired receivables	(436)	(251)
Subsequent payments	735	1 685
	(6 044)	(4 068)

The current change in impairment of statutory and other receivables has been included in operating expenses in the Statement of Financial Performance, under the account "Impairment loss/Reversal of impairment". Amounts charged to impairment of statutory receivables are generally written off when there is no expectation of recovery. The maximum exposure to credit risk at reporting date is the carrying value of each class of receivables recognised above. Deeds Registration Trading Entity does not hold any collateral as security.

6. Other receivables from exchange transactions

Sundry debtors	688	2 056
Internal debtors—other	1 808	1 794
Interest receivable	2 811	2 996
Impairment of other receivables	(541)	(699)
	4 766	6 147

Other receivable age analysis

Current	3 755	4 811
30 days	2	185
60 days	58	1
90 days	1	1
Over 90 days	1 712	1 846
	5 528	6 844

Impairment of other receivables—age analysis

Over 90 days	(541)	(699)
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7. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	71	45
Bank balances	542 368	487 434
	542 439	487 479

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

8. Property, plant and equipment

	2025			2024		
	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and fixtures	54 285	(24 583)	29 702	44 521	(26 705)	17 816
Furniture and fixtures—WIP	5 009	—	5 009	—	—	—
Office equipment (finance leases)	6 281	(2 634)	3 647	5 298	(2 078)	3 220
IT equipment	211 155	(180 799)	30 356	224 363	(180 770)	43 593
Leasehold improvements	59 312	(22 745)	36 567	63 180	(19 451)	43 729
Leasehold improvements—WIP	9 943	—	9 943	9 861	—	9 861
Photographic equipment	38 805	(10 620)	28 185	41 070	(9 650)	31 420
Total	384 790	(241 381)	143 409	388 293	(238 654)	149 639

Reconciliation of property, plant and equipment – March 2025

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Furniture and fixtures	17 816	15 619	(1 456)	(2 177)	(100)	29 702
Furniture and fixture—WIP	—	5 009	—	—	—	5 009
Office equipment (finance leases)	3 220	2 282	—	(1 855)	—	3 647
IT equipment	43 593	448	(861)	(12 611)	(213)	30 356
Leasehold improvements	43 729	3 078	(4 211)	(5 226)	(803)	36 567
Leasehold improvements—WIP	9 861	82	—	—	—	9 943
Photographic equipment	31 420	—	(342)	(2 893)	—	28 185
	149 639	26 518	(6 870)	(24 762)	(1 116)	143 409

Reconciliation of property, plant and equipment - March 2024

	Opening balance	Additions	Disposals	Transfers received	Transfers	Depreciation	Total
Furniture and fixtures	19 973	1 939	(1 976)	—	—	(2 120)	17 816
Office equipment (finance leases)	2,309	2 516	—	—	—	(1 605)	3 220
IT equipment	51 785	5 418	(243)	—	—	(13 367)	43 593
Leasehold improvements	19 671	17 438	—	10 367	—	(3 747)	43 729
Leasehold improvements—WIP	10 367	9 861	—	—	(10 367)	—	9 861
Photographic equipment	34 650	—	(289)	—	—	(2 941)	31 420
	138 755	37 172	(2 508)	10 367	(10 367)	(23 780)	149 639

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

	2025	2024
	'000	Restated* '000

The Department of Public Works provides office accommodation for all deeds registries. The category of Leasehold Improvements represents costs incurred by the Deeds Registration Trading Entity to improve the buildings that are owned/leased on behalf of deeds registries by the Department of Public Works. The lease improvements are depreciated over the lease period or useful life, whichever is regarded as a shorter period.

Office equipment comprises of photocopy machines which are leased in terms of finance lease agreements. The period of the lease agreements is between two and five years and the carrying value is R3,847 million (2024: R3,229 million). Refer to Note. 10—Finance lease obligation where the finance lease obligation is disclosed.

Leasehold improvement work-in-progress amounting to R9,943 million (2024: R9,861 million) relates to upgrading and maintenance of fire protection system in one of the Deeds Registries and a partial delivery of a cooling system. The project commenced in January 2023 and is anticipated to be completed in December 2026.

Furniture and fixtures—WIP amounting to R5,009 million (2024: R0) comprises of furniture and equipment for the Western Cape Deeds Registry.

Expenditure incurred to repair and maintain property, plant and equipment

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

Machinery and equipment	14 750	7 314
Telephone system	–	14
Building and other material	2 757	1 276
	17 507	8 604

Of the total repairs and maintenance disclosed above R14,750 million (2024: R7,314 million) relates to repairs and maintenance for property, plant and equipment.

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

	2025	2024
	'000	Restated* '000

9. Intangible assets

	2025			2024		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Licences	1 508	(751)	757	1 483	(553)	930
Computer software	63 092	(1 917)	61 175	52 116	(1 917)	50 199
Computer software – WIP	31 709	(278)	31 431	22 640	(278)	22 362
Total	96 309	(2 946)	93 363	76 239	(2 748)	73 491

Reconciliation of intangible assets—March 2025

	Opening balance	Additions	Amortisation	Total
Licences	930	931	(1 104)	757
Computer software	50 199	10 976	–	61 175
Computer software – WIP	22 362	9 069	–	31 431
	73 491	20 976	(1 104)	93 363

Reconciliation of intangible assets—March 2024

	Opening balance	Additions	Amortisation	Total
Licences	1 069	906	(1 045)	930
Computer software	50 199	–	–	50 199
Computer software—WIP	1 339	21 023	–	22 362
	52 607	21 929	(1 045)	73 491

Because history has shown rapid changes in technology, computer software and many other intangible assets are susceptible to obsolescence. However, a lot of the owners of the software are aware of these rapid changes in technology and are now subjecting their products to constant software developments. This maintains service potential and ability to use them for longer terms.

The current computer software is comprised of Oracle software that has been made to run as an operating system for the entity's servers that house registration information and eDRS software. The entity has demonstrated its intention to use the software on a continued basis through entering into a support and maintenance contract with the service providers in order to ensure constant upgrades and maintenance of the system.

The useful life of the software is considered indefinite due to the fact that the entity intends on using it into the foreseeable future with continued maintenance to sustain service potential at the required levels. The following factors played a significant role in determining that the asset has an indefinite useful life:

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

	2025	2024 Restated*
	'000	'000

- Period over which software has been in existence in the entity;
- Period over which the entity has been using it for; and
- Rate of technology turn over and advancements in Government.
- Availability of support and maintenance including availability of resources to support and maintain solution.

All computer software with an indefinite useful life is tested for impairment annually. Licences useful lives are reviewed annually at the same time.

10. Finance lease obligation

Minimum lease payments due

– within one year	2 365	1 731
– in second to fifth year inclusive	1 962	2 077
	4 327	3 808
less: future finance charges	(480)	(479)
Present value of minimum lease payments	3,847	3,329

Present value of minimum lease payments due

– within one year	2 013	1 430
– in second to fifth year inclusive	1,834	1 899
	3 847	3 329

Non-current liabilities	1 834	1 899
Current liabilities	2 013	1 430
	3 847	3 329

The average lease term ranges between two and five years for office equipment, with an average interest rate 11,50% applied to the leases. The finance leases are secured by the assets in terms of the agreement (refer to Note 8). Property, plant and equipment—where the assets held under the finance leases are disclosed as part of office equipment.

Contingent rent recognised as an expense in the period amounted to R906 219 (2024: R1,052 million). The contingent rent relates to copy charges per copy machine.

11. Payables from exchange transactions

Trade payables	12 708	9 020
Unallocated cash	77	110
Accrued leave pay	28 429	26 193
Accrued bonus	19 107	18 401
Sundry accruals	55 474	18 383
Other payables	2 897	3 666
	118 692	75 773

Unallocated cash represents money deposited at the bank but not yet identified and allocated to statutory receivables or other receivables at the end of the financial year.

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

	2025	2024 Restated*
	'000	'000

12. Grant liability - Unspent conditional grant and receipts

The remaining grant liability amounts to R187,010 million (2024: R194 909 million) is granted and approved by the Department of Agriculture, Land Reform and Rural Development for the purposes of development of the Electronic Deeds Registration System (e-DRS) and its related projects. Over and above, the following mentioned condition are stipulated conditions for the grant:

- The grantor reserves the right to approve other uses (reprioritisation) and may recall the funds if the conditions for spending are not satisfied.

Unspent conditional grants and receipts comprise of: Unconditional grants and receipts

Opening balance	194 909	215 932
Less: Grant utilised	–	(21 023)
	194 909	194 909

Deferred conditional grant – eDRS	187 010	187 010
Grant liability to be surrendered to DALRRD	7 899	7 899
Grant liability approved for retainment by DALRRD	(7 899)	–
	187 010	194 909

Current/Non-current classification

Current portion	36 171	44 070
Non-current portion	150 839	150 839
	187 010	194 909

* Retainment of R7,899 million was granted by the Department of Agriculture, Land Reform and Rural Development and recognised as revenue from non-exchange transactions (Refer to Note 29, Prior year errors).

13. Provisions

Reconciliation of provisions – March 2025

	Opening balance	Utilised during the year	Total
Provision - Capped leave	8 695	(487)	8 208

Reconciliation of provisions – March 2024

	Opening balance	Utilised during the year	Total
Provision – Other	14	(14)	–
Provision – Capped leave	9 496	(801)	8 695
	9 510	(815)	8 695

The leave pay provision relates to long term/capped leave that accrued to employees. It is not possible to anticipate the timing of the cash-out of this balance. Accordingly, the uncertainty related to the balance is limited to the timing of realisation. A review of the trends has however evidenced that it is unlikely that the full balance will be realised within the short term. Accordingly, the balance is classified as non-current.

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

	2025	2024 Restated*
	'000	'000

The value of the provision is determined with reference to the capped leave days that have accrued to employees and the basic salaries of the employees. This represents the weighted average probable economic outflow that may be required to settle the capped leave balance.

14. Financial instruments disclosure

Categories of financial instruments

March 2025

Financial assets

	At amortised cost	Total
Other receivables from exchange transactions	4 666	4 666
Cash and cash equivalents	542 439	542 439
	547 105	547 105

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	75,032	75,032

March 2024

Financial assets

	At amortised cost	Total
Other receivables from non-exchange transactions	6 172	6 172
Cash and cash equivalents	487 479	487 479
	493 651	493 651

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	31 226	31 226

15. Revenue

Registration of deeds and sale of information	904 338	831 609
Other income	1 711	1 327
Gain on foreign exchange	501	–
Interest received	35 589	37 305
Government grants	7 899	21 023
	950 038	891 264

The amount included in revenue arising from exchanges of goods or services are as follows:

Registration of deeds and sale of information	904 338	831 609
Other income	1 711	1 327
Interest received	35 589	37 305
	941 638	870 241

The amount included in revenue arising from non-exchange transactions is as follows:

Transfer revenue

Government grants	7 899	21 023
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Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

	2025	2024
	'000	Restated* '000

16. Investment revenue

Interest revenue

Interest received—bank	34 975	36 939
Interest received—statutory receivables	537	325
Interest received—staff debtors	77	41
	35 589	37 305
	—	—
	35 589	37 305

The amount included in investment revenue is arising from interest received from a favourable bank balance and interest from outstanding debtors balances.

17. Finance costs

Finance leases	429	265
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18. Foreign exchange gain or loss

Foreign exchange gain	(501)	(93)
Foreign exchange loss	-	643
	(501)	550

The entity incurred foreign exchange loss amounting R0 (2024: R643 000) and foreign exchange gain amounting to R501 468 (2024: R93 000) due to international transactions.

19. Auditors' remuneration

Audit fees	4 394	3 477
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External audit fees (Auditor-General) amounted to R4,394 million (2024: R3,483 million).

20. Employee related costs

Basic salary	469 076	438 994
Service bonuses	37 698	35 733
Performance bonuses	—	876
Medical aid—employer contributions	39 703	35 687
Leave pay provision charge	359	255
Pension fund contribution	58 341	55 009
Overtime payments	46 260	46 303
Car allowance	1 972	1 779
Housing benefits and allowances	25 498	22 996
Employer contribution: bargaining council	141	133
Leave: accumulated short term	3 800	2 869
Leave: accumulated capped	444	369
	683 292	641 003

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

	2025	2024
	'000	Restated* '000
21. General expenses		
Advertising	190	934
Auditors remuneration	4 394	3 477
Bad debts written off	59	8
Bank charges	288	268
Cleaning	8 431	9 737
Consulting and professional fees	30 323	36 668
Consumables	2 128	1 091
Catering	1 348	837
IT expenses	59 024	63 375
Legal fees	1 073	1 052
Operating leases	7 705	9 825
Printing and stationery	5 181	5 468
Repairs and maintenance	17 509	8 604
Security services	14 983	15 227
Staff welfare	218	51
Subscriptions and membership fees	81	3 585
Telephone and fax	4 186	3 729
Thefts losses damages and claims against the state	70	1 201
Transport and freight	13 613	12 724
Training	5 331	5 336
Travel – local	12 600	14 362
	188 735	197 559

22. Operating lease

Minimum lease payments due:

Due within 1 year	2 698	6 762
Due within 2–5 years	321	871
	3 019	7 633

The above amounts are due in future years due to contractual obligations. Operational leases relate to service level agreements for the leasing of parking bays for officials, digital scanners, water dispensers, card swiping machines, UPS systems and telephone management system.

For operating leases payments recognised in the Statement of Financial Performance referred to Note 21.

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

	2025 '000	2024 Restated* '000
23. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Due within 1 year	95 004	95 501
Total capital commitments	95 004	95 501
Authorised operational expenditure		
Already contracted for but not provided for		
• Due within 1 year	33 539	42 110
• Due within 2 to 5 years	60 776	60 776
	94 315	102 886
Total operational commitments	94 315	102 886
Commitments relate to operating and capital contracts due in future years. The future commitments detailed above are either non-cancellable or are only cancellable at a significant cost and relate to something other than the routine, steady, state business of the entity. Below are the total commitments including those that are routine, steady, state business of the entity.		
Total commitments		
Operational commitments due within 1 year	74 233	81 987
Operational commitments due within 2 to 5 years	69 644	88 500
Capital commitment due within 1 year	95 284	95 501
Capital commitment due within 2 to 5 years	310	–
	239 471	265 988
24. Cash generated from operations		
Surplus	40 980	22 590
Adjustments for:	25 866	24 825
Depreciation and amortisation		
Loss on disposal of assets	6 773	2 509
(Gain)/Loss on foreign exchange	(501)	550
Finance costs – Finance leases	429	265
Impairment deficit	3 963	1 963
Movements in provisions	(487)	(815)
Interest receivable	(2 811)	(2 996)
Other non-cash items	(34 260)	(453)
Items shown separately on face of cash flow – Interest received	–	–
Changes in working capital:	143	(259)
Inventories		
Other receivables from exchange transactions	1 381	12 113
Prepayments	1 237	(8 177)
Statutory receivables from exchange transactions	(11 447)	3 750
Payables from exchange transactions	43 029	(9 856)
Grant liability—unspent conditional grants and receipts	(7 899)	(20 953)
	66 396	25 056

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

	2025	2024
	'000	Restated* '000

25. Contingent liabilities

Litigation is in process against the Deeds Registration Trading Entity relating to disputes around registration of property and other legal matters. The total litigation before the courts is R103,417 million (2024: R82,554 million).

Litigations that could not be quantitatively measured for financial impact are as follows:

- Aboobaker Abdul Rahman—An order that the employment contract was cancelled.
- TJ Mampe Trading & Projects CC—Transfer and property registration.
- Sindiswa Bongiwe Mandisa Sihlali and others— Reversal of property transfer and registration.
- The forum of concerned residents of Naledi and Dr Ruth S Mompoti District—Interim interdict related to proclaim a decision to re-align the jurisdiction area.
- Themba Collen Mavundza—Transfer and property registration, removal of a name on title deed.
- AFHCO Holding Pty Ltd—That the respondent's noting of a Caveat I - 1365/2019 (that a servitude should be registered in favour of the Johannesburg Municipality) against Lustre House Sectional Title Scheme is unlawful and should be set aside. The respondent is directed to remove Caveat I-1365/2019, noted against the scheme.
- Emily Thumani Mbatha—Unlawful registration of property and transfer which was against a court order.
- Khoi Khoi Zan—Notice to compel fourth respondent to place before the Honourable the document as requested from fourth respondent.
- Hans Merenksy Landowner Association NPC—Interdict and restraining of registration and transfer of property.
- Mapule Maria Dlamini NO—Equally contribute to the settlement of the costs which was awarded by North Gauteng High Court.
- TJ Mampe Trading & Projects CC—The Registrar of Deeds Vryburg to execute the registration of the transfer of property to the applicant. The Registrar of Deeds Vryburg to immediately remove the interdict/caveat. To declare applicant as lawfully. Legal costs against any responded opposing the application.
- The Villa Medici Body Corporate & Others—Declaration that the immovable property known as the Staff Quarters, more fully described as Staff Quarters SQ1, was appropriated without compensation by the First Defendant, contrary to the provision of Section 25 of the Constitution.

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

	2025 '000	2024 Restated* '000
- FNB Fiduciary (Pty) Ltd Trust Services & Others—Ordering the removal of Rieka Chetty as the nominee of FNB trust services and the executor. Ordering the removal of the FNB Fiduciary (Pty) and its representatives as the trustees. Ordering the cancellation of all letters of authorities and executorship not provided by the Master of High Court: Johannesburg. Declaring the sale of Erf 106/4 Township Edenburg invalid and ordering the rectification of the deeds office records by the eleventh Respondent to reflect the Estate. Ordering that the first to seventh respondents, tenths and eleventh respondents be held liable for all damages suffered by the estate trust and by the applicant. - Masina Attorneys Inc—Failure to respond to the applicant's requests for reasons for the administrative decisions to reject registrations brought under the Upgrading of the Land Tenure Rights Act (ULTRA), 1991 (Act No. 112 of 1991), with reference to the case of Rahube v Rahube and Others (CCT319/17) (2018) ZAC, constitutes an exhaustion of the internal appeals. - Cherangani Trade and Invest 28—Registrar of Deeds maintained that the deeds could not be registered because the approval had lapsed at the expiry of the period contemplated in Section 50 of the NCPDA. - Elim Moraviese Gemeenskapstrust & Others—Seeking a declaration that Section 63 of the Deeds Registries Act (DRA), 1937 (Act No. 47 of 1937) is invalid and unconstitutional because it arbitrarily deprives the Elim inhabitants and/or Elim community of their right to property provided for in Section 25(1) of the Constitution; which infringements are not reasonable and justifiably limited in terms of Section 36 of the Constitutions. - The Forum of Concerned Residents of the Naledi & Dr Ruth S Mompoti Districts—The applicant has launched an urgent review application with the High Court, Gauteng Division, Pretoria for an order to review, set aside, and or declare invalid and of no force and effect the following decisions by the first respondent (The Minister of Land Reform and Rural Development): Establish a Deeds Office in Mahikeng to deal exclusively with transactions in respect of land areas falling within the area of jurisdiction of the Bojanala, Ngaka Modiri Molema and Dr Kenneth Kaunda District Municipalities.		

There are labour disputes with officials which are currently in arbitration amounting to R25,532 (2024: R303 839) which have not been settled and the outcome could result in settlement in cash.

The surplus of R41,990 million (2024: R22,010 million) has been classified as a contingent liability at 31 March 2025 as there is no approval received as yet from NT to retain the surplus funds. In terms of Treasury Regulations 19.7.1, the relevant Treasury may apply such surplus to reduce any proposed allocation to the trading account, or that all or part of it be deposited in the Exchequer bank account. The Deeds Registration Trading Entity is obliged to re-deposit to NT any amount of the surplus for which NT requires to be refunded.

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

	2025	2024
	'000	Restated* '000

Contingent assets

Litigation is in process for the Deeds Registration Trading Entity relating to disputes. The total litigation claims before the court is R416 million (2024: R416 million). Interest calculated is above principal debt and therefore the *in duplum* rule was applied.

The entity incurred significant losses amounting to R975 747 (2024: R872 634) resulting from thefts and other related incidents, for which no substantial progress has been made on determination of liability due to non-establishment of a Loss Control Committee.

26. Related parties

Relationships

DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT (DALRRD)

The Deeds Registration Trading Entity is a trading entity under DALRRD, as such certain services between the DALRRD and the trading entity are rendered in kind and are not at arm's length, these have been disclosed below:

OFFICE OF THE VALUER-GENERAL

OVG is a Schedule 3A entity of the DALRRD. A MoA was entered into between The Deeds Trading Entity and the OVG for rendering of support services. The transactions that are not at arm's length are disclosed below:

The remainder of the transactions and balances resulting from the Principal Agent arrangement between Deeds and OVG have been disclosed in Note. 29—Accounting by Principal Agent.

AGRICULTURAL LAND HOLDING ACCOUNT

ALHA is a Schedule 2A entity of the DALRRD. A related party transaction exists as a result of Deeds paying software licence and software assurance programme on behalf of ALHA, R453,000 (2024: R433,000). All outstanding amounts were fully recouped.

INGONYAMA TRUST BOARD

Ingonyama Trust Board (ITB) is a Schedule 3A entity of the DALRRD. The ITB received services of Chief Financial Officer through secondment arrangement or agreement; the CFO was an employee of the Deeds Registration Trading Entity. The Department of Agriculture, Land Reform and Rural Development is responsible for all costs related to secondment of the CFO.

Related party balances

Amounts included in trade receivable regarding related parties

Re-imbursement of incurred expenditure receivable from OVG	–	1 108
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Related party transactions

Rendering of services to DALRRD (by Deeds)

Information search and copies	(389 512)	(316 381)
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Rendering of services to Deeds (by DALRRD)

Office accommodation and municipal services	97 905	92 680
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Rendering of services to Ingonyama Trust Board (by Deeds)

Secondment of Chief Financial Officer	–	(710)
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Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

26. Related parties (continued)

Key management information

Remuneration of management

Senior Managers on level 14 and above

March 2025

Names and positions

	Basic salary	Bonuses and performance related payments	Other short-term employee benefits	Post-employment benefits	Other long-term benefits	Other benefits accrued/ arrears	Total
Knoesen CCE— Chief Registrar of Deeds	1 126	94	511	146	29	—	1 906
Tsotetsi GDN— Registrar of Deeds	1 010	83	458	131	—	44	1 726
Gwangwa AF— Registrar of Deeds	435	42	197	57	—	57	788
Lemme MT— Registrar of Deeds	1 010	84	458	131	—	44	1 727
Ntuli M— Registrar of Deeds	980	-	526	127	—	-	1 633
Mukhakhululi RO—Registrar of Deeds	1 116	93	240	145	—	—	1 594
Frazenburg UJ—Registrar of Deeds	980	85	442	127	—	46	1 680
Mngcolwani MD—Registrar of Deeds	952	78	432	124	—	42	1 628
Moshodi PP— Registrar of Deeds	614	—	330	80	—	152	1 176
Phali TS— Registrar of Deeds	1 005	84	216	131	11	—	1 447
Maphomolo PJ—Registrar of Deeds	1 005	—	300	131	—	10	1 446
Mothasedi MN—Registrar of Deeds	862	72	391	112	—	—	1 437
Gabara TG— Registrar of Deeds	1 005	49	216	131	—	11	1 412
Phasha N— Senior Financial Officer	1 005	—	300	131	—	27	1 463
Gubuza P— Chief Director: Service Delivery Coordinator	942	79	427	123	—	85	1 656
Shoko T—Chief Director	419	—	90	54	—	—	563
	14 466	843	5 534	1 881	40	518	23 282

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

Senior Managers on level 13

Names and positions	Basic salary	Bonuses and performance related payments	Other short-term employee benefits	Post-employment benefits	Other long-term benefits	Other benefits accrued/ in arrears	Total
Damons SB— Deputy Registrar of Deeds	852	71	183	110	—	—	1 216
Davids I— Deputy Registrar of Deeds	886	74	191	115	—	33	1 299
Dreyer JP—Deputy Registrar of Deeds	987	80	213	128	—	36	1 444
Duma SE— Deputy Registrar of Deeds	983	82	212	128	—	—	1 405
Gwangwa PJH— Deputy Registrar of Deeds	834	—	448	108	—	39	1 429
Hoko ND—Deputy Registrar of Deeds	913	75	197	119	—	—	1 304
Keetse MS—Deputy Registrar of Deeds	852	71	183	111	—	—	1 217
Makaleng RE—Deputy Registrar of Deeds	568	36	122	74	—	—	800
Maphosa ES—Deputy Registrar of Deeds	885	76	191	115	—	—	1 267
Masilela TP—Director: HRM	886	74	191	115	—	33	1 299
Matthys R—Deputy Registrar of Deeds	843	71	382	110	—	36	1 442
Mdunge BR—Deputy Registrar of Deeds	984	82	209	128	—	—	1 403
Mesefo PE—Deputy Registrar of Deeds	403	67	184	53	—	—	707
Mketshane M—Deputy Registrar of Deeds	184	82	174	24	76	22	562
Monnanyana TD— Deputy Registrar of Deeds	959	80	207	125	—	33	1 404
Ndlovu F—Deputy Registrar of Deeds	856	71	406	111	—	—	1 444
Ngapo GWM—Deputy Registrar of Deeds	913	76	196	119	—	34	1 338
Phungula XJ—Deputy Registrar of Deeds	852	72	183	111	—	—	1 218
Ramaisa MM—Deputy Registrar of Deeds	852	71	183	111	—	—	1 217
Ratema SJ—Director: Supply Chain Management	868	73	394	113	—	38	1 486
Reynolds AS—Deputy Registrar of Deeds	974	81	210	127	—	—	1 392
Sebola NM—Deputy Registrar of Deeds	852	71	183	111	—	—	1 217
Shawe TE—Deputy Registrar of Deeds	899	75	194	117	—	33	1 318
Shoko T—Director: Enterprise Architecture	585	105	126	76	—	—	892
Swart CC—Director: Finance	856	71	388	111	—	37	1 463
Swarts D—Deputy Registrar of Deeds	865	—	258	112	—	33	1 268

Deeds Registration Trading Entity

Audited Annual Financial Statements for the year ended 31 March 2025

Notes to the Audited Annual Financial Statements

Figures in Rand thousand

Van Der Ross—Deputy Registrar of Deeds	856	71	388	111	—	—	1 426
Tlou NT—Deputy Registrar of Deeds	154	—	33	20	—	—	207
Zwartland P—Deputy Registrar of Deeds	955	80	206	124	—	—	1 365
	23 356	1 938	6 635	3 037	76	407	35 449

26. Related parties (continued)

Middle management acting on level 13

Names and positions	Basic salary	Bonuses and performance related payments	Other short-term employee benefits	Post-employment benefits	Other long-term benefits	Other benefits accrued/arrear	Total
Mahamotsa MC—Acting Deputy Registrar of Deeds	638	53	333	83	—	—	1,107
Byroo N—Acting Deputy Registrar of Deeds	763	64	161	99	—	—	1,087
Mabusela MM—Acting Deputy Registrar of Deeds	711	59	282	93	—	—	1,145
Mjekula ME—Acting Deputy Registrar of Deeds	671	57	322	87	—	—	1,137
Sephokgole DM—Acting Director: Quality Assurance	508	81	230	66	—	111	996
Nwovhe SA—Acting Deputy Registrar of Deeds	658	55	362	85	—	—	1,160
Mihalik JJ—Acting Deputy Registrar of Deeds	703	59	222	91	—	—	1,075
Nevonowe PP—Acting Deputy Registrar of Deeds	688	57	264	89	—	—	1,098
Senamela WE—Acting Deputy Registrar of Deeds	898	-	194	117	11	-	1,220
Majela RD—Acting Deputy Registrar of Deeds	701	57	317	91	-	-	1,166
Sehoka NM—Acting Deputy Registrar of Deeds	695	57	240	90	-	-	1,082
	7,634	599	2,927	991	11	111	12,273

Deeds Registration Trading Entity

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand

Relatives of senior management

Names and positions	Relatives	Positions of relatives	Relations to management officials
Van der Ross A	Mustafa Y	Clerk	Spouse
Mothlasedi MN	Mothlasedi M	Snr Reg Officer	Brother
Hoko ND	Hoko AS	Chief Auxiliary Officer	Brother
Dauids I	Brinkhuis IRC	Jnr Examiner	Spouse
Ntuli M	Ntuli M	Snr Reg Officer	Brother
Duma S	Duma S	Assistant Registrar	Brother
Ndlovu F	Ndlovu E	Assistant Registrar	Spouse
Gwangwa PJH	Gwangwa MY	Jnr Examiner	Spouse

Relatives of senior management

Management on level 14 and above

March 2024

Names and positions	Basic salary	Bonuses and performance related payments	Other short-term employee benefits	Post-employment benefits	Total
Knoesen CCE—Chief Registrar of Deeds	1,074	90	487	139	1 790
Tsotetsi GDN—Registrar of Deeds	928	78	420	120	1 546
Gwangwa AF—Registrar of Deeds	928	78	420	120	1 546
Lemme MT—Registrar of Deeds	928	77	491	120	1 616
Ntuli M—Registrar of Deeds	901	—	552	117	1 570
Mukhakhululi RO—Registrar of Deeds	1 051	87	295	137	1 570
Frazenburg UJ—Registrar of Deeds	901	75	409	117	1 502
Mngcolwani MD—Registrar of Deeds	875	74	463	113	1 525
Moshodi PP—Registrar of Deeds	837	47	403	109	1 396
Phali TS—Registrar of Deeds	960	60	207	124	1 351
Maphomolo PJ—Registrar of Deeds	400	—	119	52	571
Mothlasedi MN—Registrar of Deeds	343	69	155	45	612
Gabara TG—Registrar of Deeds	400	—	86	52	538
Phasha N—Senior Financial Officer	400	—	119	52	571
Gubuza P—Chief Director: Service Delivery Coordinator	888	74	403	115	1 480
Hlatshwayo JH—Chief Director: ICT	286	—	148	37	471
	12 100	809	5 177	1 569	19 655

Deeds Registration Trading Entity

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Notes to the Audited Annual Financial Statements

Figures in Rand thousand

26. Related parties (continued)

Senior management on level 13

Names and positions	Basic salary	Bonuses and performance related payments	Other short-term employee benefits	Post-employment benefits	Other benefits received	Total
Damons SB—Deputy Registrar of Deeds	407	11	88	53	—	559
Davids I—Deputy Registrar of Deeds	816	68	178	106	—	1 168
Dreyer JP—Deputy Registrar of Deeds	903	75	253	117	—	1 348
Duma SE—Deputy Registrar	903	75	195	117	—	1 290
Gabara TG—Deputy Registrar	526	107	113	68	—	814
Gwangwa PJH—Deputy Registrar	786	—	422	102	—	1 310
Hoko ND—Registrar	840	70	268	109	—	1 287
Keetse MS—Deputy Registrar	813	68	175	106	—	1 162
Maphomolo PJ—Deputy Registrar	526	—	157	68	—	751
Maphosa ES—Deputy Registrar	877	73	189	114	—	1 253
Masilela TP—Director: HRM	815	67	175	108	89	1 254
Matthys R—Deputy Registrar	774	64	351	101	—	1 290
Mdunge BR—Deputy Registrar	904	75	208	117	—	1 304
Mesefo PE—Deputy Registrar	773	64	350	100	—	1 287
Mketshane M—Deputy Registrar	904	75	231	117	—	1 327
Monnanyana TD—Deputy Registrar	904	75	194	117	—	1 290
Mothlasedi MN—Deputy Registrar	457	—	207	60	—	724
Ndlovu F—Deputy Registrar	786	65	372	102	—	1 325
Ngapo GWN—Deputy Registrar	840	70	235	109	—	1 254
Phali TS—Deputy Registrar	—	11	—	—	102	113
Phungula XJ—Deputy Registrar	813	68	178	106	—	1 165
Ramaisa MM—Deputy Registrar	474	28	102	62	—	666
Ratema SJ—Director: Supply Chain Management	797	66	442	104	—	1 409
Reynolds AS—Deputy Registrar	917	76	197	119	—	1 309
Sebola NM—Deputy Registrar	813	68	175	106	—	1 162
Shawe TE—Deputy Registrar	828	69	178	107	—	1 182
Shoko T—Deputy Registrar	955	80	268	124	—	1 427

Deeds Registration Trading Entity

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Figures in Rand thousand

Swart CC—Director: Financial Management and Accounting	786	65	416	102	—	1 369
Swarts D—Deputy Registrar	815	—	243	106	22	1 186
Van Der Ross—Deputy Registrar	785	66	417	102	—	1 370
Vilakazi SB—Director: QA	628	81	415	82	147	1 353
Zwartland P—Deputy Registrar	877	73	189	114	—	1 253
	24 042	1 853	7 581	3 125	360	36 961

Middle management acting on level 13 Names and positions

	Basic salary	Other short- term employee benefits	Post- employment benefits	Total
Moremane K—Acting Deputy Registrar	689	249	83	1 021
Machimana A—Acting Director: Entity Development	450	114	52	616
Majela RD—Acting Deputy Registrar	699	204	84	987
	1 838	567	219	2 624

Relatives of senior management

Names and positions	Relatives	Positions of relatives	Relation to management officials
Van der Ross A	Mustafa Y	Clerk	Spouse
Mothlasedi MN	Mothlasedi M	Snr Reg Officer	Brother
Hoko ND	Hoko AS	Chief Auxiliary Officer	Brother
Davids I	Brinkhuis IRC	Jnr Examiner	Spouse
Ntuli M	Ntuli M	Snr Reg Officer	Brother
Duma S	Duma S	Assistant Registrar	Brother
Ndlovu F	Ndlovu E	Assistant Registrar	Spouse
Gwangwa PJH	Gwangwa MY	Jnr Examiner	Spouse

Deeds Registration Trading Entity

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Notes to the Audited Annual Financial Statements

	2025	2024
	'000	Restated* '000

27. Prior-year adjustments

Presented below are those items contained in the statement of financial position, Statement of Financial Performance and cash flow statement that have been affected by prior-year adjustments:

Statement of financial position March 2025

	Note	As previously reported	Correction of error	Restated
Statutory receivables		72 507	559	73 066
Property plant and equipment		149 554	85	149 639
Payable from exchange transactions		75 779	(6)	75 773
Management fees earned		1 108	(1 108)	–
Grant liability i Unspent conditional grants and receipts		(44 000)	(70)	(44 070)
		254 948	(540)	254 408

Statement of Financial Performance March 2025

	Note	As previously reported	Correction of error	Restated
Revenue from exchange transactions		831 050	559	831 609
Surplus for the year		(22 010)	(559)	(22 569)
Employee related cost		(642 041)	1 038	(641 003)
Depreciation and amortisation		(24 910)	85	(24 825)
		117 179	1 208	143 212

28. Prior period errors

General expenses amounting to R742 000 (2024: R751 000) affecting prior periods were corrected in the current year.

The correction of the error(s) results in adjustments as follows:

Statement of Financial Position

Accumulated surplus	720	751
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Statement of Financial Performance

General expenses	(720)	(751)
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29. Accounting by principals and agents

Details of the arrangement is as follows:

In July 2014, the Property Valuation Act brought into existence the OVG, the "Principal" whose responsibility in accordance with the Act is to perform property valuation for the purposes of the DALRRD. Section 4 and 5 of the Act establishes the office as a juristic person.

The entity acted as an agent in a principal-agent arrangement with the OVG. This arrangement ended on 31 March 2023. The comparative figure for management fees includes amounts earned under that arrangement. No such arrangement existed during the current financial year.

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Notes to the Audited Annual Financial Statements

	2025	2024
	'000	Restated* '000

29. Accounting by principals and agents (continued)

All outstanding amounts under this agreement has been settled by the OVG.

Re-imbursement

Expenditure incurred recovered from OVG	–	1 108
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30. Risk management

Liquidity risk

Liquidity risk is encountered by an entity in the event of difficulty in meeting obligations associated with financial liability that are settled by delivering cash or another financial asset.

The Deeds Registration Trading Entity manages its liquidity risk through ongoing review of working capital, capital expenditure, future commitments and the budgeting process which monitors spending against available resources (cash and other financial assets). Adequate reserves and liquid resources are maintained.

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 contractual maturity date. The amounts disclosed in the table are the undiscounted contractual cashflows. The balances due within 12 months equal the carrying amounts of these liabilities as the impact of discounting is not significant.

At 31 March 2025

	Carrying amount	Less than 1 year	Between 2 and 5 years
Payable from exchange transactions	71 185	71 185	–
Finance lease liability	3 847	2 013	1 834

At 31 March 2024

	Carrying amount	Less than 1 years	Between 2 and 5 years
Payable from exchange transactions	27 410	27 410	–
Finance lease liability	3 329	1 430	1 899

The entity does not hold any derivative financial liabilities.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Financial assets that potentially subject the Deeds Registration Trading Entity to risk of non-performance, and thereby subject to credit risk, consist mainly of cash and cash equivalents and receivables from exchange transactions as per GRAP 104.

The Deeds Registration Trading Entity limits its treasury counter party exposure by dealing with well-established institutions approved by NT and its exposure is constantly monitored by the Accounting Officer.

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	2025	2024 Restated*
	'000	'000

30. Risk management (continued)

Credit risk with respect to fee paying customers is limited due to the nature of the services provided by the entity, however, statutory receivables are coped out of this disclosure in accordance with GRAP 104.3(l). The Deeds Registration Trading Entity does not have any material exposure to any individual or counter-party. No events occurred in the industry during the financial year that may have had an impact on other accounts receivables that has not been adequately provided for. All financial assets are due to be settled in the next 12 month.

Financial assets exposed to credit risk at year end were as follows:

At 31 March 2025	Gross amount	Impairment	Carrying amount
Other receivable from exchange transactions	5 307	(541)	4 766
Cash and cash equivalents	542 439	–	542 439

At 31 March 2024	Gross amount	Impairment	Carrying amount
Other receivable from exchange transactions	6 846	(699)	6 147
Cash and cash equivalents	487 479	–	487 479

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk.

The entity is exposed to interest rate fluctuations on past due receivables and thus changes in the interest rate will result in changes in future cash flows expected from these financial instruments. No other financial assets are past due or impaired in the current year.

31. Irregular expenditure

Irregular expenditure	401	1 180
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32. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure	522	2 936
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33. Services in kind

In kind goods and services received

Office space paid by DALRRD	97 905	92 680
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Deeds Registration Trading Entity falls under the administration of DALRRD. The executive of the department spends some of their time on the affairs of the Trading entity.

There are other services paid for by the department which could not be quantified due to their nature, these include risk management services and Internal Audit services provided by the department. Due to their nature, these service in kind cannot be reliably measured and therefore have not been recognised.

DALRRD paid office space amounting to R97,905 million (2024: R92,680 million) on behalf of the Deeds Registration Trading Entity.

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	'000	Restated* '000

34. Alignment of Deeds Registries areas of jurisdictions to coincide with provincial boundaries

The business case for the alignment of deeds registries areas of jurisdictions to provincial boundaries was approved in the 2015/16 financial year. The purpose of the realignment of deeds registries areas of jurisdictions to provincial boundaries, (Alignment Programme) arises from the need to address the problem regarding how the deeds offices are currently positioned which is an impediment to Constitutional and institutional reforms.

The programme is therefore aimed at aligning the deeds registries areas of jurisdiction to provincial demarcations as articulated in Section 103 of the Constitution and to ensure that each deeds registry services the province in which it is located, making it accessible to clients.

The alignment programme contains four projects:

(i) Identification, separation, and transfer of records (from transferring deeds office and receiving Deeds office).

(ii) Establishment of the Limpopo Deeds Registry, which was established and opened on 3 April 2017.

(iii) Establishment of the NW Deeds Registry.

(iv) The establishment of deeds information centres.

The anticipated benefits of this programme are two-fold: Firstly, it will serve in the interest of the promotion of accessible services and to ensure deeds offices services their respective provinces. Secondly, there will be improved turn-around times in the registration and delivery of deeds and related documents. Both benefits will result in improved service delivery that is client centric.

35. Budget explanations of differences between final budget and actual amounts

Material differences between budget and actual amounts

Variance of 10% and above are considered material and are explained below:

36.1 Revenue—services rendered

The entity estimated revenue amount of R962,3 million and it was based on the revised expected revenue to be generated by the end of the financial year. The variance of R58 million is due to the fluctuation of interest rate/repo rate that negatively affected economic growth and sales of properties. The entity projected to register a total of 889 004 title deeds and documents but managed to register 829 833, which is below the set target, therefore the variance.

36.2 Other income

The actual amount of R1,7 million relates to revenue commission insurance, staff debt recovered, miscellaneous income, private telephone and impairment reversal—statutory receivables. This amount is not budgeted for.

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	'000	Restated* '000

36.3 Retention of surplus

The amount of R22 million relates to retention surplus that was approved by NT on 3 January 2025.

36.4 Interest received

The amount of R35 million bank interest received was projected based on the projected revenue collection to boost the bank balance. The variance of R3,4 million was due to fluctuation of interest rate/repo rate that negatively affected sales of properties and revenue generation.

36.5 Government grants and subsidies

Approval to retain the remaining balance of R7,8 million was granted by DALRRD and recognised as revenue from non- exchange transactions.

36.6 Employee costs

The variance amount of R51 million is attributed to various vacant posts under deeds registries, due to the moratorium on the filling of vacant posts as the result of de-merging or splitting of DALRRD into two separate departments.

36.7 Depreciation and amortisation

The actual amount of R25,8 million relates to depreciation and amortisation of property, plant and equipment.

36.8 Impairment loss/reversal of impairments

The amount of R2,8 million is derived from new provision in impairment plus interest on old impairment less subsequent payment. This resulted from debtors defaulting which led to an adjustment of the carrying amount of debtors as impairment.

36.9 Finance costs

Finance costs are related to interest rate implicit in the lease and are not budgeted for.

36.10 General expenses

Underspending of general expenses is attributed mainly to the following:

eDRS:

- The payment plan required to be reviewed in line with development progress made by SITA on the project. The R20 million of the budgeted R44 million will be paid in the first quarter of 2025 for a product that went live in April 2025.

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	2025	2024
	'000	Restated* '000

35. Budget explanations of differences between final budget and actual amounts (continued)

Mainframe migration:

- The delays in the provision of hosting infrastructure by SITA led to a delay in close out of Mainframe Migration. The project has since been finalised and will be paid out in 2025/26 financial year, therefore, the budget amount of R3,4 million was not spent.

Enterprise architecture:

- The entity could not spend R6 million budgeted for enterprise architecture due to procurement delays and challenges. The Deeds SCM has since undertaken the procurement, and this will not be finalised in the first quarter of the 2025/26 financial year.

COM: Cellular and other coverage device contract:

- When the Demand Management Plan (DMP) was put together for the MTN contract, the exact costing was a bit uncertain due to the different ways mobile contracts handle device costs, either bundled into the monthly fee or purchased separately. The R2,2 million underspending was extra funds set aside to cover the scenario where we might need to procure the cellphone devices outright.

Subscriptions

- The Gartner Memorandum of Agreement has been through legal vetting since October 2024 to date. The MoA signing memo is doing its rounds for signing by the director-general, therefore the underspending of R1,7 million.

Transport expenses government garage

- The provision of budget included all the cars for regional offices during revised Demand Management Plans; unfortunately, a car from Umtata Office was involved in an accident, which resulted in it having to be written off and it was never replaced with a new car. The Office of the Chief Registrar of Deeds' car was also involved in an accident and resulted in the underspending of R13,5 million.

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	2025	2024
	'000	Restated* '000

35. Budget explanations of differences between final budget and actual amounts (continued)

Bursaries

- The underspending of R1,2 million was budgeted for the prospective employees who wished to register for an Advance Diploma in Estate Planning, however, we did not receive any request from those who were interested. Secondly, it was also budgeted for the university students who are studying ICT qualifications as part of eDRS strategy to capacitate Deeds ICT. This also did not materialise due to the branch not having the authority to grant bursaries. The instruction is that only the Departmental Bursary Committee can consider bursary applications.

SITA mainframe time

- The SITA Mainframe hosting budget was based on previous year monthly average cost +CPI. The eventual cost as billed by SITA was lower than the budgeted amount, and resulted in the underspending of R14,2 million.

36.12 Loss on disposal of assets

- Loss on disposal of assets relates to assets disposed during the year for various reasons including damages and obsolescence. The majority of the disposals is due to the relocation of the WC Deeds Registry during the financial year.