

2024/25

ANNUAL REPORT



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA

A **NATION** 
THAT **WORKS** 
FOR ALL



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PART A

GENERAL INFORMATION

AI LIST OF ABBREVIATIONS/ACRONYMS

ACSA	Airports Company South Africa
AGSA	Auditor-General of South Africa
AASA	Airlines Association of South Africa
AU	African Union
BARSA	Board of Airline Representatives of South Africa
B-BBEE	Broad-Based Black Economic Empowerment
BRICS	Brazil, Russia, India, China and South Africa
CATHSSETA	Culture, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority
CFO	Chief Financial Officer
COVID-19	Coronavirus disease 2019, also referred to as Coronavirus
CSIR	Council of Scientific and Industrial Research
DBSA	Development Bank of Southern Africa
DG	Director-General
DDG	Deputy Director-General
DDM	District Development Model
DPSA	Department of Public Service and Administration
DPWI	Department of Public Works and Infrastructure
EC	Eastern Cape Province
EDMS	Electronic Document Management System
EE	Employment Equity
EHW	Employee Health and Wellness
EPWP	Expanded Public Works Programme
ERRP	Economic Recovery and Reconstruction Plan
FEDHASA	Federated Hospitality Association of South Africa
FDI	Foreign Direct Investment
FS	Free State Province
FTE	Full-Time Equivalent

G20	Group of 20: Intergovernmental Forum comprising 19 countries and the European Union
GDP	Gross Domestic Product
GP	Gauteng Province
GTIP	Green Tourism Incentive Programme
HDI	Historically Disadvantaged Individuals
HR	Human Resource
HRD	Human Resource Development
ICC	International Convention Centre
ICT	Information and Communication Technology
IDC	Industrial Development Corporation
IORA	Indian Ocean Rim Association
KZN	KwaZulu-Natal Province
LP	Limpopo Province
MANCO	Management Committee
MASP	Market Access Support Programme
MTDP	Medium-Term Development Plan
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MP	Mpumalanga Province
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NC	Northern Cape Province
NCPC	National Cleaner Production Centre
NDP	National Development Plan
NEF	National Empowerment Fund
NQF	National Qualifications Framework
NT	National Treasury

AI LIST OF ABBREVIATIONS/ACRONYMS

NTCE	National Tourism Careers Expo
NTSS	National Tourism Sector Strategy
NW	North West Province
ORW	Other Remunerative Work
PERSAL	Personal and Salary System
PFMA	Public Finance Management Act
PWDs	Persons with Disabilities
QCTO	Quality Council on Trades Occupations
RECP	Resource Efficiency Cleaner Production
RIM	Robben Island Museum
RMC	Risk Management Committee
RPL	Recognition of Prior Learning
RSA	Republic of South Africa
SADC	Southern African Development Community
SAA	South African Airways
SANBI	South African National Biodiversity Institute
SANParks	South African National Parks
SAPS	South African Police Services
SANS	South African National Standards
SA Tourism	South African Tourism
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SEFA	Small Enterprise Finance Agency
SITA	State Information Technology Association
SKA	Square Kilometre Array
SLA	Service Level Agreement
SMMEs	Small, Medium and Micro Enterprises

SMS	Senior Management Service
SOEs	State-Owned Enterprises
SOP	Standard Operating Procedure
SSA	State Security Agency
Stats SA	Statistics South Africa
TBCSA	Tourism Business Council of South Africa
TDDS	Total Domestic Holiday Direct Spend
TEF	Tourism Equity Fund
TGCSA	Tourism Grading Council of South Africa
TGIS	Tourist Guide Information System
TGPP	Tourism Growth Partnership Plan
TGSP	Tourism Grading Support Programme
TIP	Tourism Incentive Programme
TMP	Tourism Monitors Programme
TRF	Tourism Relief Fund
TSMP	Tourism Sector Master Plan
TSRP	Tourism Sector Recovery Plan
TTCSA	Tourism Transformation Council of South Africa
TTF	Tourism Transformation Fund
TTFDS	Total Tourist Foreign Direct Spend
TTOS	Trusted Tour Operator Scheme
UNTO	United Nations Tourism Organisation
UNWTO	United Nations World Tourism Organisation
WC	Western Cape Province
WSP	Workplace Skills Plan
WTM	World Travel Market

A2 FOREWORD BY THE MINISTER



Ms. Patricia De Lille, MP
Minister of Tourism

It is my pleasure to present the Department of Tourism's Annual Report for the 2024/25 financial year. This year is historic for our country, following the May 2024 elections and the formation of the Government of National Unity, a direct response to the call from South Africans for collaboration and collective action.

This report demonstrates how the Department has answered that call, guided by the three priorities of the Government of National Unity: to drive inclusive growth and job creation; to reduce poverty and tackle the high cost of living; and to build a capable, ethical, and developmental state.

Tourism remains a central component of these national priorities. Because of its labour-intensive nature, tourism has been recognised in the Medium-Term Development Plan 2024–2029 as a key driver of inclusive growth and employment. In the past year, we have seen how reforms and partnerships across government can unlock this potential.

Together with the Department of Home Affairs, the State Security Agency and Operation Vulindlela in the Presidency, we established an Inter-Ministerial Committee to reform South Africa's visa regime. Out of this collaboration came one of our most significant achievements of the year: the launch of the Trusted Tour Operators Scheme. This scheme, along with the digital visa initiative, is streamlining the application process for visitors from China and India.

In February 2025, we welcomed the first group of Chinese visitors at Cape Town International Airport under the scheme. By May 2025, more than 11,000 tourists from China and India had already visited South Africa through this programme, generating over 900 jobs. This is a powerful demonstration of how policy reform translates directly into economic impact.

Overall, South Africa welcomed 9.2 million international visitors during the year under review, contributing a total foreign direct spend of R92.8 billion. With the launch of the Electronic Travel Authorisation, these numbers are set to grow further, diversifying our source markets and reaffirming South Africa as a destination of choice.

Equally important is the strength of our domestic market. In the 2024/25 financial year, domestic overnight trips increased to 40 million, up from 37.7 million the year before, with spending rising to R133.1 billion. Domestic tourism remains the bedrock of the sector and a source of resilience in times of global uncertainty.

These achievements are not just statistics; they represent livelihoods restored, opportunities created, and the dignity of work regained.

During the year under review, the Department also completed a review of its key policy documents from the Sixth Administration, including the Economic Reconstruction and Recovery Plan, the Tourism Master Plan, the White Paper, and the National Development Plan targets. This work laid the foundation for the Tourism Growth Partnership Plan, which places collaboration with the private sector and communities at the heart of implementation. Through this plan, we will focus on five pillars: ease of access, strengthen destination marketing, enhance safety and security, develop quality tourism products, and expand opportunities for job creation, especially for young people.

I am proud to note that 76% of our departmental budget was directed towards growth and jobs initiatives. We strengthened inclusive procurement, with 40% of our supply chain spend going to SMMEs and another 40% to women-owned businesses. We paid 99.97% of compliant invoices within 30 days, improving supplier confidence. The Green Tourism Incentive Programme helped 103 properties transition to more sustainable practices, while 266 SMMEs were supported to access international trade platforms. We also invested R144 million to train and deploy more than 2,300 Tourism Monitors, reinforcing safety across our attractions.

These achievements are not just statistics; they represent livelihoods restored, opportunities created, and the dignity of work regained. The sector already supports 1.6 million jobs, and as we look ahead to hosting the G20, we are reminded of tourism's power as a catalyst for inclusive growth.

Ultimately, none of this would have been possible without the dedication of our staff at the Department of Tourism, the leadership of South African Tourism, and the collaboration of partners, including the Tourism Business Council of South Africa. Together, we also celebrate the Department's own milestone: achieving a clean audit for the 2024/25 financial year, a testament to accountability and ethical governance.

As Nelson Mandela reminded us, "It always seems impossible until it is done." The past year has shown what is possible when South Africans choose collaboration and action. I look forward to building on this momentum in the years ahead, as we work together to ensure that tourism remains one of South Africa's greatest assets.

P. de Lille

Ms. Patricia De Lille, MP
Minister of Tourism

A3 DEPUTY MINISTER STATEMENT



Ms. Makhotso Sotyu, MP
Deputy Minister of Tourism

Reflecting on the first year in the seventh administration, I am proud to note significant gains in the tourism sector. Tourism remains a key driver of economic growth and social inclusion, continuing to yield substantial benefits.

South Africa remains a thought leader in the global arena. To strengthen cooperation in the field of tourism at a bilateral level, the Department of Tourism negotiates Memoranda of Understanding and Agreements with other countries to formalise relations and cooperation. This year records continued bilateral relations with partner countries which includes sharing tourism information and arrival statistics; hosting of the annual best practices workshop in collaboration with partner countries; two Outreach Programmes in New Delhi & Mumbai, India and in Accra, Ghana; and South African Tourism (SAT) hosting tourism promotion, marketing roadshows and campaigns in different regions.

The Department supports the implementation of 22 Community-based Tourism Projects as part of destination enhancement initiatives. These projects are based in the rural areas. It was created to encourage tourists to travel outside the cities and contribute to an inclusive economy. Projects were implemented in Limpopo, Free State, North West, Northern Cape, KwaZulu-Natal, Eastern Cape and Mpumalanga.

Service excellence ensures a globally competitive tourism economy. The Quality Assurance function continued its drive to increase the number of graded properties across South Africa, aiming to improve the overall perception of South Africa as a quality destination that offers a diverse range of products and price points for tourists. During the 2024/25 fiscal year, the TGCSA quality assured 4 586 establishments across the country, achieving 92% of its annual target of 5 000. This milestone reflects steady progress in driving quality assurance in the tourism sector.

Destination Planning and Investment Coordination ensures that tourism infrastructure supports the current and future growth of the sector. It also ensures the diversification of tourism offerings and enhances visitor experience. In the 2024/25 APP, seven maintenance projects were implemented in four provinces. Three of these projects are at practical completion, one is at works completion, whilst three are still under planning. The total value of the above maintenance projects is R56 074 726,97, excluding those still under planning, as their budget will be clearer once contractors have been appointed.

A safe destination is a sought-after destination. The management of tourist safety issues has been facilitated through established platforms that bring together both public and private sector stakeholders. During the 2024/2025 financial year, the Department adopted a more targeted approach to coordinating safety-related initiatives. Coordination took place through provincial tourism safety forums, enabling alignment and collaboration with provincial governments to strengthen safety interventions nationwide.

My heartfelt gratitude is expressed to Minister De Lille for her inspirational leadership in navigating the industry. She was supported by the commitment of the Director-General and the entire Team Tourism. They embody the ethos of what it means to be public servants.

The people of South Africa are the true ambassadors of our country, ensuring a memorable visitor experience and many return visits. Thank you for continuing to grow the tourism industry.

Ms. Makhotso Sotyu, MP
Deputy Minister of Tourism

The people of South Africa are the true ambassadors of our country, ensuring a memorable visitor experience and many return visits. Thank you for continuing to grow the tourism industry.

A4 REPORT OF THE ACCOUNTING OFFICER



Mr. Nkhumeleni Victor Vele

Accounting Officer

4.1 Overview of the operations of the Department

We are pleased to present this report as part of our accounting responsibility to the people of South Africa demonstrating how we utilised the resources entrusted to the Department of Tourism for the delivery of our commitments, as stipulated in our 2024/25 Annual Performance Plan.

To ensure effective management, development, and wellness of human resources, the Department implemented programmes including bursaries, internship programmes, training programmes, health and wellness programmes, disability management programmes and sporting codes. The Department of Tourism lives up to its values of empowerment and recognition of its employees. This requires us to empower our employees by creating an environment conducive to growth and development. This is evidenced by creating opportunities for internal promotion and career advancement for existing employees. During the reporting period, the Department promoted 16 employees internally who successfully competed openly for the opportunities. The Department has created an environment that supports employees financially and otherwise in pursuing academic qualifications.

There was intensive focus on improving the internal control environment to address matters raised by audits with the intention of ensuring a clean administration. The Department also implemented revision of standard operating procedures to improve operations at Corporate Management. The ethics management framework was implemented to ensure that the organisational operations are aligned to the values of integrity that the department is committed to.

As part of our contribution to the Government's economic transformation agenda, we sought to achieve 40% expenditure on procurement of goods and services from SMMEs, 40% procurement spend from women-owned businesses, and ensure that all compliant invoices are paid within 30 days. The targeted expenditure and procurement were achieved during the reporting period. However, we fell short of fully achieving the other targets.

We have 99,97% payment of all compliant invoices received paid within 30 days to the value of R1 377 308 483. Our shortfall was 0,03% of invoices not paid within 30 days. These amounted to the value of R62 332. Measures are being implemented to address the shortfall and avoid future recurrence.

With regards to the vacancy rate, we had planned to keep it below 10% but fell short of the target by 3,2%. A vacancy rate of 13,2% was recorded as at 31 March 2025. The process of requesting concurrence delayed the recruitment process, however, the posts that were

approved for filling were advertised by the department and filled. Internal promotions, where appropriate, affected the vacancy rate and there was also the effect of employees leaving the department for various reasons. The department subsequently decided to review all posts in line with the 7th Administration priorities prior to proceeding with recruitment. This review is prioritised for 2025/26 and the recruitment of prioritised posts will be implemented.

We had targeted a minimum of 50% women representation at the SMS level. By the end of the financial year, the target was achieved as we maintained women's representation at the SMS level at 50,8%.

We have evaluated the Infrastructure Supporting Tourism projects across the country. The evaluation aimed to assess how infrastructure development projects contribute to the overall success and sustainability of tourism initiatives. It sought to analyse the effectiveness of infrastructure investments in facilitating tourism growth, improving visitor experiences, and fostering local economic development. Additionally, the evaluation aimed to comprehensively analyse the impact of existing infrastructure investments on tourism outcomes, identify areas for improvement, and offer actionable recommendations for strengthening infrastructure support for tourism projects.

To promote international cooperation in tourism development and grow arrivals to South Africa, the Department hosted two outreach programmes with India and Ghana. The Outreach Programme shared information on the state of readiness of South Africa for tourism recovery with the stakeholders and the diplomatic community in both countries. The Outreach Programmes led by the Minister served as a platform to unlock tourism barriers, facilitate ease of access, and position South Africa as a preferred destination.

The continued focus on improving diversity of our product offering as a destination, the planned work on the Budget Resort Network and Brand, tourism investment pipeline and investment promotion platforms was delivered. There has been significant progress with regards to the implementation of 22 community projects. By 31 March 2025, 19 of these projects were in construction which created 485 work opportunities. The infrastructure maintenance and beautification programme in 4 provinces created 70 work opportunities.

As a result of the insufficient number of high labour intensity projects implemented, only 3282 of the targeted 5820 work opportunities were created through the EPWP. A review of the projects funded through EPWP is underway. EPWP funding is currently utilised to fund both infrastructure and skills programmes. The intention is to utilise future EPWP funding to deliver demand-led skills programmes which, by their nature, have a higher labour intensity than infrastructure projects.

The success of a tourism destination depends on a safe and secure environment for visitors to create memorable tourism experiences. We conducted four (4) Tourist Safety Awareness Sessions in Eastern Cape, KwaZulu-Natal, North West, and Gauteng. This intervention is implemented in collaboration with sector role players as well as the security cluster to address criminal activities targeted at tourists.

4.2 Overview of the financial results of the Department

Programme Expenditure

Programme Name	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over) /Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme 1:Administration	364 879	340 477	24 402	312 827	303 112	9 715
Programme 2:Tourism Research, Policy and International Relations	1 335 623	1 319 055	16 568	1 378 789	1 367 469	11 320
Programme 3: Destination Development	362 349	297 969	64 380	422 283	359 972	62 311
Programme 4:Tourism Sector Support Services	318 057	294 642	23 415	346 646	341 699	4 947
Total	2 380 908	2 252 143	128 765	2 460 545	2 372 252	88 293

The Department of Tourism has utilised 94.6% of its 2024/25 allocation, resulting in a variance of R128.8 million (5.4%).The breakdown of this variance is as follows:

- **Administration:** The underspending lies within Compensation of Employees, which is due to unfilled posts resulting from cost containment measures limiting the filling of vacant posts.
- **Tourism Research, Policy and International Relations:** The bulk of the savings within the programme lies under Goods and Services due to the implementation of cost containment measures as instructed by the National Treasury.The underspending under Compensation of Employees is due to cost containment measures limiting the filling of vacant posts.The savings under transfers and subsidies for the United Nations World Tourism Organisation (UNWTO) contributions is attributed to fluctuations in foreign currency exchange rates.
- **Destination Development:** The underspending in Compensation of Employees is due to cost containment measures limiting the filling of vacant posts.The underspending in Goods and Services is primarily driven by reduced expenditure within the Expanded Public Works Programme (EPWP) Incentive.This is due to insufficient active projects as well as funds that were not approved to be spent by the Department of Public Works and Infrastructure,owing to unmet work opportunity targets.Additionally,underspending on skills projects within the EPWP has contributed to the overall unspent funds.The underspending of the EPWP Capital budget is due to not being able to process invoices as a result of the required due diligence of supporting evidence.
- **Tourism Sector Support Services:** The bulk of the underspending within the programme lies under Goods and Services due to concepts not approved or referred back for refinement or alignment with other established programmes as part of the cost-saving measures implemented by the department.The underspending under Compensation of Employees is due to cost containment measures limiting the filling of vacant posts.

4.2.1 Virements

No virements were submitted to the National Treasury for approval.

4.2.2 Rollovers

No request for Rollovers will be submitted to the National Treasury.

4.2.3 Unauthorised expenditure, fruitless and wasteful expenditure

The Department did not have any unauthorised expenditure in the reporting period. 62 cases amounting to R137 850.17 of alleged fruitless and wasteful expenditure were reported for the financial year which was dealt with as follows:

- 12 cases confirmed as fruitless and wasteful expenditure amounting to R40 718.62;
- 3 cases amounting to R6 176.69 were recovered;
- 9 cases amounting to R37 000 were written-off;
- 20 cases amounting to R57 938.11 were found to not meet the fruitless and wasteful expenditure definition and confirmed as valid expenditure; and
- 30 cases amounting to R79 912.06 were still to be finalised as at the end of the financial year.

The main reasons for the fruitless and wasteful expenditure were cancellations/ amendments and no-shows for travel and accommodation services.

4.3 Strategic focus over the short to medium term period

The resolution of the Government of National Unity to dedicate the next five years to actions that will advance three strategic priorities defined the mandate to which the Tourism Portfolio should focus its Plans. These priorities are to drive inclusive growth and job creation, reduce poverty, tackle the high cost of living, and build a capable, ethical, and developmental state.

The Department continues to implement Programmes that support the most vulnerable in society, including unemployed youth, and SMMEs in rural villages, small towns, and townships. These Programmes are targeted nationally through our Working for Tourism Programme, the Tourism Incentive Programme, Enterprise Development and Transformation Programme, Tourism Visitor Services, Destination Enhancement, and the Skills Development Programme.

The Tourism Sector Masterplan will frame our priorities in the short term. The Medium-Term Development Framework of the 7th Administration will further guide the Tourism Portfolio's Plans towards contributing to employment creation, contributing to the country's Growth Domestic Product, and the economy, which are a function of increased tourist arrivals, marketing of Brand South Africa, and promotion of domestic travel.

The tourism portfolio continues to grow arrivals to South Africa, grow the economic performance of the tourism sector, grow the number of jobs provided by the sector, and ensure that public funds are spent for the good of the people of South Africa. In the 2024/25 financial year, the Department of Tourism conducted two evaluation studies. The first evaluation was on the impact of the Tourism Incentive Programme with a focus on the Tourism Transformation Fund (TTF).

The findings reveal that tourism infrastructure development carries multi-dimensional impacts that extend beyond the physical upgrading of sites. It influences the quality of visitor's experiences, stimulates local economies and promotes environmental sustainability. Across evaluated sites, the Expanded Public Works Programme model played a critical role in providing labour intensive jobs.

The Masterplan will continue to underline the importance of creating an enabling environment for tourism growth and identifying the need for policy review. The Tourist Guide Information System and the Market Access Support Programme (MASP) Application systems are aimed at rationalising the application and management process of the market access support programme by transitioning from a manual system to an integrated electronic system, thereby addressing existing challenges, improving efficiency, and enhancing service delivery. The Best Practices Workshop will still be used as a tool to implement MoUs signed with countries.

4.4 Public Private Partnerships

The Department has no Public Private Partnerships registered with National Treasury.

4.5 Discontinued activities

The Department of Tourism is undertaking a review of key programmes in 2025/26, i.e. Tourism Incentive Programme and the Working for Tourism Programme. These reviews could identify activities to be discontinued. Any discontinued activities will be reported.

4.6 New or proposed activities

To ensure the achievement and efficient service delivery of departmental priorities aligned to the 7th Administration, the following activities have been proposed to review its capacity and align it to what is required for the new approach, to direct the financial resources towards strategic priorities.

To enhance service delivery through the introduction of digital transformation initiatives that leverage shared digital infrastructure to improve the quality of services and decision-making. The department aims to improve the communications machinery aligned to the Medium-Term Development Plan (MTDP) and improve officials' skills to support the new 7th Administration demands.

The budget spent is directly related to growth and job creation. Human resource strategy will be developed in alignment with the new strategic plan which aligns capacity and implements an academic excellence recognition programme for tourism graduates. Digital Transformation initiative to be monitored, as well as monitoring of the implementation of the White Paper on the Development and Promotion of Tourism in South Africa.

The National Register of Tourist Guide Information System (TGIS), The Red Tape Reduction Action Plan and Tourism Growth Partnership Plan (TGPP) would be developed and implemented, as well as the District Development Model (DDM) supporting outreaches

will be conducted. For the 2025/26 financial year, the support will leverage South Africa's Presidency of the G20 to advance the country's national interest in tourism.

The needs of tourists and tourism demand are addressed by ensuring that supply-side measures are put in place for tourism places and physical spaces. This is achieved through the provision of coherent destination planning, investment promotion, tourism product and infrastructure enhancement and development, experience development and job creation.

During the medium term, the Programme will accelerate the implementation and completion of the Community Based Tourism Projects, work on a revised methodology for the delivery of a tourism investment coordination with greater emphasis on the key priorities of the Government of National Unity.

The proposed activities on demand-led skills initiatives will be implemented through collaboration with various social partners for tourism sector growth and sustainability, and income-earning opportunity programmes. The Enterprise Development Programme for inclusive participation and sustainability in the tourism sector aims to ensure job creation.

4.7 Supply Chain Management

There were no unsolicited bid proposals sourced for the year under review.

The department has systems in place to guard against irregular expenditure. The department has fully implemented approved SCM policies. Review of SCM processes and policies is underway to enhance compliance within SCM and the department.

The department identified challenges within the asset unit and has initiated a review of the asset functions.

4.8 Gifts and Donations received in kind from non-related parties

The Department did not receive any gifts or donations in kind from non-related parties in 2024/25.

4.9 Exemptions and deviations received from the National Treasury

No deviations or exemptions were requested or received other than those SCM procurement deviations, which are covered in Part E of the report.

4.10 Events after the reporting date

There were no adjusting or non-adjusting events after the reporting date.

4.11 Other

None

4.12 Acknowledgements and Appreciation

An increase in the economic contribution of tourism is driven by an increase in domestic and foreign tourist arrivals as well as an increase in tourist spend. The Department and its partners must create an environment conducive to this increase by ensuring quality and diverse tourism offerings as well as developing sector capacity. To this end, I wish to acknowledge the role and appreciate the contribution of all our stakeholders along the entire tourism value chain towards making the tourism environment conducive for all.

We will always be grateful for the relationship and engagement with our Portfolio and Select Committees in planning for tourism development and growth, implementation of plans, and reporting on those plans.

The role of the Minister and Deputy Minister in guiding us to focus on the aspects which make an impact is greatly appreciated. It is through this focus on key projects that our Department makes its contribution towards the government commitment to creating a better life for all.

Everything we do as a Department depends on the commitment of our staff to ensure that we plan properly, execute well and report accurately. For that we are truly appreciative.

4.13 Conclusion

This 2024/25 Annual Report discloses our achievement and challenges during the period under review.

4.14 Approval and sign off



Mr Nkhumeleni Victor Vele

Accounting Officer

Department of Tourism

Date: 30 May 2025

A5 STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part F) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

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

Yours faithfully



Mr. Nkhumeleni Victor Vele

Accounting Officer

Department of Tourism

Date: 30 May 2025

A6 STRATEGIC OVERVIEW

6.1 Vision

Leading sustainable tourism development for inclusive economic growth in South Africa.

6.2 Mission

To grow an inclusive and sustainable tourism economy through:

- good corporate and cooperative governance;
- strategic partnerships and collaboration;
- innovation and knowledge management; and
- effective stakeholder communication.

6.3 Values

6.3.1 Performance values

- **Innovative:** Leveraging of resources and partnerships to optimise delivery to our stakeholders and being responsive to change.
- **Ethical (good corporate governance):** Encapsulating the principles of integrity, transparency, and accountability.
- **Customer focus:** Providing services and solutions in a manner that is efficient, effective, and responsive.

6.3.2 Organisational values

- **Empowerment:** Create an environment conducive to growth and development for our people.
- **Integrity:** Act with integrity by maintaining the highest standards for accountability, serving with respect, honesty, and trustworthiness.
- **Recognition:** Be an organisation that values its own people by ensuring fairness of systems and processes, being supportive as well as recognising and rewarding performance.

A7 LEGISLATIVE AND OTHER MANDATES

7.1 Constitutional mandate

Part A of Schedule 4 of the Constitution of the Republic of South Africa, 1996, lists tourism as a functional area of concurrent national and provincial legislative competence.

7.2 Legislative mandate

The Tourism Act (Act No 3 of 2014), aims to promote the practice of responsible tourism for the benefit of the Republic and for the enjoyment of all its residents and foreign visitors; provide for the effective domestic and international marketing of South Africa as a tourist destination; promote quality tourism products and services; promote growth in and development of the tourism sector; and enhance cooperation and coordination between all spheres of Government in developing and managing tourism.

7.3 Policy mandate

- The White Paper on the Development and Promotion of Tourism in South Africa, 1996, provides a framework and guidelines for tourism development and promotion in South Africa.
- The National Development Plan (NDP) is the 2030 vision for the country. It envisions rising employment, productivity, and incomes as ways to ensure a long-term solution to achieve a reduction in inequality, an improvement in living standards, and to ensure a dignified existence for all South Africans. The NDP recognises tourism as one of the main drivers of employment and economic growth.
- The Re-imagined Industrial Strategy identifies tourism as one of the seven national priority sectors.
- The National Tourism Sector Strategy (NTSS) guides the strategic development and growth of the tourism sector in pursuit of NDP targets.
- Tourism Sector Masterplan (TSMP) - derived from Sector Recovery Plan (TSRP). It primarily aims to galvanise government, industry, and labour to collectively share a common vision that will position the tourism industry on an inclusive and sustainable competitive path for the benefit of all South Africans.



A8 ORGANISATIONAL STRUCTURE



A9 ENTITY REPORTING TO THE MINISTER

The table below indicates the single entity that report to the Minister.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
South African Tourism (SA Tourism).	Chapter 3 of the Tourism Act, 2014 (Act 3 of 2014) stipulates the following as the functions of the South African Tourism Board: • Market South Africa as a domestic and international tourist destination. • Market South Africa's Tourism products and facilities internationally and domestically. • Develop and implement a marketing strategy for tourism that promotes the objectives of the Act and the NTSS. • Advise the Minister on any other matter relating to tourism marketing. • With the approval of the Minister, establish a National Conventions Bureau to market South Africa as a business tourism destination by: · Coordinating bidding for international conventions; · Liaising with other organs of state and suitable bodies to promote South Africa as a destination for business events; and · Reporting to the Minister on the work performance of the National Conventions Bureau. • Additionally, the Minister assigned, in terms of Section 44 of the Tourism Act, 2014, the implementation and management of the National Grading System for Tourism to the Board.	Transfer payment	• Contribute to inclusive economic growth by increasing the number of international and domestic tourists. • Contribute to an enhanced, recognised, appealing, resilient and competitive tourism and business events brand for South Africa across the target markets and segments. • Enhance stakeholder partnerships and collaboration, both local and international, to better deliver on SA Tourism's mandate. • Contribute to an improved tourist experience in line with the brand promise. • Position SA Tourism's corporate brand to be recognised as a tourism and business events industry leader in market intelligence, insights and analytics. • Achieve operational efficiencies in all activities, including human, marketing, and other resources available to SA Tourism.



PART B

PERFORMANCE INFORMATION

B1 AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 105 of the Report of the Auditor-General, published as Part F: Financial Information.

B2 OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

2.1.1 Tourism Significance

Tourism is a driver for economic growth and a demand stimulator. It is well positioned to link under-developed regions with the developed ones as it transcends spatial and geographic boundaries. Tourism ensures that people have access to socio-economic services, opportunities, and choices. It creates jobs, generates income, and creates viable communities. It is the main bridge for building understanding and has a unique ability to promote peace amongst people everywhere. Tourism's contribution to the economy is measured by jobs created, contribution to GDP, and revenue generated from tourism activity. As a services export sector, tourism is a significant foreign currency earner.

In the South African context, this growth needed to be underpinned by the principle of inclusivity to drive tourism-sector transformation. An increase in tourism's economic contribution is driven by an increase in domestic and international tourist arrivals as well as an increase in tourist spend. Along with its partners, the Tourism Portfolio needed to create an environment conducive to this increase by ensuring a diverse quality tourism offering and by developing the tourism sector capacity. Tourism is recognised for its immense potential and significant economic contribution. The government's recognition of the critical importance of tourism in the economy is evident in the sector's inclusion as one of the priority areas of the National Development Plan (NDP) and the Economic Recovery and Reconstruction Plan (ERRP). This is due to tourism's labour-intensive nature, the potential to stimulate small business development, and the ability to generate Foreign Direct Investment (FDI) as well as significant export earnings.

2.1.2 Tourist Arrivals Performance

For the period January to December 2024, total tourist arrivals went up by 5,1% for 2024 compared to 2023. This was an increase from a total of 8 483 333 tourist arrivals in 2023 to 8 919 370 (436 037) during the same period in 2024. Central and South America

(60,4%) had the highest increase followed by Australasia (12,4%), North America (5,2%), Asia (4,2%) and Europe (1,1%) when comparing 2024 to 2023. Middle East had a decline of -16,1% for the period under review. Tourist arrivals from Africa increased by 5,6%, from a total of 6 410 392 in 2023 to a total of 6 770 664 during 2024.

2.1.3 Tourist Safety

The Department continued to conduct tourist safety awareness sessions in the provinces, working with the various safety and security structures. The approach has become more targeted, whereby the department has focused on engaging communities through the various community structures, to workshop them on the importance and benefits of tourism and the protection of tourists, as well as sharing the various services that the department offers with these communities, which they can benefit from.

The Department also started the process of reviewing the MoU signed with SAPS. The MoU was signed in December 2019, and is up for review. The Evaluation report on the action plan is being finalised and awaits sign-off from SAPS. Once the revised MoU is in place, a new action plan based on the current challenges impacting tourist safety will be developed.

2.1.4 Improving access for visitors to South Africa

Last year, an Inter-Ministerial Committee with the Department of Tourism, the Department of Home Affairs, the State Security Agency and Operation Vulindlela in the Presidency was established to address the visa regime issues. The Department of Home Affairs announced the ground-breaking Trusted Tour Operator Scheme (TTOS), which will significantly ease the process and allow for a seamless visa application process for travellers and tour operators from India and China.

The first group of approved 65 tour operators from South Africa, India and China started processing visa applications through the TTOS on 12 February 2025. India and China have been identified as two key source markets for South Africa to grow arrivals due to the high number of tourists who travel internationally from these countries. Currently, South Africa only receives 41 600 arrivals from India and 79 700 from China, a minor share of our total arrivals for 2024, which stood at 8.9 million total international arrivals.

On 22 February 2025, the Minister of Tourism, together with the Minister of Home Affairs and other government and tourism stakeholders, welcomed the first group of visitors from China at the Cape Town International Airport, who arrived in South Africa through the new digital TTOS visa initiative.

2.2 Service Delivery Improvement Plan

The Department has completed a service delivery improvement plan, which was approved on 28 March 2024. The approved SDIP 2024/25 – 2025/26 identified the following three prioritised services:

1. Enhance Tourism Services (Tourism Monitors Programmes).
2. Provide Tourism Information.
3. Tourism Infrastructure Development, maintenance and enhancement.

The tables below highlight the service delivery plan and the achievements to date.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Enhance Tourism Services (Tourism Monitors programmes)	Tourism Monitors Provinces Visitors Communities	Increase visibility at identified provincial tourist attractions and sites all the time. 100% of appointed Tourism Monitors are trained in the programme each year. The Department ensures establishment of Tourism Safety. At least two meetings held with each Provincial Tourism Safety Forum annually.	The Department, through the Expanded Public Works Programme (EPWP), administers the Tourism Safety Monitors Programme (TSMP). This programme entails training, mentoring and deploying unemployed youth at specific tourist attractions and places across the country for a 24-month period. The programme, which benefits Tourism Monitors by providing them with skills and payment of stipends, reduces crime at attractions that are considered hotspots.	2305 Tourism Monitors on the Programme. The Tourism Monitors deployed in all 9 Provinces including specific sites such as iSimangaliso, Ezemvelo, SANBI, SANPARKS and ACSA Airports.
Provide Tourism Information	Tourist Guides Provinces	Implementation of the Tourist Guide Information System 2023/24.	Implementation of the Tourist Guide Information System for registered tourist guides. Tourist Guide Information System which provides a national database of registered tourist guides is maintained and updated.	The Tourist Guide Information System was developed and implemented as per the requirements of the Directorate: Tourist Guides. User training for the provincial registrars has been conducted in Limpopo, Free State, Gauteng and Eastern Cape provinces after the verification and upload of the provincial datasets of registered tourist guides. Databases from Mpumalanga and Northern Cape have been loaded on the system. The KZN database has been received and will be uploaded on the system once quality assured.

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Number of destination enhancement initiatives supported.	Provinces Tourism service providers Visitors Communities	Enhancement undertaken in four provinces. Ensure monthly progress reporting by DBSA. Bi-monthly progress meetings, monthly Steering Committee meeting and site visits conducted.	Infrastructure maintenance and beautification programme implemented in four provinces: Gauteng (Suikerbosrand Nature Reserve), KwaZulu-Natal (JL Dube Nature Reserve, Anton Lembede Nature Reserve), North West (Mahikeng Hotel School, Pilanesberg Nature Reserve) and Northern Cape (Sol Plaatjie and McGregor Museum). Implementation of 22 Community-based Tourism Projects monitored.	All seven maintenance projects are currently implemented across the four provinces. Three of these projects are at practical completion, one is at works completion, whilst three are still under planning. These maintenance projects have created 70 jobs. Implementation of all 22 Community-based Tourism Projects monitored. There are currently 12 projects in construction, two at practical completion, four at works completion, one at concurrence to appoint contractor but may be re-advertised due to no-value-for-money on the tenders received, one project with contract cancelled due to social issues, two projects under planning. These community projects have created 485 jobs.

Batho Pele arrangements with beneficiaries (Consultation access, etc.)

Current / actual arrangements	Desired arrangements	Actual achievements
Department commits to open lines of communication and seeks input from our customers when setting standards for services. Continuous communication with stakeholders through various forums. National Tourism Stakeholder Forum. Roadshows.	The Department of Tourism commits to open lines of communication and seeks input from our customers when setting standards for services through publications on the website, Izimbizo and suggestion system.	The Department hosted its own and supported Presidential Imbizo through stakeholder engagements and exhibitions.

Service delivery information tool

Current / actual arrangements	Desired arrangements	Actual achievements
Department will provide full and accurate information about services within the provision of relevant regulations.	Clear description of how and where services are provided using infographics, diverse media platforms, departmental website. Departmental call centre.	• The Department's website is accessible to the client • Exhibitions and activations • Departmental publication e.g. Bojanala • Departmental Izimbizo • Call Centre reports shared weekly with ADDG: CM and standing item, as part of Communication Issues for MANCO.

Complaints mechanism

Current / actual arrangements	Desired arrangements	Actual achievements
Department commits to meet the standard of services promised. If not delivered, an apology and effective remedy will be offered. Acknowledge complaint received within 5 working days and try to resolve complaint within 25 working days as per complaint management framework.	Where the expected standard was not met, the citizens have an open channel to submit their suggestions, compliments and complaints, i.e. call centre, Izimbizo or suggestions, compliments and complaints system. Well defined, communicated complaints mechanism. Improve turnaround times for response to complaints.	The Department has hosted its own and supported Presidential Imbizo through stakeholder engagements and exhibitions. The Department's Call Centre operations are available to the client 24/7. An electronic suggestion, compliment and complaint system is available. Tourism Complaints emails and telephone were made known to the client through the Departmental website.

2.3 Organisational environment

The Department has achieved 92,86% percent of its targets for 2024/25 . This performance was supported by a focus on oversight at all levels, monitoring and evaluation of programmes, development of people, and redirecting resources to priority areas to align capacity with needs.

In the context of The National Treasury cost containment measures and the subsequent Directive on the Implementation of Control Measures aimed at assisting Executive Authorities in managing fiscus sustainability, there were persistent concerns on vacancy management. An analysis of the Department's vacancy and turnover rate clearly shows a negative trajectory that could make it difficult for the Department to effectively exercise its mandate. The Department is focusing on the alignment of capacity with priorities in order to make progress in addressing vacancy rate.

Implementation of the Audit Action Plan addressed the audit findings and further strengthened controls. This was aimed at assisting the Department to avoid repeat findings. Controls and corrective measures are being implemented to address inherent risks in administration.

Budget cuts in response to the country's fiscal difficulties will always hamper the department's ability to expand services and infrastructure. The Department had targeted to achieve 40% public procurement from women-owned businesses, which it exceeded by 3,31%. This was made possible by the Department implementing targeted procurement from Women-owned businesses through awarding points.

The Department has achieved 99,97% payment of all compliant invoices received within 30 days. The shortfall was 0,03% of invoices not paid within 30 days. Measures are being implemented to address the shortfall and avoid future recurrence.

On 22 July 2024, the Department experienced a cybersecurity breach, which was later discovered to be a ransomware attack. The breach compromised the VMware cluster as it had been encrypted by Bitlocker, rendering all hosted applications (email services, website, intranet, and EDMS) inaccessible. The cluster was shut down as a containment measure to prevent further spread and to allow investigation. Although the cluster was compromised, applications were not compromised. The reporting requirements implemented included notifications to the State Information Technology Agency (SITA), and the State Security Agency (SSA) were notified of the attack to implement their activities in line with their government information security mandate. A police case was opened and the matter was reported to the Information Regulator in terms of the Protection of Personal Information Act.

2.4 Key policy developments and legislative changes

The Department reviewed the Tourism White Paper of 1996 as the tourism sector in South Africa is yet to reach its full potential. Moreover, significant policy developments and trends have emerged since 1996, which necessitated a policy review.

The Department embarked on a process of reviewing the 1996 Tourism White Paper. The policy review process has resulted in a Tourism White Paper that seeks to sustainably and competitively grow the South African economy through an inclusive, inspiring, and visitor-oriented tourism sector.

The Tourism White Paper has been taken through tourism stakeholder consultation sessions across the country's nine provinces, including local government participation. Consultations also took place with national departments and bilateral sessions with affected departments. The process included a public comment process, which was open for 60 days from 1 September 2023. The approximately 3,500 comments received were all taken into consideration in developing and strengthening the Tourism White Paper.

The Tourism White Paper focuses on promoting safety and security, facilitating ease of access, domestic tourism, crisis management, promoting transformation, enabling technological developments and recommitting to the responsible tourism agenda.

B3 ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department pursues two strategic outcomes in support of the Government's Medium-Term Strategic Framework (MTSF) 2019-2024. These are Outcome 1: Achieve good corporate and cooperative governance, and Outcome 2: Increase the tourism sector's contribution to inclusive economic growth. The plans of the Department support all seven priorities of Government in general, but specifically - Priority 1: Capable, Ethical and Developmental State, Priority 2: Economic Transformation and Job Creation, and Priority 7: A Better Africa and World.

Priority 1: Capable, Ethical and Developmental State

The Department's major priorities continue to be good governance and accountability to meet the 6th Administration's objectives for a Capable, Ethical, and Developmental State. In this regard, the Department has created a competent procurement system based on the principles of fairness, equity, transparency, competition, and cost-effectiveness. Deviations from standard procurement of goods and services are explained and approved by the relevant authority. These are critical to the Department's goal of conducting business in a way that maintains public trust in the State. They contribute to the development of excellent public trust by allowing oversight by State institutions for the public's benefit. Vulnerabilities that may have had an impact on the Department's potential problems were pre-emptively detected by identifying, assessing, and measuring the risks. Risk mitigation strategies were implemented and risks monitored.

Priority 2: Economic Transformation and Job Creation

The Department plans and implements programmes in response to MTSF 2019-2024 Priority 2 (Economic Transformation and Job Creation) through its policy development, regulatory, destination management, and tourism operations support roles. This function assures a high-quality, diverse tourism product while developing sector capacity.

The Department implements Programmes that support society's most vulnerable, including unemployed youth and SMMEs in rural villages and towns, and are targeted nationally, under the Tourism Incentive Programme.

The Department has supported more than 250 small tourism enterprises under the Market Access Support Programme to exhibit at local trade platforms such as World Travel Market (WTM) Africa, Africa's Travel Indaba and Meetings Africa, including various international trade platforms in Portugal, United States of America, Spain, the United Kingdom, the Netherlands and Germany.

The Department is implementing the Enterprise Development Support Programme as one of its strategic ways to grow and sustain tourism in Small, Micro to Medium Enterprises (SMMEs). Tourism Business Incubation is a sub-programme under the Enterprise Development Programme. Seven Community-Based Tourism Projects were supported,

Business Advisory Services focusing on Women in Tourism was implemented in Limpopo and 72 women were supported, Business Advisory Services focusing on Homestay Pilot Programme was implemented in the Eastern Cape and 30 women were supported. 155 SMMEs were provided with compliance and resilience support. 25 Youth were trained on the Resource Efficiency Cleaner Production Training and Business Support Programme.

By 31 March 2025, 2 800 unemployed youth were trained on norms and standards for safe tourism operations, as part of the Departmental Skills Programme. During the year under review, the Youth Skills Development Programmes were implemented and targeted 450 unemployed youth between 18-35 years. A total of 495 learners were enrolled in the various skills development programmes with 413 of these learners graduating, and 82 learners dropping out for various reasons.

Three skills development programmes were delivered during the period under review. These included Food and Beverage Training, Professional Cookery and Food Safety Quality Assurers Programmes. Of the 413 graduated learners, 14 graduates received permanent employment from the various host employers in the tourism and hospitality sector. An estimated amount of over R8 million was spent to deliver the above programmes during the 2024/25 financial year.

The Department introduced the Recognition of Prior Learning (RPL) process in the tourism and hospitality sector to recognise those employees who possess practical experience, but do not have formal qualifications in the hospitality area. For the 2024/25 financial year, the Department enrolled 50 learners from Gauteng and Free State Province in a Chef Training Programme through the RPL process. A 96% completion rate from 24 learners who were deemed competent in Gauteng Province, and 80% completion rate from 20 learners who were deemed competent in Free State Province. The learners graduated and received a Certificate in Chef at National Qualifications Framework (NQF) Level 5 accredited by the Culture, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority (CATHSSETA) and the Quality Council on Trades Occupations (QCTO). An amount of R1 313.765.00 was spent to expose the 50 learners to the Chef RPL Programme.

The Department supported the implementation of 22 community-based Tourism Projects. These were in Limpopo, Free State, KwaZulu-Natal, Eastern Cape, Mpumalanga, North West, and Northern Cape. These projects are all in rural areas and were created to encourage tourists to travel outside of cities and contribute to an inclusive economy. These projects created 360 temporary jobs in some of the most remote areas of the country, 99 women, 134 youth and 1 Person with Disabilities (PWDs) were employed. A total of 118 Full-Time Equivalent (FTE) jobs were created, with 26 935-person days worked.

Priority 7: A better Africa and World

The Tourism Sector Recovery Plan converted to the Masterplan, approved by the Cabinet, guides the Department and SA Tourism in its brand strategy to promote South Africa, increasing the volume and value of domestic tourism.

From January to December 2024 the total number of international arrivals reached 8.92 million, marking a significant 5.1% increase from the figures in 2023. The African continent remains South Africa's largest source of tourists with 6.8 million tourist arrivals in 2024, which was 76% of total arrivals. Europe followed with 1,258 706 arrivals, with a 1.1% improvement. The Americas contributed 505,579 arrivals, representing an improvement of 10.9%. Tourist arrivals from Asia surged by 4.2%, with 207,718 tourists.





B4 PERFORMANCE INFORMATION BY PROGRAMME

4.1 Programme 1: Administration

Purpose: To provide strategic leadership, management and support services to the Department.

Sub-Programmes: Strategy and Systems; Financial Management; Human Resource Management and Development; Communications and Legal Services.

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
Outcome: Achieve good corporate and cooperative governance.						
Output: Unqualified annual audit on financial and non-financial performance.						
Output Indicator 1: Audit outcome on financial statements and performance information.						
Unqualified audit on financial statements and performance information was achieved.	Clean audit on financial statements and performance information was achieved.	Unqualified audit on financial statements and performance information.	Unqualified without findings (clean audit) on financial statements and performance information was achieved.	None	None	N/A
Output: Departmental expenditure to contribute to the Government's economic transformation agenda.						
Output Indicator 2: Percentage procurement of goods and services from SMMEs.						
54,76% expenditure achieved on procurement of goods and services from SMMEs was achieved.	57,97% expenditure was achieved on procurement of goods and services from SMMEs.	40% expenditure achieved on procurement of goods and services from SMMEs.	43,31% expenditure was achieved on procurement of goods and services from SMMEs.	Target exceeded by 3,31%.	The Department implements targeted procurement from SMMEs through awarding of points.	N/A
Output Indicator 3: Percentage of compliant invoices paid within prescribed timeframes.						
93,37% of all compliant invoices received were paid within 30 days.	99,35% (15 642 of 15 745) compliant invoices received were paid within 30 days.	100% payment of all compliant invoices within 30 days.	99,97% (13 950 of 13 954) of all compliant invoices received were paid within 30 days.	0,03% (4 of the 13 954) compliant invoices were not paid within 30 days.	Invoices and supporting documents were submitted late to Finance by officials in the Department.	Consequence Management implemented.
Output Indicator 4: Percentage of procurement spend from women-owned businesses.						
37,03% procurement was spent on women-owned businesses.	41,58% procurement spend from women-owned businesses was achieved.	40% procurement spend from women-owned businesses.	65,44% procurement spend from women-owned businesses was achieved.	Target exceeded by 25,44%.	The Department implements targeted procurement from Women-owned businesses through the awarding of points.	N/A

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
Output: Oversight on South African Tourism.						
Output Indicator 5: Number of public entity oversight reports developed.						
Four Reports on governance and performance of SA Tourism for oversight purposes were developed.	Four SA Tourism quarterly oversight reports were developed in terms of the Service Level Agreement (SLA).	Four SA Tourism quarterly oversight reports developed.	Four SA Tourism quarterly oversight reports were developed.	None.	None.	N/A
Output: Attract and retain a capable and ethical workforce in a caring environment.						
Output Indicator 6: Percentage of vacancy rate.						
Vacancy rate was 7,9% as at 31 March 2023.	Vacancy rate was 11,5% as at 31 March 2024.	Vacancy rate below 10%.	Vacancy rate was 13,2% as at 31 March 2025.	Off target by 3,2%.	The Department did not achieve the target due to the process of requesting concurrence delaying the recruitment process. Of the posts that were approved for filling, the Department advertised and filled these posts. Internal promotions do not contribute to lowering the Department's vacancy rate. There was also the effect of employees leaving the department for various reasons. The Department subsequently decided to review all posts in line with the 7th Administration priorities prior to proceeding with recruitment.	Review all posts in line with the 7th Administration priorities and advertise and fill identified critical posts.

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
Output Indicator 7: Percentage of compliance with Departmental Employment Equity Targets.						
SMS women representation was maintained at 49,2%.	SMS women representation was maintained at 46% as at 31 March 2024.	SMS women representation at a minimum of 50%.	SMS women representation was maintained at 50,8% as at 31 March 2025.	None.	None.	N/A
People living with disabilities' representation was 4,5% as at 31 March 2023.	Persons with disabilities' representation was 4,8% as at 31 March 2024.	Persons with Disabilities' representation above 3%.	Persons with disabilities' representation was 4,8% as at 31 March 2025.	Target exceeded by 1,8%.	The Department implements Disability Management Programme that encourages disclosure and emphasises reasonable accommodation efforts.	N/A
Output Indicator 8: Percentage of Workplace Skills Plan (WSP) implemented.						
100% of the WSP was implemented.	100% of WSP was implemented.	100% implementation of WSP	100% of WSP was implemented.	None.	None.	N/A
Output: Audit reports with recommendations as per the approved Internal Audit Plan.						
Output Indicator 9: Percentage implementation of the Annual Internal Audit Plan.						
100% of the Annual Internal Audit Plan was implemented.	100% of the Annual Internal Audit Plan was implemented.	100% implementation of the Annual Internal Audit Plan.	100% of the Annual Internal Audit Plan was implemented.	None.	None.	N/A

Narrative of highlights

The Department continued to implement programmes aimed at personnel development and wellness including: bursaries, internship programme, training programme, health and wellness programme, disability management programme and sporting codes. The target for 50% women at SMS level was achieved during the last quarter of the financial year, after various recruitment interventions.

There was intensive focus on improving the internal control environment to address matters raised by audits with the intention of ensuring clean administration. The Department also implemented revision of standard operating procedures to improve operations at Corporate Management. The ethics management framework was implemented to ensure that the organisational operations are aligned to the values of integrity that the Department is committed to.

Linking performance with budgets

Sub- Programme Name	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Ministry	36 940	35 466	1 474	41 558	38 012	3 546
Management	3 662	3 661	1	4 560	4 561	(1)
Corporate Management	208 627	189 902	18 725	170 134	163 966	6 168
Financial Management	64 277	60 074	4 203	65 798	65 797	1
Office Accommodation	51 373	51 374	(1)	30 777	30 776	1
Total	364 879	340 477	24 402	312 827	303 112	9 715



4.2 Programme 2: Tourism Research, Policy and International Relations

Purpose: Enhance strategic policy environment, monitor the tourism sector's performance and enable stakeholder relations.

Sub-Programmes: Research and Knowledge Management; Policy Planning and Strategy; International Relations and Cooperation; Strategic Sector Partnerships.

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
Outcome: Increase the tourism sector's contribution to inclusive economic growth.						
Output: Provision of knowledge services to inform policy, planning and decision-making.						
Output Indicator 1: Number of monitoring and evaluation reports on tourism projects and initiatives developed.						
Evaluation of the Resource Efficiency project was conducted.	Assessment of the condition of state-owned tourist attractions supported by the Department was conducted.	Eight Monitoring and Evaluation Reports on tourism projects and initiatives developed:				
		1. Evaluation of the impact of infrastructure supporting tourism projects.	Evaluation of the impact of infrastructure supporting tourism projects was conducted.	None.	None.	N/A
Monitoring of Capacity Building Programme (Hospitality Youth Programme, National Youth Chefs Training Programme, Tourism Monitors Programme and Food Safety Quality Assurers Programme) was undertaken.	Monitoring of the new and continuing Capacity-Building Programmes was conducted.	2. Monitoring of new and continuing Departmental Programmes: - National Professional Cookery Programme, - Tourism Monitors Programme, - Food and Beverage Programme, - Food Safety Quality Assurers Programmes.	Monitoring of new and continuing Departmental Programmes was conducted on: - National Professional Cookery Programme, - Tourism Monitors Programme, - Food and Beverage Programme, - Food Safety Quality Assurers Programmes.	None.	None.	N/A

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
-	Evaluation of the Departmental Incubation Approach was conducted in the • Pilanesberg Tourism Incubation, • Manyeleti Tourism Incubation, • Ba-Phalaborwa Tourism Incubation • Mier Tourism Incubation Projects.	3. Impact evaluation of the Tourism Incentive Programme.	Impact evaluation of the Tourism Incentive Programme was conducted.	None.	None.	N/A
2020/2021 STR was finalised and published.	Bi-Annual Monitoring of the performance of the Tourism Sector was conducted.	4. Bi-Annual Tourism Sector Performance Reports (2 reports).	Bi-Annual Tourism Sector Performance Reports (2 reports) were developed.	None.	None.	N/A
-	-	5. Three Tourism Sector Masterplan (TSMP) Reports	Three Tourism Sector Masterplan (TSMP) Reports were developed.	None.	None.	N/A
Output Indicator 2: Number of knowledge systems developed and maintained.						
-	-	One system developed: Market Access Support Programme (MASP) application system: Phase I implemented.	Market Access Support Programme (MASP) application system: Phase I was implemented.	None.	None.	N/A
-	Tourist Guide Information System was implemented.	One system maintained: Maintenance, support, and enhancement of the Tourist Guide Information System (TGIS).	Maintenance, support, and enhancement of the Tourist Guide Information System (TGIS) was conducted.	None.	None.	N/A

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
Output Indicator 3: Number of fora prioritised to advance South Africa's tourism interests at regional, continental and global level through multilateral other groupings.						
South Africa's tourism interests at regional, continental and global level through participation in six multilateral fora UNWTO, G20, BRICS, SADC, IORA and AU were advanced.	South Africa's tourism interests at regional, continental and global level through participation in six multilateral fora, UNWTO, G20, BRICS, SADC, IORA and AU were advanced.	Leveraging South Africa's tourism interests in six multilateral fora, UNWTO, G20, BRICS, SADC, IORA and AU to advance priorities.	South Africa's tourism interests were leveraged in six multilateral fora, UNWTO, G20, BRICS, SADC, IORA and AU to advance priorities.	None.	None.	N/A
Output Indicator 4: Sharing of Best Practices Workshop hosted.						
Sharing of Best Practices Workshop 2023 targeted at African countries with whom SA signed tourism agreements was hosted from 8 - 10 March 2023 in Cape Town.	Sharing of Best Practices Workshop 2024 targeted at African countries with whom SA signed tourism agreements was hosted in hybrid on 13 March 2024 in Pretoria.	One workshop on sharing of Best Practices Workshop 2025 targeted at African countries with whom SA signed tourism agreements hosted in Eastern Cape Province.	One workshop on sharing of Best Practices Workshop 2025 targeted at African countries with whom SA signed tourism agreements hosted in Eastern Cape Province on 12-14 March 2025.	None.	None.	N/A

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
Output: South Africa tourism showcase at priority markets.						
Output Indicator 5: Number of outreach programmes to the diplomatic community implemented.						
Two outreach programmes to the diplomatic community were implemented on 25 August 2022 and 7 December 2022 virtually.	Two outreach programmes with prioritised countries were hosted in Kenya on 20-22 November 2023, and in China on 17-23 November 2023.	Two outreach programmes to engage tourism trade, media, and airlines in prioritised countries implemented.	Two outreach programmes to engage tourism trade, media, and airlines in prioritised countries were implemented in India on 2-6 December 2024, and in Accra, Ghana on 26-29 March 2025.	None.	None.	N/A

Narrative of Highlights

In the 2024/25 financial year, the Department of Tourism conducted two evaluation studies. The first evaluation was on the impact of the Tourism Incentive Programme with a focus on the Tourism Transformation Fund (TTF). One of the objectives of the evaluation was to determine the extent to which the TTF has facilitated the growth and development of previously disadvantaged individuals and enterprises, and analyse its contribution to enhancing inclusivity and diversity within the tourism industry. The study found that the TTF made a significant contribution to transformation by directly supporting black-owned and women-led enterprises operating in various tourism sub-sectors. The demographic profile of beneficiaries aligns closely with the programme's intent, with many enterprises located in rural, peri-urban, or township areas that have historically been marginalised from mainstream tourism development.

The second study conducted was on the impact of infrastructure supporting tourism projects. The study objective sought to examine the effects of infrastructure investments on local economic development, job creation and business opportunities within the tourism sector and communities. The findings reveal that tourism infrastructure development carries multi-dimensional impacts that extend beyond the physical upgrading of sites. It influences the quality of visitor experience, stimulates local economies, promotes environmental sustainability; and when implemented inclusively, has the potential to empower communities and foster responsible tourism practices. Across evaluated sites, the Expanded Public Works Programme model played a critical role in providing labour intensive jobs. In some instances, infrastructure development was directly linked to enterprise development and local sourcing.

South Africa continues to implement the Tourism Sector Master Plan (TSMP) with a view to reach the 2019 tourism performance levels. This has resulted in the positive growth trajectory culminating into 8.9 million international arrivals to South Africa (SA) by the end of 2024, which is 1.1 million shy of the 2019 performance levels.

Encouragingly, the majority of performance indicators such as domestic tourism, tourism spend and direct contribution to the Growth Domestic Product (GDP) already surpassed the 2019 performance levels. The positive growth trajectory experienced by SA can be attributed to various TSMP interventions. These include the continuous implementation of Infrastructure maintenance projects to protect and rejuvenate the supply side; stimulation of demand through global and domestic campaigns; facilitation of ease of access through Remote working visa and Trusted Tour Operator Scheme (TTOS); the implementation of norms and standards for the safe operation of the sector which build confidence in the destination post pandemic; and the implementation of bouquet empowerment initiatives to promote inclusive economic growth and job creation.

The Masterplan also underlined the importance of creating an environment which enabled tourism growth and identified the need for policy review. Accordingly, Cabinet approved the Tourism White Paper of 2024 and the Tourism Route Marketing Plan which are going to be the subject of implementation. These two frameworks provide an overarching policy guidance for the tourism sector and a coordinated marketing approach towards route development respectively.

The purpose of the Tourist Guide Information System (TGIS) is to enable the National Registrar in the Department, in line with the provision of section 48(2)(a) of the Tourism Act 3 of 2014, to maintain a centralised database of all registered tourist guides in South Africa. This tourist guide system is deployed as part of the department's integrated knowledge system to improve digital information management initiatives. The developed system has been enhanced by ensuring that the latest updates of the tools used on the development of the platform are patched, and new features are developed and implemented.

In line with the annual APP target of maintaining and enhancing the Tourist Guide Information System, the process started with stakeholder consultations to inform the development of new functionalities and maintenance of existing functionalities. Furthermore, the various provincial datasets of registered tourist guides were quality assured and uploaded on the system, enabling tourists and visitors access to these readily available records for the purpose of sourcing or hiring legal tourist guides as part of their memorable tourism experience.

The MarketAccess Support Programme (MASP) Application system is aimed at streamlining the application and management process of market access support programme by

transitioning from a manual system to an integrated electronic system, thereby addressing existing challenges, improving efficiency, and enhancing service delivery.

As part of the system's development, the process commenced with stakeholder consultations in provinces. The system functionalities were then improved and tested. The deployment of completed modules of the MASP application system was achieved as part of the initial, development phase initiative of this system.

Two outreach programmes to engage tourism trade, media, and airlines were successfully hosted. The focus was on tourism recovery geared towards the facilitation of South Africa's reintegration into the tourism value chain in Asia and Ghana. The Department hosted the Best Practices Workshop in collaboration with the Provincial Department of Economic Development, Environmental Affairs and Tourism in Gqeberha. The Best Practices Workshop is used as a tool to implement MoUs signed with countries and the purpose of the Best Practices Workshop is to share the best practices, challenges and interventions by various governments in promoting and developing tourism for sustainable developments while addressing the national priorities. On a multilateral level, the Department continued to advance South Africa's interests through our participation in fora such as the SADC, G20 and BRICS. South Africa was elected as the First Vice Chair of the Executive Council of UN Tourism for 2025 during the 2024/25 financial year.

Linking performance with budgets

Sub- Programme Name	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Tourism Research, Policy and International Relations Management	9 837	7 643	2 194	9 104	6 933	2 171
Research and Knowledge Management	35 616	32 147	3 469	34 062	31 190	2 872
Policy Planning and Strategy	16 747	12 267	4 480	14 403	12 359	2 044
South African Tourism	1 243 555	1 243 555	-	1 289 739	1 289 739	-
International Relations and Cooperation	29 868	23 443	6 425	31 481	27 248	4 233
Total	1 335 623	1 319 055	16 568	1 378 789	1 367 469	11 320



4.3 Programme 3: Destination Development

Purpose: To facilitate and coordinate destination development

Sub-Programmes: Destination Planning and Investment Coordination; Tourism Enhancement; Working for Tourism.

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
Outcome: Increase the tourism sector's contribution to inclusive economic growth.						
Output: Number of Destination Planning and Investment Coordination initiatives undertaken.						
Output Indicator 1: Number of destination planning and investment coordination initiatives undertaken.						
The piloting of the budget resort network and brand concept was reviewed.	The budget resort network and brand concept were implemented.	Three initiatives undertaken:				
		1. Implementation of the budget resort network and brand concept.	The budget resort network and brand concept were implemented.	None.	None.	N/A
A pipeline of nationally prioritised tourism investment opportunities (greenfield and brownfield projects) was managed.	A pipeline of nationally prioritised tourism investment opportunities (greenfield and brownfield projects) was managed.	2. A pipeline of nationally prioritised tourism investment opportunities / projects managed.	A pipeline of nationally prioritised tourism investment opportunities / projects was managed.	None.	None.	N/A
Two investment promotion platforms were facilitated.	Thirteen investment promotion platforms were facilitated.	3. Two investment promotion platforms facilitated.	Three investment promotion platforms were facilitated.	One more investment promotion platform was facilitated.	The Department had an opportunity to participate in the Soweto Investment Conference in Quarter 3, this investment platform was leveraged on.	N/A

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
Output: Destination enhancement and route development projects implemented to diversify tourism offerings and enhance visitor experience in identified priority areas.						
Output Indicator 2: Number of destination enhancement initiatives supported.						
Infrastructure maintenance programme was implemented in 19 National Parks.	Infrastructure maintenance and beautification programme was implemented in five provinces: • Mpumalanga • Limpopo • Eastern Cape • Free State • Western Cape	Three initiatives supported:				
		1. Infrastructure maintenance and beautification programme implemented in four (4) provinces: • Gauteng • KwaZulu-Natal • North West • Northern Cape	Infrastructure maintenance and beautification programme was implemented in four (4) provinces: • Gauteng • KwaZulu-Natal • North West • Northern Cape	None.	None.	N/A
Infrastructure maintenance and beautification programme was implemented in four Provincial State-Owned Attractions.	Implementation of 29 Community-based Tourism Projects was monitored.	2. Implementation of Twenty-two (22) Community-based Tourism Projects monitored ¹ .	Implementation of Twenty-two (22) Community-based Tourism Projects was monitored.	None.	None.	N/A
-	-	3. Tourism enhancement projects implemented in one (1) World Heritage Site: Robben Island Museum (RIM).	Tourism enhancement projects were implemented in one (1) World Heritage Site: Robben Island Museum (RIM).	None.	None.	N/A

¹ **LP:** Vha Tsonga, Phiphidi Waterfall, Oaks Lodge, Ngove, Matsila Lodge, Nandoni Dam, Royal Khalanga Lodge, Mtiti Game Lodge; Tisane, Mapate Social Recreation, Tshathogwe Game Farm; **FS:** Vredefort Dome, Qwa Qwa Guest House, **NW:** Manyane Lodge, Lehurutshe Bird and Trophy Hunting; **NC:** Platfontein Lodge, Kamiesburg; **KZN:** Muzi Pan, **EC:** Qatywa Lodge Conferencing/accommodation, Mthonsi Lodge, **MP:** Numbi Gate (Nkambeni), Numbi Gate (Mdluli),

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
Output Indicator 3: Number of work opportunities created through Working for Tourism projects.						
5315 Work opportunities were created.	4234 Work opportunities were created.	5820 Work opportunities created.	3282 Work opportunities were created.	The target was missed by 2538.	There were an insufficient number of high labour intensity projects implemented.	A review of the projects funded through EPWP is underway. EPWP Funding is currently utilised to fund both infrastructure and skills programmes. The intention is to utilise future EPWP funding to deliver demand-led skills programmes which, by their nature, have a higher labour intensity than infrastructure projects.

Narrative of Highlights

The Destination Development Programme achieved 6 out of 7 annual targets. The planned work was delivered on the Budget Resort Network and Brand, tourism investment pipeline and investment promotion platforms. There has been significant progress with regards to the implementation of 22 community projects. By 31 March 2025, 19 of these projects were in construction, creating 485 work opportunities. The contractor on one project requested release from the contract, this contract will be re-tendered in the 2025/26 financial year. Detailed planning was completed on the two remaining community projects. Similarly, the infrastructure maintenance and beautification programme in four provinces created 70 work opportunities.

As a result of the insufficient number of high labour intensity projects implemented, only 3282 of the targeted 5820 Work Opportunities were created through the EPWP. A review of the projects funded through EPWP is underway. EPWP Funding is currently utilised to fund both infrastructure and skills programmes. The intention is to utilise future EPWP funding to deliver demand-led skills programmes which, by their nature, have a higher labour intensity than infrastructure projects.

Linking performance with budgets

Sub-Programme Name	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Destination Development Management	8 164	7 778	386	38 410	37 626	784
Tourism Enhancement	24 936	20 853	4 083	21 068	17 806	3 262
Destination Planning and Investment Coordination	28 821	25 292	3 529	24 354	23 613	741
Working for Tourism	300 428	244 046	56 382	338 451	280 927	57 524
Total	362 349	297 969	64 380	422 283	359 972	62 311





tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA



4.4 Programme 4: Tourism Sector Support Services

Purpose: Enhance transformation of the sector, increase skills levels and support development to ensure that South Africa is a competitive tourism destination.

Sub-Programmes: Tourism Sector Human Resource; Enterprise Development and Transformation; Tourism Visitor Services; Tourism Incentive Programme.

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
Outcome: Increase the tourism sector's contribution to inclusive economic growth.						
Output: Accelerate the transformation of the tourism sector through incentive programmes.						
Output Indicator 1: Number of incentive programmes implemented.						
Green Tourism Incentive Programme (GTIP) was implemented.	Green Tourism Incentive Programme (GTIP) was implemented.	One incentive programme implemented: Green Tourism Incentive Programme (GTIP).	Green Tourism Incentive Programme (GTIP) was implemented.	None.	None.	N/A

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
Output: Stimulate domestic tourism through implementation of awareness campaigns.						
Output Indicator 2: Number of Domestic Tourism Awareness campaigns implemented.						
Six Domestic Tourism Awareness Campaigns implemented as follows: • 4 May 2022 at Africa Travel Indaba ICC, Durban. • 27 September 2022 at Overberg District Municipality, Western Cape. • 21-23 November 2022 at Mbizana and Silaka Nature Reserve, Eastern Cape. • 9-10 February 2023 at Uniondale Game Farm, Free State. • 16-17 February 2023 at Mafikeng Museum, North West. • 3-4 March 2023 at Riverstone Lodge, Gauteng.	Four Domestic Tourism Campaigns were implemented as follows: • World Tourism Day (27 September) & Tourism Month (September) Campaign implemented in North West. • Festive Campaign implemented on 8 December 2023 in North West. • Cultural Event implemented on 1 to 2 March 2024 in Gauteng. • Easter Campaign implemented on 14 to 15 March 2024 in Limpopo.	Four domestic tourism campaigns implemented: • Social Tourism • Sports Tourism • Festive Season • Easter Season	Four domestic tourism campaigns were implemented as follows: • Social Tourism - 13 to 14 June 2024 in Eastern Cape, Mthatha. • Sports Tourism - 27 to 28 September 2024 in Northern Cape, Kimberley. • Festive Season - 5 to 6 November 2024 in North West, Moruleng Village. • Easter Season - 4 to 5 March 2025 in Hekpoort, Mogale City Local Municipality, Gauteng Province.	None.	None.	N/A

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
Output: Implementation of initiatives to support tourism SMMEs.						
Output Indicator 3: Number of initiatives implemented to support tourism SMMEs.						
Incubation Programme was implemented to support tourism SMMEs through the following Incubators (Business support and development): 1. Tech Incubator 2. Tour Operator Incubator 3. Food Services Incubator 4. One Community-based enterprises incubation programmes.	Incubation Programme was implemented: • Existing business incubators implemented: i. Tourism Technology & Innovation Incubator. ii. Food Service Incubator. iii. Community-based tourism Enterprises Incubator. • New business incubators were established: i. Business Advisory Services focusing on Women in Tourism in Limpopo ii. Business Advisory Services focusing on Homestay Pilot Programme.	Three initiatives implemented to support tourism SMMEs:				
		I. Business Incubation programme implemented: i. Community-based Tourism Enterprises Incubator ii. Business Advisory Services focusing on Women in Tourism in Limpopo iii. Business Advisory Services focusing on Homestay Pilot Programme.	Business Incubation Programme was implemented: i. Community-based Tourism Enterprises Incubator ii. Business Advisory Services focusing on Women in Tourism in Limpopo iii. Business Advisory Services focusing on Homestay Pilot Programme.	None.	None.	N/A
-	-	2. 150 SMMEs provided with compliance and resilience support.	155 SMMEs were provided with compliance and resilience support.	5 more SMMEs were provided with compliance and resilience support.	5 more SMMEs were provided in order to cover the number of drop-outs.	N/A
-	RECP Training and Business Support Programme was implemented.	3. RECP Training and Business Support Programme implemented.	RECP Training and Business Support Programme was implemented.	None.	None.	N/A

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
Output: Implementation of programmes to enhance visitor service and experiences.						
Output Indicator 4: Number of programmes implemented to enhance visitor service and experiences.						
Service Excellence Standard (SANS: 1197) incorporating the Tourism Norms and Standards was implemented: with focus on:	Service Excellence Standard (SANS: 1197) was implemented with focus on:	Three programmes implemented:				
• Small Towns and • Tourism Product support.	• Small towns and • Tourism product support.	1. Implement Service Excellence Standard (SANS 1197) with focus on:	Service Excellence Standard (SANS 1197) was implemented with focus on:	None.	None.	N/A
		• Small towns and • Tourism product support.	• Small towns and • Tourism product support.			
Tourism Monitors Programme was implemented nationally in line with the project plans in the following provinces: GP, WC, NC, EC, FS, KZN, NW, and MP. It was also implemented at SANParks and iSimangaliso.	The Tourism Monitors was implemented in all provinces, including South African National Biodiversity Institute (SANBI) and iSimangaliso. The programme was also implemented at Ezemvelo Nature Reserve and airports managed by Airports Company South Africa (ACSA).	2. The Tourism Monitors implemented in all provinces including the following entities:	The Tourism Monitors was implemented in all provinces including the following entities:	None.	None.	N/A
		• SANBI Gardens • iSimangaliso Wetland Park • ACSA managed Airports • Ezemvelo Nature Reserve	• SANBI Gardens • iSimangaliso Wetland Park • ACSA managed Airports • Ezemvelo Nature Reserve			

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
Six tourist safety awareness campaigns sessions were conducted as follows: • EC Awareness Campaign (Mthatha - 12 April 2022; Lusikisiki (Mbotyi), Port St Johns and Coffee Bay from 13 to 15 June 2022). • FS Awareness Campaign (Ladybrand, 21-22 July 2022). • KZN Awareness Campaign (Port Edward, 30 November 2022). • North West Awareness Campaign 17-18 November 2022. • Limpopo Awareness Campaign 22 November 2022. • WC Awareness Campaign (Paarl and Wellington, 01 - 02 March 2023).	Four Joint Tourist safety awareness sessions were conducted as follows: • Mpumalanga - 23 June 2023; • Eastern Cape - 29 August to 01 September 2023; • Gauteng - 14 November 2023; • Limpopo - 14 to 15 March 2024	3. Joint tourist safety awareness sessions conducted.	Four Joint tourist safety awareness sessions were conducted as follows: • Eastern Cape - 13 to 14 June 2024 in Mthatha; • KwaZulu-Natal - 20 to 22 August 2024 in Manguzi; • North West - 5 to 7 November 2024 in Sun City. • Gauteng - 4 to 6 March 2025 in Mogale City Local Municipality.	None.	None.	N/A

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
Output: Enhance skills in the Tourism sector.						
Output Indicator 5: Number of capacity-building programmes implemented.						
2517 unemployed and retrenched youth trained on Norms and Standards for Safe Tourism Operations in all nine provinces.	3908 unemployed youth were trained on Norms and Standards for Safe Tourism Operations.	Five capacity-building programmes implemented:				
		1. 2700 unemployed youth trained on Norms and Standards for Safe Tourism Operations.	2800 unemployed youth were trained on Norms and Standards for Safe Tourism Operations.	100 more unemployed youth were trained on Norms and Standards for Safe Tourism Operations.	The overachievement of the target was due to the response on the Massification of Skills Development and Job Creation initiative by the Ministry of Employment and Labour.	N/A
571 SMMEs were trained on Norms and Standards for Safe Tourism Operations in all nine provinces.	276 SMMEs were trained on Norms and Standards for Safe Tourism Operations in all nine provinces.	2. 250 SMMEs trained on Norms and Standards for Safe Tourism Operations in all nine provinces.	274 SMMEs were trained on Norms and Standards for Safe Tourism Operations in all nine provinces.	24 more SMMEs were trained.	Training of 194 SMMEs on the Norms and Standards for Safe Tourism Operations in 7 provinces undertaken in Quarter 3 due to the availability and commitment received from all the provinces. The training of 194 SMMEs in Quarter 3 surpassed the target set of 125. Further 80 SMMEs were trained in Quarter 4 as part of the target.	N/A
NTCE was hosted on 30 September - 2 October 2022 at the Johannesburg Expo Centre, Nasrec.	NTCE 2023 was hosted on 29 September - 01 October 2023 at the Johannesburg Expo Centre, Nasrec.	3. NTCE 2024 hosted.	NTCE 2024 was hosted on 8-10 October 2024 in Limpopo.	None.	None.	N/A

Actual Achievement 2022/2023	Actual Achievement 2023/2024	Planned Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Strategy to overcome areas of under performance
30 Chefs were enrolled in an RPL process to obtain a professional qualification or designation in line with the project plan. All 30 Chefs were found competent and received their NQF level 5 Chef Occupational Certificate during the graduation ceremony held on 24 February 2023.	50 Chefs had undergone an RPL process in KwaZulu-Natal (KZN) and Western Cape (WC) provinces. Graduations took place on 8 February 2024 and 23 February 2024 for WC and KZN respectively.	4. 50 Chefs undergo an RPL process.	50 Chefs had undergone an RPL process in Gauteng and Free State.	None.	None.	N/A
Training and placement of 2 517 retrenched and unemployed youth on various skills development programmes was conducted. The youth were enrolled on the following programmes: • Food and Beverage. • Professional Cookery. • Food Safety Quality Assurers • Wine Service Training. • Hospitality Youth Training Programme (Fast Food).	1905 unemployed youth were trained on identified skills development programmes. The youth were enrolled on the following programmes: • Food and Beverage. • Professional Cookery. • Food Safety Quality Assurers • Wine Service Training. • Hospitality Youth Training Programme (Fast Food Service).	5. 450 unemployed youth trained on identified skills development programmes.	495 unemployed youth were trained on identified skills development programmes. The youth were enrolled on the following programmes: • Food and Beverage Training. • Professional Cookery. • Food Safety Quality Assurers.	45 more unemployed youth were trained on identified skills development programmes.	The overachievement can be attributed to the Department responding to the Massification of Skills Development and Job Creation initiative by the Ministry of Employment and Labour.	N/A

Narrative of Highlights

The branch has successfully achieved 100% of the predetermined targets. Key highlights include the progress in implementing the Tourism Monitors Programme, the Green Tourism Incentive Programme (GTIP) and training of small tourism enterprises and unemployed youth on the norms and standards for occupational health and safety.

Just over 2 300 unemployed youth were trained and deployed as tourism monitors to enhance tourism safety and awareness at key tourism attractions and sites across the country. A further 103 small tourism enterprises were approved in 2024/25 for financial support under the GTIP to improve energy and water efficiency, which not only reduces operational costs, but facilitates sustainable growth of these enterprises. This brings the total number of enterprises approved under the GTIP since inception to 308. There were also 274 small enterprises trained in 2024/25 on the norms and standards for safe tourism operations, while 2800 unemployed youth received occupational health and safety training for the tourism sector.

Linking performance with budgets

Sub-Programme Name	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Tourism Sector Support Services Management	9 232	6 328	2 904	4 887	4 177	710
Tourism Human Resource Development	33 483	33 483	-	33 994	32 325	1 669
Enterprise Development and Transformation	52 802	37 709	15 093	37 621	37 275	346
Tourism Visitor Services	31 095	29 746	1 349	28 825	26 696	2 129
Tourism Incentive Programme	191 445	187 376	4 069	241 319	241 226	93
Total	318 057	294 642	23 415	346 646	341 699	4 947

B5 TRANSFER PAYMENTS

5.1 Transfer payments to public entities

The South African Tourism Board is a Schedule 3A Public Entity (PFMA) established in terms of the Tourism Act (Act No. 72 of 1993) and continues to exist in terms of the Tourism Act (Act No. 3 of 2014).

Functions of the South African Tourism Board:

- Market South Africa as a domestic and international tourist destination;
- Market South African products and facilities internationally and domestically;
- Develop and implement a marketing strategy for tourism that promotes the objectives of the Act and the NTSS;
- Advise the Minister on any other matter relating to tourism marketing;
- With the approval of the Minister, establish a National Convention Bureau to market South Africa as a business tourism destination by
- Coordinating bidding for international conventions;
- Liaising with other organs of state and suitable bodies to promote South Africa as a business events destination; and
- Implement and manage the national grading system for tourism.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements
South African Tourism	• Market South Africa as a tourist destination internationally and domestically. • Market South Africa as a tourism brand. • Provide quality assurance for tourism products. • Market South Africa as a meetings destination and provide support for bids.	I 243 555	I 219 856	• Number of international tourist arrivals achieved (April 2024 – March 2025): 9.1 million. • Number of domestic holiday trips achieved (April 2024 – March 2025): 11.5 million. • Total Tourist Foreign Direct Spend (TTFDS): R92.8 billion (April 2024 – March 2025). • Total Domestic Holiday Direct Spend (TDDS): R61.0 billion achieved (April 2024 – March 2025). • Number of business events hosted in South Africa: 131 (April 2024 – March 2025). • Number of accommodation establishments graded (April 2024 – March 2025): 4 586. • Number of graded rooms (April 2024 – March 2025): 116 047.
Total		I 243 555	I 219 856	

5.2 Transfer payments to all organisations other than public entities

Transfer payments were made to departmental agencies, foreign governments, non-profit institutions and households.

The Department complied with section 38 (1)(j) of the Public Finance Management Act (PFMA), and the amounts transferred and the monitoring thereof are covered in a memorandum of agreement, business plan, membership agreement or contract.

The table below reflects the transfer payments made for the period 1 April 2024 to 31 March 2025 to departmental agencies, foreign governments and non-profit institutions.

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
United Nations World Tourism Organisation (UNWTO)	Foreign Governments and International Organisations	Membership fee	Not applicable	2 478	2478	Not applicable
Various	Households	Employee social benefits	Not applicable	5 484	5 484	Not applicable
Bursaries (Non-employees)	Households	Training	Not applicable	582	582	Not applicable
Bursaries (Non-Employees)	Household	National Tourism Research Framework	Yes	1 852	395	The Funds will be spent during the 2025 academic year.
Employee Service Benefits	Households	Donation	Not applicable	10	10	Not applicable
Federated Hospitality Association of South Africa (Fedhasa)	Non-Profit Organisation	To implement the Educators Development Programme across all the nine (09) provinces	Yes	459	375	The Educators Development Programme in Northern Cape could not be implemented during the financial year as the province experienced labour actions. Therefore, the implementation will be rolled over to the 2025/26 financial year.
National Empowerment Fund (NEF)	Departmental agency	Tourism Transformation Fund	Yes	100 000	12 700	Funds to be spent over multiple financial periods. Spending is both staggered and to multiple recipients/beneficiaries based on the outcome of a formal application and approval process.
Industrial Development Corporation (IDC)	Public Corporation	Green Tourism Incentive Programme	Yes	39 070	-	Funds to be spent over multiple financial periods. Spending is both staggered and to multiple recipients/beneficiaries based on the outcome of a formal application and approval process.

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
Council for Scientific and Industrial Research (CSIR)	Public Corporation	Resource Efficiency Clean Production (RECP)	Yes	7 462	4 188	The Funds will be spent during the 2024/25 financial year.
Various beneficiaries	Public and private enterprises	Market Access Support Programme	Not Applicable	25 535	25 535	Not applicable
Limpopo Tourism Authority	Non-business entities	To plan, prepare and host the National Tourism Career Expo (NTCE)	Yes	4 624	4 624	Not applicable
Culture, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority (CATHSSETA)	Non-business entities	Training contribution	Yes	203	-	Funds to be spent in the 2025/26 financial year

The table below reflects the transfer payments which were budgeted for in the period 1 April 2024 to 31 March 2025, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
N/A	N/A	N/A	N/A	N/A

Payments were made for all transfer line items budgeted for.

B6 CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds paid

There were no conditional grants and earmarked funds paid for the period 1 April 2024 to 31 March 2025.

6.2 Conditional grants and earmarked funds received

There were no conditional grants and earmarked funds received for the period 1 April 2024 to 31 March 2025.

B7 DONOR FUNDS

No donor funds received in 2024/25.

B8 CAPITAL INVESTMENT

8.1 Capital investment, maintenance and asset management plan

The table below reflects expenditure on capital infrastructure assets for the period 1 April 2024 to 31 March 2025.

Infrastructure projects	2024/2025			2023/2024		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	-	-	-	-	-	-
Existing infrastructure assets						
- Upgrades and additions	-	-	-	-	-	-
- Rehabilitation, renovations and refurbishments	65 450	61 810	3 640	115 000	115 000	-
-Maintenance and repairs	6 934	6 934	-	48 447	48 447	-
Infrastructure transfer						
- Current		-	-	-	-	-
- Capital		-	-	-	-	-
Total	72 384	68 744	3 640	163 447	163 447	-



PART C

GOVERNANCE

C1 INTRODUCTION

Vulnerabilities that could negatively impact the Department's potential challenges are pre-emptively identified through the assessment and evaluation of risks, and developing mitigation strategies to treat and monitor these risks.

C2 RISK MANAGEMENT

The Department has an approved risk management policy and strategy that guides it in systematically managing risks that could impact the achievement of set objectives, operations of the Department and overall performance of the Department. The Department has attained a maturity level rating of level 5.

The Director-General, assisted by Top Management, held a strategic risk assessment session, where the strategic risks were reviewed, and the management and monitoring of key strategic risks were continued. Other categories of risks were reviewed with the respective branches.

The review of the Department's risk profile is aligned with the Strategic Planning and Annual Performance Plan to ensure that efficient and effective management of risks contributes towards the Department's positive performance. The risk profile comprises of five categories, namely:



Materialised and emerging risks were continuously identified and assessed from the environment during the year under review.

The Department has a Risk Management Committee (RMC) in place, which is chaired by an external independent chairperson with expertise and knowledge. The committee held four quarterly meetings where the implementation and monitoring of mitigation strategies by branches were discussed. After the sitting of the RMC, an oversight report on the proceedings and resolutions of the meeting was compiled to apprise the Director-General on the implementation of risk management in the Department. The design of the RMC has enhanced the Department's risk management accountability.

The Audit Committee independently monitored and assured the effectiveness of risk management measures implemented within the Department by reviewing the quarterly risk management progress reports.

The Department sees progress in the management of risks as the RMC holds the Management accountable for risk management processes applied internally at the quarterly meetings.

C3 FRAUD AND CORRUPTION

The Department has continued to maintain and implement the Fraud Prevention Policy, Strategy, and the fraud prevention plan to prevent incidents of fraud and corruption. The Department has committed to zero tolerance for fraud and corruption. The Risk and Integrity team embarked on awareness creation by issuing circulars, articles, and conducting workshops in collaboration with the Office of the Public Service Commission to effectively deter incidents of fraud and corruption. The Department continued to create awareness regarding the use of the National Anti-Corruption Hotline (0800 701 701) as part of strategic initiatives towards reporting anonymous fraud and corruption activities.

The Department has an approved Whistleblowing policy in place. Allegations of fraud and corruption are also reported anonymously to Management and the Directorate: Risk & Integrity Management.

Where the reported allegations of fraud and corruption are supported by concrete evidence, the Risk and Integrity team conducts a preliminary investigation internally. The team then compiles a recommendation to the Director-General to appoint an internal or external investigator. The Director-General, after considering the findings and recommendations of the investigation reports, will approve the outcome of the investigation.

C4 MINIMISING CONFLICT OF INTEREST

During the period under review, there were 60 Senior Management Services (SMS) and 119 designated employees who disclosed their financial interests on the e-Disclosure system through the implementation of the financial disclosure framework. Awareness creation through the issuing of circulars on the season for the submission of financial interests was developed and shared with employees through an internal communication platform (CommsT). Non-compliant employees were handed over to the employee relations unit for implementation of corrective measures.

The Risk and Integrity team processed 22 applications from employees who were requesting permission to perform other remunerative work outside the employee's employment.

The Department has an approved gift policy to manage the receipt and acceptance of gifts by employees. All these efforts were implemented to manage and minimise the actual or potential conflict of interest in the Department.

C5 CODE OF CONDUCT

The Department subscribes to the Public Service Code of Conduct. The Code acts as a guideline to employees as to what is expected of them from an ethical point of view, both in their conduct and their relationship, with the legislature and executive, the public, and other employees. Compliance with the Code is expected to enhance professionalism and assist in the cultivation and strengthening of confidence in the public.

Non-compliance with the Code of Conduct is deemed as an act of misconduct, and corrective measures are to be implemented in line with the Disciplinary Code and Procedures of the Public Service.

C6 HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department has developed policies to promote the health and well-being of employees to ensure safety within the working environment. There are various mechanisms in place that create awareness and advocate for a safe and healthy working environment.

During the period under review, the Department conducted three occupational health and safety risk assessments as mandated by the Occupational Health and Safety Act 85 of 1993. The following risk assessments were conducted, aimed at identifying potential hazards and risks, assessing their likelihood, and implementing appropriate control measures to protect employees:

- Ergonomics assessment
- Illumination assessment
- Hazardous Biological Agent assessment

The Department appointed the Safety, Health, Environment, Risk and Quality Management Committee to provide oversight and monitoring of Occupational Health and Safety compliance in the workplace. Among others, a Sports day was hosted to foster teamwork, boost staff morale, and improve productivity.

C7 PORTFOLIO COMMITTEES

This section reports on the Committees meeting dates and matters raised by the Portfolio Committee on Tourism and the Select Committee on Economic Development and Trade, and how the Department addressed them.

The Portfolio Committee on Tourism (in the National Assembly) and Select Committee on Economic Development and Trade (in the National Council of Provinces) were respectively established in terms of Sections 55 and 69 of Chapter 4 of the Constitution. Their primary role is to oversee the actions of Government, to assure Parliament of such an oversight role and to provide assurance that Government is able to provide services to all citizens.

7.1 PORTFOLIO COMMITTEE ON TOURISM (NATIONAL ASSEMBLY)

- 7.1.1 Briefings by the Department of Tourism and SA Tourism on their 2024/2025 Annual Performance Plans on 10 July 2024.
- 7.1.2 Induction Workshop: Briefings by Auditor General of South Africa (AGSA), the Department of Tourism and SA Tourism from 20 - 21 August 2024.
- 7.1.3 Briefing by the Department on the 4th Quarterly Performance Report of 2023/24 and the 1st Quarterly Performance Report of 2024/25 on 27 August 2024.
- 7.1.4 Briefing by SA Tourism on the 4th Quarterly Performance Report of 2023/24 and the 1st Quarterly Performance Report of 2024/25 on 3 September 2024.
- 7.1.5 Briefing by National Empowerment Fund (NEF) on the Tourism Transformation Fund (TTF) and briefing by the Small Enterprise Finance Agency (SOC) Ltd (SEFA) on the Tourism Equity Fund (TEF) on 10 September 2024.
- 7.1.6 Progress Report by the Development Bank of South Africa (DBSA) on the Tourism Infrastructure Projects on 17 September 2024
- 7.1.7 Five members of the Portfolio Committee on Tourism attended the World Tourism Day celebrations in Carnarvon from 26 - 28 September 2024. They visited the Square Kilometre Array (SKA), attended the Welcome Cocktail, the formal opening of the World Tourism Day Celebrations and the Sustainability Village.

- 7.1.8 Briefing by the Auditor-General of South Africa (AGSA) on the Tourism audit outcomes, and briefing by the Department on its Annual Report for 2023/2024 on 8 October 2024.
- 7.1.9 Briefing by SA Tourism on its Annual Report for 2023/2024 on 15 October 2024.
- 7.1.10 Briefing by the Department on the Policy Review Process and the Tourism Masterplan on 29 October 2024.
- 7.1.11 Briefing by the Department on the Tourism Safety Strategy for the Tourism Sector and the Tourism Business Council of South Africa (TBCSA) on 19 November 2024.
- 7.1.12 Briefing by the Department and SA Tourism on their Q2 Performance Reports for 2024/25 on 26 November 2025.
- 7.1.13 Parliamentary Research Unit did oversight on Government Infrastructure Projects in Limpopo, Vhembe District Municipality, (1) Community Lodge Leisure Centre in Mtiti Village, Collins Chabane Local Municipality, (2) Recreational Social Tourism Facility, at the Mapate Community Tourism Park in Thulamela Local Municipality and the (3) Phiphidi Waterfall Resort in Thulamela Municipality from 21 -23 January 2025.
- 7.1.14 Preparations for the G20 Tourism Work Programme and Strategic Platforms (SAT) on 11 February 2025.
- 7.1.15 Joint Briefing by Departments of Tourism and Science, Technology and Innovation on the National Astro Tourism Strategy and Implementation Plan on 18 February 2025.
- 7.1.16 Briefings by the Department and SA Tourism on their 3rd Quarterly Performance Reports 2024/25 at Meetings Africa, Sandton on 25 February 2025.
- 7.1.17 SA Tourism on the Marketing Investment Framework and International Marketing Hubs on 11 March 2025.
- 7.1.18 Tourism Route Development Marketing Plan on 18 March 2025.
- 7.1.19 Briefing by the Airports Company of South Africa (ACSA), Board Airlines Representatives South Africa (BARSA) and Airlines Association of South Africa (AASA) on the challenges facing the aviation industry, global trends and contribution to the tourism sector.
- 7.1.20 Briefing by the Tourism Grading Council of South Africa (TGCSA), South African National Convention Bureau (SANCB) and the Tourism Transformation Council of South Africa (TTCSA) on the 25 March 2025.

7.2 SELECT COMMITTEE ON ECONOMIC DEVELOPMENT AND TRADE, (NATIONAL COUNCIL OF PROVINCES)

- 7.2.1 One member of Select Committee attended the World Tourism Day Celebrations in Carnarvon from 26-28 September 2024. He visited the Square Kilometre Array

(SKA), attended the Welcome Cocktail, the formal opening of World Tourism Day Celebrations and the Sustainability Village.

- 7.2.2 Briefing by the Department of Tourism and SA Tourism on their Annual Reports 2023/2024 and the instability at SA Tourism on 9 October 2024.
- 7.2.3 Oversight Visit to the Free State - Thabo Mofutsanyane District by the Joint Select Committees of Agriculture, Land Reform and Mineral Resources & Economic Development and Trade (including Tourism) from 21-25 October 2025.
- 7.2.4 Briefing by the Free State Provincial Departments of Economic, Small Business Development, Tourism and Environmental Affairs; the Free State Development Corporation and Free State Gambling, Liquor and Tourism Authority.
- 7.2.5 The Department and SANParks briefed the committees on their collaborative work at the Golden Gate Highlands National Park. Briefing by the Department on work done to support and enable tourism in the Thabo Mofutsanyane District, including programmes that seek to promote and support tourism safety in the district. The committee visited the Kgodumodumo Dinosaur Interpretation Centre.

C8 SCOPA RESOLUTIONS

None.

C9 PRIOR MODIFICATIONS TO AUDIT REPORTS

No prior modifications were done to audit reports.

C10 INTERNAL CONTROL UNIT

Internal Control is a function within the Department established to ensure Compliance with the PFMA, Treasury Regulations, SCM, and Other Legislation.

The function is responsible for Audit Coordination, the Departmental Audit Action Plan, managing Irregular, Fruitless, and Wasteful expenditure, monitoring compliance with Internal Controls, and facilitating Risk Management within the Office of the Chief Financial Officer.

Currently, only one Deputy Director has been assigned to this function, and he reports directly to the Chief Financial Officer. It should be noted that the unit had capacity challenges during the period under review, as the official was placed on extended special leave for health reasons, which affected the work of the unit.

During the period under review, a comprehensive Audit Action Plan was developed to address 2023/24 Audit findings. Progress was monitored on a weekly basis by the Internal Control Unit. The Director-General, with the CFO, led the Audit Action Plan Progress

meetings to monitor implementation of the audit mitigations. Based on the outcome of the 2023/24 Audit, 56 actions were developed as part of the Response in the Audit Action Plan. In all, 43 Actions (77%) were fully implemented and 13 were in progress (23%) as at the end of the financial year.

During the financial year, 62 new fruitless and wasteful expenditure cases were reported to the Sub-Directorate: Internal Control, 32 of which were finalised by the end of the financial year. During the year, no new instances of irregular expenditure were identified.

CII INTERNAL AUDIT AND AUDIT COMMITTEES

KEY ACTIVITIES AND OBJECTIVES OF THE INTERNAL AUDIT

The purpose of the internal audit function is to strengthen the Department of Tourism's ability to create, protect, and sustain value by providing the Audit Committee and Management with independent, risk-based, and objective assurance advice, insight, and foresight and to assist the Department in enhancing the successful achievement of its objectives, governance, risk management, and internal control processes. The internal audit function works according to the dual reporting method. It is reporting functionally to the audit committee and administratively to the Accounting Officer as per the approved audit committee and internal audit charters. While its mandate stems from Section 38 (1) (a) (ii) of the Public Finance Management Act, 1999 which states that an Accounting Officer for a department must ensure that the department has and maintains a system of Internal Audit under the control of the Audit Committee complying with and operating in accordance with regulations and instructions prescribed in terms of section 76 and 77 of the Act.

VISION AND STRATEGY

The Internal Audit function's strategy is to assist the Department in achieving its goals and objectives through ensuring continuous improvement of internal control processes and risk management, this will be achieved through the adopted internal audit three-year risk-based strategic approach aligned to the Department's strategy, placing emphasis on high risk areas.

CHARTER, METHODOLOGY AND INTERNAL AUDIT PLANS

The internal audit charter, methodology, three-year strategic internal audit plan and the annual plan were all approved by the Audit Committee.

INDEPENDENCE AND OBJECTIVITY

The Internal Audit function has performed its responsibilities independently and objectively without any interference and compromise through the practise of the dual reporting system.

INTERNAL AUDIT MODALITY

Internal Audit function is fully in-sourced and all the audits were conducted by the in-house audit team whilst the forensic investigations were outsourced and conducted by GOBODO FORENSIC AND INVESTIGATIVE ACCOUNTING and SKX PROTIVITI.

STAFFING

Internal Audit function structure consists of seven approved positions of which six are filled and one position of Deputy Director ICT audit is currently vacant, with the recruitment process in progress. There was a mixture of relevant expertise and knowledge to deliver on the internal audit plan. Internal audit staff attend annual training on various topics based on their developmental needs within their key performance areas identified in the workplan and personnel development plan.

QUALITY ASSURANCE AND IMPROVEMENT PROGRAM

- A fully structured internal quality assurance and improvement program is being implemented to evaluate and enhance the quality of internal audit activities.
- Internal Audit function has maintained effective relationships and regular communication with various stakeholders with vested interest in the audit process or its outcomes as outlined in the framework listed in the approved three-year internal audit strategic plan.

PLANNED AND COMPLETED AUDITS

For the financial year under review all planned audits as per the approved annual plan were executed and completed (100%) as listed below:

- Review of the Interim Financial Statements September 2024
- OHS & Physical Security
- POPIA
- Risk Management
- Pre-determined objectives (Q1 to Q4)
- Annual Report Review (2023/24)
- Tourism Monitors Programme
- Business Incubation Programme
- Infrastructure Maintenance and Beautification Programme
- Follow-up: AGSA Report;
- Follow-up: Asset Management;
- Follow-up: Quotations;
- Follow-up: Leave Management; and
- Follow-up: SAT Oversight.

ROLL OVERS

The internal audit annual coverage plan was fully implemented and there were no audits rolled over.

AD-HOC PROJECTS

For the financial year under review two ad-hoc projects were outsourced and completed as follows:

- Investigation Infrastructure project (SKX PROTIVITI); and
- Investigation Procurement (GOBODO FORENSIC AND INVESTIGATIVE ACCOUNTING).

INTERNAL AUDIT RECOMMENDATIONS

Internal Audit function worked effectively with management to establish workable solutions for the recommendations. The internal audit processes involved up-front, top-down planning which ensured that the appropriate business processes were addressed within the stipulated agreed upon timeframes.

Follow-up reviews on the corrective measures taken by management in reaction to the weaknesses identified in the management report of the Auditor General were conducted by Internal Audit continuously.

Internal Audit conducted follow-up reviews to determine the progress made in the implementation of the corrective measures relating to weaknesses identified in the previous year audit reports and during the period under review. 80% of the agreed upon actions have been implemented and the remaining 20% actions are still in progress as they are not yet due.

VALUE ADD

Internal Audit function's impact on the Department is witnessed through the Department's achievement of the clean audit outcome from AGSA as well as the positive outcome on the audit of performance information.

LIMITATIONS

Lack of data analytics tool to timeously detect fraudulent transactions. Modern audit platforms and digital tools are essential to enhance efficiency and enable continuous auditing, especially for high-risk and fast-moving areas like ICT and performance monitoring. The Internal Audit Function will invest in ICT platforms to support continuous auditing, remote access and data analytics.



- Attendance of audit committee meetings by audit committee members:

The table below discloses relevant information on the audit committee members:

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting?	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End date					
Mr PR Mnisi	LLB; Post Grad Certificate in Compliance Management.	Law Society of SA, IoD	05-03-2023	31-07-2026	6	Yes	No	2	
Ms MP Ramutsheli	CIA; Certified Ethics Officer; Masters in Internal Auditing.	IIA SA, PSETA, LGSETA	05-03-2023	31-07-2026	3	Yes	No	3	2
Mr Suleman Badat	Chartered Accountant, CA (SA), Chartered Director (SA)	SAICA, IODSA	05-03-2023	31-07-2026	3	Yes	No	4	2
Ms Mmathabo Abigail Sukati	CA(SA), CCSA, MBA	SAICA, CISA, IIA SA, IoD, IRMSA, TEI	05-03-2023	31-07-2026	5	Yes	No	3	1
Mr Karabo Modipane	Certified Information Systems Auditor (CISA). B.Sc. Honours in Computer Science.	ISACA	05-03-2023	31-07-2026	6	Yes	No	2	2

- Remuneration of audit committee members
 - Rates
National Treasury and SAICA rates
 - Whether audit committee members who worked or are working for an organ of state are being remunerated:
None
 - Total audit committee expenditure for the reporting period:
R294,770.00

C12 AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2025.

Part I: Audit Committee Reflections – 2024/25

- The Audit Committee reports that it has complied with its responsibilities arising from Section 76 (4) (d) and 77 of the PFMA and Chapter 3, of the Treasury Regulations. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein. The Committee maintains an objective and independent role which includes assisting the Executive Authority, Accounting Officer and Management in discharging their oversight responsibilities relating to financial reporting, internal audit function, internal controls, risk management, governance processes as well as compliance with laws and regulations.
- The Audit Committee understands and has internalised the requirements of the Global Internal Audit Standards™ in its work. The Audit Committee has functioned without hindrance or limitations throughout the reporting period.

In the current reporting period, key activities of the Audit Committee were as follows:

- Reviewing the Internal Audit Plan as well as audit findings and related management responses. The Committee was satisfied with the quality and content of the internal audit reports and have noted progress made by management in resolving weaknesses identified by implementing corrective measures;
- Reviewing the scope of external audit work and related audit findings and have also noted the progress made in implementing the post audit action plan and resolving AGSA findings;
- Reviewing the Risk Management Policies, including Fraud and Prevention Strategy, Business Continuity as well as the Risk Implementation Plan and monitored progress thereto;
- Reviewing progress made in managing the risk profile of the Department;
- Reviewing the quarterly financial and performance reports and monitored implementation of the predetermined objectives and overall performance of the Department against set targets as reflected in the approved Annual Performance Plan; and
- Reviewing the progress made with the implementation of the ICT governance frameworks and policies.

Part 2: Audit Committee Composition and Meeting Attendance

The Audit Committee consists of five non-executive members. The committee is properly constituted, with a balanced representation of independent members with a diverse and appropriate mix of qualifications, skills, and experience.

The committee convened six times during the year, comprising of four ordinary meetings and two special meetings:

Name (Position)	Qualifications	Is the AC member an employee of an organ of state? (Yes / No)	Number of ordinary meetings attended	Number of special meetings attended
Mr PR Mnisi	LLB; Post Grad Certificate in Compliance Management.	No	4	2
Ms MP Ramutsheli	CIA; Certified Ethics Officer; Masters in Internal Auditing.	No	2	1
Mr Suleman Badat	Chartered Accountant, CA (SA); Chartered Director (SA).	No	2	1
Ms Mmathabo Abigail Sukati	CA(SA), CIA, CCSA, MBA	No	3	2
Mr Karabo Modipane	Certified Information Systems Auditor (CISA). Bsc Honours in Computer Science.	No	4	2

Part 3: Audit Committee Focus Areas

The following was reviewed during the year under review:

Effectiveness of the internal control systems

Based on the results of the audit engagements and reports considered on governance, risk management and internal control (financial and non-financial), the overall internal audit opinion is that, although the Department of Tourism control environment proves to be stable there is more room for improvement. Reliance can be placed on the adequacy and effectiveness of governance, risk management and control processes, except for the specific areas giving rise to a need for improvement, i.e. SCM and ICT. Internal Audit did not note/detect anything that indicates any major control breakdown which could have negatively impacted performance or resulted in losses for the Department in the year under review.

Based on the work of Internal Audit, the Committee was able to provide the internal control assurances and to engage with the Audit Committee on the way forward in strengthening the control environment. Discussions were held with Management to advise on identified weaknesses.

Effectiveness of the Internal Audit Function (IAF)

Activities of the Internal Audit Function (IAF)

For the financial year under review, Internal Audit executed approved audits as per the coverage plan. This includes the following:

- Review of the Interim Financial Statements September 2024;
- OHS & Physical Security;
- POPIA;
- Risk Management;
- Pre-Determined Objectives (Quarterly: Q1 – Q4);
- Annual Report Review (2023/24);
- Tourism Monitors Programme;
- Business Incubation Programme;
- Infrastructure Maintenance and Beautification Programme;
- Follow-up: AGSA Report;
- Follow-up: Asset Management;
- Follow-up: Quotations;
- Follow-up: Leave Management; and
- Follow-up: SAT Oversight.

AD-HOC ASSIGNMENTS

- Investigation Infrastructure project (Outsourced); and
- Investigation Procurement (Outsourced).

Effectiveness of risk management

The Committee is responsible for the oversight of the Department of Tourism risk management processes. The Committee has reviewed reports from the Risk Management Committee as well as the strategic Risk Registers on a quarterly basis and has made recommendations for improvement.

Compliance with legal and regulatory provisions

The Department of Tourism is in the process of conducting a risk assessment on the compliance universe with the aim of developing a compliance universe and framework with a list of all applicable and identified legislation. The main purpose of the policy is to ensure that the Department of Tourism generally adheres to its compliance obligations and implements internal controls to manage and limit the risk of non-compliance. Other activities undertaken included conducting POPIA assessments.

The quality of the in-year management and monthly/quarterly reports submitted in terms of legislation

The Committee reviewed and monitored the content and quality of the quarterly financial reports during the year under review as required by the PFMA.

Combined Assurance

The Committee ensured co-operation between the Internal Audit function and the external Auditors in relation to the External Auditors relying on work done by the Internal Audit, and reports of the Risk Management Unit (RMU), for purposes of risk assessment, and in developing the audit plan. We are of the view that the Combined Assurance process demonstrate value and enhances the adequacy, reliability and accuracy of financial information provided by Management to other users of the information.

Evaluation of the annual financial statements

The Committee has:

- Reviewed and discussed the audited Annual Financial Statements to be included in the Annual Report, with the management, AGSA and the Accounting Officer;
- Reviewed compliance of the Annual Financial Statements with the Accounting Framework;
- Reviewed significant assumptions and judgements made by management including changes in accounting policies and practices;
- Reviewed the Department's compliance with legal and regulatory provisions; and
- Reviewed the information on predetermined objectives to be included in the Annual Report.

External Audit

The Audit Committee reviewed the AGSA Engagement letter and Audit Strategy which covers the terms of the audit engagement, the nature and limitations of the annual audit and the overall responsibilities of the Auditor and the Accounting Officer; and were satisfied with the scope of the Audit and identified key risks. The Audit Committee met with the Auditor-General South Africa to ensure that there are no unresolved issues of concern.

Auditor-General's Report

The Audit Committee has reviewed the department's implementation plan for audit issues raised in the previous year and is satisfied that the matters have been adequately resolved as there are no repeat findings. The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

Conclusion / Annual Report 2024/25

The Committee reports that it has read the information in the Annual Report and found it to be consistent with the Audit Report.



Mr. Patrick Roy Mnisi

Chairperson of the Audit Committee

Department of Tourism

01 August 2025



C13 B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion <i>(include a discussion on your response and indicate what measures have been taken to comply)</i>
Determining qualification criteria for the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law?	No	The concession guidelines were developed for the tourism sector, but were not approved.
Developing and implementing a preferential procurement policy?	Yes	To contribute to the Government's economic transformation agenda, the Procurement Policy of the Department uses B-BBEE as a lever. There is a minimum of a 40% procurement target spend from women-owned businesses. There is also a 40% procurement target set for buying goods and services from SMMEs.
Determining qualification criteria for the sale of state-owned enterprises?	No	The criteria not yet developed. The gazetted Tourism B-BBEE Sector Code should be used.
Developing criteria for entering into partnerships with the private sector?	No	Partnerships criteria not yet developed. The gazetted Tourism B-BBEE Sector Code should be used.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	Yes	Inputs were made for applying the targets set under the gazetted Tourism B-BBEE Sector Code on the Tourism Transformation Fund and Tourism Equity Fund.



PART D

HUMAN
RESOURCE
MANAGEMENT

D1 INTRODUCTION

The Department is committed to its professionalism, which is critical in building the capacity of the state. The Department implements strategic human resource management through the application of sound human resource practices. The Departmental MTEF HR Plan supports the requirements of the Public Service Act, 1994 as amended and the Public Service Amendment Regulations, 2023. The implementation of the Departmental Human Resource Plan seeks to ensure that the Department has the correct number of employees with the required skills in the correct positions in line with the approved Organisational Structure. The Department has facilitated the implementation of all functional areas:

- Organisational Development and Change Management
- Human Resource Practices and Administration
- Human Resource Utilisation and Development
- Human Resource Planning and Information Systems
- Employee Health and Wellness
- Employee- and Labour Relations

D2 OVERVIEW OF HUMAN RESOURCES

As at 31 March 2025, the Departmental post establishment was at 507 and 440 positions filled, 67 positions recorded as vacant which translates to a 13.2% vacancy rate. The vacancy rate of below 10% was not achieved as prescribed by the Department of Public Service and Administration. This is largely due to the Cost Containment Measures implemented by the National Treasury, which came into effect on 1 October 2023. After the implementation of these measures, the Department initiated a reprioritisation system for positions, by seeking concurrence for the posts which became vacant after 1 October 2023. Furthermore, recruitment processes to fill positions advertised prior to the Cost Containment Measures were also prioritised. The Department has consistently performed above 4% on employment of PWDs which is 2% above the national target.

In all, 33 employees were appointed to the Department while 52 employees exited the Department. Representation of the turnover rate of 10.9% is listed as follows:

- 9 Resignations: 17.3%
- 4 Transfers out of the Department: 7.7%
- 4 Retirements: 7.7%
- 1 Dismissal on account of misconduct: 1.9%
- 2 Deaths: 3.8%
- 31 Expiry of Contracts: 59.6%
- 1 Discharge due to Ill Health: 1.9%

Following the outcome of performance moderations, employees who performed satisfactorily were afforded pay progressions in accordance with policy guidelines.

D3 HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel related expenditure

The following tables summarise the final audited personnel related expenditure by programme and by salary bands, which provides an indication of:

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

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

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Programme 1 Administration	340 477	171 215	1 658	5 367	50	710
Programme 2: Tourism Research, Policy and International Relations	1 319 055	57 029	56	2 298	4	891
Programme 3: Destination Development	297 969	61 776	-	716	21	950
Programme 4: Tourism Sector Support Services	294 642	87 218	381	5 971	30	938
Total	2 252 143	377 238	2 095	14 352	17	815

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	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	237	1	2	119
Skilled (level 3-5)	10 376	3	34	305
Highly skilled production (levels 6-8)	64 089	17	142	451
Highly skilled supervision (levels 9-12)	201 048	52	220	914
Senior and Top management (levels 13-16)	101 488	27	65	1 561
Total	377 238	100	463	815

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

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Programme 1:Administration	149 876	88	2 565	2	3 865	2	6 621	4
Programme 2: Tourism Research, Policy and International Relations	50 195	88	-	-	1 488	3	1 623	3
Programme 3: Destination Development	54 251	88	96	1	1 315	2	1 861	3
Programme 4:Tourism Sector Support Services	76 410	88	7	1	1 459	2	2 843	3
Total	330 732	88	2 668	1	8 127	2	12 948	3

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

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	175	74	2	1	-	-	-	-
Skilled (level 3-5)	7 706	75	210	2	554	5	924	9
Highly skilled production (levels 6-8)	49 012	76	1 503	2	2 481	4	5 255	8
Highly skilled supervision (levels 9-12)	185 482	92	953	1	3 872	2	6 222	3
Senior management (level 13-16)	88 357	87	-	-	1 220	1	547	1
Total	330 732	88	2 668	1	8 127	2	12 948	3

3.2 Employment and Vacancies

Table 3.2.1 Employment and Vacancies by Programme as on 31 March 2025

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1: Administration	260	218	16.2	23
Programme 2: Tourism Research, Policy and International Relations	72	64	11.1	0
Programme 3: Destination Development	72	65	9.7	0
Programme 4: Tourism Sector Support Services	103	93	9.7	0
Total	507	440	13.2	23

Table 3.2.2 Employment and Vacancies by Salary Band as on 31 March 2025

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	5	0	100	0
Skilled (3-5)	41	35	14.6	0
Highly skilled production (6-8)	139	119	14.4	22
Highly skilled supervision (9-12)	249	221	11.2	0
Senior management (13-16)	73	65	11.0	1
Total	507	440	13.2	23

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

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
None	0	0	0	0
Total	0	0	0	0

3.3 Filling of SMS Posts

Table 3.3.1 SMS Post Information as on 31 March 2025

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	3	3	100	0	0
Salary Level 15	5	4	80	1	20
Salary Level 14	16	14	88	2	13
Salary Level 13	48	43	90	5	10
Total	73	65	89	8	11

Table 3.3.2 SMS Post Information as on 30 September 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	3	3	100	0	0
Salary Level 15	5	4	80	1	20
Salary Level 14	17	14	82	3	18
Salary Level 13	49	43	88	6	12
Total	75	65	87	10	13

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

SMS Level	Advertising Number of vacancies per level advertised in 6 months of becoming vacant	Filling of Posts	
		Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	1	0	0
Salary Level 14	0	0	0
Salary Level 13	1	0	1
Total	2	0	1

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

Reasons for vacancies not advertised within six months
N/A
Reasons for vacancies not filled within twelve months
DDG: Corporate Management – Recruitment process in an advanced stage.

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

Reasons for vacancies not advertised within six months
N/A
Reasons for vacancies not filled within six months
None

3.4 Job Evaluation

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

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	5	0	0	0	0	0	0
Skilled (Levels 3-5)	41	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	139	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	249	2	0.8	0	0	0	0
Senior Management Service Band A	48	0	0	0	0	0	0
Senior Management Service Band B	16	0	0	0	0	0	0
Senior Management Service Band C	5	0	0	0	0	0	0
Senior Management Service Band D	4	0	0	0	0	0	0
Total	507	2	0.4	0	0	0	0

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

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

Employees with a disability	0
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Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2024 to 31 March 2025

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Total number of Employees whose salaries exceeded the grades determine by job evaluation				None

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

Gender	African	Asian	Coloured	White	Total
Total number of Employees whose salaries exceeded the grades determine by job evaluation					None

3.5 Employment Changes

Table 3.5.1 Annual Turnover Rates by salary band for the period 1 April 2024 to 31 March 2025

Salary band	Number of employees at beginning of period- 1 April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	2	0	0	0
Skilled (Levels 3-5)	37	3	2	5.1
Highly skilled production (Levels 6-8)	124	3	6	4.8
Highly skilled supervision (Levels 9-12)	225	6	7	3.1
Senior Management Service Bands A	43	3	2	4.7
Senior Management Service Bands B	12	2	1	8.3
Senior Management Service Bands C	4	0	0	0
Senior Management Service Bands D	4	3	3	75.0
Contracts	26	13	31	119.2
Total	477	33	52	10.9

Table 3.5.2 Annual Turnover Rates by Critical Occupation for the period 1 April 2024 to 31 March 2025

Critical occupation	Number of employees at beginning of period-April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
None	0	0	0	0
Total	0	0	0	0

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
Death	2	3.8
Resignation	9	17.3
Expiry of contract	31	59.6
Dismissal – operational changes	0	0
Dismissal – misconduct	1	1.9
Dismissal – inefficiency	0	0
Discharged due to ill-health	1	1.9
Retirement	4	7.7
Transfer to other Public Service Departments	4	7.7
Other	0	0
Total	52	100
Total number of employees who left as a % of total employment	52	10.9

Table 3.5.4 Promotions by Critical 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
None	0	0	0	0	0
Total	0	0	0	0	0

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 a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	2	0	0	0	0%
Skilled (Levels 3-5)	37	0	0	15	41%
Highly skilled production (Levels 6-8)	124	4	3.2	94	76%
Highly skilled supervision (Levels 9-12)	225	6	2.7	170	76%
Senior Management (Level 13-16)	63	6	9.5	41	65%
Total	451	16	4	320	71%

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with Disabilities) in each of the following Occupational Categories as on 31 March 2025

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	102	1	4	6	107	10	8	10	248
Professionals	24	0	1	0	20	2	1	0	48
Technicians and associate professionals	3	0	0	0	10	1	0	0	14
Clerks	25	1	0	0	61	5	0	1	93
Protect rescue social health science Support Personnel	7	1	0	1	4	0	0	0	13
Security & Custodial Personnel	0	0	0	1	0	0	0	0	1
Plant and machine operators and assemblers	3	0	0	0	0	0	0	0	3
Elementary occupations	12	0	0	0	7	1	0	0	20
Total	176	3	5	8	209	19	9	11	440
Employees with disabilities	10	0	0	1	8	0	1	1	21

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

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	1	3	0	1	2	8
Senior Management	26	0	2	2	20	1	3	3	57
Professionally qualified and experienced specialists and mid-management	92	1	3	4	102	9	5	5	221
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	36	2	0	0	73	7	0	1	119
Semi-skilled and discretionary decision making	21	0	0	1	11	2	0	0	35
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	176	3	5	8	209	19	9	11	440

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	0	0	0	0	2	0	0	1	3
Senior Management	3	0	0	1	2	1	0	2	9
Professionally qualified and experienced specialists and mid-management	4	0	0	0	4	1	0	0	9
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	0	0	0	1	0	0	0	3
Semi-skilled and discretionary decision making	3	0	0	0	4	2	0	0	9
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	12	0	0	1	13	4	0	3	33

Employees with disabilities	0	0	0	0	0	0	0	0	0
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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	3	0	0	0	2	0	0	1	6
Professionally qualified and experienced specialists and mid-management	1	0	0	0	5	0	0	0	6
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	0	0	0	2	0	0	0	4
Semi-skilled 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	6	0	0	0	9	0	0	1	16
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	1	0	0	0	1	0	0	1	3
Senior Management	4	1	0	1	1	2	0		9
Professionally qualified and experienced specialists and mid-management	5	0	0	0	8	1	0	0	14
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	3	1	0	0	5	0	0	2	11
Semi-skilled and discretionary decision making	4	0	0	0	3	2	0	0	9
Unskilled and defined decision making	3	0	0	0	3		0	0	6
Total	20	2	0	1	21	5	0	3	52
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	
Dismissal	1	0	0	0	0	0	0	0	1
Suspension without pay	0	0	0	0	1	0	0	0	1
Final Written Warning	0	0	0	0	1	0	0	0	1
Verbal warning	1	0	0	0	3	0	0	0	4

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	3	0	0	0	11	0	0	0	14
Professionals	29	0	0	0	22	0	0	3	54
Technicians and associate professionals	9	0	0	0	17	3	0	0	29
Clerks	2	0	0	0	0	0	0	0	2
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Non-Employees	7	0	0	0	12	0	0	0	19
Total	52	0	0	0	62	3	0	3	118
Employees with disabilities	2	4	0	0	0	0	0	0	6

3.7 Signing of Performance Agreements by SMS Members

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

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100%
Salary Level 16	3	3	3	100%
Salary Level 15	5	4	4	100%
Salary Level 14	17	12	12	100%
Salary Level 13	49	45	45	100%
Total	75	65	65	100%

NB: 2024 was a National Election and extension was granted until August 2024

Table 3.7.2 Reasons for not having concluded Performance Agreements for all SMS members as on 31 May 2024

Reasons
N/A

Table 3.7.3 Disciplinary Steps taken against SMS members for not having concluded Performance Agreements as on 31 May 2024

Reasons
N/A

3.8 Performance Rewards

Table 3.8.1 Performance Rewards by Race, Gender and Disability for the period 1 April 2024 to 31 March 2025

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African	0	385	0	0	0
Male	0	176	0	0	0
Female	0	209	0	0	0
Asian	0	14	0	0	0
Male	0	5	0	0	0
Female	0	9	0	0	0
Coloured	0	22	0	0	0
Male	0	3	0	0	0
Female	0	19	0	0	0
White	0	19	0	0	0
Male	0	8	0	0	0
Female	0	11	0	0	0
Total	0	440	0	0	0

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

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (level 3-5)	0	35	0	0	0	0
Highly skilled production (level 6-8)	0	119	0	0	0	0
Highly skilled supervision (level 9-12)	0	221	0	0	0	0
Total	0	375	0	0	0	0

Table 3.8.3 Performance Rewards by Critical Occupation for the period 1 April 2024 to 31 March 2025

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
None	0	0	0	0	0
Total	0	0	0	0	0

Table 3.8.4 Performance related Rewards (Cash Bonus), by Salary Band for Senior Management Service for the period 1 April 2024 to 31 March 2025

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	43	0	0	0	0
Band B	0	14	0	0	0	0
Band C	0	4	0	0	0	0
Band D	0	4	0	0	0	0
Total	0	65	0	0	0	0

3.9 Foreign Workers

Table 3.9.1 Foreign Workers by Salary Band for the period 1 April 2024 to 31 March 2025

Salary band	01 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
Total	0	0	0	0	0	0

Table 3.9.2 Foreign Workers by Major Occupation for the period 1 April 2024 to 31 March 2025

Major occupation	01 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% Change
None	0	0	0	0	0	0

3.10 Leave Utilisation**Table 3.10.1 Sick Leave for the period 1 January 2024 to 31 December 2024**

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	3	100	1	0.3	3	2
Skilled (levels 3-5)	183	79.8	25	7	7	205
Highly skilled production (levels 6-8)	898	72.3	129	35.9	7	1 521
Highly skilled supervision (levels 9 -12)	1 161	73.2	162	45.1	7	3 943
Top and Senior management (levels 13-16)	295	79	42	11.7	7	1 583
Total	2 540	74.1	359	100	7	7 254

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)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	64	100	2	28.6	32	126
Highly skilled supervision (Levels 9-12)	97	100	5	71.4	19	341
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	161	100	7	100	61	467

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

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	12	5	2
Skilled Levels 3-5)	706	36	20
Highly skilled production (Levels 6-8)	3 740	153	24
Highly skilled supervision (Levels 9-12)	6 034	234	26
Senior management (Levels 13-16)	1 672	70	24
Total	12 164	498	24

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

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2025
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	54.5
Highly skilled production (Levels 6-8)	84.68	1	84.68	12.7
Highly skilled supervision (Levels 9-12)	18.36	1	18.36	19.9
Senior management (Levels 13-16)	82.80	2	41.40	26.8
Total	185.84	4	144.44	113.9

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'000)
Leave payout for 2024/25 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2024/25	1 027	4	257
Current leave payout on termination of service for 2024/25	875	33	27
Total	1 902	37	284

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of Occupational Exposure

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

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter I of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Ms Ramatsimela Thobejane Director: HRU& EHW
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		Two (2) 1 x Social Worker registered with the South African Council of Social Service Professions 1 x Occupational Health Practitioner registered with the South African Nursing Council Budget allocated for EHW unit R 444 705 for financial year 2024/25
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		The Employee Health & Wellness programme is implemented in line with four pillars of the EHW Strategic Framework for the Public Service, 2023; - HIV, STI, and TB Management - Health & Productivity Management - Safety, Health, Environment, Risk, and Quality Management (SHERQ) - Wellness Management

Question	Yes	No	Details, if yes
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter I 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.	X		SHERQ Committee Stakeholders Chairperson: Dr Mkhavale EK - Dir: Security & Facility Management • Mr M Mohlabeng • Mr L Molefe - Dir: Human Resource Utilisation and EHW • Ms R Thobejane • Ms M Sibande • Sr A Peterson - Disability Management Forum • Mr J Mmako - Organised Labour • Nehawu • PSA - Trained SHE representatives • Mr R Nthani – ground floor • Mr S Kunene- 1st floor • Mr J Baloyi – 2nd floor • Ms N Mokoena – 3rd floor • Mr B Ripinga – 4th floor • Mr J Ndlovu- 5th floor • Mr N Nodada – 6th floor • Mr C Mgweni – 7th floor • Ms Patience Mcambi – 8th floor • Ms T Zondi – 9th floor • Ms Y Makalima – 10th floor • Ms M Masemola – 11th floor
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		Employee Health & Wellness Policies; i.e. - Safety, Health, Environment, Risk and Quality Policy (SHERQ)

Question	Yes	No	Details, if yes
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		The measures in place include: Dedicated Unit that specialises in the implementation of Employee Health & Wellness services, including HIV, STI & TB in the workplace. The unit is responsible for providing psychosocial support to employees as and when a need arises quarterly, The policy on HIV, STI, and TB also guards against discrimination of HIV positive employees in the workplace Awareness session are conducted.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X		HCT services are conducted quarterly. A total of 150 employees have undergone HCT during the financial year 2024-2025.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		Monitoring and Evaluation: The unit compiled four (4) reports on EHW quarterly interventions to assess the impact of the health promotion programme per intervention and submit the reports to the Department of Public Service and Administration (DPSA). The unit further compiles and submits an EHW annual report, which also includes HIV and TB interventions; such reports also evaluate the impact of HIV and TB initiatives in the workplace.

3.12 Labour Relations

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

Subject matter	Date
Total number of Collective agreements	None

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
Verbal warning	4	57.1
Written warning	0	0
Final written warning	1	14.3
Suspended without pay	1	14.3
Fine	0	0
Demotion	0	0
Dismissal	1	14.3
Not guilty	0	0
Case withdrawn	0	0
Total	7	100

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

Type of misconduct	Number	% of total
Abscondment	1	8.3
Gross negligence	4	33.3
Gross dishonesty	3	25
Failure to comply with the PMDS Policy	4	33.3
Total	12	100

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

Grievances	Number	% of Total
Number of grievances resolved	2	100
Number of grievances not resolved	0	0
Total number of grievances lodged	2	100

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	0	0
Number of disputes dismissed	1	100
Total number of disputes lodged	1	100

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

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

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

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

3.13 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			
			Internship	Skills Programmes & other short courses	Other forms of training (Bursaries)	Total
Legislators, senior officials and managers Professionals	Female	30	0	16	0	16
	Male	32	0	27	1	28
	Female	111	0	20	17	37
	Male	76	0	20	11	31
Technicians and associate professionals	Female	56	0	9	22	31
	Male	51	0	7	7	14
Clerks	Female	47	0	0	2	2
	Male	20	0	2	1	3
Service and sales workers	Female	11	0	0	0	0
	Male	15	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	4	0	0	0	0
Elementary occupations	Female	11	0	0	0	0
	Male	13	0	0	0	0
Non - Employees	Female	0	13	0	9	22
	Male	0	10	0	7	17
Sub Total	Female	266	13	45	50	108
	Male	211	10	56	27	93
Total		477	23	101	77	201

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			
			Internships	Skills Programmes & other short courses	Other forms of training (Bursaries)	Total
Legislators, senior officials and managers	Female	30	0	11	0	11
	Male	32	0	3	1	4
Professionals	Female	111	0	25	17	42
	Male	76	0	29	11	40
Technicians and associate professionals	Female	56	0	18	22	40
	Male	51	0	11	7	18
Clerks	Female	47	0	0	2	2
	Male	20	0	2	1	3
Service and sales workers	Female	11	0	0	0	0
	Male	15	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	4	0	0	0	0
Elementary occupations	Female	11	0	0	0	0
	Male	13	0	0	0	0
Non - Employees	Female	0	0	12	9	21
	Male	0	0	7	7	14
Sub Total	Female	266	0	66	50	116
	Male	211	0	52	27	79
Total		477	0	118	77	195

3.14 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	2	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	2	100

3.15 Utilisation of Consultants

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

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Support of SharePoint and application service provider	2	6 months	R 910 800,00
Support of SharePoint and application service provider	2	6 months	R993 600,00
To establish, implement and manage a business incubator for homestay accommodations in Eastern Cape Province	1	2 Years	R4 600 000,00

Total number of projects	Total individual consultants	Total duration (Work days)	Total contract value in Rand
1	2	6 months	R 910 800,00
1	2	6 months	R 993 600,00
7	1	2 Year	R 4 600 000,00

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

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Support of SharePoint and application service provider	53.02%	100%	2
Support of SharePoint and application service provider	53.02%	100%	2
To establish, implement and manage a business incubator for homestay accommodations in Eastern Cape Province	100%	100%	1

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

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
None			

Total number of projects	Total individual consultants	Total duration (Work days)	Total contract value in Rand
None			

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

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None			

3.16 Severance Packages

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

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0





PART E

PFMA
COMPLIANCE
REPORT

E1 IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1 Irregular expenditure

a Reconciliation of irregular expenditure

	2024/2025	2023/2024
Description	R'000	R'000
Opening balance	3 451	7 592
Adjustment to opening balance	-	-
Opening balance as restated	3 451	7 592
Add: Irregular expenditure confirmed	127	773
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	(181)	(4 914)
Less: Irregular expenditure recoverable ¹	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	3 397	3 451

The Irregular expenditure for 2024/25 is due to non-compliance with SCM prescripts. Management did not obtain three written price quotations from at least three different suppliers and the reasons for deviation were not documented and approved by the accounting officer as required by paragraph 3.2.4 of the PFMA SCM Instruction Note 2 of 2021/22.

Reconciling notes

	2024/2025	2023/2024
Description ²	R'000	R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to the prior year and identified in the current year	-	-
Irregular expenditure for the current year	127	773
Total	127	773

¹ Transfer to receivables

² Group similar items

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

	2024/2025	2023/2024
Description	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	3 397	3 451
Irregular expenditure under investigation	-	-
Total	3 397	3 451

c Details of irregular expenditure condoned

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

N/A

d Details of irregular expenditure removed - (not condoned)

	2024/2025	2023/2024
Description	R'000	R'000
Irregular expenditure NOT condoned and removed	181	4 914
Total	181	4 914

Irregular expenditure removed relates to expenditure that was not condoned by National Treasury. However, all requirements for removal were met and the removal was approved by the Director-General in terms of the PFMA Compliance Framework.

e Details of irregular expenditure recoverable

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure recoverable		-
Total		-
N/A		

f Details of irregular expenditure written off (irrecoverable)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure written off		-
Total		-
N/A		

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	2024/2025	2023/2024
	R'000	R'000
None		-
Total		-
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

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

N/A

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

Written warnings were issued to officials causing irregular expenditure.

N/A

1.2 Fruitless and wasteful expenditure**a Reconciliation of fruitless and wasteful expenditure**

	2024/2025	2023/2024
Description	R'000	R'000
Opening balance	194 756	194 752
Adjustment to opening balance	-	2
Opening balance as restated	194 756	194 754
→ Add: Fruitless and wasteful expenditure confirmed	41	50
Less: Fruitless and wasteful expenditure recoverable ⁴	(8)	(16)
Less: Fruitless and wasteful expenditure not recoverable and written off	(37)	(32)
Closing balance	194 752	194 756

Fruitless and wasteful expenditure incurred for the current year relates to no shows, cancellations, waiting time, double bookings, after hours costs and amendments with regards to flight, shuttle and accommodation bookings.

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

Reconciling notes

	2024/2025	2023/2024
Description	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	5
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	41	45
Total	41	50

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

	2024/2025	2023/2024
Description ⁵	R'000	R'000
Fruitless and wasteful expenditure under assessment	80	89
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	80	89

The cases that remain under assessment are due to delays in responses from officials and service providers.

c Details of fruitless and wasteful expenditure recoverable

	2024/2025	2023/2024
Description	R'000	R'000
Fruitless and wasteful expenditure recoverable	8	16
Total	8	16

⁵ Group similar items

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	37	32
Total	37	32

Fruitless and Wasteful Expenditure written off relate to instances where it was not due to any fault of the individual.

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

Disciplinary steps taken	2024/2025	2023/2024
	R'000	R'000
No fruitless and wasteful expenditure was due to criminal conduct.	-	-
Total	-	-

N/A

1.3 Unauthorised expenditure

The Department did not have any Unauthorised expenditure in the reporting period and the prior year.

1.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii))⁶

a Details of material losses through criminal conduct

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

The Department did not incur any material losses through criminal conduct.

b Details of other material losses

	2024/2025	2023/2024
	R'000	R'000
Nature of other material losses		
Fruitless and wasteful expenditure related to no shows, cancellations, waiting time, double bookings, after hours costs and amendments with regards to flight, shuttle and accommodation bookings.	41	50
Total	41	50

c Other material losses recoverable

	2024/2025	2023/2024
	R'000	R'000
Nature of losses		
Fruitless and wasteful expenditure related to No-shows, Cancellations, Waiting Time, Double Bookings, After Hours costs and Amendments with regards to Flight, Shuttle and Accommodation bookings	18	8
Total	18	8

⁶ Information related to material losses must be disclosed in the annual financial statements.

d Other material losses not recoverable and written off

	2024/2025	2023/2024
Nature of losses	R'000	R'000
Fruitless and wasteful expenditure related to No-shows, Cancellations, Waiting Time, Double Bookings, After Hours costs and Amendments with regards to Flight, Shuttle and Accommodation bookings	37	32
Total	37	32

1.5. Unauthorised expenditure

The Department did not have any Unauthorised expenditure in the reporting period and the prior year.

1.6 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii))⁷**e Details of material losses through criminal conduct**

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

The Department did not incur any material losses through criminal conduct.

f Details of other material losses

	2024/2025	2023/2024
Nature of other material losses	R'000	R'000
Fruitless and wasteful expenditure related to no shows, cancellations, waiting time, double bookings, after hours costs and amendments with regards to flight, shuttle and accommodation bookings.	41	50
Total	41	50

⁷ Information related to material losses must be disclosed in the annual financial statements.

g Other material losses recoverable

	2024/2025	2023/2024
Nature of losses	R'000	R'000
Fruitless and wasteful expenditure related to No-shows, Cancellations, Waiting Time, Double Bookings, After Hours costs and Amendments with regards to Flight, Shuttle and Accommodation bookings	18	8
Total	18	8

h Other material losses not recoverable and written off

	2024/2025	2023/2024
Nature of losses	R'000	R'000
Fruitless and wasteful expenditure related to No-shows, Cancellations, Waiting Time, Double Bookings, After Hours costs and Amendments with regards to Flight, Shuttle and Accommodation bookings	37	32
Total	37	32

E2 LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	13 954	1 377 371
Invoices paid within 30 days or agreed period	13 950	1 377 308
Invoices paid after 30 days or agreed period	4	62
Invoices older than 30 days or agreed period (unpaid and without dispute)	0	0
Invoices older than 30 days or agreed period (unpaid and in dispute)	0	0

The invoices were paid late due to year end processes, they are for the financial year 2023/24 and were paid in 2024/25 financial year.

E3 SUPPLY CHAIN MANAGEMENT

3.1 Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Appointment of a service provider for an external and independent facilitator for the joint strategic planning session between the Department and SA Tourism	Stratnum Futures	Single source Procurement	AI-900205	65
A single source procurement for an external and independent facilitator for the joint strategic planning session between the Department and SA Tourism on 1 and 2 August 2024	First Technology Group	Emergency Procurement	AL-900268 / OR-011484	10
Appointment of a service provider of VMWARE subscription licenses for a period of 12 months	Ubuntu Technologies	Emergency Procurement	AI-900267	1 553
Appointment of a service provider for Internal Auditors to attend the southern Audit Hybrid conference.	Internal Auditors South Africa	Sole source Procurement	AI-900273	51
Appointment of a service provider for Trend Micro products and services due to the current state of disaster resulting from potential breach	State Information Technology Agency	Emergency Procurement	AL-900270 / OR-011473	5 757
Appointment of a service provider for renewal of license software maintenance for ORGPLUS for the period of 3 years	LRMG (PTY)LTD	Sole source Procurement	AI-900297/ OR-011522	99

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Appointment of a service provider for renewal of license software maintenance for ORGPLUS for the period of 3 years	LRMG (PTY)LTD	Sole source Procurement	AL-900215 / OR-011489	66
Appointment of a service provider for exhibition space, booths and branding for 10 SME'S and furniture hire, flooring, subletting, production and installation of graphics	South African Tourism	Participation Procurement	OR-011427	1 071
Appointment of a service provider for exhibition space, booths and branding for 5-10 SME'S and furniture hire, flooring, subletting, production and installation of graphics	South African Tourism	Participation Procurement	OR-011428	607
Appointment of a service provider for training on IFRS, Sustainability and Ethics	CFO Enterprises South Africa	Single source Procurement	OR-011440	5
Appointment of a service provider for conference on human resource professional	Institute of People Management	Sole source Procurement	OR-011445	51
Appointment of a service provider for a share point and application for a period of 6 months	Exponent (PTY)LTD	Single source Procurement	OR-011470	910
Appointment of a service provider for a conference on human resource professional	Institute of People Management	Sole source Procurement	OR-011531	12
Appointment of a service provider for exhibition space, booths and branding for 15 SME'S and furniture hire, flooring, subletting, production and installation of graphics supported by the Market Access Support Programme at ITB Berlin 2025	South African Tourism	Participation Procurement	OR-011542	1 365
Appointment of a service provider to subscribe on Oxford Economics in order to access Tourism Information and Data	Oxfords Economics Africa	Sole source Procurement	OR-011558	250
Appointment of a service provider for a conference on South African Society of Occupational health nursing	Sasohn	Single source Procurement	AI-900214 /OR-011557	6
Appointment of a service provider to supply two GIS software upgrades and maintenance	South African Tourism	Participation Procurement	OR-011589	520
Appointment of a service provider for exhibition/space booths allocated to SMEs supported by the market access support programme in 2025	Pomme Express	Participation Procurement	OR-011678	1 084
Appointment of a service provider to utilize the South African Qualifications Authority to verify qualifications	South African Qualifications Authority	Single source Procurement	OR-011685	20
Appointment of a service provider to offer online construction project management course	University of Johannesburg	Single source Procurement	OR-011686	17
Total				13 519

3.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Appointment of service provider - Implementation of recognition of prior learning service provider in Gauteng Province for 25 chefs	The Capital Hotel School	Expansion	AI -900207	366	N/A	41
Appointment of service provider to implement a comprehensive media analysis service. However, during the third quarter there was insufficient amount to pay for October-December 2024	Ornico Group	Expansion	OR-009751	859	N/A	128
Appointment of a qualified service provider to render a service of share points application support	Exponent	Expansion	OR-011159	993	N/A	138
Total						307



PART F

FINANCIAL
INFORMATION

**Report of the auditor-general to Parliament on vote no. 38:
Department of Tourism**

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Tourism set out on pages 110 to 169 which comprise the appropriation statement, statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Tourism as at 31 March 2025 and financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) as prescribed by National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 5 of 2024 (DoRA).

Basis for opinion

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

Other matter

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

Unaudited supplementary information

7. The supplementary information set out on page 170 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.

Responsibilities of the accounting officer for the financial statements

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and DoRA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
9. 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

10. 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.
11. 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 108 forms part of my auditor's report.

DEPARTMENT OF TOURISM - VOTE 38

REPORT OF THE AUDITOR GENERAL for the year ended 31 March 2025

Report on the annual performance report

12. 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 information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
13. I selected the following material performance indicators related to the Tourism Sector Support Services programme presented in the annual performance report for the year ended 31 March 2025. I selected those indicators that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.
 - Number of incentive programmes implemented.
 - Number of domestic tourism awareness programmes implemented.
 - Number of initiatives implemented to support tourism SMMEs.
 - Number of programmes implemented to enhance visitor service and experiences.
 - Number of capacity building programmes implemented.
14. I evaluated the reported performance information for the selected material performance indicators 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 this criterion, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.
15. I performed procedures to test whether:
 - the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets
16. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
17. I did not identify any material findings on the reported performance information for the selected indicators.

Other matter

18. I draw attention to the matter below.

Achievement of planned targets

19. The annual performance report includes information on reported achievements against planned targets and provides explanations for over-achievements.

Report on compliance with legislation

20. 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.
21. 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.
22. 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 which allows for 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.
23. I did not identify any material non-compliance with the selected legislative requirements.

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, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported on in this auditor's report.
25. 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.
26. 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 material indicators in the scoped-in programme presented in the annual performance report 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. I did not identify any significant deficiencies in internal control.

Auditor-General

Pretoria

30 July 2025



DEPARTMENT OF TOURISM - VOTE 38

ANNEXURES TO THE REPORT OF THE AUDITOR GENERAL for the year ended 31 March 2025

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The 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 material performance indicators 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	Section, regulation or paragraph
Public Finance Management Act 1 of 1999	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 39(1)(a); 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4); 44; 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1; 9.1.1; 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Division of Revenue Act 24 of 2024	Section 11(6)(a); 12(5); 16(1); 16(3)(a)(i); 16(3)(a)(ii)
National Health Act 61 of 2003	Section 13
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 2020/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury Instruction No. 7 of 2017/18	Paragraph 4.3
PFMA 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 Regulations, 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)
Public Service Regulations, 2016	Regulation 18(1); 18(2); 25(1)(e)(i); 25(1)(e)(iii)
State Information Technology Agency Act 88 of 1998	Section 7(3)

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DEPARTMENT OF TOURISM - VOTE 38

APPROPRIATION STATEMENT for the year ended 31 March 2025

Appropriation per programme

	2024/25							2023/24	
Voted funds and Direct charges	Adjusted 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
Programme									
1. ADMINISTRATION	359 427	-	5 452	364 879	340 477	24 402	93,3%	312 827	303 112
2. TOURISM RESEARCH, POLICY AND INTERNATIONAL RELATIONS	1 335 623	-	-	1 335 623	1 319 055	16 568	98,8%	1 378 789	1 367 469
3. DESTINATION DEVELOPMENT	367 801	-	(5 452)	362 349	297 969	64 380	82,2%	422 283	359 972
4. TOURISM SECTOR SUPPORT SERVICES	318 057	-	-	318 057	294 642	23 415	92,6%	346 646	341 699
TOTAL	2 380 908	-	-	2 380 908	2 252 143	128 765	94,6%	2 460 545	2 372 252
Reconciliation with Statement of Financial Performance									
Add:									
		Departmental receipts		92 858				66 599	
		NRF Receipts		-				-	
		Aid assistance		-				-	
Actual amounts per Statement of Financial Performance (Total revenue)									
				2 473 766				2 527 144	
Add:									
		Aid assistance			-				-
		Prior year unauthorised expenditure approved without funding			-				-
Actual amounts per Statement of Financial Performance (Total expenditure)									
					2 252 143				2 372 252

DEPARTMENT OF TOURISM - VOTE 38

APPROPRIATION STATEMENT for the year ended 31 March 2025

Appropriation per economic classification

	2024/25							2023/24	
	Adjusted 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
Current payments	883 150	(15 904)	-	867 246	742 392	124 854	85,6%	810 312	722 297
Compensation of employees	411 949	-	-	411 949	377 238	34 711	91,6%	395 463	364 410
Goods and services	471 201	(15 907)	-	455 294	365 151	90 143	80,2%	414 847	357 885
Interest and rent on land	-	3	-	3	3	-	100,0%	2	2
Transfers and subsidies	1 427 610	3 975	-	1 431 585	1 431 314	271	100,0%	1 527 244	1 526 994
Departmental agencies and accounts	1 248 382	-	-	1 248 382	1 248 382	-	100,0%	1 501 348	1 501 348
Higher education institutions	-	-	-	-	-	-	0,0%	-	-
Foreign governments and international organisations	2 750	-	-	2 750	2 478	272	90,1%	2 982	2 733
Public corporations and private enterprises	172 067	-	-	172 067	172 067	-	100,0%	18 702	18 702
Non-profit institutions	459	-	-	459	459	-	100,0%	439	439
Households	3 952	3 975	-	7 927	7 928	(1)	100,0%	3 773	3 772
Payments for capital assets	70 148	11 916	-	82 064	78 424	3 640	95,6%	122 683	122 657
Buildings and other fixed structures	65 450	-	-	65 450	61 810	3 640	94,4%	115 000	115 000
Machinery and equipment	4 698	11 916	-	16 614	16 614	-	100,0%	7 657	7 657
Software and other intangible assets	-	-	-	-	-	-	0,0%	26	-
Payment for financial assets	-	13	-	13	13	-	100,0%	306	304
TOTAL	2 380 908	-	-	2 380 908	2 252 143	128 765	94,6%	2 460 545	2 372 252

DEPARTMENT OF TOURISM - VOTE 38

APPROPRIATION STATEMENT for the year ended 31 March 2025

Programme I:ADMINISTRATION

	2024/25							2023/24	
	Adjusted 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
Sub programme									
1. MINISTRY	34 413	2 527	-	36 940	35 466	1 474	96,0%	41 558	38 012
2. MANAGEMENT	2 728	934	-	3 662	3 661	1	100,0%	4 560	4 561
3. CORPORATE MANAGEMENT	207 186	1 441	-	208 627	189 902	18 725	91,0%	170 134	163 966
4. FINANCIAL MANAGEMENT	74 550	(10 273)	-	64 277	60 074	4 203	93,5%	65 798	65 797
5. OFFICE ACCOMMODATION	40 550	5 371	5 452	51 373	51 374	(1)	100,0%	30 777	30 776
TOTAL	359 427	-	5 452	364 879	340 477	24 402	93,3%	312 827	303 112

Economic classification

Current payments	355 447	(15 894)	5 452	345 005	320 603	24 402	92,9%	304 502	294 815
Compensation of employees	195 617	-	-	195 617	171 215	24 402	87,5%	178 631	169 481
Goods and services	159 830	(15 897)	5 452	149 385	149 385	-	100,0%	125 869	125 332
Interest and rent on land	-	3	-	3	3	-	100,0%	2	2
Transfers and subsidies	203	5 265	-	5 468	5 468	-	100,0%	2 526	2 525
Provinces and municipalities	-	-	-	-	-	-	0,0%	-	-
Departmental agencies and accounts	203	-	-	203	203	-	100,0%	194	194
Higher education institutions	-	-	-	-	-	-	0,0%	-	-
Foreign governments and international organisations	-	-	-	-	-	-	0,0%	-	-
Public corporations and private enterprises	-	-	-	-	-	-	0,0%	-	-
Non-profit institutions	-	-	-	-	-	-	0,0%	-	-

DEPARTMENT OF TOURISM - VOTE 38

APPROPRIATION STATEMENT for the year ended 31 March 2025

Programme 1: ADMINISTRATION

Households	-	5 265	-	5 265	5 265	-	100,0%	2 332	2 331
Payments for capital assets	3 777	10 629	-	14 406	14 406	-	100,0%	5 563	5 537
Buildings and other fixed structures	-	-	-	-	-	-	0,0%	-	-
Machinery and equipment	3 777	10 629	-	14 406	14 406	-	100,0%	5 537	5 537
Software and other intangible assets	-	-	-	-	-	-	0,0%	26	-
Payment for financial assets	-	-	-	-	-	-	0,0%	236	235
Total	359 427	-	5 452	364 879	340 477	24 402	93,3%	312 827	303 112

Programme 2: TOURISM RESEARCH, POLICY AND INTERNATIONAL RELATIONS

	2024/25							2023/24	
	Adjusted 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
Sub programme									
1. TOURISM RESEARCH, POLICY AND INTERNATIONAL RELATIONS MANAGEMENT	9 050	787	-	9 837	7 643	2 194	77,7%	9 104	6 933
2. RESEARCH AND KNOWLEDGE MANAGEMENT	36 306	(690)	-	35 616	32 147	3 469	90,3%	34 062	31 190
3. POLICY PLANNING AND STRATEGY	16 844	(97)	-	16 747	12 267	4 480	73,2%	14 403	12 359
4. SOUTH AFRICAN TOURISM	1 243 555	-	-	1 243 555	1 243 555	-	100,0%	1 289 739	1 289 739
5. INTERNATIONAL RELATIONS AND COOPERATION	29 868	-	-	29 868	23 443	6 425	78,5%	31 481	27 248
TOTAL	1 335 623	-	-	1 335 623	1 319 055	16 568	98,8%	1 378 789	1 367 469

DEPARTMENT OF TOURISM - VOTE 38

APPROPRIATION STATEMENT for the year ended 31 March 2025

Programme 2: TOURISM RESEARCH, POLICY AND INTERNATIONAL RELATIONS

Economic classification

Current payments	85 108	1 166	-	86 274	69 977	16 297	81,1%	84 492	73 421
Compensation of employees	60 777	-	-	60 777	57 029	3 748	93,8%	64 187	53 115
Goods and services	24 331	1 166	-	25 497	12 948	12 549	50,8%	20 305	20 306
Interest and rent on land	-	-	-	-	-	-	0,0%	-	-
Transfers and subsidies	1 250 257	(1 697)	-	1 248 560	1 248 289	271	100,0%	1 293 720	1 293 471
Provinces and municipalities	-	-	-	-	-	-	0,0%	-	-
Departmental agencies and accounts	1 243 555	-	-	1 243 555	1 243 555	-	100,0%	1 289 739	1 289 739
Higher education institutions	-	-	-	-	-	-	0,0%	-	-
Foreign governments and international organisations	2 750	-	-	2 750	2 478	272	90,1%	2 982	2 733
Public corporations and private enterprises	-	-	-	-	-	-	0,0%	-	-
Non-profit institutions	-	-	-	-	-	-	0,0%	-	-
Households	3 952	(1 697)	-	2 255	2 256	(1)	100,0%	999	999
Payments for capital assets	258	531	-	789	789	-	100,0%	572	572
Buildings and other fixed structures	-	-	-	-	-	-	0,0%	-	-
Machinery and equipment	258	531	-	789	789	-	100,0%	572	572
Heritage assets	-	-	-	-	-	-	0,0%	-	-
Software and other intangible assets	-	-	-	-	-	-	0,0%	-	-
Payment for financial assets	-	-	-	-	-	-	0,0%	5	5
Total	1 335 623	-	-	1 335 623	1 319 055	16 568	98,8%	1 378 789	1 367 469

DEPARTMENT OF TOURISM - VOTE 38

APPROPRIATION STATEMENT for the year ended 31 March 2025

Programme 3: DESTINATION DEVELOPMENT

	2024/25							2023/24	
	Adjusted 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
Sub programme									
1. DESTINATION DEVELOPMENT MANAGEMENT	12 905	711	(5 452)	8 164	7 778	386	95,3%	38 410	37 626
2. TOURISM ENHANCEMENT	25 817	(881)	-	24 936	20 853	4 083	83,6%	21 068	17 806
3. DESTINATION PLANNING AND INVESTMENT COORDINATION	31 424	(2 603)	-	28 821	25 292	3 529	87,8%	24 354	23 613
4. WORKING FOR TOURISM	297 655	2 773	-	300 428	244 046	56 382	81,2%	338 451	280 927
TOTAL	367 801	-	(5 452)	362 349	297 969	64 380	82,2%	422 283	359 972

Economic classification

Current payments	301 933	(518)	(5 452)	295 963	235 223	60 740	79,5%	306 525	244 214
Compensation of employees	64 530	-	-	64 530	61 776	2 754	95,7%	64 566	58 207
Goods and services	237 403	(518)	(5 452)	231 433	173 447	57 986	74,9%	241 959	186 007
Interest and rent on land	-	-	-	-	-	-	0,0%	-	-
Transfers and subsidies	-	277	-	277	277	-	100,0%	166	166
Departmental agencies and accounts	-	-	-	-	-	-	0,0%	-	-
Higher education institutions	-	-	-	-	-	-	0,0%	-	-
Foreign governments and international organisations	-	-	-	-	-	-	0,0%	-	-
Public corporations and private enterprises	-	-	-	-	-	-	0,0%	-	-
Non-profit institutions	-	-	-	-	-	-	0,0%	-	-
Households	-	277	-	277	277	-	100,0%	166	166

DEPARTMENT OF TOURISM - VOTE 38

APPROPRIATION STATEMENT for the year ended 31 March 2025

Programme 3: DESTINATION DEVELOPMENT

Payments for capital assets	65 868	241	-	66 109	62 469	3 640	94,5%	115 590	115 590
Buildings and other fixed structures	65 450	-	-	65 450	61 810	3 640	94,4%	115 000	115 000
Machinery and equipment	418	241	-	659	659	-	100,0%	590	590
Software and other intangible assets	-	-	-	-	-	-	0,0%	-	-
Payment for financial assets	-	-	-	-	-	-	0,0%	2	2
Total	367 801	-	(5 452)	362 349	297 969	64 380	82,2%	422 283	359 972

Programme 4: TOURISM SECTOR SUPPORT SERVICES

	2024/25							2023/24	
	Adjusted 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
Sub programme									
1. TOURISM SECTOR SUPPORT SERVICES MANAGEMENT	11 353	(2 121)	-	9 232	6 328	2 904	68,5%	4 887	4 177
2. TOURISM HUMAN RESOURCE DEVELOPMENT	33 065	418	-	33 483	33 483	-	100,0%	33 994	32 325
3. ENTERPRISE DEVELOPMENT AND TRANSFORMATION	53 308	(506)	-	52 802	37 709	15 093	71,4%	37 621	37 275
4. TOURISM VISITOR SERVICES	28 886	2 209	-	31 095	29 746	1 349	95,7%	28 825	26 696
5. TOURISM INCENTIVE PROGRAMME	191 445	-	-	191 445	187 376	4 069	97,9%	241 319	241 226
TOTAL	318 057	-	-	318 057	294 642	23 415	92,6%	346 646	341 699

DEPARTMENT OF TOURISM - VOTE 38

APPROPRIATION STATEMENT for the year ended 31 March 2025

Programme 4: TOURISM SECTOR SUPPORT SERVICES

Economic classification									
Current payments	140 662	(658)	-	140 004	116 589	23 415	83,3%	114 793	109 847
Compensation of employees	91 025	-	-	91 025	87 218	3 807	95,8%	88 079	83 607
Goods and services	49 637	(658)	-	48 979	29 371	19 608	60,0%	26 714	26 240
Interest and rent on land	-	-	-	-	-	-	0,0%	-	-
Transfers and subsidies	177 150	130	-	177 280	177 280	-	100,0%	230 832	230 832
Departmental agencies and accounts	4 624	-	-	4 624	4 624	-	100,0%	211 415	211 415
Higher education institutions	-	-	-	-	-	-	0,0%	-	-
Foreign governments and international organisations	-	-	-	-	-	-	0,0%	-	-
Public corporations and private enterprises	172 067	-	-	172 067	172 067	-	100,0%	18 702	18 702
Non-profit institutions	459	-	-	459	459	-	100,0%	439	439
Households	-	130	-	130	130	-	100,0%	276	276
Payments for capital assets	245	515	-	760	760	-	100,0%	958	958
Buildings and other fixed structures	-	-	-	-	-	-	0,0%	-	-
Machinery and equipment	245	515	-	760	760	-	100,0%	958	958
Software and other intangible assets	-	-	-	-	-	-	0,0%	-	-
Payment for financial assets	-	13	-	13	13	-	100,0%	63	62
Total	318 057	-	-	318 057	294 642	23 415	92,6%	346 646	341 699

DEPARTMENT OF TOURISM - VOTE 38

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

1. Details of transfers and subsidies as per Appropriation Act (after virement)

Details of these transactions can be viewed in the note “Transfers and subsidies”, as well as Annexure I (A-E) to the annual financial statements.

2. Details of specifically and exclusively appropriated amounts voted (after virement)

Details of these transactions can be viewed in note I, “Annual appropriation”, to the annual financial statements.

3. Details on payments for financial assets

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

4. Explanations of material variances from amounts voted (after virement)

4.1 Per programme

Administration	Final budget	Actual expenditure	Variance	Variance as a % of final budget
	R'000	R'000	R'000	%
Administration				
Compensation of employees	195 617	171 215	24 402	12%
Good and services	149 385	149 385	-	0%
Interest and rent on land	3	3	-	0%
Transfers and subsidies	5 468	5 468	-	0%
Payment for capital assets	14 406	14 406	-	0%
Payment for financial assets	-	-	-	0%
TOTAL	364 879	340 477	24 402	7%

Explanation of variance

The underspending lies within Compensation of Employees which is due to unfilled posts resulting from cost containment measures limiting the filling of vacant posts.

DEPARTMENT OF TOURISM - VOTE 38

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

Tourism Research, Policy and International Relations	Final budget	Actual expenditure	Variance	Variance as a % of final budget
	R'000	R'000	R'000	%
Tourism Research, Policy and International Relations				
Compensation of employees	60 777	57 029	3 748	6%
Good and services	25 497	12 948	12 549	49%
Interest and rent on land	-	-	-	-
Transfers and subsidies	1 248 560	1 248 289	271	0%
Payment for capital assets	789	789	-	0%
Payment for financial assets	-	-	-	0%
TOTAL	1 335 623	1 319 055	16 568	1%

Explanation of variance

The bulk of the savings within the programme lies under Goods and Services due to the implementation of cost containment measures as instructed by the National Treasury. The underspending under Compensation of Employees is due to cost containment measures limiting the filling of vacant posts. The savings under transfers and subsidies for the United Nations World Tourism Organisation (UNWTO) contributions is attributed to fluctuations in foreign currency exchange rates.

Destination Development	Final budget	Actual expenditure	Variance	Variance as a % of final budget
	R'000	R'000	R'000	%
Destination Development				
Compensation of employees	64 530	61 776	2 754	4%
Good and services	231 433	173 447	57 986	25%
Interest and rent on land	-	-	-	-
Transfers and subsidies	277	277	-	0%
Payment for capital assets	66 109	62 469	3 640	6%
Payment for financial assets	-	-	-	-
TOTAL	362 349	297 969	64 380	18%

DEPARTMENT OF TOURISM - VOTE 38

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

Explanation of variance

The underspending in Compensation of Employees is due to cost containment measures limiting the filling of vacant posts. The underspending in Goods and Services is primarily driven by reduced expenditure within the Expanded Public Works Programme (EPWP) Incentive. This is partly due to insufficient active projects as well as funds that were not approved to be spent by the Department of Public Works and Infrastructure, owing to unmet work opportunity targets. Additionally, underspending on skills projects within the EPWP has contributed to the overall unspent funds. The underspending of the EPWP Capital budget is due to not being able to process invoices as a result of the required due diligence of supporting evidence.

Tourism Sector Support Services

	Final budget	Actual expenditure	Variance	Variance as a % of final budget
	R'000	R'000	R'000	%
Tourism Sector Support Services				
Compensation of employees	91 025	87 218	3 807	4%
Good and services	48 979	29 371	19 608	40%
Interest and rent on land	-	-	-	-
Transfers and subsidies	177 280	177 280	-	0%
Payment for capital assets	760	760	-	0%
Payment for financial assets	13	13	-	0%
TOTAL	318 057	294 642	23 415	7%

Explanation of variance

The bulk of the underspending within the programme lies under Goods and Services due to concepts not approved or referred back for refinement or alignment with other established programmes as part of the cost saving measures implemented by the department. The underspending under Compensation of Employees is due to cost containment measures limiting the filling of vacant posts.

DEPARTMENT OF TOURISM - VOTE 38

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

4.2 Per economic classification

	Final budget	Actual expenditure	Variance	Variance as a % of final budget
	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	411 949	377 238	34 711	8%
Good and services	455 294	365 151	90 143	20%
Interest and rent on land	3	3	-	0%
Transfers and subsidies				
Departmental agencies and accounts	1 248 382	1 248 382	-	0%
Public corporations and private enterprises	172 067	172 067	-	0%
Foreign governments and international organisations	2 750	2 478	272	10%
Non-profit institutions	459	459	-	0%
Households	7 927	7 928	(1)	0%
Payments for capital assets				
Buildings and other fixed structures	65 450	61 810	3 640	6%
Machinery and equipment	16 614	16 614	-	0%
Software and other intangible assets	-	-	-	-
Payment for financial assets	13	13	-	0%
TOTAL	2 380 908	2 252 143	128 765	5%

DEPARTMENT OF TOURISM - VOTE 38

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2025

	Note	2024/25 R'000	2023/24 R'000
REVENUE			
Annual appropriation	1	2 380 908	2 460 545
Departmental revenue	2	92 858	66 599
TOTAL REVENUE		2 473 766	2 527 144
EXPENDITURE			
Current expenditure			
Compensation of employees	3	377 238	364 410
Goods and services	4	365 151	357 885
Interest and rent on land	5	3	2
Total current expenditure		742 392	722 297
Transfers and subsidies			
Transfers and subsidies	7	1 431 314	1 526 994
Aid Assistance		-	-
Total transfers and subsidies		1 431 314	1 526 994
Expenditure for capital assets			
Tangible assets	8	78 424	122 657
Intangible assets	8	-	-
Total expenditure for capital assets		78 424	122 657
Payments for financial assets	6	13	304
TOTAL EXPENDITURE		2 252 143	2 372 252
SURPLUS/(DEFICIT) FOR THE YEAR		221 623	154 892
Reconciliation of net surplus/(deficit) for the year			
Voted funds		128 765	88 293
Annual appropriation		128 765	88 293
Departmental revenue	2	92 858	66 599
Aid assistance	3	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		221 623	154 892

DEPARTMENT OF TOURISM - VOTE 38

STATEMENT OF FINANCIAL POSITION for the year ended 31 March 2025

	Note	2024/25	2023/24
		R'000	R'000
ASSETS			
Current assets		128 492	88 530
Cash and cash equivalents	9	126 004	86 211
Prepayments and advances	10	52	-
Receivables	11	2 436	2 319
Non-current assets		1 040	420
Receivables	11	1 040	420
TOTAL ASSETS		129 532	88 950
LIABILITIES			
Current liabilities		128 902	88 490
Voted funds to be surrendered to the revenue fund	12	128 765	88 293
Departmental revenue to be surrendered to the revenue fund	13	9	81
Payables	14	128	116
TOTAL LIABILITIES		128 902	88 490
NET ASSETS		630	460
Represented by:			
Recoverable revenue		630	460
TOTAL		630	460

STATEMENT OF CHANGES IN NET ASSETS for the year ended 31 March 2025

	Note	2024/25	2023/24
		R'000	R'000
NET ASSETS			
Recoverable revenue			
Opening balance		460	435
Transfers:		170	25
Debts recovered (included in departmental receipts)		(177)	(130)
Debts raised		347	155
Closing balance		630	460
TOTAL		630	460

DEPARTMENT OF TOURISM - VOTE 38

CASH FLOW STATEMENT for the year ended 31 March 2025

	Note	2024/25	2023/24
		R'000	R'000
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts		2 473 733	2 526 392
Annual appropriated funds received	1	2 380 908	2 460 545
Departmental revenue received	2	1 276	1 117
Interest received	2	91 549	64 730
Aid assistance received		-	-
Net (increase)/decrease in working capital		(777)	(464)
Surrendered to revenue fund		(181 223)	(130 260)
Surrendered to RDP fund/Donor		-	-
Current payments		(742 389)	(722 295)
Interest and rent on land		(3)	(2)
Payments for financial assets		(13)	(304)
Transfers and subsidies paid		(1 431 314)	(1 526 994)
Net cash flow available from operating activities	15	118 014	146 073
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(78 424)	(122 657)
Proceeds from sale of capital assets	2	33	752
(Increase)/decrease in non-current receivables	11	-	68
Net cash flow from investing activities		(78 391)	(121 837)
CASH FLOW FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		170	25
Net cash flow from financing activities		170	25
Net increase/(decrease) in cash and cash equivalents		39 793	24 261
Cash and cash equivalents at beginning of period		86 211	61 950
Cash and cash equivalents at end of period	16	126 004	86 211

PART A: ACCOUNTING POLICIES**Summary of significant accounting policies**

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the 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 Public Finance Management Act (PFMA), Act 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

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 translated into South African Rands 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 is presented is consistent with the format of the current year's financial statements.

6.2 Current year comparison with budget

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

7 Revenue**7.1 Appropriated funds**

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

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

Appropriated funds are measured at the amounts receivable.

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

7.2 Departmental revenue

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

Departmental revenue is measured at the cash amount received.

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

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

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

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; and
- the amount of revenue can be measured reliably.

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

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy.

8 Expenditure**8.1 Compensation of employees****8.1.1 Salaries and wages**

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

8.1.2 Social contributions

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

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

8.2 Other expenditure

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

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

8.3 Accruals and payables not recognised

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

8.4 Leases**8.4.1 Operating leases**

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

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

8.4.2 Finance leases

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

The finance lease commitments are recorded in the notes to the 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.

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.

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

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

9.2 Aid assistance paid

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

10 Cash and cash equivalents

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

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

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

11 Prepayments and advances

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

Prepayments and advances are initially and subsequently measured at cost.

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.

12 Loans and receivables

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

13 Investments

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

14 Financial assets**14.1 Financial assets (not covered elsewhere)**

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

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

14.2 Impairment of financial assets

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

15 Payables

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

16 Capital Assets**16.1 Immovable capital assets**

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

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

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

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 is 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.

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

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

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

16.3 Intangible assets

Intangible assets are initially recorded in the notes to the 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.

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 to forfeit economic benefits as a result of events in the

past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

17.2 Contingent liabilities

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

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.

17.4 Capital Commitments

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

18 Unauthorised expenditure

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

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

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

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

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

19 Fruitless and wasteful expenditure

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

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

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

20 Irregular expenditure

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

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

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

21 Changes in accounting policies, estimates and errors

Changes in accounting policies are applied in accordance with Modified Cash Standards (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 Tourism Incentive Programme projects. In terms of the arrangement the department is the principal and is responsible for the appointment of an Implementing Agent.

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 and the department complied with the Standard.

25 Capitalisation reserve

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

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

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's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

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

28 Inventories

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

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

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

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

29 Public-Private Partnerships

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

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

30 Employee benefits

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

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

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

31 Transfers of functions

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

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 department 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.

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

PART B: EXPLANATORY NOTES

1 Annual appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for national departments (voted funds):

	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	364 879	364 879	-	312 827	312 827	-
Tourism Research, Policy and International Relations	1 335 623	1 335 623	-	1 378 789	1 378 789	-
Destination Development	362 349	362 349	-	422 283	422 283	-
Tourism Sector Support Services	318 057	318 057	-	346 646	346 646	-
TOTAL	2 380 908	2 380 908	-	2 460 545	2 460 545	-

2 Departmental revenue

	Note	2024/25	2023/24
		R'000	R'000
Sales of goods and services other than capital assets	2.1	175	178
Interest, dividends and rent on land	2.2	91 549	64 730
Sales of capital assets	2.3	33	752
Transactions in financial assets and liabilities	2.4	1 101	939
TOTAL DEPARTMENTAL REVENUE COLLECTED		92 858	66 599

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

2.1 Sales of goods and services other than capital assets

	Note	2024/25	2023/24
	2	R'000	R'000
Sales of goods and services produced by the Department		175	178
Sales by market establishment		70	71
Other sales (Commissions and Sale of Assets<R5000)		105	107
Sales of scrap, waste and other used current goods		-	-
TOTAL		175	178

2.2 Interest, dividends and rent on land

	Note	2024/25	2023/24
	2	R'000	R'000
Interest		91 549	64 730
TOTAL		91 549	64 730

Note:

The high interest revenue is attributable to interest refunds by public entities in respect of advances made for projects undertaken on behalf of the Department.

2.3 Sale of capital assets

	Note	2024/25	2023/24
	2	R'000	R'000
Tangible assets		33	752
Machinery and equipment		33	752
TOTAL		33	752

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

2.4 Transactions in financial assets and liabilities

	Note	2024/25	2023/24
	2	R'000	R'000
Receivables		360	-
Other receipts, including recoverable revenue (including project refunds)		741	939
TOTAL		1 101	939

2.5 Gifts, donations and sponsorships received in-kind (not included in the main note or sub note)

	Note	2024/25	2023/24
	2	R'000	R'000
		-	-
TOTAL		-	-

2.6 Cash received not recognised (not included in main note) 2024/25

	Opening balance	Amount received	Amount paid to Revenue Fund	Closing balance
	R'000	R'000	R'000	R'000
Absa Bank	1	-	1	-
South African National Parks (SANPARKS)	-	5 712	-	5 712
TOTAL	1	5 712	1	5 712

Cash received not recognised (not included in main note) 2023/24

	Opening balance	Amount received	Amount paid to Revenue Fund	Closing balance
	R'000	R'000	R'000	R'000
Absa Bank	-	1	-	1
TOTAL	-	1	-	1

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

3 Compensation of employees

3.1 Salaries and wages

	Note	2024/25	2023/24
		R'000	R'000
Basic salary		263 808	255 369
Performance award		82	-
Service-based		364	182
Compensative/circumstantial		4 968	3 340
Periodic payments		116	181
Other non-pensionable allowances		61 394	59 635
TOTAL		330 732	318 707

3.2 Social contributions

	Note	2024/25	2023/24
		R'000	R'000
Employer contributions			
Pension		33 501	33 500
Medical		12 949	12 137
Bargaining council		56	56
Insurance		-	10
TOTAL		46 506	45 703

TOTAL COMPENSATION OF EMPLOYEES		377 238	364 410
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Average number of employees		463	484
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DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

4 Goods and services

	Note	2024/25	2023/24
		R'000	R'000
Administrative fees		163	124
Advertising		3 841	4 674
Minor assets	4.1	155	671
Bursaries (employees)		2 267	1 192
Catering		3 330	3 390
Communication		7 356	22 312
Computer services	4.2	39 674	17 253
Consultants: Business and advisory services		14 352	14 260
Legal services		4 765	3 713
Contractors		5 174	3 597
Agency and support/outsourced services		104 738	71 492
Entertainment		-	1
Audit cost – external	4.3	9 662	9 169
Fleet services		1 802	2 021
Consumables	4.4	14 087	11 117
Operating leases		46 467	29 772
Rental and hiring		19	59
Property payments	4.5	12 671	50 152
Travel and subsistence	4.6	44 554	48 788
Venues and facilities		9 297	8 687
Training and development		38 455	52 200
Other operating expenditure	4.7	2 322	3 241
TOTAL		365 151	357 885

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

Note:

- Advertising costs decreased by 18% (R833 thousand). This is due mainly to a decrease in spending on Promotional Items and Recruitment advertising costs due to National Treasury cost containment measures.
- Minor Assets costs decreased by 77% (R516 thousand). This is due mainly to a decrease in spending on Desktop Computers and Office Furniture. The department moved towards replacing desktops with laptops, where possible, since the COVID-19 pandemic. The replacement of unusable office furniture was concluded in the prior year.
- Bursaries (employees) costs increased by 90% (R1,1 million). The number of bursary applications increased significantly compared to the previous year.
- Communication costs decreased by a further 67% (R14,9 million) in 2024/25. Spending on Cell Phone and Data costs continued to decrease as contracts expired or were renegotiated in accordance with the cost containment directive.
- Computer services costs increased by 130% (R22,4 million). Invoices for some of the software licences were received very late for the previous financial year and could only be paid in the current year contributing to the variance in this item to be significant. Furthermore, due to the breach of its Information and Communication Technology systems in 2024/45, costs were incurred in the restoration thereof and putting in measures to mitigate against such an event from reoccurring.
- Legal Service costs increased by 28% (R1,5 million). There were increased litigation costs incurred in pursuing F&W cases.
- Contractors costs increased by 44% (R1,6 million). This was mainly due to increase in cost of event promoters and graphic designers.
- Agency and support/outsourced services costs increased by 47% (R33,2 million). Payments of stipends on EPWP projects increased.
- Consumables costs increased by 27% (R2,9 million). There was an increase in Uniform and Protective Clothing costs related to EPWP projects. There were also increases in IT Consumables and Communication Accessories costs related to measures to deal with the breach of its Information and Communication Technology systems in 2024/25.
- Operating lease costs increased by 56% (R16,7 million). In 2024/25 the Department concluded its engagements with the DPWI regarding the contractual obligations on the lease payments related to previous years and payment claims were processed in this regard.
- Property payments costs decreased by 75% (R37,5 million). Expenditure on EPWP maintenance projects decreased significantly compared to the previous year.
- Training and development costs decreased by 26% (R13,7 million). Expenditure in this regard for EPWP skills projects decreased significantly compared to the previous year.

4.1 Minor assets

	Note	2024/25	2023/24
		R'000	R'000
Tangible assets		155	671
Machinery and equipment		155	671
TOTAL		155	671

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

4.2 Computer services

	Note	2024/25	2023/24
		R'000	R'000
State Information Technology Agency (SITA) computer services		28 202	12 391
External computer service providers		11 472	4 862
TOTAL		39 674	17 253

4.3 Audit cost – external

	Note	2024/25	2023/24
		R'000	R'000
Regularity audits		7 988	8 449
Investigations		1 674	720
TOTAL		9 662	9 169

4.4 Consumables

	Note	2024/25	2023/24
		R'000	R'000
Consumable supplies		8 999	7 251
Uniform and clothing		5 296	4 558
Household supplies		1 675	859
Building material and supplies		179	214
Communication accessories		230	42
IT consumables		1 004	396
Other consumables		615	1 182
Stationery, printing and office supplies		5 088	3 866
TOTAL		14 087	11 117

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

4.5 Property payments

	Note	2024/25	2023/24
		R'000	R'000
Municipal services		4 944	1 195
Property management fees		-	-
Property maintenance and repairs		6 934	48 447
Other		793	510
TOTAL		12 671	50 152

4.6 Travel and subsistence

	Note	2024/25	2023/24
		R'000	R'000
Local		37 909	40 555
Foreign		6 645	8 233
TOTAL		44 554	48 788

4.7 Other operating expenditure

	Note	2024/25	2023/24
		R'000	R'000
Professional bodies, membership and subscription fees		1 004	1 269
Resettlement costs		90	78
Other		1 228	1 894
TOTAL		2 322	3 241

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

5 Interest and rent on land

	Note	2024/25	2023/24
		R'000	R'000
Interest paid		3	2
TOTAL		3	2

6 Payments for financial assets

	Note	2024/25	2023/24
		R'000	R'000
Other material losses written off	6.1	-	196
Debts written off	6.2	13	108
TOTAL		13	304

6.1 Other material losses written off

	Note	2024/25	2023/24
Nature of losses		R'000	R'000
Losses (damage to vehicles due to accidents)	6	-	196
TOTAL		-	196

6.2 Debts written off

	Note	2024/25	2023/24
Nature of debts written off		R'000	R'000
Other debt written off (Departmental Debt)	6	13	108
TOTAL		13	108

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

7 Transfers and subsidies

	Note	2024/25	2023/24
		R'000	R'000
Departmental agencies and accounts	Annex 1A	1 248 382	1 501 348
Public corporations and private enterprises	Annex 1B	172 067	18 702
Foreign governments and international organisations	Annex 1C	2 478	2 733
Non-profit institutions	Annex 1D	459	439
Households	Annex 1E	7 928	3 772
TOTAL		1 431 314	1 526 994

7.1 Gifts, Donations and sponsorships made in kind (not included in the main note)

	Note	2024/25	2023/24
		R'000	R'000
	Annex 1G		
Gifts		76	14
Donations		467	1 130
Sponsorships		-	-
TOTAL		543	1 144

8 Expenditure for capital assets

	Note	2024/25	2023/24
		R'000	R'000
Tangible assets		78 424	122 657
Building and other fixed structures	29	61 810	115 000
Machinery and equipment	27	16 614	7 657
Intangible assets		-	-
Software	28	-	-
TOTAL		78 424	122 657

Note:

Expenditure of R61,8 million under Buildings and other fixed structures is for the Expanded Public Works Programme projects.

8.1 Analysis of voted funds utilised to acquire capital assets

	Note	2024/25 Voted Funds	2023/24 Voted Funds
		R'000	R'000
Tangible assets		78 424	122 657
Building and other fixed structures	29	61 810	115 000
Machinery and equipment	27	16 614	7 657
Intangible assets		-	-
Software	28	-	-
TOTAL		78 424	122 657

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

8.2 Finance lease expenditure included in expenditure for capital assets

	Note	2024/25	2023/24
		R'000	R'000
Tangible assets			
Machinery and equipment		1 066	1 792
TOTAL		1 066	1 792

9 Cash and cash equivalents

	Note	2024/25	2023/24
		R'000	R'000
Consolidated Paymaster general account		142 312	86 467
Cash receipts		-	-
Disbursements		(16 393)	(331)
Cash on hand		85	75
TOTAL		126 004	86 211

Note:

All cash and cash equivalents held by the department are available for use.

An amount of R5,8 million was deposited into the departmental bank account (ABSA) and the interface with the Department's Paymaster General account took place in April 2025. As the Department is on modified cash accounting, this amount is not part of the cash and cash equivalents as stated above.

10 Prepayments and advances

	Note	2024/25	2023/24
		R'000	R'000
Travel and subsistence		52	-
Advances paid (Not expensed)	10.1	-	-
TOTAL		52	-

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

Analysis of total prepayments and advances

	Note	2024/25	2023/24
		R'000	R'000
Current prepayments and advances		52	-
Non-current prepayments and advances	10.1	-	-
TOTAL		52	-

10.1 Advances paid (Not expensed)-2024/25

Note	Amount as at 1 April 2024	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advance payments	Amount as at 31 March 2025
	R'000	R'000	R'000	R'000	R'000
10					
National departments	-	-	-	-	-
Total	-	-	-	-	-

Advances paid (Not expensed)-2023/24

Note	Amount as at 1 April 2023	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advance payments	Amount as at 31 March 2024
	R'000	R'000	R'000	R'000	R'000
10					
National departments	1 002	(126)	(876)	-	-
Total	1 002	(126)	(876)	-	-

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

10.2 Prepayments (Expensed) - 2024/25

	Amount as at 1 April 2024	Less: Received in the current year	Less: Other	Amount as at 31 March 2025
	R'000	R'000	R'000	R'000
Goods and services	-	-	-	-
Capital assets	-	-	-	-
Total	-	-	-	-

Prepayments (Expensed) - 2023/24

	Amount as at 1 April 2023	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advance payments	Amount as at 31 March 2024
	R'000	R'000	R'000	R'000	R'000
Goods and services	-	-	-	-	-
Capital assets	-	-	-	-	-
Total	-	-	-	-	-

10.3 Advances paid (Expensed) - 2024/25

	Amount as at 1 April 2024	Less: Received in the current year	Less: Other	Amount as at 31 March 2025
	R'000	R'000	R'000	R'000
Public entities	424 071	(256 512)	(4 363)	163 196
Total	424 071	(256 512)	(4 363)	163 196

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

Advances paid (Expensed) - 2023/24

	Amount as at 1 April 2023	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advance payments	Amount as at 31 March 2024
	R'000	R'000	R'000	R'000	R'000
Public entities	620 910	(381 981)	-	185 142	424 071
Total	620 910	(381 981)	-	185 142	424 071

Note:

Advances are paid to the service providers for the Expanded Public Works Programme and Destination Development projects as per contract terms.

The following Expanded Public Works Programme and Destination Development projects received advance payments for commencement of the projects

Entity / Project Name	Amount as at 1 April 2024	Less: Received in the current year	Add/Less: Other	Amount as at 31 March 2025
	R'000	R'000	R'000	R'000
Ezemvelo KZN Wildlife – KZN-Wildlife Roofing of 5 resorts	4 063	(330)	-	3 733
Ezemvelo KZN Wildlife – KZN Ezemvelo Midmar Resort upgrade project	5 558	(47)	-	5 511
Trade and Investment KwaZulu-Natal (TIKZN)	2 880	(1 557)	-	1 323
South African National Biodiversity Institute (SANBI)	22 194	-	-	22 194
Eastern Cape Parks & Tourism Agency (ECPTA)	10 948	(2 617)	-	8 331
Constitutional Hill (CONHILL)	5 524	(3 213)	-	2 311
South African National Parks (SANParks)-Addo Elephant Park	8 419	(8 419)	-	-
CapeNature- Goukamma Nature Reserve	14 998	(27)	-	14 971
Ezemvelo KZN Wildlife-Upgrade and expansion of Giant Castle	4 112	-	-	4 112
Maropeng a'Afrika	878	-	(878)	-
Tourism KwaZulu-Natal (TKZN)-Mandela Capture Site	8 462	(1)	-	8 461

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

SANPARKS - Pilot Infrastructure Maintenance	1 406	-	(1 406)	-
WC-Agulhas Lighthouse Project	14 357	(14 357)	-	-
Mpumalanga Tourism and Parks Agency- Universal Access Project	7 728	-	-	7 728
Eastern Cape Parks and Tourism Agency- Universal Access Project	213	-	(213)	-
Ezemvelo KZN Wildlife - Universal Access Project	988	-	(988)	-
SANPARKS- Tourism Monitors Phase 3	25 722	(25 722)	-	-
SANPARKS - Business Incubation of Emerging Maintenance Contractors	878	-	(878)	-
DBSA- Infrastructure and Maintenance Projects	282 007	(200 222)	-	81 785
DBSA- Security Project	2 736	-	-	2 736
Total	424 071	(256 512)	(4 363)	163 196

II Receivables

	Note	2024/25			2023/24		
		Current	Non- Current	Total	Current	Non- Current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1 Annex 3	132	-	132	-	-	-
Recoverable expenditure	11.2	1 980	-	1 980	1 805	-	1 805
Staff debt	11.3	137	1 040	1 177	431	289	720
Other receivables	11.4	187	-	187	83	131	214
TOTAL		2 436	1 040	3 476	2 319	420	2 739

11.1 Claims recoverable

	Note	2024/25	2023/24
		R'000	R'000
National departments	11	132	-

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

TOTAL		132	-
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11.2 Recoverable expenditure (disallowance accounts)

	Note	2024/25	2023/24
	11	R'000	R'000
Departmental suspense accounts (Damage Vehicles & Disallowance account)		1 980	1 803
Sal Tax Debt		-	2
TOTAL		1 980	1 805

11.3 Staff debt

	Note	2024/25	2023/24
	11	R'000	R'000
Departmental debt account		1 177	720
TOTAL		1 177	720

11.4 Other receivables

	Note	2024/25	2023/24
	11	R'000	R'000
Fruitless and wasteful expenditure		181	178
Tourist Guide Relief Fund Debts		6	8
Non-employees-Losses and damages		-	28
TOTAL		187	214

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

12. Voted funds to be surrendered to the revenue fund

	2024/25	2023/24
	R'000	R'000
Opening balance	88 293	28 637
Prior period error		-
As restated	88 293	28 637
Transfer from statement of financial performance (as restated)	128 765	88 293
Paid during the year	(88 293)	(28 637)
CLOSING BALANCE	128 765	88 293

13. Departmental revenue to be surrendered to the revenue fund

	2024/25	2023/24
	R'000	R'000
Opening balance	81	35 105
Prior period error		-
As restated	81	35 105
Transfer from statement of financial performance	92 858	66 599
Paid during the year	(92 930)	(101 623)
CLOSING BALANCE	9	81

14. Payables – current

	Note	2024/25	2023/24
		R'000	R'000
Clearing accounts	14.1	66	56
Other payables	14.2	62	60
TOTAL		128	116

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

14.1 Clearing Accounts

	Note	2024/25	2023/24
	14	R'000	R'000
Sal Income Tax		64	53
Sal Pension Fund		2	3
TOTAL		66	56

14.2 Other payables

	Note	2024/25	2023/24
	14	R'000	R'000
Salary-related payables		39	60
Government Employees Housing Scheme (GEHS)		23	-
TOTAL		62	60

15. Net cash flow available from operating activities

	2024/25	2023/24
	R'000	R'000
Net surplus/(deficit) as per statement of financial performance	221 623	154 892
Add back non-cash/cash movements not deemed operating activities	(103 609)	(8 819)
(Increase)/decrease in receivables – current	(737)	(385)
(Increase)/decrease in prepayments and advances	(52)	1 114
Increase/(decrease) in payables – current	12	(1 193)
Proceeds from sale of capital assets	(33)	(752)
Expenditure on capital assets	78 424	122 657
Surrendered to revenue fund	(181 223)	(130 260)
Surrenders to RDP Fund/Donor	-	-
Net cash flow generated by operating activities	118 014	146 073

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

16 Reconciliation of cash and cash equivalents for cash flow purposes

	2024/25	2023/24
	R'000	R'000
Consolidated Paymaster general account	142 312	86 467
Cash receipts		-
Disbursements	(16 393)	(331)
Cash on hand	85	75
TOTAL	126 004	86 211

17 Contingent liabilities and contingent assets

17.1 Contingent liabilities

		2024/25	2023/24
	Note	R'000	R'000
Liable to	Nature		
Housing loan guarantees	Employees	-	26
Claims against the Department	Annex 2B	9 457	7 207
Intergovernmental payables (unconfirmed balances)	Annex 4	583	-
TOTAL		10 040	7 233

Note:

The department uses the claim amount as a best estimate as the exact amount will only be determined by the court when cases are finalised. Due to the sensitivity of claims against the Department that are currently within the legal domain, no indication can be provided on the possible outflow or reimbursement.

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

17.2 Contingent assets

	2024/25	2023/24
	R'000	R'000
Nature of contingent asset		
MBB Consulting-Claim for damages - Breach of contract	12 215	12 215
Bonwelong Skills Development CC, Mr. Inama and Nedbank (Pty) Ltd – refund of money advanced for training projects.	9 930	9 930
Second Generation Consulting CC - Claim for damages - Breach of contract	68	68
Amathemaba Skills (Pty) Ltd-Refund of money advanced for project	3 193	3 193
Wayne Smith & Associates-Claim for damages	9	9
Umbuso Training Services (Pty)Ltd - Refund of money owed to the Department	169	169
TOTAL	25 584	25 584

18 Capital Commitments

	2024/25	2023/24
	R'000	R'000
Machinery and Equipment	2 171	480
Buildings and other fixed structures	230 864	454 873
TOTAL	233 035	455 353

Note:

Capital commitments for buildings and other fixed structures are for the Expanded Public Works Programme and Destination Development infrastructure projects.

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

19 Accruals and payables not recognised

19.1 Accruals

			2024/25	2023/24
			R'000	R'000
Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	4 681	2 198	6 879	11 169
Transfers and subsidies	157	3 176	3 333	3 351
Capital assets	507	5	512	498
Other (assets and liabilities)	179	11	190	196
TOTAL	5 524	5 390	10 914	15 214

	2024/25	2023/24
	R'000	R'000
Listed by programme level		
Administration	4 351	8 625
Tourism Research, Policy and International Relations	1 360	207
Destination Development	806	1 709
Tourism Sector Support Services	4 206	4 477
Other (assets and liabilities)	191	196
TOTAL	10 914	15 214

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

19.2 Payables not recognised

			2024/25	2023/24
			R'000	R'000
Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	1 140	-	1 140	14 645
Capital	-	-	-	136
Other	-	-	-	-
TOTAL	1 140	-	1 140	14 781

	2024/25	2023/24
	R'000	R'000
Listed by programme level		
Administration	511	4 202
Tourism Research, Policy and International Relations	384	186
Destination Development	145	9 780
Tourism Sector Support Services	100	613
TOTAL	1 140	14 781

	Note	2024/25	2023/24
		R'000	R'000
Confirmed balances with other departments	Annex 4	-	-
Confirmed balances with other government entities	Annex 4	581	-
TOTAL		581	-

Material accruals and payables not recognised (above R500 thousand) relate to the following:

Sita Software Licences-R581 thousand; Travel & Subsistence Accommodation-R510 thousand and Tourism Incentive Programme-R3,3 million.

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

20 Employee benefits

	2024/25	2023/24
	R'000	R'000
Leave entitlement	19 686	18 660
Service bonus	9 391	8 884
Performance awards	-	-
Capped leave commitments	2 190	2 476
Provision for long service awards	389	294
TOTAL	31 656	30 314

Note:

At this stage the department is not able to reliably measure the long-term portion of the long service awards.

Due to the utilization of leave within the first quarter of the leave cycle (leave taken without any leave credits available) there is a negative leave entitlement amounting to R212 thousand.

21 Lease commitments

21.1 Operating lease commitments

2024/25	Machinery and equipment	Total
Not later than 1 year	2 973	2 973
Total lease commitments	2 973	2 973

2024/23	Machinery and equipment	Total
Not later than 1 year	5 610	5 610
Total lease commitments	5 610	5 610

General description of the material leasing arrangements:

Operating lease commitments for buildings and other fixed structures are for the lease of office buildings through the Department of Public Works and Infrastructure (DPWI).The lease agreement expired on 31 May 2024.The Department has continued with the lease on a month to month basis.

Operating lease commitments was omitted in the prior years and the prior period amount has been corrected.

21.2 Finance lease commitments

2024/25	Machinery and equipment	Total
Not later than 1 year	737	737
Later than 1 year but not later than 5 years	276	276
Total lease commitments	1 013	1 013

2024/23	Machinery and equipment	Total
Not later than 1 year	920	920
Later than 1 year but not later than 5 years	683	683
Total lease commitments	1 603	1 603

General description of the material leasing arrangements:

Finance lease commitments include photocopy machines.The lease periods for photocopiers is usually 36 months.

No asset of the Department is sub-leased. Restrictions on finance leases for photocopier machines are imposed on the Department and included maintenance and repairs.

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

22 Unauthorised, Irregular and Fruitless and Wasteful expenditure

	Note	2024/25	2023/24
		R'000	R'000
Unauthorised expenditure		-	-
Irregular expenditure		127	773
Fruitless and wasteful expenditure		41	50
Total		168	823

Note:

Information on any criminal or disciplinary steps taken as a result of irregular expenditure and fruitless and wasteful expenditure is included in the annual report under the PFMA Compliance Report.

Fruitless and Wasteful Expenditure incurred relates to No Shows, Cancellations, Waiting Time, Double Bookings, After hours costs and Amendments with regards to Flight, Shuttle and Accommodation bookings.

The Irregular expenditure for 2024/25 is due to non-compliance with SCM prescripts. Management did not obtain three written price quotations from at least three different suppliers and the reasons for deviation were not documented and approved by the accounting officer as required by paragraph 3.2.4 of the PFMA SCM Instruction Note 2 of 2021/22.

23 Related-party transactions

	Note	2024/25	2023/24
		R'000	R'000
Goods and Services		-	423
Transfers and subsidies		4 852	17 198
TOTAL		4 852	17 621

Note:

South African Tourism (SAT) is a Public Entity of the Department under the Minister's portfolio. Programme 2: Tourism Research, Policy and International Relations; sub programme South African Tourism. Transfer payments to South African Tourism has been included in Annexure IA and IB to the financial statements.

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

24 Key management personnel

		2024/25	2023/24
	Note	R'000	R'000
Political office-bearers Officials:		7 790	4 707
Level 15 to 16		10 171	10 503
Level 14		25 883	23 334
TOTAL		43 844	38 544

25 Provisions

		2024/25	2023/24
	Note	R'000	R'000
Expanded Public Works Programme – Final completion report not submitted or signed off.		7 527	7 132
Retention fees outstanding.			
TOTAL		7 527	7 132

25.1 Reconciliation of movement in provisions

		2024/25	2023/24
		R'000	R'000
Opening balance		7 132	6 483
Increase in provision		395	649
Closing balance		7 527	7 132

Note:

The provisions relate to Expanded Public Works Programme projects retention fees outstanding. The payments of the retention fees are made after the final completion report is submitted and the timing of these payments are unknown. The estimate of the retention fees is based on a percentage of the service providers fees.

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

26 Non-adjusting events after reporting date

None	17 198
TOTAL	17 621

27 Movable tangible capital assets

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

	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	74 285	-	15 606	(2 731)	87 160
Transport assets	11 621	-	11 158	-	22 779
Computer equipment	40 676	-	3 584	(2 630)	41 630
Furniture and office equipment	13 433	-	683	(49)	14 067
Other machinery and equipment	8 555	-	181	(52)	8 683
FINANCE LEASE ASSETS	1 797	-	285	-	2 082
Finance lease assets	1 797	-	285	-	2 082
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	76 082	-	15 891	(2 731)	89 242

Note:

The finance leased assets comprise of photocopy machines leased by the Department through the National Treasury transversal contracts. The lease period for photocopiers is usually 36 months.

Included in the opening balances for 2023/24 and 2024/25 is a change in accounting policy made in terms of the MCS requirements whereby assets under finance leases are recorded by a department at the commencement of the lease term rather than at the end of the lease term. The change in accounting policy is applied retrospectively. Opening balances of finance lease assets have been accordingly restated.

Movable Tangible Capital Assets under investigation

	Number	Value
		R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:	-	-
Machinery and equipment	346	5509

Note:

A total number of 346 movable tangible capital assets, with a total value of R5,5 million, are under investigation.

27.1 Movement for 2023/24**MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024**

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	72 962	-	6 069	(4 746)	74 285
Transport assets	13 611	-	8	(1 998)	11 621
Computer equipment	38 029	-	5 265	(2 618)	40 676
Furniture and office equipment	13 293	-	252	(112)	13 433
Other machinery and equipment	8 029	-	544	(18)	8 555
FINANCE LEASE ASSETS	2 662	-	764	(1 629)	1 797
Finance lease assets	2 662	-	764	(1 629)	1 797
CAPITAL ASSETS	75 624	-	6 833	(6 375)	76 082

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

27.2 Minor assets

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

	Intangible assets	Machinery and equipment	Finance lease	Closing balance
	R'000	R'000	R'000	R'000
Opening balance	-	13 039	-	13 039
Additions	-	159	-	159
Disposals	-	(263)	-	(263)
TOTAL MINOR ASSETS	-	12 935	-	12 935

	Intangible assets	Machinery and equipment	Finance lease	Total
Number of RI minor assets	-	491	-	491
Number of minor assets at cost	-	6 219	-	6 219
TOTAL NUMBER MINOR ASSETS	-	6 710	-	6 710

Minor Capital Assets under investigation

	Number	Value
		R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:	-	-
Machinery and equipment	642	1286

Note:

A total number of 642 minor assets, with a total value of R1,3 million, are under investigation.

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

	Intangible assets	Machinery and equipment	Finance lease	Closing balance
	R'000	R'000	R'000	R'000
Opening balance	-	13 204	-	13 204
Prior period error	-	-	-	-
Additions	-	400	-	400
Disposals	-	(565)	-	(565)
TOTAL MINOR ASSETS	-	13 039	-	13 039

	Intangible assets	Machinery and equipment	Finance lease	Total
Number of RI minor assets	-	506	-	506
Number of minor assets at cost	-	6 308	-	6 308
TOTAL NUMBER MINOR ASSETS	-	6 814	-	6 814

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

28 Intangible capital assets

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

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	497	405	-	902
TOTAL INTANGIBLE CAPITAL ASSETS	497	405	-	902

28.1 Movement for 2023/24

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

	Opening balance	Prior-period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	497	-	-	-	497
TOTAL INTANGIBLE CAPITAL ASSETS	497	-	-	-	497

29 Immovable tangible capital assets

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

	Intangible assets	Machinery and equipment	Finance lease	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES				
Other fixed structures	17 955	-	-	17 955
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	17 955	-	-	17 955

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

Expanded Public Works Programme infrastructure projects completed (Additions).

	2024/25
	R'000
None	-
TOTAL	-

Expanded Public Works Programme infrastructure projects completed and handed over / written off (Disposals).

	2024/25
	R'000
None	-
TOTAL	-

Expanded Public Works Programme infrastructure projects completed and not handed over.

	2024/25
	R'000
GP - Alexandra Mandela Yard Project	6 158
LP – Ngove Cultural Centre & Theatre	9 434
NW - Lehurutshe Bird & Supingstad Trophy Hunting	2 363
TOTAL	17 955

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

29.1 Movement for 2023/24

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

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Other fixed structures	17 955	-	19 890	(19 890)	17 955
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	17 955	-	19 890	(19 890)	17 955

29.2 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2025

	Note	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	Annex 5	771 800	212 665	-	984 465
TOTAL		771 800	212 665	-	984 465

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2024

	Note	Opening balance 1 April 2023	Prior-period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2024
		R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures	Annex 5	441 124	-	350 566	(19 890)	771 800
TOTAL		441 124	-	350 566	(19 890)	771 800

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

29.3 Immovable assets written-off

IMMOVABLE ASSETS WRITTEN-OFF FOR THE YEAR ENDED 31 MARCH 2025

	Buildings and other fixed structures	Total
	R'000	R'000
Immovable assets written-off	-	-
TOTAL IMMOVABLE ASSETS WRITTEN-OFF	-	-

IMMOVABLE ASSETS WRITTEN-OFF FOR THE YEAR ENDED 31 MARCH 2024

	Buildings and other fixed structures	Total
	R'000	R'000
Immovable assets written-off	-	-
TOTAL IMMOVABLE ASSETS WRITTEN-OFF	-	-

30 Principal-agent arrangements

30.1 Department acting as the principal for Tourism Incentive Programme Projects

Include a list of the entities acting as agents for the department and the fee paid as compensation to the agent

		Fee Paid	
		2024/25	2023/24
PROJECTS	AGENT	R'000	R'000
Tourism Equity Fund (TEF)	Small Enterprise Finance Agency (SEFA)	-	-
Tourism Transformation Fund (TTF)	National Empowerment Fund (NEF)	-	-
Green Tourism Incentive Programme (GTIP)	Industrial Development Corporation (IDC)	6 268	-
TOTAL		6 268	-

DEPARTMENT OF TOURISM - VOTE 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

Note:

The relationship with the three entities listed is regulated by contracts/MOAs between the Department and the entities. In terms of the contracts, the entities(agents) act on behalf of the Department to manage incentive programmes/funds that benefit third parties. The agents receive a fee for managing the programme on behalf of the Department. The agents account for moneys transferred into the fund, which is held in dedicated bank accounts. Should the fund cease to exist, all unused funds are payable back to the Department. The Department is involved in directing the activities of the agents/funds through the Project Steering Committees that are in place which provide policy direction and management oversight over the projects/funds. The Agents are expected to provide reports to the Department at least quarterly on the progress with the projects.

There were no changes to the terms of the agreements with the agents during the reporting period.

The significant risks associated with the Principal-Agent arrangement are:

- The Agent reneges on the contractual obligations that may result in a new agent being appointed at significant cost to the Department.
- Non-performance by agent.

These risks are mitigated through standard contractual provisions for breach of contract. Furthermore there is continuous reporting and monitoring through the Project Steering Committee.

The primary benefit of using the agents to implement the TIP programmes is that we leverage their institutional capacity and expertise, which the Department does not have, to implement these programmes.

31. Natural disaster or relief expenditure

	Note	2024/25	2023/24
	Annex 7	R'000	R'000
Goods and services		-	-
TOTAL		-	-

32. Changes in accounting estimates and Changes in accounting policies**32.1 Changes in accounting policies**

	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)	Closing balance 31 March 2024
Nature of change in accounting policy		R'000	R'000	R'000	R'000	R'000
Finance lease assets						
Movable Tangible Capital Assets	27	-	2 662	2 662	(865)	1 797

Included in the opening balances for 2023/24 and 2024/25 is a change in accounting policy made in terms of the MCS requirements whereby assets under finance leases are recorded by a department at the commencement of the lease term rather than at the end of the lease term. The change in accounting policy is applied retrospectively. The finance leased assets comprise of photocopy machines leased by the Department through the National Treasury transversal contracts.

33 Prior period errors**Correction of prior period errors**

	Note	Amount before error correction	Prior period error 2023/24	Restated Amount
		R'000	R'000	R'000
Liabilities:				
Operating lease commitments-2023/24	21.1	-	5 610	5 610
Net effect		-	5 610	5 610

Note:

Operating lease commitments was omitted in the prior years and the prior period amount has been corrected.

DEPARTMENT OF TOURISM - VOTE 38

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

ANNEXURE 1A

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2023/24	
	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
South African Tourism	1 243 555	-	-	1 243 555	1 243 555	100,0%	1 289 739	1 289 739
National Tourism Careers Expo	4 624	-	-	4 624	4 624	100,0%	4 425	4 425
Culture Art Tourism Hospitality and Sports Sector Education and Training Authority (CATHSSETA)	203	-	-	203	203	100,0%	194	194
Tourism Incentive Programme	-	-	-	-	-	-	206 990	206 990
TOTAL	1 248 382	-	-	1 248 382	1 248 382	100,0%	1 501 348	1 501 348

ANNEXURE 1B

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2023/24	
	Adjusted budget	Roll overs	Adjustments	Total available	Actual transfer	% Of available funds transferred	Capital	Current	Final budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
Private enterprises Transfers										
Tourism Incentive Programme	172 067	-	-	172 067	172 067	100,0%	-	172 067	18 702	18 702
Subtotal: Private enterprises	172 067	-	-	172 067	172 067	100,0%	-	172 067	18 702	18 702
TOTAL	172 067	-	-	172 067	172 067	100,0%	-	172 067	18 702	18 702

ANNEXURE IC

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				TRANSFER		2023/24	
	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
Transfers								
United Nations Tourism (UN Tourism)	2 750	-	-	2 750	2 478	90,1%	2 982	2 733
TOTAL	2 750	-	-	2 750	2 478	90,1%	2 982	2 733

ANNEXURE ID

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				TRANSFER		2023/24	
	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
Transfers								
Federated Hospitality Association of Southern Africa (Fedhasa)	459	-	-	459	459	100,0%	439	439
TOTAL	459	-	-	459	459	100,0%	439	439

DEPARTMENT OF TOURISM - VOTE 38

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

ANNEXURE IE

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				TRANSFER		2023/24	
	Adjusted budget	Roll overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Final budget	Actual transfer
HOUSEHOLDS	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Bursaries (Non-Employee)	2 434	-	-	2 434	2 434	100,0%	1 819	1 819
Employee Social Benefits	5 483	-	-	5 483	5 484	100,0%	1 837	1 837
Donations (Gifts)	10	-	-	10	10	100,0%	99	99
Claim against the state (Cash)	-	-	-	-	-	-	8	7
Payment as an Act of Grace	-	-	-	-	-	-	10	10
TOTAL	7 927	-	-	7 927	7 928	-	3 773	3 772

ANNEXURE IF

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 kind			
Sponsorships			
		-	-
Total Sponsorships		-	-
Subtotal-Received in kind		-	-
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED		-	-

ANNEXURE 1G

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

	2024/25	2023/24
NATURE OF GIFT, DONATION OR SPONSORSHIP	R'000	R'000
Made in kind		
Gifts		
Corporate Gifts as token of goodwill for high level Dignitaries – China Outreach	-	4
Corporate Gifts as token of goodwill for high level Dignitaries – G20	-	4
Corporate Gifts as token of goodwill for high level Dignitaries - BRICS	-	6
Corporate Gifts as token of goodwill for high level Dignitaries - Ministers Tourism Dialogue	3	-
Corporate Gifts as token of goodwill for high level Dignitaries - Africa Indaba	4	-
Corporate Gifts for Mandela Day	53	-
Corporate Gifts as token of goodwill for high level Dignitaries – Ministers G20	4	-
Corporate Gifts as token of goodwill for high level Dignitaries – Ministers Ghana	2	-
Corporate Gifts as token of goodwill for high level Dignitaries – Ministers India outreach	6	-
Corporate Gifts as token of goodwill for high level Dignitaries – Ministers Berlin	4	-
Total Gifts	76	14
Donations		
Donations of Machinery and Equipment to Moses Mabida Foundation (NPO)	-	80
Donations of Machinery and Equipment to Nicholas Bhengu Foundation (NPO)	-	38
Donation of iPad, Printer and Computer Monitor to A Barkhuizen (Official Retired)	-	35
Donation of Computer Equipment to Minister Sisulu	-	163
Donation to M S Mothepane (Computer Equipment) (Official Retired)	-	59
Donation to M Tefu (Computer Equipment) (Official Retired)	-	35
Donations of Machinery and Equipment to Umnotho (NPO)	-	80
Donations of Machinery and Equipment to Patch-up South Africa (NPO)	-	319

DEPARTMENT OF TOURISM - VOTE 38

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

	2024/25	2023/24
NATURE OF GIFT, DONATION OR SPONSORSHIP	R'000	R'000
Donations of Machinery and Equipment to Aredireng Care Givers (NPO)	-	214
Donations of Machinery and Equipment to Bashika Mmogo (NPO)	-	107
Donations of Machinery and Equipment to B Peege (Official Retired)	74	-
Donations of Machinery and Equipment to A F Mahlalela (Deputy Minister Retired)	93	-
Donations of Machinery and Equipment to Vastfontein Community Transformation	190	-
Donations of Machinery and Equipment to M Heyneke (Official Retired)	44	-
Donations of Machinery and Equipment to S Pearce (Official Retired)	15	-
Donations of Machinery and Equipment to S Mampuru (Official Retired)	51	-
Total Donations	467	1 130
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS MADE IN KIND	543	1 144

ANNEXURE 2A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2025 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2024	Guarantees draw-downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations due to foreign currency movements	Closing balance 31 March 2025	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2025
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Housing									
Nedbank Limited		130	26	-	26	-	-	-	-
TOTAL		130	26	-	26	-	-	-	-

ANNEXURE 2B

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	Closing balance 31 March 2025	Revaluations due to foreign currency movements
	R'000	R'000	R'000	R'000	R'000
Claims against the Department					
Umbuso Training Services (Pty)Ltd - Claim against the department for payment of retention fees and administration costs due.	1 072	-	-	-	1 072
G Nevari-Claim due to unfair dismissal	6 000	-	-	-	6 000
K Morritti- Claim against the Department for accident damages	135	-	-	-	135
Lizelle Dominique Haskins and Makhosazana Khanyile-Defamation Claim	-	2 250	-	-	2 250
TOTAL	7 207	2 250	-	-	9 457

DEPARTMENT OF TOURISM - VOTE 38

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

ANNEXURE 3

CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year-end 2024/25	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	Receipt date up to six (6) working days after year-end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENT								
Department of Higher Education	39	-	-	-	39	-	3-Apr-25	39
Department of Justice	93	-	-	-	93	-	2-Apr-25	93
TOTAL	132	-	-	-	132	-		132

DEPARTMENT OF TOURISM - VOTE 38

ANNEXURES TO THE **ANNUAL FINANCIAL STATEMENTS** for the year ended 31 March 2025

ANNEXURE 4

INTERGOVERNMENTAL PAYABLES

	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year-end 2024/25	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	Receipt date up to six (6) working days after year-end	Amount
GOVERNMENT ENTITY								
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENT								
Current								
National School of Government	-	-	2	-	2	-	-	-
Sub Total	-	-	2	-	2	-	-	-
Total-Departments	-	-	2	-	2	-	-	-
OTHER GOVERNMENT ENTITY								
Current								
State Information Technology Agency (SITA)	581	-	-	-	581	-	-	-
Sub Total	581	-	-	-	581	-	-	-
Total-Other Government Entity	581	-	-	-	581	-	-	-
TOTAL INTERGOVERNMENTAL PAYABLES	581	-	2	-	583	-	-	-

DEPARTMENT OF TOURISM - VOTE 38

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

ANNEXURE 5

Movement of Capital Work-in-Progress

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

Note	Opening balance	Current Year WIP	Ready for use (Asset register)/ Contract Terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES				
Other fixed structures	771 800	212 665	-	984 465
TOTAL	771 800	212 665	-	984 465

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS FOR THE YEAR ENDED 31 MARCH 2024

Note	Opening balance	Current Year WIP	Ready for use (Asset register)/ Contract Terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES				
Other fixed structures	441 124	350 566	(19 890)	771 800
TOTAL	441 124	350 566	(19 890)	771 800

DEPARTMENT OF TOURISM - VOTE 38

ANNEXURES TO THE **ANNUAL FINANCIAL STATEMENTS** for the year ended 31 March 2025

ANNEXURE 6A

INTER-ENTITY ADVANCES PAID (note 10)

	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024
	R'000	R'000	R'000	R'000	R'000	R'000
FOREIGN GOVERNMENT/INTERNATIONAL ORGANISATION						
NATIONAL DEPARTMENTS						
-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

ANNEXURE 7

NATURAL DISASTER OR RELIEF EXPENDITURE

PER QUARTER TOTAL

	2024/25				2023/24	
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
FOREIGN GOVERNMENT/INTERNATIONAL ORGANISATION						
NATIONAL DEPARTMENTS						
-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

DEPARTMENT OF TOURISM - VOTE 38

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2025

ANNEXURE 8

ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTE 10)

Name of Entity	Sector of the entity	Description of the item paid for	Classification category	Total Contract Value	Balance outstanding as at 31 March 2024	Total amount prepaid / advanced in the current year	Less: goods, services or capital assets received in the current year	Add/Less: Other	Balance outstanding as at 31 March 2025
				R'000	R'000	R'000	R'000	R'000	R'000
Prepayments									
Total prepayments					-	-	-	-	-
Advances									
Ezemvelo KZN Wildlife	Biodiversity conservation	Upgrading of facilities	Public entities	33 100	4 063	-	(330)	-	3 733
Ezemvelo KZN Wildlife	Biodiversity conservation	Upgrading of facilities	Public entities	36 018	5 558	-	(47)	-	5 511
Trade and Investment KwaZulu	Trade and Investment	Completion of works	Public entities	37 000	2 880	-	(1 557)	-	1 323
South African National Biodiversity Institute	Biodiversity conservation	Completion of works, repairs and construction of new ablution facilities	Public entities	37 620	22 194	-	-	-	22 194
Eastern Cape Parks and Tourism Agency	Provincial Parks	Completion of works, repairs and construction of new ablution facilities	Public entities	21 000	10 948	-	(2 617)	-	8 331
Constitutional Hill Development Company	Human Rights Precinct	Construction of People's Park	Public entities	14 000	5 524	-	(3 213)	-	2 311

DEPARTMENT OF TOURISM - VOTE 38

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	Balance outstanding as at 31 March 2024	Total amount prepaid / advanced in the current year	Less: goods, services or capital assets received in the current year	Add/Less: Other	Balance outstanding as at 31 March 2025
				R'000	R'000	R'000	R'000	R'000	R'000
SANParks - ADDO	National Park	Construction of ADDO main rest camps	Public entities	30 000	8 419	-	(8 419)	-	-
Western Cape Nature Conservation Board-Goukamma Nature Reserve	Nature Reserve	Upgrading and repair of existing facilities	Public entities	18 000	14 998	-	(27)	-	14 971
KwaZulu-Natal Tourism Authority	Tourism	Construction of access road	Public entities	12 450	8 462	-	(1)	-	8 461
Ezemvelo KZN Wildlife	Biodiversity conservation	Upgrading of facilities	Public entities	10 090	4 112	-	-	-	4 112
DBSA	Development	Completion of works, repairs and construction of new ablution facilities	Public entities	1 002 492	282 007	-	(200 222)	-	81 785
DBSA	Development	Security	Public entities	14 421	2 736	-	-	-	2 736
SANParks -Business Incubation	National Park	Business Incubation	Public entities	-	878	-	-	(878)	-
Ezemvelo KZN Wildlife	Biodiversity conservation	Universal Access Park	Public entities	-	988	-	-	(988)	-
Mpumalanga Tourism Parks and Agency	Provincial Parks	Universal Access Park	Public entities	-	7 728	-	-	-	7 728
SANParks	National Park	Maintenance	Public entities	-	1 406	-	-	(1 406)	-
Maropeng A Afrika	Attraction	Upgrading	Public entities	-	878	-	-	(878)	-

DEPARTMENT OF TOURISM - VOTE 38

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	Balance outstanding as at 31 March 2024	Total amount prepaid / advanced in the current year	Less: goods, services or capital assets received in the current year	Add/Less: Other	Balance outstanding as at 31 March 2025
				R'000	R'000	R'000	R'000	R'000	R'000
SANPARKS WC-Agulhas Lighthouse Tourism Project	National Park	Construction of new facilities	Public entities	54 990	14 357	-	(14 357)	-	-
Eastern Cape Parks and Tourism Agency	Provincial Parks	Universal Access Park	Public entities	-	213	-	-	(213)	-
SANPARKS Tourism Monitors Project Phase 3	National Park	Skills Development	Public entities	32 867	25 722	-	(25 722)	-	-
Total advances					424 071		(256 512)	(4 363)	163 196
TOTAL PREPAYMENTS AND ADVANCES					424 071		(256 512)	(4 363)	163 196



In accordance with the Codes of Good Practice issued under Section 9(1) of the Broad-Based Black Economic Empowerment Act No 53 of 2003, as amended on 11 October 2013

This is to certify that

DEPARTMENT OF TOURISM

COMPANY REGISTRATION NO:	N/A
VAT REGISTRATION NO:	N/A
CLIENT VERIFICATION NO:	BE13069-R1-070425
ADDRESS:	17 Trevenna Street, Nedpark Building, Sunnyside, Pretoria, 0002

Has a current overall Broad-Based BEE Status of

LEVEL 8

In terms of the Amended DTIC Specialised Sector Codes - Generic Scorecard (Gazette No: 38766)

SCORECARD ELEMENT	ENTITY SCORE	WEIGHING POINTS	VALIDATIONS	
MANAGEMENT CONTROL	19.57	20.00	Principle Applied	FTP
SKILLS DEVELOPMENT	12.76	25.00	Black Owned percentage	N/A
ENTERPRISE AND SUPPLIER DEVELOPMENT	28.91	50.00	Black Women Owned Percentage	N/A
SOCIO-ECONOMIC DEVELOPMENT	0.00	5.00	Designated Group Supplier	NO
TOTAL	61.24	100.00	Black Designated Group percentage	0.00%
EMPOWERING SUPPLIER	YES		Black Youth percentage	0.00%
DISCOUNTING PRINCIPLE APPLIED	YES		Black Disabled percentage	0.00%
PARTICIPATED IN Y.E.S	NO		Black Unemployed percentage	0.00%
ACHIEVED YES TARGET + 2.5% ABSORPTION	NO		Black People in Rural areas percentage	0.00%
ACHIEVED YES TARGET + 5% ABSORPTION	NO		Black Military Veterans percentage	0.00%
ACHIEVED 2 X YES TARGET + 5% ABSORPTION	NO		Exclusion Principle	NO
			Financial Year End	MAR 2024

And a BEE Procurement Recognition Level of 10%

Period of Validity: 12 Months from Issue Date
 Issue Date: 11-10-2024
 Expiry Date: 10-10-2025
 Re-issue Date: 07-04-2025

Hlumelo Mavume
 Technical Signatory



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