



2025-26

ANNUAL REPORT



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Department:
National School of Government
REPUBLIC OF SOUTH AFRICA

Learn Serve Grow





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National School of Government
REPUBLIC OF SOUTH AFRICA

NATIONAL SCHOOL OF GOVERNMENT

VOTE NO.7

ANNUAL REPORT

2025/26 FINANCIAL YEAR

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PART A:

GENERAL INFORMATION



1. DEPARTMENT GENERAL INFORMATION

The National School of Government (NSG) has a constitutional and legislative mandate to provide education, training and development in the three spheres of government, state-owned enterprises (SOEs) and organs of state. This mandate is in line with Section 195 of the Constitution of the Republic of South Africa (1996), which declares public administration to be development-oriented and participatory, and the basic values and principles being the basis of interaction between public administration (three spheres of government, organs of state, public enterprises) and society. The ETD interventions are delivered to public representatives and public servants and are clustered in accordance with the following occupational bands:

- i. **Cadet and Foundation Development:** Providing ETD interventions to graduates who wish to join the public service, public service interns and public servants up to occupation level 8 (support staff, administrators and supervisors). Emphasis is placed on understanding the rules of government and service delivery excellence (especially as most front-line officials are in this band).
- ii. **Middle Management Development:** Providing ETD interventions for occupational levels 9-12 (junior and middle managers) with emphasis on occupational skills (know-how), supply chain management, budgeting, supervisory skills and pathways to (further) qualifications.
- iii. **Senior Management Development and Professionalisation:** Providing ETD interventions to senior managers between levels 13 and 14 (Directors and Chief Directors). Chapter 4 of the SMS Handbook determines a set of competencies that employees in these core categories should have. These include analytical skills, problem-solving, and the ability to manage money and people. This is in addition to the core competencies (expertise) required to perform as a professional in finance, ICT, issuing licenses/permits, policy formulation and monitoring, planning and implementing built environment projects like housing, road construction, water provision, etc.
- iv. **Executive Development and Leadership Support:** This band is complex because it caters to occupational levels 15-16 (Deputy Director-General,

Director-General) and Political Office Bearers. In addition to top-up training on the requirements of Chapter 4 of the SMS (for DDGs and DGs), this category of leadership in the public sector is expected to lead as experts and advisors both in the work of departments and government and as nurturers of talent, stewards of public funds and champions of transformation. The NSG has shifted its focus to expose this layer of government to design theories, modelling and forecasting, leadership by outcomes, talent management, and the management of the political-administrative interface. As for the political office bearers, we are focusing on building expertise in areas such as economic governance, political oversight and accountability, using instruments like the Executive Ethics Code and Public Finance Management Act (PFMA).

The NSG is located in the City of Tshwane Municipality, in the suburb of Sunnyside. This is the main office of the NSG, and a significant portion of training sessions are undertaken in training facilities on these premises.

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2. LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor-General of South Africa
AMDIN	African Management Development Institutes Network
AO	Accounting Officer
AOP	Annual Operational Plan
APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment
CFO	Chief Financial Officer
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service and Administration
EMC	Executive Management Committee
ETQA	Education and Training Quality Assurance
GRAP	Generally Recognised Accounting Practice
HEIs	Higher Education Institutions
HOD	Head of Department
KPA	Key Performance Area
LG SETA	Local Government Sector Education and Training Authority
MANCO	Management Committee
MOU	Memorandum of Understanding
MPSA	Minister for the Public Service and Administration

MTDP	Medium-Term Development Plan
MTEF	Medium Term Expenditure Framework
NSG	National School of Government
NT	National Treasury
PSC	Public Service Commission
PSCBC	Public Service Coordinating Bargaining Council
PFMA	Public Finance Management Act
PMDS	Performance Management and Development System
PSETA	Public Service Sector Education and Training Authority
QCTO	Quality Council for Trades and Occupations
QMS	Quality Management System
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SITA	State Information Technology Agency
SMS	Senior Management Service
TNA	Training Needs Analysis
TR	Treasury Regulations
TTA	Training Trading Account

3. FOREWORD BY THE MINISTER



INKOSI E.M BUTHELEZI, MP
MINISTER FOR THE PUBLIC SERVICE AND
ADMINISTRATION

It gives me great pleasure to table the Annual Report of the National School of Government for the 2025/26 financial year. This report marks the first year of implementation of the NSG's five-year Strategic Plan for the period 2025 to 2030 and therefore represents an important foundation for the next phase of building a capable, ethical, professional and developmental public sector.

The mandate of the NSG remains central to the constitutional imperative of transforming public administration. In line with section 195 of the Constitution of the Republic of South

Africa, the NSG contributes to advancing the values of professionalism, accountability, responsiveness, ethics and service to the people. Its mandate to provide and facilitate education, training and development across the three spheres of government, state-owned enterprises and organs of state positions it as a strategic instrument for strengthening state capacity.

The 2025/26 financial year unfolded within the context of the Medium-Term Development Plan 2024-2029, which prioritises inclusive growth and job creation, the reduction of poverty and the high cost of living, and the building of a capable, ethical and developmental state. These priorities require a public sector that is skilled, agile, values-driven and able to respond to the needs of citizens with urgency and competence. The NSG's work during the year under review demonstrates its contribution to this broader national agenda.

A significant achievement during the reporting period was the training of 235 208 learners, which confirms the growing demand for NSG learning interventions and

the importance of expanding access through blended, online and open distance eLearning modalities. The NSG continued to implement compulsory and demand-led programmes critical to the professionalisation of the public sector, including the Nyukela pre-entry programme and Ethics in the Public Service. The achievements are important because professionalisation must be anchored not only in competence, but also in integrity, discipline and ethical conduct. The NSG remains central to the implementation of the National Framework towards the Professionalisation of the Public Sector, which was approved by Cabinet in October 2022. During the year under review, the NSG conducted 21 advocacy and support sessions on the implementation of the Framework. It also developed the Learning Pathways Curriculum Framework, which will support a more coherent, progressive and structured approach to learning. The NSG also maintained its accreditation status and continued to strengthen quality assurance arrangements for programmes and courses. From a governance and institutional perspective, the NSG made progress in strengthening risk management, internal controls, service delivery improvement and digital transformation. The Service Delivery Improvement Plan was developed, and ICT business solutions were implemented.

In conclusion, I wish to express my appreciation to the Deputy Minister for the Public Service and Administration, Ms Pinky Kekana, the Accounting Officer, Ms Phindile Mkwana, the executive leadership, management and staff for their dedication to building state capacity. The achievements recorded in this Annual Report confirm that the NSG is on a positive growth path. Our collective task is to ensure that this growth translates into a public sector that is professional, ethical, developmental and capable of improving the lives of the people of South Africa.

A handwritten signature in black ink, appearing to read 'Inkosi E.M. Buthelezi', written over a horizontal line.

INKOSI E.M. BUTHELEZI, MP
MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION
31 August 2026

4. DEPUTY MINISTER STATEMENT



MS PINKY KEKANA, MP
DEPUTY MINISTER FOR THE PUBLIC
SERVICE AND ADMINISTRATION

It gives me great pleasure to present this statement as part of the Annual Report of the National School of Government (NSG) for the 2025/26 financial year. This reporting period marks the first year of implementation of the Strategic Plan 2025-2030, and therefore represents an important foundation for strengthening a capable, ethical, professional and developmental public sector. In the previous financial year, I reflected on the NSG's expanding mandate, its growing influence among political office bearers, traditional leaders and youth, and its contribution to state capacity through learning, leadership development and institutional support.

During the year under review, the NSG continued to demonstrate that education, training and development (ETD) are not only domestic imperatives, but also strategic instruments for continental cooperation, international partnerships and the strengthening of public administration across Africa. South Africa's role in the world is anchored in constitutionalism, human rights, solidarity, peaceful cooperation and the advancement of the African Agenda. In this context, the NSG's international and Africa affairs work has become increasingly important in supporting the renewal of public institutions, building governance capability and promoting shared learning across countries.

The NSG has continued to strengthen its domestic and international partnerships in order to enhance the relevance, quality and reach of its ETD interventions. During the reporting period, eight international memoranda of understanding were implemented in support of capacity-building interventions. These partnerships

supported knowledge exchange, learning collaboration and access to global expertise in areas that are essential to public administration.

South Africa continues to participate in continental and global platforms that advance governance, capacity building and public sector reform. The NSG's continued support to the African Management Development Institutes Network remains significant, as this continental network strengthens management development institutions and contributes to capacity building across the African continent. This work gives practical expression to South Africa's commitment to the African Union Agenda 2063 and to the development of capable public institutions across Africa.

A notable achievement during the financial year was the successful implementation of the Ghana-South Africa-Kenya Economic Governance School, which was co-designed in collaboration with the Ghana Institute of Management and Public Administration and the Kenya School of Government. This initiative builds on the Economic Governance School Programme, which has become a key platform for strengthening the capacity of executive members and senior public leaders. The expansion of this programme beyond South Africa affirms the NSG's role as a continental partner in shaping governance capability, economic policy leadership and public sector performance.

The NSG also coordinated the inaugural African Conference of Public Affairs and Development, held in Ghana from 28 to 30 April 2025. This was an important milestone in creating a continental platform for dialogue, scholarship, practice and innovation in public affairs and development. In addition, the NSG supported online training on the African Charter on the Values and Principles of Public Service and Administration, with 25 participants completing the course. These initiatives show that the NSG is not only delivering training, but also shaping thought leadership on governance and public administration in Africa.

Women's development remains a priority in building a capable and inclusive public sector. The NSG's Women in Leadership initiative is an important contribution to accelerating gender transformation by providing executive development

programmes, coaching and mentorship, and advocacy to address systemic barriers. This work is essential because the professionalisation of the public sector must also advance inclusion, representation and equal opportunity. A capable state cannot be built without investing in the leadership, talent and advancement of women across all levels of public administration.

In conclusion, I wish to acknowledge the leadership of the Minister for the Public Service and Administration, Inkosi E.M. Buthelezi, and express my appreciation to the Accounting Officer, Ms Phindile Mkwana, the executive leadership, management and staff. The work reflected in this Annual Report confirms that the NSG is increasingly becoming a strategic platform for learning, cooperation and institutional development in South Africa, across Africa and internationally. I remain confident that the NSG will continue to contribute meaningfully to the professionalisation of the public sector and to the development of public servants and leaders who are ethical, capable, inclusive and committed to serving the people.



MS PINKY KEKANA, MP

DEPUTY MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION

31 AUGUST 2026



*“Women’s development remains
a priority in building a capable
and inclusive public sector”*

5. REPORT OF THE ACCOUNTING OFFICER



MS. PHINDILE MKWANAZI
ACTING PRINCIPAL: NATIONAL SCHOOL
OF GOVERNMENT

The National School of Government (NSG) is a part of the portfolio of institutions reporting to the Minister for the Public Service and Administration. We have a mandate to provide or facilitate the provision of education, training and development (ETD) in the three spheres of government, state-owned entities (SOEs) and organs of state. Our mandate is in line with Section 195 of the Constitution of the Republic of South Africa, 1996, which declares public administration to be development-oriented and participatory, and the basic values and principles being the basis of interaction between public administration (three

spheres of government, organs of state, public enterprises) and society.

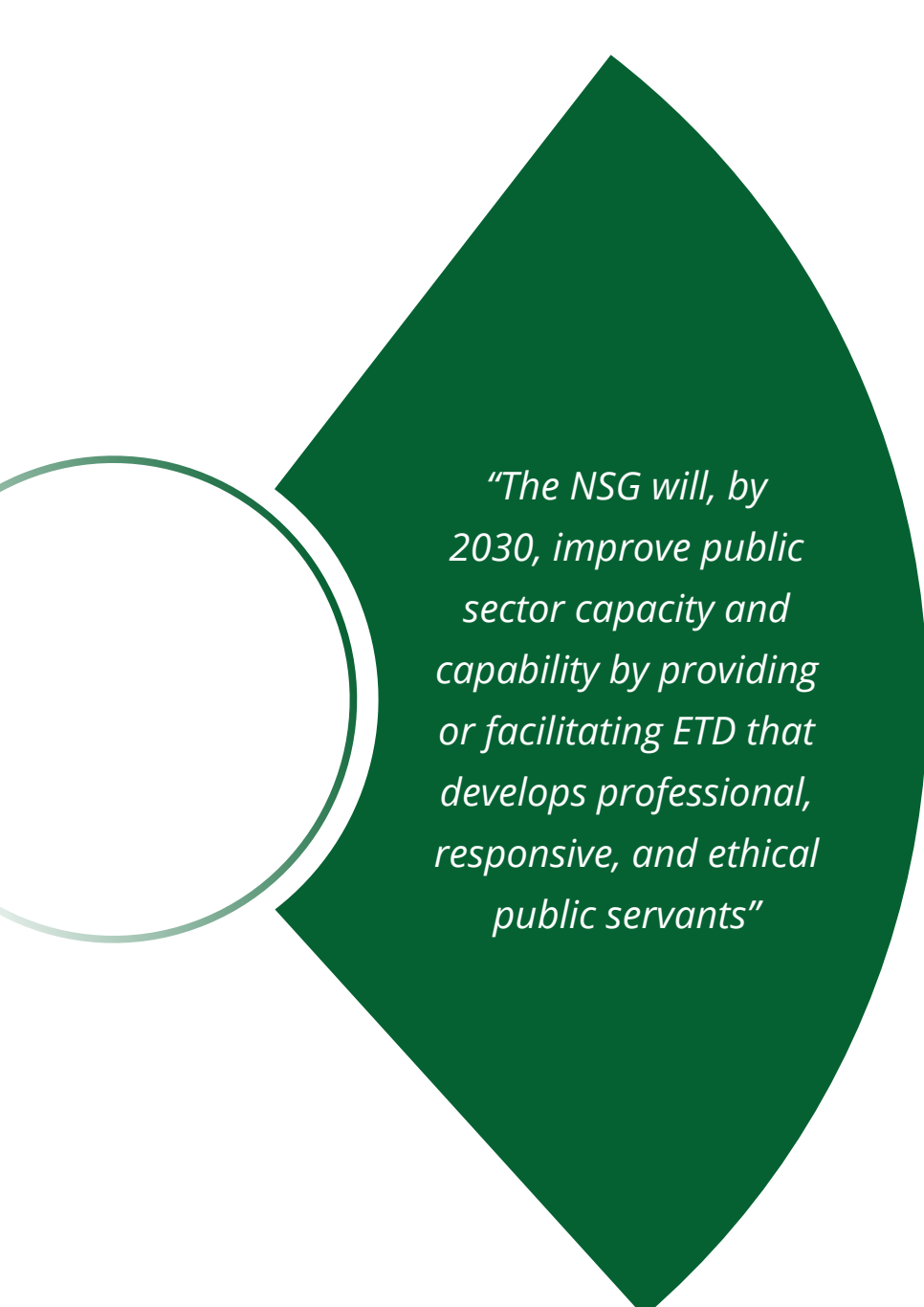
The seventh administration has adopted a Medium-Term Development Plan (2024-2029) with the following three strategic priorities for implementation:

1. Drive inclusive growth and job creation.
2. Reduce poverty and tackle the high cost of living.
3. Build a capable, ethical and developmental state.

These priorities also align with the Statement of Intent of the Government of National Unity (GNU) and the pursuance of some of the following objectives:

- Realising rapid, inclusive and sustainable economic growth, the promotion of fixed capital investment and industrialisation, job creation, transformation, livelihood support, land reform, infrastructure development, structural reforms and transformational change, fiscal sustainability and the sustainable use of South Africa's national resources and endowments.
- Creating a more just society by tackling poverty, spatial inequalities, food security and the high cost of living, providing a social safety net, improving access to and the quality of basic services, and protecting workers' rights.
- Stabilising local government, effective cooperative governance, assigning appropriate responsibilities to the three government spheres and reviewing traditional leadership's role in the governance framework.
- Investing in people through education, skills development and affordable quality healthcare.
- Building state capacity and creating a professional, merit-based, corruption-free, developmental public service, and restructuring and improving state-owned entities (SOEs) to meet national development goals.
- Strengthening social cohesion, nation-building and democratic participation, and undertaking common programmes against racism, sexism, tribalism and other forms of intolerance.
- Creating foreign policy based on human rights, constitutionalism, the national interest, solidarity, and peaceful resolution of conflicts to achieve the Agenda 2063, South-South, North-South, and African cooperation, multilateralism, and a just, peaceful, and equitable world.

These priorities require the NSG to deepen and fast-track its education, training, and development (ETD) interventions to effectively support public sector institutions. In this regard, the NSG held strategic planning workshops, culminating in the development and approval of a five-year strategic plan (2025-2030). The NSG will, by



“The NSG will, by 2030, improve public sector capacity and capability by providing or facilitating ETD that develops professional, responsive, and ethical public servants”

2030, improve public sector capacity and capability by providing or facilitating ETD that develops professional, responsive, and ethical public servants and representatives. The following outcomes, aligned with the MTDP, guide the performance of the NSG over the next five years:

- i. A capable and professional public sector
- ii. Capability for economic governance
- iii. Improved governance and social cohesion
- iv. Institutional excellence and leadership

Overview of the operations of the National School of Government

Under current legislative arrangements, government departments must annually allocate 1% of their employee compensation budget to employee training. The responsibility for employee training is vested in accounting officers and undertaken primarily through competitive procurement processes. The NSG is required to generate revenue to ensure its financial viability and sustainability, and, as such, it is placed on a competitive, cost-recovery footing, together with internal and external training providers.

The cost recovery model consists of partial funding appropriated by Parliament and income derived from training course fees, which are managed in the Training Trading Account (TTA). The cost-recovery model requires that all costs associated with the design and development of learning materials and the implementation of training courses be recovered from training fees.

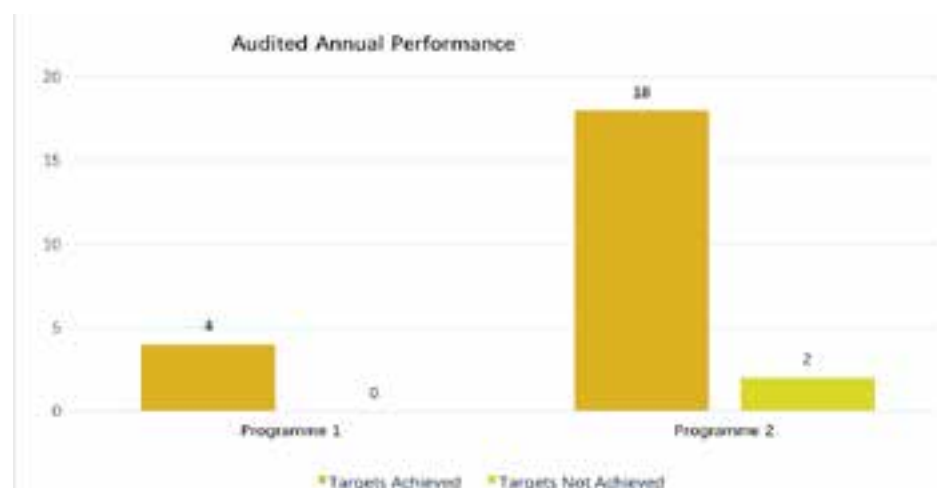
Compulsory and demand-led ETD is provided across four occupational bands (Cadet and Foundational Development, Middle Management Development, Senior Management and Professionalisation, and Executive Management and Leadership Support) through accredited and non-accredited programmes and courses. The NSG delivers on its mandate by adopting a blended approach that includes classroom interaction, online learning, on-site experimentation, webinars, thought-leadership masterclasses, and conferences.

Annual Performance Plan 2025/26

The Annual Report for the 2025/26 financial year marks the first year of implementing the five-year strategic plan (2025-2030). This financial year marked the start of a significant process for the NSG in prioritising the transition of unit standard courses into recognised occupational qualifications. The NSG has delivered a range of bespoke offerings and continues to respond to broader demand from political and administrative levels of government across the country and globally.

In this financial year, 24 performance targets were set in the annual performance plan, of which 22 were achieved. This translated to a performance achievement of 92% of the total planned targets, a summation of which per programme is shown below:

Graph 1: Annual Performance per Programme



What is significant to the NSG since the commencement of the current strategic period is the exponential growth of open distance eLearning, which the NSG has been monitoring and reporting on. In this financial year, the eLearning courses enrolled 217 784 learners, of whom 132 519 completed.

Highlights of Performance

A total of 234 098 were trained against a pre-determined target of 52 385. This is a noteworthy achievement as the NSG continues to support the delivery of training through various eLearning and online platforms.

The pre-entry course to the Senior Management Service, Nyukela, is being delivered in line with the directive issued by the MPSA. Any individual wishing to join the SMS echelon must complete this pre-entry course. In this financial year, 6 476 learners (prospective and serving public servants) enrolled for Nyukela, with 4 539 learners successfully completing it. The Ethics course is one of our flagship programmes, and it has also been made compulsory for all public servants. In this financial year, there was a total enrolment of 76 378, with 58 774 learners completing the course (77% achievement).

International Relations and Partnerships

The Government has established and mandated the NSG to professionalise and build public sector capacity for the realisation of the values and principles of public administration as stated in the Constitution of South Africa. Beyond its domestic legislative and policy mandates, the NSG, in line with South Africa's foreign policy also champions Africa's capacity building and participates in various bilateral and multilateral bodies advancing public administration capacity development. To execute this mandate, the NSG revised and approved its partnership strategy, which addresses three specific objectives:

1. Domestic partnerships for relevance, quality and training delivery enhancement
2. International partnerships for knowledge sharing, learner exchange programmes and new markets for training delivery
3. Foreign policy imperatives on the African continent

During the period under review, seven international MOUs supporting capacity-building interventions were implemented. A significant milestone was the formalisation of a landmark partnership between the NSG and Huawei South Africa,

aimed at accelerating digital transformation, strengthening public sector capacity, and fostering innovation in governance. The NSG, in collaboration with the Chandler Institute of Governance, also organised the launch of the Chandler Good Governance Index and contributed to strengthening dialogue on governance indicators across the continent.

Africa Affairs

South Africa participates in various continental and global bodies responsible for governance, capacity building, and public sector reform. These bodies include the African Union Specialised Committee on Public Administration, the Southern African Development Community (SADC), and BRICS. Notably, South Africa maintains relationships with various Management Development Institutes and Schools of Government as part of the African Management Development Institutes Network (AMDIN). This is a continental network that strengthens MDIs and is crucial to capacity building on the continent. The NSG continues to provide secretariat support to the Network. In line with South Africa's foreign policy and Africa's interests, the purpose of NSG participation in these bodies is to influence public sector capacity building and promote the AU Agenda 2063.

During this financial year, the following was achieved:

- The Ghana-South Africa-Kenya Economic Governance School was co-designed and successfully implemented in collaboration with the Ghana Institute of Management

and Public Administration (GIMPA) and the Kenya School of Government (KSG). The online training on the African Charter on the Values and Principles of Public Service and Administration was undertaken, with 25 participants completing the course.

- Successfully coordinating the inaugural African Conference of Public Affairs and Development (ACPAD), which was held in Ghana from 28-30 April 2025.

Overview of the financial results of the National School of Government

The NSG operates a Training Trading Account for its training operations. It submits separate financial statements for the NSG Training Trading Account (TTA), a trading entity established in terms of the Public Finance Management Act (PFMA), Act No. 1 of 1999, as amended. The statements are prepared in accordance with South African Statements of Generally Recognised Practice (GRAP). To achieve full compliance with accrual accounting requirements, the prescribed financial accounting system of the trading entity is supplemented by additional manual procedures.

Vote Account

The full budget appropriation for the 2025/26 financial year was R228.6 million, which was an increase from the R218.7 million allocation received in the previous financial year. The increase was inflation related, as issued by the National Treasury. A saving of 3.2% i.e. R3.7 million was realised at the end of the financial year.

Departmental receipts

Departmental receipts	2025/2026			2024/2025		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts						
Casino taxes	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	32	45	13	32	47	15
Transfers received	-		-	-	-	-
Fines, penalties and forfeits	-		-	-	-	-
Interest, dividends and rent on land	39	2	37	39	-	39
Sale of capital assets	50	51	1	-	60	60
Financial transactions in assets and liabilities	263	54	209	261	177	84
Total	384	152	232	332	284	48

Total departmental receipts revenue decreased by R0.132 million, from R0.284 million (2024/25) to R0.152 million (2025/26). The decrease is from financial transactions in assets and liabilities. Course fees are determined on a cost-recovery basis in accordance with Treasury Regulation 19.5.2. The tariffs are assessed annually and

revised as deemed necessary as part of the ongoing NSG financial status reviews and in accordance with Treasury Regulation 19.5.3. There were no course fees increase applied for the 2025/26 financial year.

Programme Expenditure

Programme Name	2025/2026			2024/2025		
	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
Administration	116,156	112,449	3,707	110,780	108,079	2,701
Public Sector Organisational and Staff Development	112,527	112,527	-	107,944	107,944	-
Total	228,683	224,976	3,707	218,724	216,023	2,701

Programme 1: Administration

The total expenditure breakdown of R112.4 million for 2025/26 and spending patterns, compared to the 2024/25 financial year, is summarised as follows:

Compensation of employees for the Vote-funded staff component of NSG increased by 2.0% from R63.9 million (2024/25) to R65.3 million in 2025/26, due to the filling of funded vacancies and the adjustment of the cost of living as per PSCBC Resolution 1 of 2025. Goods and services increased by 7.4% from R41.2 million (2024/25) to R44.2 million in 2025/26. The increase is due to operating lease payments, computer services, theft, and losses. Expenditure on capital assets decreased by 59.6% from R2.7 million (2024/25) to R1.1 million in 2025/26. The decrease is due to delays in the procurement of the CISCO & LAN switches and laptops. The NSG is in the process of applying for a rollover of funds, as these items are capital in nature.

Programme 2: Public Sector Organisational and Staff Development

The transfer of funds from Vote to the Training Trading Account (TTA) was R112.5 million in 2025/26.

Training Trading Account (TTA)

The NSG operates a trading account for its training operations. It submits separate financial statements for the NSG Training Trading Account (TTA), a trading entity established in terms of the Public Finance Management Act (PFMA), Act No. 1 of 1999, as amended. The statements are prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP). To fully comply with accrual accounting requirements, the prescribed financial accounting system of the trading entity is supplemented by additional manual procedures.

Total revenue, including the transfer of funds from the Vote Account appropriation for the financial year (2025/26), increased by R50.4 million from R221.3 million (2024/25) to R271.7 million (2025/26). Income from course fees increased by 52.8%, from R92.2 million (2024/25) to R140.9 million (2025/26). The transfer of funds from the Vote Account to Trade Account increased by 6.3% from R108.4 million (2024/25) to R115.3 million (2025/26).

Total expenditure in the TTA increased by R12.7 million from R269.6 million in 2024/25 to R282.3 million in 2025/26. The increase is related to operating expenses for delivering training, as client departments are taking up training. The TTA closed the year with a deficit of R48.2 million in 2024/25 and the closing status in 2025/26 is a deficit of R10.5 million.

Summary of Irregular, Unauthorised, Fruitless, and Wasteful Expenditure

Vote Account – No fruitless expenditure was identified in the year under review. An amount of R0.492 million was confirmed to be an irregular expenditure incurred during the year under review. This related to a non-compliance procurement prescript for goods and services through the SITA Act, amounting to R0.388 million. The other was related to non-compliance procurement prescript for the government order issued to a supplier other than the PPPFA calculated supplier. All matters are under investigation.

Trade Account – An amount of R0.018 million was confirmed as irregular expenditure that related to a non-compliance with the prescripts for goods and services procured through the SITA Act. The amount of R0.006 million was for fruitless and wasteful expenditure related to the deployment of an IIC to the wrong venue for the delivery of training, and the other was for an NSG employee missing a flight for the same purpose. All matters are under investigation.

Public-Private Partnerships

The NSG has initiated the process to enter into PPP contracts during the 2025/26 financial year. The contract relates to the development of the NSG Campus.

Supply chain management

No unsolicited bid proposals were concluded for the year under review. The supply chain management processes and systems were in place throughout the financial year to prevent irregular expenditure.

Gifts and Donations received in kind from non-related parties

Name of Donor	Purpose	Revenue (R'000)
Nedbank (Pty)Ltd	Utilisation of the venue for the delivery of training	308
AngloGold Ashanti Ltd	Support in the delivery of training in Ghana	815
MTN (Pty) Ltd	Support in the delivery of training	1 500
ABSA (Pty) Ltd	Support in the delivery of training	150
TOTAL		2773

Exemptions and deviations received from the National Treasury

No exemptions from the PFMA or Treasury Regulations or deviation from the financial reporting requirements were requested for the current and/or prior financial year.

Events after the reporting date

The NSG is not aware of any events subsequent to year-end that might require adjustments to the stated figures.

Other

The NSG is not aware of any events subsequent to year-end that might require adjustments to the stated figures.

Acknowledgement/s or Appreciation

I would like to express my appreciation to our Minister for the Public Service and Administration, Inkosi E.M Buthelezi and Deputy Minister for the Public Service and Administration, Ms Pinky Kekana, for their leadership, guidance and support towards the NSG in delivering on its mandate. I would also like to express my appreciation to the management and staff of the NSG for their commitment.

The NSG partners and senior fellows, as experts in their respective fields, have contributed significantly to discussions and engagements convened by the NSG. Lastly, I would also like to express my appreciation to Anglo-American for funding some of the NSG programmes and enabling public servants to participate in these programmes.

The continuing collaboration with Nedbank and ABSA is highly appreciated.

Conclusion

The NSG has been on a growth path that includes making public sector ETD more accessible, citizen-centric, and responsive to development and service delivery challenges. These interventions have been broadened to encompass the entire public sector. The reach has also grown in Africa through AMDIN and bilateral agreements with management development institutes. The NSG also strengthened its international footprint with partnerships. The NSG has been responsive to new developments locally and globally. The value of the NSG has been further affirmed through new initiatives and activities, the broader mandate accorded to it, and the growing pressure for in-depth capacity building. The pace of change and the NSG's efforts to deliver at scale and in a responsive manner have unfolded without fully considering the imperative to reposition.

The NSG is, because of growing demands, further recalibrating its ETD offerings to be more responsive to a changing mandate by providing compulsory and demand-driven short learning programmes, qualifications, executive education, continuous professional development, just-in-time capacity interventions and offering institutional support interventions (such as training needs analyses, strategic planning and change management). The first year of the implementation of the five-year strategic plan indicates that the NSG is on the right growth path towards building state capacity.

Approval and sign off

The Accounting Officer approved the audited Annual Financial Statements of Vote 7 and the Annual Financial Statements of the Training Trading Account. The report is attached.

Yours faithfully



ACCOUNTING OFFICER

MS. PHINDILE MKWANAZI

31 AUGUST 2026



6. 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 2026.

Yours faithfully



ACCOUNTING OFFICER
MS. PHINDILE MKWANAZI

31 AUGUST 2026

7. STRATEGIC OVERVIEW



7.1 Vision

A Capable, Developmental and Ethical Public Sector

To successfully implement this vision, the NSG ensures that public servants possess the capabilities needed for efficient service delivery. These are critical for creating an enabling environment that supports inclusive growth, job creation, poverty reduction, and lower living costs. The NSG's approach emphasises adherence to constitutional values and principles of public administration, prioritising ethics, integrity, socio-economic rights and social justice. By redefining its ETD offerings and strengthening partnerships across sectors, the NSG aims to build a public sector that is not only responsive to citizen needs but also aligned with the MTDP's strategic priorities.



7.2 Mission

To cultivate a professional and capable public sector through education, training and development initiatives that advance inclusive growth for the benefit of society

The mission of the NSG is to cultivate the capacity among new, serving and prospective public officials (both elected and appointed) towards fulfilling government priorities. The NSG intends to place specific emphasis on economic and social growth. There must be a strategic shift towards lifelong learning to prepare public officials for the complexities of public sector governance. This involves fostering a culture of continuous learning, where professional development is an ongoing process rather than a one-time event.



7.3 Values

As an institution, the NSG is foremost guided by the constitutional values and principles of public administration as set out in section 195 of the Constitution of the Republic of South Africa (1996), the Batho Pele principles (1997), the Public Service Charter (2013) and the African Charter on Values and Principles of the Public Service and Administration (2016). The following values define the NSG:

LEARN: expanding learning opportunities for public servants to master statecraft.

SERVE: building the capacity (and culture) of public servants to serve society effectively

GROW: helping public servants to combine learning and service (experience) to grow professionally

Furthermore, the NSG is also committed to and will fulfil its mandate by subscribing to the following set of values, which are:

Adaptable	This value aligns with the NSG's emphasis on innovation and flexibility in service delivery. The NSG strives to be responsive to changing needs and priorities, ensuring that its ETD initiatives remain relevant and effective. Adaptability enables the NSG to continuously improve its services and support public servants in navigating complex challenges.
Sollicitous	The NSG places significant emphasis on serving and responding to citizen needs, reflecting a solicitude for the satisfaction of its stakeholders. By prioritising citizen-centred service delivery, the NSG ensures that public servants can effectively address citizens' needs and concerns. This commitment to serving others underscores the NSG's mandate to empower public servants to be responsive to citizen needs and government priorities.
Professional	This value is central to building a capable and ethical public sector. The ETD initiatives are designed to enhance the skills and competencies of public servants, ensuring they operate with integrity, accountability and excellence. By fostering a culture of professionalism, the NSG supports the development of an efficient, effective and professional public administration.
Innovative	By encouraging creative solutions and methodologies, the NSG helps public servants address complex challenges and improve service delivery. Through innovative practices, the NSG contributes to building a dynamic and adaptive public sector.
Respectful	The NSG's commitment to respect is reflected in its emphasis on treating all stakeholders with dignity. This value is integral to fostering a positive and inclusive learning environment where public servants feel valued and supported. By promoting respectful interactions, the NSG encourages collaboration, open communication and mutual understanding among its learners and stakeholders.
Ethical	The NSG prioritises ethical behaviour as a foundational principle. Guided by the values and principles of public administration outlined in the Constitution, the NSG ensures that its ETD initiatives promote high standards of professional ethics.

Section 195(1) of the Constitution

- (a) A high standard of professional ethics must be promoted and maintained.
- (b) Efficient, economic and effective use of resources must be promoted.
- (c) Public administration must be development-oriented.
- (d) Services must be provided impartially, fairly, equitably and without bias.
- (e) People's needs must be responded to, and the public must be encouraged to participate in policy-making.
- (f) Public administration must be accountable.
- (g) Transparency must be fostered by providing the public with timely, accessible and accurate information.
- (h) Good human resource management and career-development practices, to maximise human potential, must be cultivated.
- (i) Public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation.

8. LEGISLATIVE AND OTHER MANDATES

8.1 Constitutional Mandate

The NSG derives its mandate from the Constitution of the Republic of South Africa, 1996. In particular, section 195 (1) sets out the basic values and principles governing public administration, including section 195 (1)(h), which requires that good human resource management and career development practices be cultivated to maximise human potential.

Section 197 of the Constitution further provides for a public service that must function in terms of national legislation and loyally execute the lawful policies of the government of the day. These provisions underpin the NSG's role in contributing to the development of a capable, ethical, and developmental public administration through education, training, and development interventions across the public service.

8.2 Legislative and Policy Mandates

The NSG is established under the Public Service Act, 1994 (Proclamation 103 of 1994), as amended, which provides for a training institution listed as a national department under the control of the Minister for the Public Service and Administration. The Act mandates that the NSG provide or facilitate education, training, and development, conduct assessments where required, and issue certificates linked to its programmes.

The Public Administration Management Act, 2014 (Act No. 11 of 2014) further reinforces the role of the NSG in contributing to the progressive realisation of a capable, ethical and developmental public administration through education and training, including collaboration with other training providers and institutions across the public administration. The Public Service Amendment Act, 2025 (Act No. 9 of 2025) and the Public Administration Management Amendment Act, 2025 (Act No. 7 of 2025) were assented to by the President in March 2026 and published in the Government Gazette on 1 April 2026.

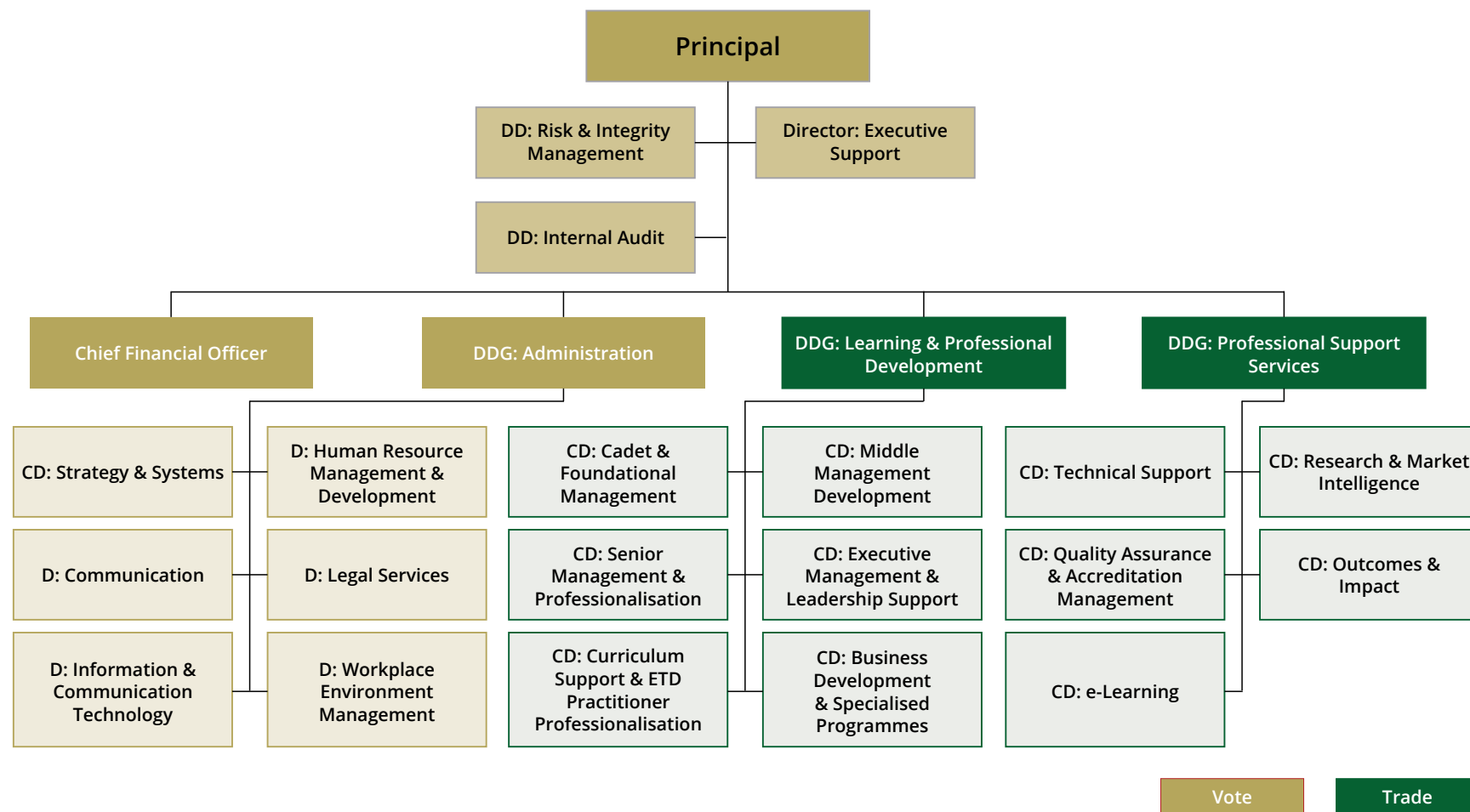
These Amendment Acts introduce reforms aimed at strengthening the professionalisation, governance and capacity of the public service and public administration.

The Public Administration Management Amendment Act, 2025, further strengthens the position of the National School of Government as a national department within public administration and confirms its role in supporting education, training, and development across institutions in public administration, including across the three spheres of government. The implementation of the provisions of these Acts is being undertaken in a phased manner, supported by the development of relevant regulations, directives and institutional arrangements.

8.3 Policy Mandate

The NSG operates within the policy framework of the White Paper on Public Service Training and Education (1998), which provides for a coordinated, competency-based and demand-driven approach to education and training in the public service. The White Paper promotes continuous learning, alignment of training to organisational and individual needs, and the development of a unified public service characterised by a common culture and value system. The NSG also contributes to broader government priorities, including the National Development Plan (NDP) 2030, which emphasises the building of a capable, ethical and developmental state through strengthening the capacity of the public service.

9. ORGANISATIONAL STRUCTURE



10. ENTITIES REPORTING TO THE MINISTER

The table below indicates the entities that report to the Minister.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Department of Public Service and Administration (DPSA)	Public Service Act, 1994 (as amended)	Contractual based on programmes jointly implemented or procurement of the NSG services	Policy development and enforcement in the public service
Centre for Public Service Innovation (CPSI)	Public Service Act, 1994 (as amended)	Contractual based on programmes jointly implemented or procurement of the NSG services	The CPSI is an initiative of the MPSA, established to identify, support and nurture innovation in the public sector with a view to improving service delivery
Government Employees Medical Scheme (GEMS)	Medical Schemes Act, 1998	Contractual based on administration of employee members' medical aid contributions	Restricted membership to a medical scheme for public service employees

PART B:

PERFORMANCE INFORMATION



1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information. The level of assurance provided may be reasonable (an opinion), limited (a conclusion), or none (findings) as predetermined by the AGSA. Assurance in the form of an audit opinion or conclusion on the usefulness and reliability of the reported performance information is currently included in the management report. Material findings are reported in the auditor's report.

Refer to page 100 of the Report of the Auditor-General, published as Part F: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The 1997 White Paper on Transforming Public Service Delivery (Batho Pele) emphasises the prioritisation of service delivery within the public service and outlines eight principles that guide the relationship between government institutions and citizens. Furthermore, the Public Service Regulations, 2016 require Executive Authorities to establish and maintain an Operations Management Framework to promote efficient, transparent, accountable, and citizen-centred service delivery.

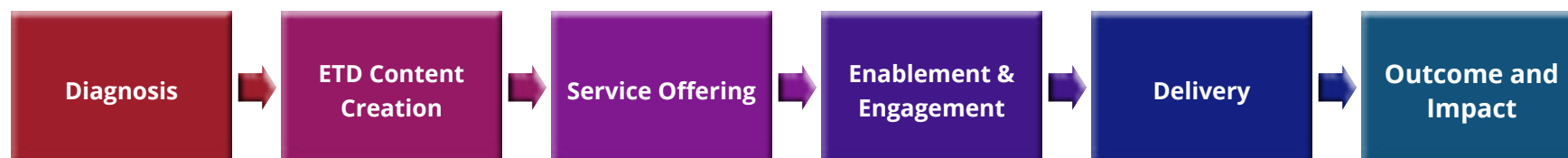
In line with these requirements, the NSG continued to strengthen its operations management and the environment for improving service delivery during the 2025/26 financial year. The Operations Management Framework comprises the following key components:

- Approved Service Delivery Model
- List of core mandated services provided by the department
- Mapped business processes for all services
- Standard Operating Procedures (SOPs) for all services
- Service Standards for all services
- Service Delivery Charter
- Service Delivery Improvement Plan (SDIP)

During the reporting period, the NSG finalised and obtained approval for the Service Delivery Improvement Plan (SDIP), which outlines key interventions to enhance service delivery, operational efficiency, and the stakeholder experience. As part of implementing Total Quality Management (TQM) initiatives and promoting a culture of continuous improvement, the NSG hosted a Lean Webinar to introduce officials to Lean tools and methodologies to identify process inefficiencies, reduce waste, and improve service delivery.

In addition, the NSG strengthened governance structures by establishing the Service Delivery Improvement (SDI) Task Team in line with DPSA directives. Business process mapping initiatives were undertaken to support operational alignment, improve service standards, and contribute towards the broader objectives of institutional efficiency, digital transformation, and improved governance as outlined in the NSG 2025/26 Annual Performance Plan.

The NSG service delivery environment is underpinned by an integrated value chain approach that ensures effective planning, coordination, implementation, monitoring, and continuous improvement of services and products.



2.2 Service Delivery Improvement Plan

The NSG developed its SDIP, and the table below highlights the service delivery and achievements to date.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Conduct awareness among learners, clients, stakeholders, and clients by disseminating information regarding service standards, products and services through the NSG website, social media platforms and on-site communication.	All government departments, public sector officials, registered learners, and citizens.	20 communication and marketing interventions promoting NSG offerings were undertaken across digital and on-site platforms.	Marketing communications undertaken through the NSG website, social media platforms and formal engagements to public servants and other stakeholders to achieve 30 communication and marketing interventions promoting NSG offerings in accordance with the Public Administration Management Act, 2024.	43 communication and marketing interventions promoting NSG offerings were successfully published and executed, exceeding the target, and significantly enhancing stakeholder awareness in line with the Act.
Efficient coordination and scheduling of training sessions in line with confirmed client bookings	All registered learners and client departments.	90% of all confirmed client bookings must be processed, coordinated, and scheduled within prescribed timeframes to ensure smooth delivery of training interventions and optimal resource utilisation.	90% of all confirmed client bookings must be processed, coordinated, and scheduled within prescribed timeframes to ensure smooth delivery of training interventions and optimal resource utilisation.	91% of all confirmed client bookings were processed, coordinated, and scheduled within prescribed timeframes, ensuring smooth delivery of training interventions and optimal resource utilisation.
Facilitation of ethics training programmes to build and strengthen professional integrity, accountability, and ethical conduct among NSG employees.	All NSG employees (internal staff).	27 NSG employees have attended and completed the Ethics in the Public Service course.	30 NSG employees encouraged to register for and complete the Ethics in the Public Service course via internal communication channels.	36 NSG employees completed the Ethics in the Public Service course.

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

Current/actual arrangements	Desired arrangements	Actual achievements
The NSG subscribes to the Public Service Charter and has also developed a service charter and standards, which reinforce courteous behaviour towards service beneficiaries and citizens	Communication with NSG staff to reinforce the principles of Batho Pele	Circulated multilingual Batho Pele posters across three language variants to all staff via internal communications to ensure broad operational visibility.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Service beneficiaries access the NSG information and services through the Contact Centre, website, exhibitions, departmental visits, course directory and brochures.	Ensure that service beneficiaries have full access to NSG services through the monthly updating of the Contact Centre and NSG website, scheduled quarterly intergovernmental participation and quarterly update of the course directory.	The NSG website is being effectively managed through updating content and advertising upcoming training programmes regularly. The NSG is also managing the website chat platform and communicating information through social media on platforms such as Twitter, Facebook and an online chat option with potential learners. YouTube is used to stream Master classes, webinars and upload NSG videos for advertising training programmes.

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
The NSG currently operates without an automated complaints management system. All received institutional complaints are logged, tracked, and resolved manually.	Establish, deploy, and implement an automated digital Enquiry Management System to centralise, track, and streamline the resolution of all stakeholders efficiently.	The formal procurement process to source and acquire an Enquiry Management System has commenced.

2.3 Organisational Environment

The NSG is legislatively mandated to provide training or facilitate the provision of training in the Public Service. In terms of current legislative arrangements, government departments must allocate 1% of the employee compensation budget to employee training annually. The NSG is required to generate revenue towards ensuring its financial viability and sustainability and, as such the NSG is placed on a competitive and cost-recovery footing, together with internal and external training providers.

The cost recovery model comprises partial funding appropriated by Parliament and income from cost recovery through training course fees, which is managed in the Training Trading Account (TTA). The cost-recovery model requires that all costs associated with the design and development of learning materials and the implementation of training courses be recovered from training fees. The NSG must maintain its accreditation as a training provider and has continuously strengthened ties and forged strategic partnerships with ETQAs and the QCTO. In this regard, the NSG delivery of ETD is guided by a set of quality management system (QMS) policies, including: Assessment Management Policy; Certification Policy; Learner Support and Management Policy; and Curriculum & Programme Management Policy.

The performance of the NSG is based on the APP for the 2025/26 financial year, which reflects the first year of the 2025-2030 Strategic Plan, approved by the MPSA and tabled in Parliament. The planning, monitoring, and reporting of performance are undertaken in line with legislative prescripts and the internal policy on managing organisational performance. The process is undertaken as follows:

- Developing an Annual Performance Plan
- Developing and implementing detailed work plans, including an Annual Operational Plan and branch business plans
- Signing individual performance agreements in line with the School's performance and development management system
- Quarterly performance monitoring and review through the Executive Management Committee (EMC), Management Committee (MANCO), and Internal Audit
- Quarterly performance reporting to the MPSA, DPME, and National Treasury

The NSG conducts 100% monitoring of all training sessions using reaction evaluation questionnaires (REQs), completed by all participants, and facilitator feedback forms (FFFs), completed by the facilitator at the end of each session. Reports are developed for every training intervention based on participants' feedback. These reports are handed

to the programme managers in response to the areas identified for improvement. Several Application of Learning Studies (ALS) were undertaken to determine whether the training provided by the NSG has made a difference to the individual and the department concerned.

The evaluation function in the NSG is carried out in two ways: the first is on-site observations conducted by the M&E specialists at selected training interventions. Instruments (with predefined criteria) are utilised to gather information on adult learning practices, materials, and logistical arrangements as observed during the training. Interviews are also conducted with the facilitator and a sample of the participants to obtain their views and experiences. A further level of evaluation has been implemented: the application of learning studies, which aim to determine whether a programme has made a difference to performance (initially the participants) after a particular training programme. It is anticipated that, as data are collected over time from specific departments, a determination can eventually be made regarding the effect of the training on each department.

2.4 Key Policy Developments and Legislative Changes

During the 2025/26 financial year, significant legislative developments impacting the NSG included the enactment of the Public Service Amendment Act, 2025 (Act No. 9 of 2025) and the Public Administration Management Amendment Act, 2025 (Act No. 7 of 2025). These Acts introduce reforms aimed at strengthening the professionalisation, governance and capacity of the public service and public administration. The implementation of these legislative changes is being undertaken in a phased manner, supported by the development of relevant regulations, directives and institutional arrangements. No major policy changes directly affecting the NSG's mandate were introduced during the reporting period.

National Framework towards the Professionalisation of the Public Sector

The NSG was mandated by the MPSA to lead the development of the National Framework towards the Professionalisation of the Public Sector, which was subsequently approved by Cabinet on 19 October 2022. The Framework ensures that only qualified and competent individuals are appointed into positions of authority,

in pursuit of a transformed, professional, ethical, capable and developmental public sector. Public officials should have the right qualifications and technical skills and be inducted into Batho Pele principles.

Learning Pathways Curriculum Framework

The NSG is strengthening its ETD offerings through an integrated learning pathways curriculum approach that supports professionalisation, career progression and improved public service delivery. The learning pathways provide structured learning journeys that help public servants understand what learning they need, why it matters, and how it supports them in doing their jobs better and growing in their careers.

This framework responds to the Ministerial Determination of December 2020, which requires the phased withdrawal of all pre-2009 qualifications and NQF unit standards. While this transition presents challenges, it also creates an opportunity for the NSG to modernise its curriculum, improve quality, and align learning more closely with the current and future needs of the public service. Through the framework, the NSG will ensure coherence and progression across all offerings, shifting from fragmented, once-off courses to clear learning journeys that span short learning programmes, micro-credentials and recognised qualifications. This will allow public servants to build their competencies over time in a structured and meaningful way, supported by blended and digital learning modalities. The framework outlines the following categories of learning provision:

- Academic qualifications to be registered on the Higher Education Qualifications Sub-framework (HEQSF)
- Occupational qualifications, workplace-based learning and skills programmes aligned to the Occupational Qualifications Sub-framework (OQSF)
- Professional learning programmes supporting professionalisation
- Non-credit bearing skills programmes addressing immediate and emerging capacity needs
- NSG bespoke programmes tailored to the specific requirements of departments and sectors

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The NSG set four strategic outcomes to be achieved over the five-year period. The performance of these outcomes in this financial year is discussed below:

Outcome 1: A capable and professional public sector

The objective of this outcome is to ensure the NSG will drive a capable and professional public sector by embedding constitutional values and principles into its curriculum. The NSG will also cultivate a culture of accountability and service excellence. Collaborative partnerships will ensure a capable, professional, and future-ready public sector.

- International MOUs support to capacity building interventions
- Learning Pathways Curriculum Framework developed
- Nyukela Programme for Middle Management Services implemented
- Advocacy/ support sessions conducted on implementing the National Framework towards the Professionalisation of the Public Sector
- Learners trained on compulsory and demand-led ETD interventions

During this reporting period, the NSG has recorded achievements supporting this strategic outcome, including the implementation of 8 international MOUs to support capacity-building interventions; the development of the Learning Pathways Curriculum Framework; and the conduct of 21 advocacy sessions to implement the National Framework towards the Professionalisation of the Public Sector; the development of the Nyukela Programme for Middle Management Services; and training 235 208 learners on all compulsory and demand-led ETD interventions.

Outcome 2: Capability for economic governance

The NSG will strengthen economic governance capabilities through targeted capacity-building programmes in areas such as sustainable economic development and diplomacy, equipping learners with skills in policy analysis, trade negotiations and green economy principles. During this reporting period, the NSG has convened 16

thought leadership platforms/seminars. By establishing these platforms, the NSG has expanded its footprint, enabled discussion of prevalent local and global issues, and helped identify possible solutions within government. The Ghana-South Africa-Kenya Economic Governance School was also successfully implemented in collaboration with the Ghana Institute of Management and Public Administration (GIMPA) and the Kenya School of Government (KSG).

Outcome 3: Improved governance and social cohesion

The NSG will foster improved governance and social cohesion by implementing targeted interventions across key areas. Through our Women in Leadership initiative, we will accelerate gender transformation by providing executive development programmes, coaching and mentorship, and advocacy to break systemic barriers.

During this reporting period, the NSG inducted 90 board members of state-owned entities. The Induction Programme for Boards (IPB) aims to expand the competence of aspiring and serving board members of Public Entities, advance principled leadership for sustainable Public Entities, champion good governance and operational standards toward a more inclusive economy, and strengthen understanding of the South African legislative and regulatory environment for Public Entities.

Outcome 4: Institutional excellence and leadership

The NSG will drive institutional excellence by systematically implementing its Service Delivery Model, Total Quality Management Framework, and integrated brand strategy to ensure operational efficiency and stakeholder satisfaction. By institutionalising the Professionalisation Framework, we will cultivate a high-performance culture aligned with public sector standards.

During this reporting period, the NSG recorded achievements supporting this strategic outcome, including implementing 6 ICT business solutions that enhance the effectiveness and efficiency of the NSG's electronic systems, and developing a communication and marketing strategy to support ETD provision.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Sub-programmes under Programme 1 are organised as follows:

Sub-programme 1	Office of the Principal incorporates Internal Audit, Risk and Integrity Management
Sub-programme 2	Office of the Chief Financial Officer
Sub-programme 3	Administration Branch incorporates Strategy and Systems, Legal Service, Communications, Human Resources, ICT and Workplace Environment Management

Programme 1 is anchored under the outcome of Institutional excellence and leadership.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The programme had 4 planned targets for the financial year, all of which were achieved. This performance translates to 100% achievement for the programme. It

has contributed to ensuring the NSG is driven to promote institutional excellence and leadership.

In terms of digital transformation, the NSG has embarked on identifying various technical solutions to assist the organisation in moving swiftly to align with the Fourth Industrial Revolution (4IR). In this financial year, the NSG focused on implementing various projects to enhance the use of the Microsoft package, improving ease of use and functionality. The communications and marketing strategy was developed and focused on branding and positioning the work of the NSG to support its recognition and the promotion of ETD intervention across various spheres of government, as well as globally.

The NSG remains committed to employment equity (EE), and there has been a noticeable improvement in achieving the planned targets. The EE statistics reflect 50% of females employed at the SMS level, 26% of youth employed, and 3.2% of persons with disability employed at the NSG. The NSG will continue various interventions to further improve EE statistics and ensure fair representation of target groups.

Table: 2.4.4.2 Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

PROGRAMME 1: ADMINISTRATION									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
1.1	Institutional excellence and leadership in the NSG	Service Delivery Improvement Plan	Service Delivery Improvement Plan developed	None	None	Service Delivery Improvement Plan developed	Service Delivery Improvement Plan developed	None	None
1.2		ICT projects enabling NSG operations	Number of ICT projects enabling NSG operations implemented	6 ICT business solutions enabling NSG operations have been implemented	6 ICT projects enabling NSG operations implemented	6 ICT projects enabling NSG operations implemented	6 ICT projects enabling NSG operations implemented	None	None
1.3		Material audit findings resolved by the end of the financial year	Percentage of material audit findings resolved by the end of the financial year	No material findings were identified in the audit process for the 23/24 financial year	The department received 2 material audit findings	100% of material audit findings resolved by the end of the financial year	100% of material audit findings resolved by the end of the financial year	None	None
1.4		NSG communication and marketing strategy	NSG communication and marketing strategy developed	75% of the NSG brand and marketing strategy implemented	100% of the NSG brand and marketing strategy implemented	NSG communication and marketing strategy developed	NSG communication and marketing strategy developed	None	None

Linking performance with budget

Sub-programme expenditure

Sub- Programme Name	2025/2026			2024/2025		
	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
Management	10,379	9,925	454	10,382	10,133	249
Corporate Services	85,729	82,476	3,253	81,075	78,623	2,452
Property Management	20,048	20,048	-	19,323	19,323	-
Total	116,156	112,449	3,707	110,780	108,079	2,701

The total expenditure breakdown for Programme 1 was R112.4 million for 2025/26 as compared to the R108.1 in the 2024/25 financial year. The details of the breakdown are illustrated through Compensation of Employees for the Vote-funded as staff component of NSG increased by 2.0% from R64.0 million (2024/25) to R65.3 million (2025/26) due to the filling of funded vacancies and adjustment of the cost of living as per the PSCBC Resolution 1 of 2025. Goods and services increased by 7.4% from R41.2 million (2024/25) to R44.3 million (2025/26). The increase is due to operating lease payments, computer services and theft and losses. Expenditure on capital assets decreased by 59.6% from R2.7 million (2024/25) to R1.1 million (2025/26). The decrease is due to delays in procuring CISCO & LAN switches and laptops.

Programme 2: Public Sector Organisational and Staff Development

The purpose of Programme 2: Public Sector Organisational and Staff Development is to facilitate the transfer payments to the Training Trading Account, which provides ETD interventions in the public sector. This Programme comprises the following subprogrammes:

Sub-programme 1	Learning and Professional Development incorporating Cadet and Foundational Management, Middle Management Development, Senior Management and Professionalisation, Executive Management & Leadership Support; Business Development & Specialised Programmes; and Curriculum Support & ETD Practitioner Professionalisation
Sub-programme 2	Professional Support Services incorporates Research & Market Intelligence, Quality Assurance and Accreditation Management, Open Distance eLearning, Technical Support and Outcomes and Impact

The programme is underpinned by the 4 outcomes, which are:

- A capable and professional public sector
- Capability for economic governance
- Improved governance and social cohesion
- Institutional excellence and leadership

Outcomes, outputs, output indicators, targets and actual achievements

The programme had a total of 20 planned targets for the financial year, of which 2 were not achieved. This translates to 90% performance achievement. The programme implemented projects such as the development of the Learning Pathways Curriculum Framework which responds to the Ministerial Determination of December 2020 and requires the phased withdrawal of all pre-2009 qualifications and unit standards on the National Qualifications Framework (NQF). This will create an opportunity for the NSG to modernise its curriculum, improve quality, and align learning more closely with the current and future needs of the public service.

The noticeable increase in revenue is attributed to the NSG's innovation and agility in identifying opportunities, such as facilitating strategic planning and change management workshops. It also assisted the NSG in understanding the challenges and opportunities in providing support and informing the development of future ETD interventions.

The signed partnership agreements have enabled the NSG to expand its collaborations and footprint locally and internationally. The webinars and masterclasses convened have attracted participants from various sectors, and discussions on prevalent issues have also encouraged greater participation and interest in the NSG's work. The NSG has also conducted advocacy sessions on the National Framework towards the Professionalisation of the Public Sector. ETD practitioners play an important role in providing and supporting the delivery of quality training, and the Performance Management System for ETD practitioners was fully implemented in this financial year. Training has also been exemplary, with increased delivery of programmes through online and virtual platforms. This has also enabled a self-paced environment for learner participation and completion of a registered programme.

Table: 2.4.4.2 Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

PROGRAMME 2: PUBLIC SECTOR ORGANISATIONAL AND STAFF DEVELOPMENT									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
2.1	Institutional excellence and leadership in the NSG	Revenue and other funding sources generated	Amount of revenue generated and other funding sources in TTA	R143 206 256 in revenue and other funding sources generated in TTA	R101 319 000 in revenue and other funding sources generated in TTA	R103m in revenue and other funding sources generated in TTA	R 140 957 779 in revenue and other funding sources generated in TTA	R37 957 779	Execution of signed MOAs ensures the uptake of compulsory and demand-led training
2.2		Local MOAs implemented to support capacity-building interventions	Percentage of Local MOAs implemented to support capacity building interventions	84% (117/140) business development interventions resulting in uptake of ETD offerings	84% (150/178) business development interventions resulting in uptake of ETD offerings	60% of Local MOAs implemented to support capacity building interventions	74% (107/145) of Local MOAs implemented to support capacity -building interventions	14%	Diligent project management and monitoring of the signed MOAs in collaboration with implementing units
2.3	A capable and professional public sector	Skills assessment reports on specific departments or public sector training needs for relevant ETD interventions	Number of skills assessment reports on specific departments or public sector training needs for relevant ETD interventions completed	6 skills assessment reports on specific departments or public sector training needs for relevant ETD interventions completed	9 skills assessment reports on specific departments or public sector training needs for relevant ETD interventions completed	6 skills assessment reports on specific departments or public sector training needs for relevant ETD interventions completed	6 skills assessment reports on specific departments or public sector training needs for relevant ETD interventions completed	None	None

PROGRAMME 2: PUBLIC SECTOR ORGANISATIONAL AND STAFF DEVELOPMENT									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
2.4		Progress reports on the impact evaluation studies developed	Number of reports on the impact evaluation studies developed	6 impact evaluation studies conducted	6 progress reports on the impact evaluation studies developed	6 reports on the impact evaluation studies developed	6 reports on the impact evaluation studies developed	None	None
2.5		Post-graduate qualification accredited by a Quality Council	Post-graduate qualification accredited by a Quality Council	Status report on the accreditation of the postgraduate qualification developed	Status report on the accreditation of the postgraduate qualification	Post-graduate qualification accredited by a Quality Council	Post-graduate qualification not yet accredited by the Quality Council PQM letter of approval received from DHET, permitting the submission of the application for accreditation to CHE within 18 months	Accreditation not complete	The NSG targets set were misaligned to the accreditation project plan developed by Tshwane University of Technology (TUT)
2.6	A capable and professional public sector	Micro-credentials Framework for the Public Sector developed	Micro-credentials Framework for the Public Sector developed	None	None	Micro-credentials Framework for the Public Sector developed	Micro-credentials Framework for the Public Sector developed	None	None
2.7		Status report on skills survey undertaken in 2 public service departments	Status report on skills survey undertaken in 2 public service departments	Skills audit for public service departments not conducted	Skills audit for 2 public service departments conducted	Status report on skills survey undertaken in 2 public service departments	Status report on skills survey undertaken in 2 public service departments	None	None

PROGRAMME 2: PUBLIC SECTOR ORGANISATIONAL AND STAFF DEVELOPMENT									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
2.8		Courses/ programmes/ interventions updated/ developed/ in support of NSG priorities	Number of courses/ programmes/ interventions developed/ reviewed in support of NSG priorities	8 courses/ programmes/ interventions responsive to identified skills gaps developed/ reviewed	8 courses/ programmes/ interventions responsive to identified skills gaps developed/ reviewed	4 courses/ programmes/ interventions developed/ reviewed in support of NSG priorities	4 courses/ programmes/ interventions developed/ reviewed in support of NSG priorities	None	None
2.9		Nyukela Programme for Middle Management Services implemented	Nyukela Programme for Middle Management Services implemented	Nyukela for Middle Management Services developed	Nyukela programme for SMS levels 15-16 has been developed	Nyukela Programme for Middle Management Services implemented	Nyukela Programme for Middle Management Services implemented	None	None
2.10		Learning Pathways Curriculum Framework developed	Learning Pathways Curriculum Framework developed	None	None	Learning Pathways Curriculum Framework developed	Learning Pathways Curriculum Framework developed	None	None
2.11	A capable and professional public sector	Advocacy/ support sessions conducted on implementing the National Framework towards the Professionalisation of the Public Sector	Number of advocacy/support sessions conducted on implementing the National Framework towards the Professionalisation of the Public Sector	42 Advocacy sessions conducted on the implementation of the National Framework towards the Professionalisation of the public sector	20 Advocacy sessions conducted on the implementation of the National Framework towards the Professionalisation of the Public Sector	10 Advocacy/ support sessions conducted on implementing the National Framework towards the Professionalisation of the Public Sector	21 Advocacy/ support sessions conducted on implementing the National Framework towards the Professionalisation of the Public Sector	11	The requests are demand-driven for different sectors

PROGRAMME 2: PUBLIC SECTOR ORGANISATIONAL AND STAFF DEVELOPMENT									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
2.12		International MOUs support to capacity building interventions	Number of international MOUs implemented in support of capacity building interventions	84% (122/145) of partnerships and collaborations facilitated to support ETD interventions	76% (139/183) of partnerships and collaborations facilitated to support ETD interventions	4 international MOUs implemented in support of capacity building interventions	8 International MOUs implemented in support of capacity-building interventions	4	Additional collaborations as part of promoting knowledge exchange
2.13		Performance management system for ETD practitioners implemented	Performance management system for ETD practitioners implemented	Performance management system for ETD practitioners piloted and not fully implemented	Performance management system for ETD practitioners implemented	Performance management system for ETD practitioners implemented	Performance management system for ETD practitioners implemented	None	None
2.14		NSG accreditation status approved by accrediting bodies	Approved NSG accreditation status by accrediting bodies	Accreditation processes facilitated and managed to maintain the status of the NSG as an accredited training provider	Accreditation processes facilitated and managed to maintain the status of the NSG as an accredited training provider	Accreditation processes facilitated and managed to maintain the status of the NSG as an accredited training provider	Accreditation processes facilitated and managed to maintain the status of the NSG as an accredited training provider	None	None

PROGRAMME 2: PUBLIC SECTOR ORGANISATIONAL AND STAFF DEVELOPMENT									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
2.15	A capable and professional public sector	Programmes/ courses quality assured as per Quality Assurance Criteria	Percentage of programmes/ courses quality assured as per Quality Assurance Criteria	8 programmes / courses quality assured by the NSG Quality Assurance Committee	10 programmes /courses quality assured by the NSG Quality Assurance Committee	100% of programmes/ courses quality assured as per Quality Assurance Criteria	71.4% (30/42) of programmes/ courses quality assured as per Quality Assurance Criteria	28.6%	Late submission of courses towards end of the year led to the incomplete QA process and carry over to the new financial year.
2.16		Compulsory courses/ programmes implemented	Number of compulsory courses/ programmes implemented	8 compulsory courses/ programmes implemented	8 compulsory courses/ programmes implemented	8 compulsory courses/ programmes implemented	18 compulsory courses/ programmes implemented	10	The NSG must train on compulsory courses as per the Ministerial Directive for funded programmes and the DPSA Directive, 2023 for unfunded programmes
2.17		ODEL courses/ programmes/ interventions responsive to identified skills gaps	Number of ODEL courses/ / programmes / interventions responsive to identified skills gaps developed/ reviewed	8 identified courses developed/ reviewed in line with course development plan	10 ODEL courses/ programmes/ interventions responsive to identified skills gaps developed/ reviewed	4 ODEL courses/ /programmes / interventions responsive to identified skills gaps developed/ reviewed	8 ODEL courses/ /programmes / interventions responsive to identified skills gaps developed/ reviewed	4	Demand for additional courses to be reviewed
2.18		Learners trained on compulsory and demand-led ETD interventions	Number of learners trained on compulsory and demand-led ETD interventions	84 443 learners trained on compulsory and demand-led ETD interventions	112 855 learners trained on compulsory and demand-led ETD interventions	52 385 learners trained on compulsory and demand-led ETD interventions	234 098 learners trained on compulsory and demand-led ETD interventions	181 713	Online free courses constitute majority of training implemented this financial year

PROGRAMME 2: PUBLIC SECTOR ORGANISATIONAL AND STAFF DEVELOPMENT									
No.	Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation from planned target to Actual Achievement 2025/2026	Reasons for deviations
2.19	Capability for economic governance	Thought leadership platforms/ seminars in partnership with the public and private sectors hosted	Number of thought leadership platforms/ seminars in partnership with the public and private sectors hosted	12 Thought leadership platforms hosted 4 webinars and 8 master classes	18 thought leadership platforms/ seminars hosted	5 thought leadership platforms/ seminars hosted	16 thought leadership platforms/ seminars hosted	11	Uncoordinated implementation of additional platforms
2.20	Improved governance and social cohesion	Board members of state-owned entities inducted	Number of board members of state-owned entities inducted	None	None	40 board members of state-owned entities were inducted	90 board members of state-owned entities inducted	50	The rising interest in the programme due to its relevance and curated curricula designed to meet the specific needs of different entities

Linking performance with budget

Sub-programme expenditure

Training Trading Account (TTA)

In terms of Programme 2, the NSG operates a trading account for its training operations. The Department submits separate financial statements for the NSG Training Trading Account (TTA), a trading entity established in terms of the Public Finance Management Act (PFMA), Act No. 1 of 1999, as amended. The statements are prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP). To fully comply with accrual accounting requirements, the prescribed financial accounting system of the trading entity is supplemented by additional manual procedures.

Total revenue, including the transfer of funds from the Vote Account appropriation for the financial year (2025/26), increased by R50.4 million from R221.4 million (2024/25) to R271.8 million (2025/26). Income from course fees increased by 52.9%, from R92.2 million (2024/25) to R141.0 million (2025/26). The transfer of funds from the Vote Account to Trade Account increased by 4.2% from R107.9 million (2024/25) to R112.5 million (2025/26). The department undertook the Induction for Boards of Entities and Executives of Provincial Legislatures, as well as Parliamentary Liaison Officers. The advocacy session on the Framework on the Professionalisation of the Public Sector also contributed positively to performance. Diverse modes of delivery by the NSG (actual achievement against predetermined objectives) indicate that NSG expenditure has contributed to the institution's performance.

Sub-programme expenditure

The transfer of funds from Vote to the Training Trading Account (TTA) was R112.5 million in 2025/26.

Sub- Programme Name	2025/2026			2024/2025		
	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
Public Sector Organisational and Staff Development	112,527	112,527	-	107,944	107,944	-
Total	112,527	112,527	-	107,944	107,944	-

Strategy to overcome areas of underperformance

To address underperformance, the NSG will implement a revised Service Delivery Improvement Plan to strengthen the provision of quality services and products. The NSG will also upskill and reskill public servants with future skills development at the forefront. This involves integrating digital literacy and skills into the curriculum and collaborating with industry partners. Education and training programmes must focus on digital skills, including data analytics, Artificial Intelligence (AI), and emerging technologies, so that public servants can effectively leverage technology. As the NSG transitions towards offering full qualifications, it must meet the CHE accreditation criteria.

Regarding the accreditation of the postgraduate qualification, the process is underway and is expected to be completed in the 2026/27 financial year. The challenges in achieving accreditation stemmed from the contractual process, which concluded later than planned, affecting the timelines. Therefore, the qualification will be accredited in the subsequent year. The challenge of courses/programmes quality-assured performance was affected by the quality assurance process not being concluded for

some courses received close to the end of the financial year. The quality assurance process will therefore be reviewed, including the establishment of an annual quality assurance schedule to enable planning and timeous completion of quality assurance and approval.

To strengthen its transformation obligations, the NSG will prioritise developing a Disability Management Policy, implementing reasonable accommodation measures and establishing self-representation forums for gender, disability, and youth. The NSG will also implement diversity initiatives, amongst others, the disability disclosure drive to enhance awareness and understanding of disability while integrating inclusivity into change and organisational culture management as the institution transitions to offering accredited programs and qualifications.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

The NSG does not report on standardised customised indicators, as it is not a concurrent function.

5. TRANSFER PAYMENTS

5.1 Transfer Payments to Public Entities

The NSG did not make any transfers to public entities.

5.2 Transfer Payments to all Organisations other than Public Entities

The NSG did not make transfer payments to organisations other than public entities.

6. CONDITIONAL GRANTS

6.1 Conditional Grants and Earmarked Funds Paid

The NSG did receive conditional grants.

6.2 Conditional Grants and Earmarked Funds Received

The NSG did not receive earmarked conditional grants.

7. DONOR FUNDS

7.1 Donor Funds Received

The NSG did not receive any donor funds.

8. CAPITAL INVESTMENT

8.1 Capital Investment, Maintenance and Asset Management Plan

The NSG did not have capital investment.



PART C:

GOVERNANCE



1. INTRODUCTION

The NSG demonstrates a proactive, accountable risk management culture across all levels of the organisation. This is evidenced by the formal identification of seven strategic risks at the start of the financial year, the assignment of named responsible officials (Deputy Director-Generals and the CFO) to each risk, and the commitment to quarterly monitoring and close-out reporting presented to the Risk and Ethics Management Committee (REMC). The close-out report confirms that risk mitigation actions have been embedded into day-to-day business operations, indicating institutionalisation of risk awareness beyond a compliance exercise.

2. RISK MANAGEMENT

2.1 Risk Management Culture

The NSG demonstrates a proactive and accountable risk management culture across all levels of the organisation. This is evidenced by the formal identification of seven strategic risks at the start of the financial year, the assignment of named responsible officials (Deputy Director-Generals and the CFO) to each risk, and the commitment to quarterly monitoring and close-out reporting presented to the Risk and Ethics Management Committee (REMC). The close-out report confirms that risk mitigation actions have been embedded into day-to-day business operations, indicating institutionalisation of risk awareness beyond a compliance exercise.

2.2 Risk Management Documentation

The NSG's risk management governance structure is supported by a set of formal documents that are regularly reviewed, updated, approved, and communicated in line with section 38(1)(a)(i) of the PFMA and section 3.2.1 of the Treasury Regulations. These documents include:

- **Enterprise Risk Management (ERM) Framework:** Sets out the NSG's overall approach to risk management, including governance structures, risk categories, and the methodology for identifying, assessing, and treating risks. It provides the

foundation for all other risk management documents and is periodically reviewed and approved by the REMC.

- **ERM Implementation Plan:** Prepared annually by the Deputy Director: Risk and Integrity Management, the ERM Implementation Plan translates the Framework into a structured, quarter-by-quarter activity schedule for the financial year. It sets out planned activities such as convening REMC meetings (one per quarter), the annual strategic risk assessment workshop, the review of the REMC Charter, risk management training for risk champions, risk awareness initiatives, and the quarterly monitoring and reporting of mitigation action plans. The plan is recommended by the Chairperson of the REMC and formally approved by the Principal (Accounting Officer) before the start of each financial year, ensuring it carries executive authority. Progress against the plan is tracked using a status legend (Planned, In Progress, Complete, Behind Schedule) and reported to the REMC each quarter.
- **Strategic Risk Register:** The Strategic Risk Register is the key output of the annual risk assessment workshop. It documents each identified risk, along with its inherent rating, control effectiveness, residual rating, mitigation actions, responsible officials, and target dates. For 2025/26, seven strategic risks were identified and monitored. Progress is tracked through quarterly reports and an annual close-out report, both of which are tabled at the REMC throughout the year.

Taken together, these documents demonstrate that the NSG has updated, approved and communicated its risk management documentation in accordance with legislative requirements and good governance practices.

2.3 Risk assessments and identification of new and emerging risks

The NSG conducts risk assessments (operational and strategic) on an annual basis, evaluating both control effectiveness and residual risk ratings. Risk identification involves all senior management. The operating environment is continuously monitored, and new and emerging risks are identified and incorporated into the register.

2.4 Capacity, roles and responsibilities

All seven strategic risks are assigned to the DDGs and CFO, ensuring clear accountability at the executive level. Risks are distributed across multiple business units, reflecting a cross-functional approach to risk ownership. Each risk owner is supported by dedicated risk champions embedded within every branch, who assist in monitoring and reporting on risk-related matters. The Risk and Ethics Management Committee (REMC) provides formal quarterly oversight, ensuring that strategic and operational risks are consistently tracked and managed throughout the year.

2.5 Risk Management Committee

The NSG has a constituted REMC that oversees the organisation's risk management system. The REMC receives consolidated risk status updates, including final residual risk ratings and recommendations for carryover risks, enabling it to advise management on mitigating risks that remain at unacceptable or elevated levels.

2.6 Audit Committee

The Audit Committee's role as an independent oversight body monitoring the effectiveness of the risk management system is presumed to be fulfilled through the formal reporting lines established within the NSG. The risk register and quarterly progress reports provide the evidentiary basis for the Audit Committee to independently assess whether management's risk responses are adequate and effective.

2.7 Progress in Risk Management and Performance Impact

The NSG has recorded commendable progress in its risk management for 2025/26:

- Five of seven strategic risks have been reduced to a low residual risk rating with good control effectiveness.
- The risk on compulsory programmes translated directly into improved organisational performance through the expansion of online programmes, a Training of Trainers strategy and increased learner participation.
- The risk on financial sustainability shows improved revenue-generation measures, including a new Infrastructure Delivery and Procurement Management course and the finalisation of forfeiture clauses in the Training Management and Delivery Policy.
- The risk on digitisation remains partially complete due to the outstanding systems contract; however, foundational investments position the NSG for accelerated delivery in 2026/27.
- The risk of business interruption requires continued focus: the Business Continuity Plan is approved, but a Disaster Recovery Plan must be developed and tested in the new financial year.

2.8 Summary of Strategic Risks: 2025/26

The table below provides a high-level summary of the NSG's strategic risks and their final status for the 2025/26 financial year.

No.	Risk Description	Inherent Risk	Control Effectiveness	Residual Risk	2025/26 Close-Out Status	2026/27 Action
1	External Dependencies (Professionalisation Framework)	20 (High)	Good	Low	Partially complete	Completed
2	Inadequate Procurement for Expert Attraction	16 (High)	Good	Low	Substantially Completed	Completed
3	Low Uptake of Governance & Social Cohesion Programmes	12 (Medium)	Good	Low	Complete	Carry Over
4	Implementation of Compulsory Programmes	20 (High)	Good	Low	Partially complete	Carry over
5	Digitisation / Digital Transformation	20 (High)	Satisfactory	Medium	Partially Complete	Carry Over
6	Financial Sustainability	15 (High)	Good	Low	Partially Complete	Carry over
7	Business Interruption / ICT Continuity	16 (High)	Satisfactory	Medium	Partially Complete	Carry Over

2.9 Risk Appetite and Tolerance

The NSG's risk appetite is reflected in how its risk register is structured and managed. Risks with residual ratings of medium or higher are flagged for ongoing management, escalation, and carry-over to the following cycle. In practice, the NSG's tolerance is for Low residual risk ratings supported by effective controls. Risks 5 and 7 remain on the register at medium residual level precisely because they fall outside this acceptable threshold. The finalisation of the Training Management and Delivery Policy, which includes forfeiture provisions, further demonstrates the NSG's preference for formalised low-risk contractual arrangements that support long-term financial sustainability.

2.10 Risk Identification, Assessment and Monitoring

The NSG employs a structured, multi-layered approach to risk management:

- **Identification:** Strategic risks are identified at the start of each financial year through structured planning processes involving senior management, which are engaged to surface risks arising from the broader operating environment.
- **Assessment:** Each risk is rated on both inherent and residual bases. Control effectiveness is assessed as satisfactory, good, or requiring improvement. Residual ratings guide prioritisation and determine whether risks fall within or outside tolerance.
- **Monitoring:** Risks are monitored on a quarterly basis against specific mitigation actions, responsible persons, and target dates. Progress is consolidated into quarterly and annual close-out reports presented to the REMC. Risks requiring escalation are formally recommended for carry-over to the following financial year, with updated mitigation plans. The Business Continuity Plan and Digital Transformation programme are subject to ongoing monitoring due to their Medium residual ratings.

3. FRAUD AND CORRUPTION

3.1 The Department's Fraud Prevention Plan and Progress Made in its Implementation

Although the NSG does not currently have a standalone Fraud Prevention Plan, it has deliberately and progressively decided to incorporate fraud prevention activities into the REMC mandate, thereby expanding its oversight role to include fraud risk management. This integration signals the department's commitment to embedding fraud prevention within its broader governance and risk management framework.

In the interim, the NSG is guided by the following approved policies that collectively provide a sound foundation for fraud prevention and anti-corruption activities:

- Fraud and Anti-Corruption Policy, which sets out the department's stance and obligations in preventing, detecting, and responding to fraud and corruption.
- Whistle-blowing Policy, which provides a framework for confidential and protected disclosures by officials; and
- Conflict of Interest Policy, which regulates the declaration and management of interests that may compromise the integrity of officials.

The NSG maintains a zero-tolerance stance toward fraud, corruption, and any irregularities. A dedicated Fraud Prevention Plan is currently being developed and remains a key priority for the department in the short- to medium-term. Its finalisation will proceed once the expanded mandate of the Risk and Ethics Management Committee (REMC) is fully operationalised.

3.2 Mechanisms in place to report fraud and corruption and how these operate

The NSG has established the following mechanisms to facilitate the reporting of fraud, corruption and unethical conduct:

a) Whistle-blowing (Protected Disclosures)

Under the Whistle-blowing Policy, all officials are encouraged and empowered to make confidential disclosures of suspected fraud, corruption, financial misconduct, or other irregularities. The policy gives effect to the Protected Disclosures Act 26 of 2000 (PDA), which safeguards employees who report unlawful or irregular conduct in good faith from any form of occupational detriment or victimisation. Officials are made aware of their right and duty to report suspected wrongdoing without fear of reprisal. The policy ensures that disclosures are handled with the utmost confidentiality to protect the identity of the disclosing official.

b) Public Service Commission (PSC) as a reporting mechanism

While the NSG does not currently subscribe to a dedicated fraud hotline, the Public Service Commission (PSC) has been utilised as an accessible and credible external mechanism through which officials and members of the public can report or disclose suspected fraud and corruption. The PSC is an independent constitutional body mandated, among other things, to promote the values and principles governing public administration as set out in Section 195 of the Constitution. Upon receipt of a disclosure or complaint, the PSC formally informs the NSG and directs the department to either investigate the reported matter or take appropriate action. Such correspondence is directed to the Office of the Principal for official acknowledgement and further action.

4. MINIMISING CONFLICT OF INTEREST

Officials who wish to engage in other remunerative work outside the NSG must formally apply for such approval. Applications are supported by the relevant supervisor and ultimately approved by the Principal, provided that the official maintains a satisfactory level of performance in their primary duties within the NSG. Approval is further subject to the condition that the external work does not involve conducting business with the state and does not present any actual or perceived conflict of interest.

The NSG also maintains a Gift Register to ensure that all gifts received by officials are properly declared. This register supports compliance with the gift acceptance threshold set by the DPSA and serves as a key control measure to promote ethical conduct and prevent undue influence within the department.

- Suspected fraud and corruption may be reported directly to a supervisor, the Ethics Officer or the Office of the Principal, in accordance with the Whistle-blowing Policy.
- Where officials are reluctant to report internally, the Public Service Commission serves as an external reporting avenue. The PSC receives the disclosure and formally notifies the NSG.
- Correspondence from the PSC is received and acknowledged by the Office of the Principal, who is responsible for ensuring that appropriate action is initiated.

Action Taken:

All reported cases are referred to the Office of the Principal or the Directorate: Human Resources Management and Development.

5. CODE OF CONDUCT

The NSG adheres to the Code of Conduct as contained in Chapter 2, Part 1 (13) of the Public Service Regulations, 2016. The NSG includes the discussion and awareness of the Code of Conduct in the programmes for internships and the induction course for newly appointed employees.

6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The NSG reviewed and reconstituted its Occupational Health and Safety (OHS) Committee, including appointing Fire Marshals and First Aiders, to ensure continued compliance with the approved OHS Policy and applicable health and safety legislation. Training was provided to all Health and Safety Representatives, First Aiders, and Fire Marshals to strengthen institutional capacity and preparedness for workplace health and safety matters.

The OHS Committee continued to report regularly on OHS-related matters to the Departmental Bargaining Council and convened quarterly meetings and, where necessary, ad hoc meetings to address emerging risks and operational requirements. Management of Occupational Health and Safety was implemented through the Safety, Health, Environment, Risk, and Quality (SHERQ) Management Operational Plan, with quarterly compliance and performance reports submitted timeously to the DPSA. Comprehensive risk assessments were conducted, including assessments associated with the implementation of the Heating, Ventilation, and Air Conditioning (HVAC) project. Relevant reports, assessments, and safety files were tabled before the OHS Committee for consideration, endorsement, and support.

Furthermore, a structural assessment of the Old School Building, which serves as a training facility, was conducted by a professional team on 04 April 2024, following structural damage sustained during the construction of the super basement parking facility. The assessment recommended the closure of the building on health and safety grounds. This adversely affected the NSG's internal training capacity and necessitated the procurement of alternative training venues to ensure the continuity of training delivery.

7. PORTFOLIO COMMITTEES

During the financial year, the NSG was invited to the Portfolio Committee on Public Service and Administration. The engagements were convened through the virtual platform and physically in Parliament, as indicated below:

Date	Subject	Matters raised	Responses
18 June 2025	Strategic Plan 2025/2030 and Annual Performance Plan (2025/26)	Given the emphasis on building capability and professionalising the public sector, the monitoring and evaluation mechanisms in place to ensure the quality and impact of training interventions across all spheres of government	NSG has a monitoring and evaluation (M&E) unit, indicating that systems are in place. NSG used Monkey Survey to evaluate all interventions, including webinars, e-learning courses, and face-to-face interventions. Reports were produced examining quality, how events were conducted, facilitation and curriculum development. NSG was also looking into the long-term impact of courses. For example, it reviewed the impact of courses that were delivered five years ago.
		In terms of the budget and the projected revenue generation of R103 million in 2025/26 through the trading account, the NSG's plans to diversify funding sources and ensure long-term financial sustainability of its education and training programmes	The NSG introduces new courses each year, which are part of the planned budget. There was ongoing engagement with Treasury to request more funding. NSG had a meeting scheduled with Treasury on 14 July 2025 to discuss this matter.
09 July 2025	Skills Audits in selected government departments in the public service	The Chairperson said the work presented by NSG, particularly around digital public infrastructure and the skills audit, played a critical role in ensuring efficiency, accountability, and improved service delivery within the public sector. The need for continuous investment in training, clear role definitions, and strategic workforce planning to ensure public servants are empowered and well-equipped to serve citizens.	The NSG discussed the comprehensive skills audit methodology targeting Senior Management Service members and other key positions to align training with departmental needs, thus enhancing internal capacity and reducing outsourcing. He noted positive feedback from officials, viewed the audit as developmental, and urged alignment of HR strategies with the new administration's priorities. It was mentioned that the South African Social Security Agency (SASSA) and the Department of Home Affairs would share their recent audit findings, which will inform future training and curriculum development. The NSG addressed low response rates through departmental collaboration and a helpdesk, despite ongoing participation challenges. It was emphasised that high vacancy rates indicate broader HR shortages, and the audit process adheres to DPSA frameworks, utilising online surveys to incorporate digitisation while reaffirming the NSG's commitment to skills development across the public sector.
08 Oct 2025	Annual Report (2024/25)	The committee requested the NSG to provide detailed information on its demographic profile	NSG responded that demographic statistics would be provided in writing or when the Committee next engages with the entity.

Date	Subject	Matters raised	Responses
11 March 2026	First to Third Quarter Performance (2025/26)	Current progress of filling the vacancy of the Principal The feedback mechanism to track the improvement of employees, how many provinces had enrolled in the ethics programme, and whether it was compulsory for all senior members of the public service	The post was advertised, and the recruitment process is proceeding well and should be finalised approximately within five months. The ethics course has significant provincial reach, with the Western Cape, Limpopo, and Eastern Cape recording the highest enrolment figures. While the NSG did not currently have a direct behavioural monitoring mechanism, they actively supported the DPSA's Ethics Maturity Management Assessment (EMMA) tool, which served as a self-assessment framework for departments. To ensure that the rapid expansion of training did not compromise quality, the NSG utilises a dedicated quality assurance unit, reviews curricula every three years, and maintains strict class sizes of 25 to 40 learners. Furthermore, the NSG conducts longitudinal impact studies over two to three years to track the long-term professional development of attendees.

8. SCOPA RESOLUTIONS

The NSG had no appearances before the Standing Committee on Public Accounts (SCOPA) or related notices in the financial year under review.

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The NSG did not have a qualification, disclaimer, adverse opinion and matters of non-compliance.

10. INTERNAL CONTROL UNIT

The Internal Audit is currently outsourced to OMA Chartered Accountants for 10 months, starting on 14 November 2025, with OMA working together with NSG's Internal Auditor to carry out the audits. Internal Audit follows a risk-based audit approach which emphasises the identification of risks, the prioritising thereof and testing of controls over key risk areas.

11. INTERNAL AUDIT

The purpose of the Internal Audit function is to provide independent, objective assurance and consulting services designed to add value and improve NSG operations. This function assists the NSG in accomplishing its objectives and translating them into operational activities by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes. Internal Audit has unrestricted access to all functions, records, property, and NSG employees and the Audit Committee. Adequate resources for the three-year plan review are annually allocated to the Internal Audit function. Internal Audit reports administratively to the Accounting Officer and functionally to the Audit Committee.

The audit approach combines two types of audit engagements: assurance and consulting (advisory) services. When conducting their work or any other tasks assigned to them, Internal Audit is always guided by the International Standards for the Professional Practice of Internal Auditing and the Code of Ethics, as published by the Institute of Internal Auditors, and complies with the relevant sections in the PFMA and related Treasury Regulations.

The following internal audit work was completed during the year under review:

- Annual Financial Statements and Annual Performance Report
- Supply Chain Management
- Information and Communications Technology (General Controls Review)
- Second Quarterly Performance Information
- Fleet Management
- Operational Review (Training Management)
- 2026/27 Annual Performance Plan
- Follow-up reviews on the 2025/26 financial year (31 findings in total, 23 have been addressed and 8 have not been addressed)

	Number of findings	Total Addressed	Not Yet Due	Total Not Addressed	No. of recurring findings Last 3 Financial Years
IA Findings	20	0	20	20	3
AGSA Findings	37	0	37	37	9

12. AUDIT COMMITTEE

The Audit Committee is an independent body that reports to the Accounting Officer through its Chairperson. The overall objective of the Audit Committee is to assist in ensuring that there are effective organisational management and control measures that are applied by the Executive Management to discharge their duties relating to:

- Safeguarding of assets
- Adequate operation of procedures and controls
- Financial reporting process
- Performance information management
- System of internal control over financial reporting
- Audit process.
- Departmental processes for monitoring compliance with laws and regulations and the code of conduct

The Audit Committee is also responsible for reviewing the Annual Financial Statements and performance information reports, as required by the PFMA and the Treasury Regulations. The Audit Committee does not perform any management functions or assume any management responsibilities, but functions as an objective and independent oversight committee, making recommendations to the Accounting Officer for his/her approval or final decision. Overall, the Audit Committee executes its responsibilities through close liaison and communication with management, Internal and External Auditors, and, where it deems it necessary, engages with the Executive Authority.

Audit Committee Composition and Attendance of audit committee meetings by audit committee members

The Audit Committee continued to provide independent advice to management and to oversee the internal audit unit. It currently consists of five independent members in line with good corporate governance, as listed below. The Committee meets at least four times per annum, in accordance with its approved terms of reference. During the year under review, the Committee held five meetings. The table below discloses relevant information on the audit committee members:

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Term End Date	No. of Meetings attended
Prof. Daniel (DP) van der Nest	Doctor Technologiae, Master of Commerce: Economics, Bachelor of Commerce (Hons) in Economics, Bachelor of Commerce (Accounting), Post Graduate Diploma in Higher Education	External (Chairperson)	N/A	01 November 2023	N/A	5
Dr Tebogo Sethibe	Doctor of Business Leadership, Master of Business Leadership, Master of Information Technology, Bachelor of Science (Computer Science)	External (Member)	N/A	01 November 2023	N/A	5
Ms Noziphiwo Phumeza Lubanga	Masters in Business Administration, Post Graduate Diploma in General Management, Bachelor of Commerce (Hons) in Internal Audit, Bachelor of Commerce (Internal Audit), National Diploma in Internal Audit	External (Member)	N/A	01 November 2023	N/A	5
Ms Khanyisile Kweyama	Post Graduate Diploma in Management	External (Member)	N/A	01 November 2023	N/A	5
Mr Mojalefa Daniel Claude Rathebe	Bachelor of Law	External (Member)	N/A	01 November 2023	N/A	3

13. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2026.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. 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, except that it has not reviewed changes in accounting policies and practices. The Audit Committee remains committed to continuous improvement and will focus on enhancing revenue management and system integration in the upcoming financial year.

The Effectiveness of Internal Control

The system of internal control is designed to provide reasonable cost-effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. Internal Audit provides the Audit Committee and management with assurance that the controls are appropriate and effective. This is achieved through an appropriate quarterly reporting process, as well as the identification of corrective actions and suggested enhancements to the controls and processes.

Where control weaknesses and other matters were reported, the Audit Committee has considered management's responses to address the matters and to facilitate corrective actions, improvements and monitoring of the controls and procedures. Implementation of such corrective actions is monitored and reported on quarterly.

The following internal audit work was completed during the year under review:

- Annual Financial Statements and annual performance report
- Supply Chain Management
- Information and Communications Technology (general controls review)
- Second quarter performance information.
- Fleet Management
- Operational Review (Training Management)
- 2026/27 Annual Performance Plan
- Follow-up (Revenue Management 2024/25 External Audit findings)

The Audit Committee maintained oversight of the control deficiencies in the MYNSG learner system originally flagged by Internal Audit through a structured quarterly reporting mechanism. The Committee is pleased to confirm that management has demonstrated significant commitment to resolving these issues, resulting in observable improvements in the system's control framework.

In-Year Management and Monthly/Quarterly Report

The NSG has complied with monthly and quarterly reporting requirements to the National Treasury and the DPME, as required by the PFMA.

Evaluation of Financial Statements

Having reviewed the AFS as of 31 March 2026, the Committee recommended that the reports be approved by the Accounting Officer before being submitted to the AGSA for audit. The Audit Committee, together with the AGSA and the Accounting Officer, deliberated on the audit findings for the annual report. The AGSA reported that although the entity had received an "unqualified" audit opinion on the AFS, there were a number of "issues raised" in relation to revenue recognition, debtor management, and compliance and monitoring.

Other Achievements

The Audit Committee commended the NSG for maintaining an unqualified audit opinion on the Vote Account for the 2025/26 financial year, reflecting the leadership's continued commitment to transparency and accountability. The Committee noted with appreciation the Department's ongoing efforts to improve performance reporting, with Programme 2 achieving notable progress in training delivery and thought leadership initiatives and a 90% overall performance.

Auditor-General's Report

The Committee concurs with the AGSA's audit conclusions regarding the annual financial statements, annual performance report, and compliance with legislation, and believes that the audited statements and report should be accepted and considered together with the AGSA's report. Management is encouraged to prioritise the resolution of recurring findings, particularly those related to performance reporting and compliance with legislation. The Committee is confident in management's ability to address these matters and looks forward to receiving a detailed implementation plan.

Appreciation

We would like to express our appreciation to the executive authority, Acting Principal, for her leadership and support, the AGSA, Internal Audit and management for their commitment.



PROF DANIEL VAN DER NEST
CHAIRPERSON OF THE AUDIT COMMITTEE
NATIONAL SCHOOL OF GOVERNMENT
31 AUGUST 2026

14. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

Has the Department applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regard to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	-
Developing and implementing a preferential procurement policy?	Yes	In compliance with the PPPFA, the NSG's Supply Chain Management Policy has incorporated the requirements of the Regulations 2022. Procurement of goods and services is carried out under the preference points system.
Determining qualification criteria for the sale of state-owned enterprises?	No	-
Developing criteria for entering partnerships with the private sector?	No	-
Determining criteria for the awarding of incentives, grants, and investment schemes in support of Broad-Based Black Economic Empowerment?	No	-

PART D:

HUMAN RESOURCE MANAGEMENT



1. INTRODUCTION

The information contained in this part of the annual report has been prescribed by the Minister for the Public Service and Administration for all departments in the public service.

2. OVERVIEW OF HUMAN RESOURCES

The NSG staff establishment comprises 238 funded posts aligned with the approved structure, of which 217 are filled posts and 21 vacant as of 31 March 2026, translating to 91,2% of posts filled. The vacancy rate was 8.8%, reflecting a plausible performance by the NSG in filling vacant posts. The vacancy rate frequently fluctuates because of resignations and retirements. However, despite these fluctuations, the NSG has maintained the vacancy rate within the set national rate. The disaggregation by employment equity shows female SMS at 50%, people with disabilities at 3,2%, and youth at 26%. A total of 8 employees were appointed in addition to the fixed structure: 2 at salary level 13 and 6 at salary level 6.

The NSG trained 125 employees in line with the Workplace Skills Plan (WSP), representing 57.6% of the staff complement. The focus on training officials was on the critical skills required to deliver on the NSG's mandate. A total of 41 bursaries were awarded to employees to further their studies for the 2025/26 academic year. Seventeen employees completed their studies through a bursary.

The NSG achieved 100% of SMS who submitted performance agreements and were captured on the Persal System for the 2025/26 financial year. In terms of employee relations, three cases of misconduct were managed and finalised. A total of 10 grievances were received and finalised, whilst 3 disputes were completed during the reporting.

The NSG performed excellently in implementing programmes to enhance active uptake of Employee Health and Wellness (EHW) interventions. A total of 167 employees (76%) attended health and wellness programmes during the financial year. The wellness services are available 24 hours a day to employees and their family members. The NSG faces challenges with e-recruitment, which negatively affect the timeframes for filling vacancies.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel-related expenditure

The following tables summarise the final audited personnel-related expenditure by programme and salary band. In particular, it provides an indication of the amount spent on personnel as well as the amount spent on salaries, overtime, homeowner's allowances and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2025 and 31 March 2026

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)
Vote Programme 1	112 449	65 277	763	845	58%	733
Vote Programme 2	112 527	-	-	-	-	-
Trade (TTA)	279 878	119 108	1 465	37 203	43%	845
Total	504 854	184 385	2 228	38 048	37%	802

Table 3.1.2 Personnel costs by salary band for the period 1 April 2025 and 31 March 2026

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)	-	-	-	-
Skilled (Levels 3-5)	7 298	4%	32	228
Highly skilled production (Levels 6-8)	38 950	21%	76	513
Highly skilled supervision (Levels 9-12)	70 624	38%	82	883
Senior and Top Management (Levels 13-16)	67 513	37%	42	1 607
Total	184 385	100%	230	802

Table 3.1.3 Salaries, Overtime, Homeowners Allowance and Medical Aid by programme for the period 1 April 2025 and 31 March 2026

Programme	Salaries		Overtime		Homeowners 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	45 030	24%	671	0%	1 135	1%	2 939	2%
Programme 2	82 115	45%	75	0%	2 102	1%	4 305	2%
Total	127 145	69%	746	0%	3 237	2%	7 244	4%

Table 3.1.4 Salaries, Overtime, Homeowners Allowance and Medical Aid by salary band for the period 1 April 2025 and 31 March 2026

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 (Levels 1-2)	-	-	-	-	-	-	-	-
Skilled (Levels 3-5)	5 000	3%	72	0%	299	0%	766	0%
Highly skilled production (Levels 6-8)	27 346	15%	389	0%	1 575	1%	3 477	2%
Highly skilled supervision (Levels 9-12)	51 042	28%	285	0%	914	0%	2 313	1%
Senior Management (Levels 13-16)	43 757	24%	0	0%	449	0%	688	0%
Total	127 145	69%	746	0%	3 237	2%	7 244	4%

3.2 Employment and Vacancies

The tables in this section summarise the position regarding employment and vacancies.

The following tables summarise the number of posts at the establishment, the number of employees, the vacancy rate, and whether there are any additional staff. This information is presented in terms of three key variables:

- Programme
- Salary band
- Critical occupations (see definition in notes below).

Departments have identified critical occupations that require monitoring. In terms of current regulations, it is possible to create a post in the establishment that can be occupied by more than one employee. Therefore, the vacancy rate is the percentage of posts that remain unfilled.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2026

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Vote	87	78	10.3	-
Trade	151	139	7.9	-
Total	238	217	8.8	-

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2026

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Skilled (Levels 1-2)	-	-	-	-
Skilled (Levels 3-5)	25	23	8%	-
Highly skilled production (Levels 6-8)	83	71	14,46	-
Highly skilled supervision (Levels 9-12)	83	81	2.41%	-
Senior Management (Levels 13-16)	47	42	10.6%	-
Total	238	217	8.8	-

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2026

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Principal	1	-	100%	-
Chief Director: Research & Market Intelligence	1	-	100%	-
Director: Curriculum Development	2	1	50%	-
Data Intelligence	2	1	50%	-
Total	6	2	33%	-

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - for which persons require advanced knowledge in a specified subject area or science or learning field, and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

3.3 Filling of SMS Posts

The tables in this section provide information on employment and vacancies for members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes, and disciplinary steps taken.

Table 3.3.1 SMS post information as of 31 March 2026

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%
Salary Level 16	1	1	-	-	-
Salary Level 15	2	2	100%	-	100%
Salary Level 14	13	12	92.3%	1	7.6%
Salary Level 13	31	28	86.66%	3	13.33%
Total	48	42	89.37%	5	10.63%

Table 3.3.2 SMS post information as of 30 September 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%
Salary Level 16	1	1	-	-	-
Salary Level 15	2	2	100%	-	100%
Salary Level 14	13	12	92.3%	1	7.6%
Salary Level 13	31	28	86.66%	3	13.63%
Total	48	42	89.37%	5	10.63

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2025 and 31 March 2026

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in the 6 months after becoming vacant	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	1	-	1
Salary Level 16	1	-	1
Salary Level 15	-	-	-
Salary Level 14	1	-	1
Salary Level 13	1	-	1
Total	3	-	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 2025 to 31 March 2026

Reasons for vacancies not advertised within six months
The vacant post of the Principal job profile approval and the request to advertise the post took longer than expected. The Chief Director: Research and Market Intelligence was readvertised to align the job title.
Director: Curriculum Development job profile needed to be reviewed, and the post will be re-advertised.
Reasons for vacancies not filled within twelve months
Delays caused by the manual capturing of applications

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

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 2025 and 31 March 2026

Reasons for vacancies not advertised within six months
Delays in the job evaluation process
Reasons for vacancies not filled within six months
Delays in the manual handling of applications affect the timeframes to fill the vacant posts in the NSG.

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A(1) or (2) of the Public Service Act.

3.4 Job Evaluation

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

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2025 and 31 March 2026

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)	-	-	-	-	-	-	-
Skilled (Levels 3-5)	27	2	7.4%	-	-	-	-
Highly skilled production (Levels 6-8)	82	10	12%	3	30%	-	-
Highly skilled supervision (Levels 9-12)	82	-	-	-	-	-	-
Senior Management Service (Band A)	30	5	16%	-	-	-	-
Senior Management Service (Band B)	13	-	-	-	-	-	-
Senior Management Service (Band C)	3	-	-	-	-	-	-
Senior Management Service (Band D)	1	1	100%	-	-	-	-
Total	238	17	7.14%	3	17.6%	-	-

The following table summarises the number of employees whose positions were upgraded. The number of employees might differ from the number of posts upgraded, since not all employees are automatically absorbed into the new posts, and some of the upgraded posts could also be vacant.

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2025 to 31 March 2026

Gender	African	Asian	Coloured	White	Total
Female	1	-	-	-	-
Male	1	-	-	-	-
Total	2	-	-	-	-
Employees with a disability					-

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2025 and 31 March 2026

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Top Management (Levels 15-16)	1	15	16	Transfer to the NSG
Senior Management (Levels 13-14)	-	-	-	-
Professionally Middle Management (Levels 11-12)	8	11	12	Grade Progression/ Personal Notches
Junior Management (Levels 9-10)	3	9	10	Grade Progression
Skilled technical (Levels 6-8)	5	7	8	Grade Progression
Semi-skilled (Levels 4-5)	4	5	7&8	Grade progression
	1	4	5	Grade Progression
Total number of employees whose salaries exceeded the level determined by job evaluation				22
Percentage of total employed				10.13%

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2025 and 31 March 2026

Gender	African	Asian	Coloured	White	Total
Female	13	-	2	2	17
Male	3	-	2	0	5
Total	16	-	4	2	22

Employees with a disability	2	-	-	-	2
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Notes

If there were no cases where the salary levels were higher than those determined by job evaluation, keep the heading and replace the table with the following:

Total number of Employees whose salaries exceeded the grades determined by job evaluation	None
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3.5 Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates indicate trends in the NSG employment profile. The following tables summarise turnover rates by salary band and critical occupations (see the definition in the notes below).

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2025 and 31 March 2026

Salary band	Number of employees at the beginning of the period-1 April 2025	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	-	-	-	-
Skilled (Levels 3-5)	19	2	2	100%
Highly skilled production (Levels 6-8)	76	7	4	57.14%
Highly skilled supervision (Levels 9-12)	75	4	3	75%
Senior Management Service (Band A)	42	1	3	33.33%
Senior Management Service (Band B)	-	-	-	-
Senior Management Service (Band C)	-	-	-	-
Senior Management Service (Band D)	-	-	-	-
Contracts	8	-	8	-
Total	220	14	12	85.71%

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2025 and 31 March 2026

Critical occupation	Number of employees at beginning of period-April 2025	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Principal, Chief Director: Curriculum Support & ETD Practitioner Professionalisation, Assistant Director: Data Intelligence	3	-	2	66.66%
TOTAL	3	-	2	66.66%

Notes

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

Critical occupations are defined as occupations or sub-categories within an occupation –

- (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;

- (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
- (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

Table 3.5.3 Reasons why staff left the department for the period 1 April 2025 and 31 March 2026

Termination Type	Number	% of Total Resignations
Death	-	-
Resignation	3	15%
Expiry of contract	8	40%
Dismissal – operational changes	-	-
Dismissal – misconduct	1	5.2%
Dismissal – inefficiency	-	-
Discharged due to ill-health	-	-
Retirement	6	31.6%
Transfer to other Public Service Departments	2	10.5%
Other		
Total	20	100%
Total number of employees who left as a % of total employment	20	8,8%

Table 3.5.4 Promotions by critical occupation for the period 1 April 2025 and 31 March 2026

Occupation	Employees 1 April 2025	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
Professional (4-5)	19	2	-	7	7.2%
Professional (6-8)	76	1	1.31%	28	28.9%
Middle Management (9-12)	75	-	-	39	40.2%
Senior Management (13-16)	42	-	-	23	23.7%
TOTAL	212	3	1.41%	97	100%

Table 3.5.5 Promotions by salary band for the period 1 April 2025 and 31 March 2026

Salary Band	Employees 1 April 2025	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)	-	-	-	-	-
Skilled (Levels 3-5)	25	2	8%	7	7.21%
Highly skilled production (Levels 6-8)	70	1	1.4%	28	28.86%
Highly skilled supervision (Levels 9-12)	75	-	-	39	40.21%
Senior Management (Level 13-16)	42	-	-	23	23.72%
Total	212	3	1.41%	97	100%

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 2026

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	17	-	2	1	15	3	-	4	42
Professionals	29	2	2	1	42	1	-	4	81
Technicians and associate professionals	26	1	-	-	41	1	1	1	71
Clerks	8	-	-	-	13	2	-	-	23
Service and sales workers	-	-	-	-	-	-	-	-	-
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Elementary occupations	-	-	-	-	-	-	-	-	-
Total	80	3	4	2	111	7	1	9	217
Employees with disabilities	3	-	1	-	3	-	-	-	7

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2026

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	2	0	0	-	3
Senior Management	16	-	2	1	13	3	-	4	39
Professionally qualified and experienced specialists and mid-management	29	2	2	1	42	1	-	4	81
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	26	1	-	-	41	1	1	1	71
Semi-skilled and discretionary decision-making	8	-	-	-	13	2	-	-	23
Unskilled and defined decision-making	-	-	-	-	-	-	-	-	-
Total	80	3	4	2	11	7	1	9	217

Table 3.6.3 Recruitment for the period 1 April 2025 and 31 March 2026

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	1	-	-	-	1
Professionally qualified and experienced specialists and mid-management	-	-	-	-	3	-	-	-	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	2	-	-	-	-	-	-	-	2
Semi-skilled and discretionary decision making	4	-	-	-	4	-	-	-	8
Unskilled and defined decision-making	-	-	-	-	-	-	-	-	-
Total	6	-	-	-	8	-	-	-	14
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.4 Promotions for the period 1 April 2025 and 31 March 2026

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management	-	-	-	-	-	-	-	-	-
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	-	-	-	-	1	-	-	-	1
Semi-skilled and discretionary decision making	1	-	-	-	-	1	-	-	2
Unskilled and defined decision-making	-	-	-	-	-	-	-	-	-
Total	1	-	-	-	1	1	-	-	3
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.5 Terminations for the period 1 April 2025 and 31 March 2026

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	-	-	-	-	-	-	-	1
Senior Management	-	-	-	-	1	1	-	-	2
Professionally qualified and experienced specialists and mid-management	1	-	-	1	-	1	-	-	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	1	-	-	-	2	-	-	1	4
Semi-skilled and discretionary decision making	2	-	-	-	-	-	-	-	2
Unskilled and defined decision-making	-	-	-	-	-	-	-	-	-
Total	5	-	-	1	3	2	-	1	12
Employees with Disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.6 Disciplinary action for the period 1 April 2025 and 31 March 2026

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Counselling	-	-	-	-	1	-	-	-	1
Final Written Warning	1	-	-	-	1	-	-	-	2
Suspension without pay	-	-	-	-	-	-	-	-	0

Table 3.6.7 Skills development for the period 1 April 2025 and 31 March 2026

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	9	-	1	-	8	4	-	-	22
Professionals	19	-	-	-	17	-	-	-	36
Technicians and associate professionals	18	1	2	-	30	-	-	-	51
OClerks	5	-	-	-	11	-	-	-	16
Service and sales workers	-	-	-	-	-	-	-	-	-
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Elementary occupations	-	-	-	-	-	-	-	-	-
Total	51	1	3	-	66	4	-	-	125
Employees with disabilities	-	-	-	-	1	-	-	-	1

3.7 Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for non-compliance within the prescribed timeframes, and the disciplinary steps taken is presented here.

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2025

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	-	-
Salary Level 16	1	1	1	100%
Salary Level 15	3	2	2	100%
Salary Level 14	12	12	12	100%
Salary Level 13	27	27	27	100%
Total	43	43	42	97.67

Notes

In the event of a National or Provincial election occurring within the first three months of a financial year, all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example, if elections were held in April, the reporting date in the table heading above should change.

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2026

Reasons
None

Notes

The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2026

Reasons
None

Notes

The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

3.8 Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2025 and 31 March 2026

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African	No Bonus (NB)	-	-	-	-
Male	N/B	-	-	-	-
Female	N/B	-	-	-	-
Asian	N/B	-	-	-	-
Male	N/B	-	-	-	-
Female	N/B	-	-	-	-
Coloured	N/B	-	-	-	-
Male	N/B	-	-	-	-
Female	N/B	-	-	-	-
White	N/B	-	-	-	-
Male	N/B	-	-	-	-
Female	N/B	-	-	-	-
Total	0	-	-	-	-

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2025 and 31 March 2026

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)	No Bonus (NB)	-	-	-	-	-
Skilled (Levels 3-5)	N/B	-	-	-	-	-
Highly skilled production (Levels 6-8)	N/B	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	N/B	-	-	-	-	-
Total	0	-	-	-	-	-

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2025 and 31 March 2026

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
No Bonus (NB)	-	-	-	-	-
N/B	-	-	-	-	-
N/B	-	-	-	-	-
N/B	-	-	-	-	-
Total	-	-	-	-	-

Notes

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

Critical occupations are defined as occupations or sub-categories within an occupation –

- (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;

- (b) for which persons require advanced knowledge in a specified subject area or science or learning field, and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
- (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- (d) in respect of which a department experiences a high degree of difficulty in recruiting or retaining the services of employees;

Table 3.8.4 Performance-related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2025 and 31 March 2026

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	-	-	-	-	-	-
Band B	-	-	-	-	-	-
Band C	-	-	-	-	-	-
Band D	-	-	-	-	-	-
Total	-	-	-	-	-	-

3.9 Foreign Workers

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2025 and 31 March 2026

Salary band	01 April 2025		31 March 2026		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled (Levels 1-5)	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	-	-	-	-	-	-
Contract (Levels 9-12)	-	-	-	-	-	-
Contract (Levels 13-16)	-	-	-	-	-	-
Total	-	-	-	-	-	-

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2025 and 31 March 2026

Major occupation	01 April 2025		31 March 2026		Change	
	Number	% of total	Number	% of total	Number	% Change
-	-	-	-	-	-	-

3.10 Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2025 to 31 December 2025

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 (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	102	78.43%	13	52%	12.74	128 386
Highly skilled production (Levels 6-8)	364	75%	56	80%	15.38	657 539
Highly skilled supervision (Levels 9 -12)	290	71.03%	61	81.33	21.03	1005 885
Top and Senior Management (Levels 13-16)	136	74.26%	27	64.28%	19.85	787 066
Total	892	73.99%	157	72.35	17.60	1 791 810

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2025 to 31 December 2025

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)	-	-	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	-	-	-	-	-	-
Senior Management (Levels 13-16)	-	-	-	-	-	-
Total	-	-	-	-	-	-

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

Table 3.10.3 Annual Leave for the period 1 January 2025 to 31 December 2025

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	-	-	-
Skilled (Levels 3-5)	312	21	14.8
Highly skilled production (Levels 6-8)	1652	85	21.2
Highly skilled supervision (Levels 9-12)	1675	79	21.00
Senior Management (Levels 13-16)	1024	43	23.8
Total	4663	228	20.4

Table 3.10.4 Capped leave for the period 1 January 2025 to 31 December 2025

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 2026
Lower skilled (Levels 1-2)	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-
Highly skilled supervision (Levels 9-12)	-	-	-	-
Senior Management (Levels 13-16)	-	-	-	-
Total	-	-	-	-

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

Table 3.10.5 Leave payouts for the period 1 April 2025 and 31 March 2026

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2025/2026 due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave payouts on termination of service for 2025/2026	47 000	1	R47 000
Current leave payout on termination of service for 2025/2026	R491 000	12	R40 916
Total	538 000	13	R41 384

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
-	-

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

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 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Ms Letty Raseroka, Director: HRM&D, is responsible for Employee Health & Wellness Programmes including HIV/AIDS Programme
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 staff members and the budget allocated for programme activities is R1,204,987,32 for a period of three years.
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		• Unlimited 24/7/365 support for employees and their immediate dependents. • 6 x face-to-face sessions per person per incident per year. Face-to-face counseling for employees and immediate dependents only. • e-Care programme to enhance access to services • Monthly education and awareness sessions • Referral to appropriate professional and health services institutions
			• Financial and Legal advice • Retirement and planning support • • Return-work and remote working support • • Trauma and bereavement counselling • Managerial support • • Restructuring, change management, and career counselling • A marketing and communications strategy to promote effective utilisation of the services • Health screening and ergonomic assessment of the NSG work environment for proactive- management of physical wellbeing • Monitoring and Evaluation

Question	Yes	No	Details, if yes
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		X	Wellness matters are discussed as part of the OHS Committee.
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	The approved policy for the management of HIV/AIDS, TB & STIs Operational Plan incorporates elements of non-discrimination in the workplace
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 policy clearly outlines non-discriminatory practices and disciplinary action against perpetrators HIV testing is conducted in private and by qualified professionals Advocacy and awareness programmes on key calendar days that focus on HIV issues are implemented
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.		X	Bi-annual Health Screening which includes HIV Counselling and Testing (HCT) was implemented and 20% of staff were tested during the reporting period.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/ indicators.		X	- Quarterly and annual reports are received from the outsourced service provider for Employee Wellness services. · - Quarterly and Annual HIV/AIDS Operational Plan Reports are submitted internally and to the DPSA - Quarterly Integrated EHWP reports are submitted to the DPSA

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2025 and 31 March 2026

Subject matter	Date
GPSSBC Resolution 1 of 2025 – Agreement on the increase of levies	26 September 2025
GPSSBC Resolution 2 of 2025 – Constitution	26 September 2025
GPSSBC Resolution 3 of 2025 – Governance Rules for the Chambers	29 September 2025

Notes

If there were no agreements, keep the heading and replace the table with the following:

Total number of Collective agreements	None
---------------------------------------	------

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2025 and 31 March 2026

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	1	33.33%
Verbal warning	0	-
Written warning	1	33.33%
Final written warning	0	-
Suspended without pay	0	-
Fine	0	-
Demotion	0	-
Dismissal	1	33.33%
Not guilty	0	-
Case withdrawn	0	
Total	3	100

Notes

If there were no agreements, keep the heading and replace the table with the following:

Total number of Disciplinary hearings finalised	None
---	------

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2025 and 31 March 2026

Type of misconduct	Number	% of total
Gross Insubordination & Gross absenteeism from work without permission	1	25%
Unauthorised absence from work without permission & failure to follow a reasonable instruction	1	25%
Gross Dishonesty & fraud	1	25%
Gross Dishonesty and Contravention of the Determination & Directive on Leave of absence for the Public Service	1	25%
Total	4	100%

Table 3.12.4 Grievances logged for the period 1 April 2025 and 31 March 2026

Grievances	Number	% of Total
Number of grievances resolved	8	80%
Number of grievances not resolved	2	20%
Total number of grievances lodged	10	100%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2025 and 31 March 2026

Disputes	Number	% of Total
Number of disputes upheld	2	66.66%
Number of disputes dismissed	1	33.33%
Total number of disputes lodged	3	100%

Table 3.12.6 Strike actions for the period 1 April 2025 and 31 March 2026

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 2025 and 31 March 2026

Number of people suspended	1	100%
Number of people whose suspension exceeded 30 days	1	100%
Average number of days suspended	60	-
Cost of suspension(R'000)	R86 182	100%

3.13 Skills development

This section highlights the department's efforts in skills development.

Table 3.13.1 Training needs identified for the period 1 April 2025 and 31 March 2026

Occupational category	Gender	Number of employees as at 1 April 2025	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	22	0	10	0	10
	Male	21	0	16	0	16
Professionals	Female	44	0	17	2	19
	Male	32	0	15	0	15
Technicians and associate professionals	Female	45	0	20	0	20
	Male	25	-	20	2	22
Clerks	Female	13	-	5	0	5
	Male	10	-	5	0	5
Service and sales workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	1	1	1	7	8
	Male	1	1	1	5	6
Sub Total	Female	125	1	53	9	62
	Male	89	1	57	7	64
Total		214	2	110	16	126

Table 3.13.2 Training provided for the period 1 April 2025 and 31 March 2026

Occupational category	Gender	Number of employees as at 1 April 2025	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	22	-	12	0	12
	Male	21	-	10	0	0
Professionals	Female	44	-	17	4	21
	Male	32	-	19	1	20
Technicians and associate professionals	Female	45	-	30	7	37
	Male	25	-	21	3	24
Clerks	Female	13	-	11	1	12
	Male	10	-	5	2	7
Service and sales workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	1	1	0	10	11
	Male	1	1	0	2	3
Sub Total	Female	125	1	70	22	93
	Male	89	1	55	8	64
Total		214	2	125	30	157

3.14 Injury on duty

The following tables provide basic information on injuries on duty.

Table 3.14.1 Injury on duty for the period 1 April 2025 and 31 March 2026

Nature of injury on duty	Number	% of total
Required basic medical attention only	-	-
Temporary Total Disablement	-	-
Permanent Disablement	-	-
Fatal	-	-
Total	-	-

3.15 Utilisation of Consultants

The following tables relate information on the utilisation of consultants in the department. In terms of the Public Service Regulations “consultant” means a natural or juristic person or a partnership that provides, in terms of a specific contract on an ad hoc basis, any of the following professional services to a department against remuneration received from any source:

- (a) The rendering of expert advice;
- (b) The drafting of proposals for the execution of specific tasks; and
- (c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2025 and 31 March 2026

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
-	-	-	-
Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
-	-	-	-

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2025 and 31 March 2026

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
-	-	-	-

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2025 and 31 March 2026

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
-	-	-	-
Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
-	-	-	-

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2025 and 31 March 2026

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
-	-	-	-

3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2025 and 31 March 2026

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)	-	-	-	-
Skilled Levels 3-5)	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-
Highly skilled supervision (Levels 9-12)	-	-	-	-
Senior Management (Levels 13-16)	-	-	-	-
Total	-	-	-	-

PART E: PFMA COMPLIANCE REPORT

VOTE ACCOUNT



1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1 Irregular Expenditure

a) Reconciliation of irregular expenditure

Description	2025/2026	2024/2025
	R'000	R'000
Opening balance	583	0
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	492	583
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	480	-
Less: Irregular expenditure recoverable ¹	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	595	583

N/A

Reconciling notes

Description	2025/2026	2024/2025
	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	492	583
Total	492	583

¹ Transfer to receivables

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

Description ²	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure under assessment	-	103
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	388	480
Total	388	583

N/A

c) Details of irregular expenditure condoned

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure condoned	-	-
Total	0	0

N/A

d) Details of irregular expenditure removed - (not condoned)

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure NOT condoned and removed	480	-
Total	480	0

N/A

² Group similar items

e) Details of irregular expenditure recoverable

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure recoverable	-	-
Total	0	0

N/A

f) Details of irregular expenditure written off (irrecoverable)

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure written off	-	-
Total	0	0

N/A

Additional disclosure relating to Inter-Institutional Arrangements

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

Description	2025/2026	2024/2025
	R'000	R'000
N/A	-	-
Total	0	0

N/A

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

Disciplinary steps taken
N/A

N/A

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

1.2 Fruitless and Wasteful Expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2025/2026	2024/2025
	R'000	R'000
Opening balance	-	5
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	-	19
Less: Fruitless and wasteful expenditure recoverable ⁴	-	5
Less: Fruitless and wasteful expenditure not recoverable and written off	-	19
Closing balance	0	0

N/A

Reconciling notes

Description	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	-	5
Total	0	5

⁴ Transfer to receivables

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

Description ⁵	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	0	0

N/A

c) Details of fruitless and wasteful expenditure recoverable

Description	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure recoverable	5	-
Total	5	0

N/A

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

Description	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure written off	5	19
Total	5	19

⁵ Group similar items

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

Disciplinary steps taken
N/A
Total

N/A

1.3 Unauthorised Expenditure

a) Reconciliation of unauthorised expenditure

Description	2025/2026	2024/2025
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable ⁶	-	-
Less: unauthorised not recoverable and written off ⁷	-	-
Closing balance	0	0

N/A

⁶ Transfer to receivables

⁷ This amount may only be written off against available savings

Reconciling notes

Description	2025/2026	2024/2025
	R'000	R'000
Unauthorised expenditure that was under assessment	-	-
Unauthorised expenditure that relates to the prior year and identified in the current year	-	-
Unauthorised expenditure for the current year	-	-
Total	0	0

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

Description ⁸	2025/2026	2024/2025
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total	0	0

N/A

8 Group similar items

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

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2025/2026	2024/2025
	R'000	R'000
Theft	-	0
Other material losses	-	6
Less: Recoverable	-	6
Less: Not recoverable and written off	-	0
Total	0	0

N/A

b) Details of other material losses

Nature of other material losses	2025/2026	2024/2025
	R'000	R'000
Laptops	-	55
Projector	-	7
Total	0	62

N/A

c) Other material losses recoverable

Nature of losses	2025/2026	2024/2025
	R'000	R'000
(Group major categories, but list material items)	-	51
Laptops	-	7
Projector	-	-
Total	0	58

N/A

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

d) Other material losses not recoverable and written off

Nature of losses	2025/2026	2024/2025
	R'000	R'000
(Group major categories, but list material items)	-	132
Laptops	-	-
Total	0	132

N/A

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description: vote	Number of invoices	Consolidated Value
		R'000
Valid invoices received	581	88,971,666
Invoices paid within 30 days or agreed period	547	88,327,587
Invoices paid after 30 days or agreed period	34	644,078
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

Late and or non-payment of invoices:

Changing from a paper-managed environment to a paperless environment led to a delay in the payment of invoices.

3. 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
Mentoring and Coaching	Lihle's Collection	Using a single-source supplier	NSG/D/03/2025/2026	16 962
Meeting and Symposium at the Department of Rural Development & Land Reform	Bidvest Catering Services	Using a single-source supplier	NSG/D/04/2025/2026	5 899
Legislative Drafting Workshop	Robert Edwin Conference	Using a single-source supplier	NSG/D/05/2025/2026	41 036
Mastering Dialog	Human Edge	Obtain less than 3 written quotations	NSG/D/06/2025/2026	124 257
Organisational Development Conference	Knowledge Integrated Web	Using a single-source supplier	NSG/D/07/2025/2026	25 297
Deviation for the urgent decommissioning of the Uninterrupted Power Supply (UPS) unit	Channel Data (Pty) Ltd Powermode	Obtain less than 3 written quotations	NSG/D/08/2025/2026	18 480
CIGFARO 96th Annual Conference	Chartered Institute of Government Finance, Audit & Risk Officers (CIGFARO)	Using a single-source supplier	NSG/D/09/2025/2026	44 544
2025 LIASA Annual Conference	LIASA	Using a single-source supplier	NSG/D/12/2025/2026	12 900
Short course on Instructional Design Tools for e-Learning	University of Pretoria	Using a single-source supplier	NSG/D/13/2025/2026	9 010
32nd Annual SAAIR Conference	South African Association for Institutional Research (SAAIR)	Using a single-source supplier	NSG/D/14/2025/2026	7 900
Trauma Counselling	University of Pretoria	Obtain less than 3 written quotations	NSG/D/17/2025/2026	185 472
Advertising	Municipal Focus	Using a single-source supplier	NSG/D/18/2025/2026	87 400
IPADA 10th conference	IPADA	Using a single-source supplier	NSG/D/19/2025/2026	13 900
Employment Equity Committee Seminar	Source 1 Training Consultants	Using a single-source supplier	NSG/D/20/2025/2026	34 999
KMSA Imbizo 2025	KMSA	Using a single-source supplier	NSG/D/20/2025/2026	18 000
SAAPAM 24th Annual Conference	SAAPAM	Using a single-source supplier	NSG/D/21/2025/2026	35 000
Ithenticate Software Licence renewal	Mathomomayo Solutions (Pty) Ltd	using sole provider	NSG/D/22/2025/2026	41 046
25th EAPA Annual Eduweek Conference	Employee Assistant Professionals Association of South Africa NPC	Using a single-source supplier	NSG/D/22/2025/2026	11 999
Higher Education Management Information System Capacity Building Workshop	South African Association for Institutional Research (SAAIR)	Using a single-source supplier	NSG/D/23/2025/2026	11 600
SITA Annual GovTech Conference	SITA	Using a single-source supplier	NSG/D/25/2025/2026	18 000
Movement of assets from the Principal's flat to the office in Cape Town	Cape Express Removals	Using a single-source supplier	NSG/D/26/2025/2026	7 850

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Exhibition at the IPM 69th Conference	Institute of People Management	Using a single-source supplier	NSG/D/27/2025/2026	28 750
IPADA 10th conference attendance	IPADA	Using a single-source supplier	NSG/D/28/2025/2026	6 950
SITA Annual GovTech Conference	SITA	Using a single-source supplier	NSG/D/29/2025/2026	18 000
SAAPAM 24th Annual Conference	SAAPAM	Using a single-source supplier	NSG/D/30/2025/2026	5 000
Collection Development in Africa 2025 Conference	ITOCA-Information Training and Outreach Centre for Africa	Using a single-source supplier	NSG/D/31/2025/2026	9 200
SAAPAM 24th Annual Conference	SAAPAM	Using a single-source supplier	NSG/D/32/2025/2026	8 000
Procurement of CANVA software	Megacross IT Solution	Using a single-source supplier	NSG/D/33/2025/2026	11 241
Advanced Course in Diplomatic Studies	University of South Africa	Using a single-source supplier	NSG/D/34/2025/2026	12 000
6th Annual Organisational Design & Development in Government & SOE Conference	Robert Edwin Conference	Using a single-source supplier	NSG/D/35/2025/2026	14 948
Procurement of services for the G20 shirts	Shereno Printers	Using a single-source supplier	NSG/D/43/2025/2026	11 439
Payroll, Legislation updates, PERSAL, SARS deductions, Tax Reconciliation, e@syFile, and Audit, Reporting, and Analytics Mastery Training	TNM Corporate Solutions	Using a single-source supplier	NSG/D/45/2025/2026	31 996
69th Annual IPM Convention and Exhibition	Institute of People Management	Using a single-source supplier	NSG/D/46/2025/2026	14 950
Implementing and Auditing King IV and Emerging King V Principles of Corporate Governance Workshop 2025	CCM Events and Training	Using a single-source supplier	NSG/D/48/2025/2026	9 999
Total				954,029

3.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
ICT INFRASTRUCTURE	IOCO	Extension	NSG/BID/1/2020/2021	49,954,984	0	7,493,247
Total						7,493,247

PART E: PFMA COMPLIANCE REPORT

TRADE ACCOUNT



1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1 Irregular Expenditure

a) Reconciliation of irregular expenditure

Description	2025/2026	2024/2025
	R'000	R'000
Opening balance	176	82
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	18	176
Less: Irregular expenditure condoned	-	82
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable ¹⁰	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	194	176

N/A

Reconciling note

Description	2025/2026	2024/2025
	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	18	176
Total	18	176

¹⁰ Transfer to receivables

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

Description ¹¹	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure under assessment	18	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	176
Total	18	176

N/A

c) Details of irregular expenditure condoned

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure condoned	-	-
Total	0	0

N/A

d) Details of irregular expenditure removed - (not condoned)

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
Total	0	0

N/A

¹¹ Group similar items

e) Details of irregular expenditure recoverable

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure recoverable	-	-
Total	0	0

N/A

f) Details of irregular expenditure written off (irrecoverable)

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure written off	-	-
Total	0	0

N/A

Additional disclosure relating to Inter-Institutional Arrangements

g) Details of irregular expenditure cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)¹²

Description	2025/2026	2024/2025
	R'000	R'000
N/A	-	-
	-	-
Total	0	0

N/A

¹² 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

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

Disciplinary steps taken
N/A

N/A

1.2 Fruitless and Wasteful Expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2025/2026	2024/2025
	R'000	R'000
Opening balance	17	103
Adjustment to opening balance	-	15
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	7	17
Less: Fruitless and wasteful expenditure recoverable ¹³	-	11
Less: Fruitless and wasteful expenditure not recoverable and written off	-	108
Closing balance	24	17

N/A

¹³ Transfer to receivables

Reconciling notes

Description	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	7	17
Total	7	17

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

Description ¹⁴	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	7	17
Total	7	17

N/A

c) Details of fruitless and wasteful expenditure recoverable

Group similar items	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure recoverable	-	11
Total	0	11

N/A

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

Group similar items	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure written off	-	107
Total	0	107

N/A

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

Disciplinary steps taken
N/A
Total

N/A

¹⁴ Group similar items

1.3 Unauthorised Expenditure

a) Reconciliation of unauthorised expenditure

Group similar items	2025/2026	2024/2025
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable ¹⁵	-	-
Less: unauthorised not recoverable and written off ¹⁶	-	-
Closing balance	0	0

N/A

Reconciling notes

Description	2025/2026	2024/2025
	R'000	R'000
Unauthorised expenditure that was under assessment	-	-
Unauthorised expenditure that relates to the prior year and identified in the current year	-	-
Unauthorised expenditure for the current year	-	-
Total	0	0

¹⁵ Transfer to receivables

¹⁶ This amount may only be written off against available savings

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

Description ¹⁷	2025/2026	2024/2025
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total	0	0

N/A

1.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) & (iii)¹⁸

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2025/2026	2024/2025
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
Total	0	0

N/A

¹⁷ Group similar items

¹⁸ Information related to material losses must be disclosed in the annual financial statements.

b) Details of other material losses

Nature of other material losses	2025/2026	2024/2025
	R'000	R'000
Laptops	-	-
Projector	-	-
Total	0	0

Include discussion here where deemed relevant and criminal or disciplinary steps taken by the institution.

c) Other material losses recoverable

Nature of losses	2025/2026	2024/2025
	R'000	R'000
N/A	-	-
	-	-
Total	0	0

N/A

d) Other material losses not recoverable and written off

Nature of losses	2025/2026	2024/2025
	R'000	R'000
N/A	-	-
	-	-
Total	0	0

N/A

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description: trade	Number of invoices	Consolidated Value
		R'000
Valid invoices received	1038	70,062,875
Invoices paid within 30 days or agreed period	979	67,238,530
Invoices paid after 30 days or agreed period	58	2,752,329
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

Late and or non-payment of invoices: Changing from a paper managed environment to a paperless environment led to delay in payment of invoices.

3. 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
Moodle	The Training Room Online	Natural continuation of services	NSG/D/01/2025/2026	1 866 387
Membership Subscription	KMSA	Using a single-source supplier	NSG/D/02/2025/2026	5 535
Name tags for ministerial symposium	Shereno Printers	Using a single-source supplier	NSG/D/04/2025/2026	5 899
Subscription	Lexis Nexis	Using a single-source supplier	NSG/D/06/2025/2026	103 583
Personal Mastery session for Eastern Cape Office of the Premier	Mthatha Health Resource Centre	Using a single-source supplier	NSG/D/10/2025/2026	54 060
Subscription purchase services for Juta Publishers Database Services Access	Juta Publishers	Using a single-source supplier	NSG/D/15/2025/2026	265 839
Subscription to access Pressreader (online newspapers)	Worldwide Information Services (WWIS)	Using a single-source supplier	NSG/D/16/2025/2026	333 040
Personal Mastery session for Eastern Cape Office of the Premier	Khazimla Agencies	Using a single-source supplier	NSG/D/21/2025/2026	231 725
Access Sabinet African Online Journals	SABINET	Using a single-source supplier	NSG/D/23/2025/2026	143 096
Venue for Women in Leadership Programme	MILA WETHU	Using a single-source supplier	NSG/D/24/2025/2026	379 500
Subscription to Emerald Publishing journals	Emerald Publishing	Using a single-source supplier	NSG/D/36/2025/2026	£14 274
Subscription to access ProQuest One Business (PQ1B) unlimited e-journals and Research Assistant AI tool	Worldwide Information Services (WWIS)	Using a single-source supplier	NSG/D/37/2025/2026	317 669
Subscription to Perlego e-Books	REGEXPRESS	Using a single-source supplier	NSG/D/38/2025/2026	276 000
Catering for the official launch of the Disaster Risk Management Training Programme	The Taste Café and Catering (Pty) Ltd	Using a single-source supplier	NSG/D/39/2025/2026	9 900
Subscription to Edward Elgar Publishing e-Books	REGEXPRESS	Using a single-source supplier	NSG/D/40/2025/2026	382 592
Procurement of subscription service from EBSCO	EBSCO	Using a single-source supplier	NSG/D/41/2025/2026	299 000
Extend the scope of work of the IIC assignment to the Agricultural Research Council Project	Antonio Hercules	Using a single-source supplier	NSG/D/42/2025/2026	
Procurement of services for the development of learning content for the online Onboarding of ICT Steering Committee Members course	Enterprise University of Pretoria	Using a single-source supplier	NSG/D/44/2025/2026	123 050

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Catering for the Art of Facilitation for Traditional Leaders for the Department of Land Reform and Rural Development	BIDVEST CATERING SERVICES	Using a single-source supplier	NSG/D/47/2025/2026	109 099
Procurement of services for Sabinet to host, index, allocate Digital Objective Identifiers (DOIs) and administer the Africa Journal of Public Sector Development and Governance (AJPSDG)	SABINET	Using a single-source supplier	NSG/D/49/2025/2026	30 751
Procurement of services for the review and alignment of the Advanced Diploma in Public Governance against the accreditation requirements of the Council of Higher Education	North West University	Using a single-source supplier	NSG/D/50/2025/2026	240 750
Total				954,029

3.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
-	-	-	-	-	-	-
Total				0	0	0

PART F: FINANCIAL INFORMATION

Vote



Report of the Auditor-General to Parliament on vote no. 7: National School of Government

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of National School of Government (the Department) as set out on pages 100 to 157, which comprise the appropriation statement, statement of financial position as at 31 March 2026, 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 National School of Government as at 31 March 2026 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) as issued by National Treasury of South Africa and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

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 - Unaudited supplementary schedules

6. The supplementary information set out on pages 151 to 157 does not form part of the financial statements and is presented as additional information. I have not audited this/ these schedule(s) and, accordingly, I do not express an opinion on it/ them.
7. My opinion is not modified in respect of this matter.

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 Modified Cash Standard (MCS) as issued by National Treasury of South Africa and the requirements of the Public Finance Management Act 1 of 1999 (PFMA); and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
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 104-106, forms part of my auditor's report.

Report on the audit of 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 against predetermined objectives for the selected programme presented in the annual performance report. The Accounting Officer is responsible for the preparation of the annual performance report.
13. I selected the following programme presented in the annual performance report for the year ended 31 March 2026. I selected a programme that measures the Department's performance on its primary mandated functions and that is of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 2: Public Sector Organisational and Staff Development	[35 - 41]	Provides education, development and training to public sector employees

14. I evaluated the reported performance information for the selected programme against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the Department's planning and delivery on its mandate and objectives.

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 and is comparable and understandable
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets
15. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
 16. I did not identify any material findings on the reported performance information for the selected programme.

Other matters

17. I draw attention to the matters below.

Achievement of planned targets

18. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under-achievements.
19. The table that follows provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 40.

Programme 2: Public Sector Organisational and Staff Development

Targets achieved: 90%		
Budget spent: 50%		
Key indicator not achieved	Planned target	Reported achievement
Post-graduate qualification accredited by a Quality Council	Post-graduate qualification accredited by a Quality Council	Post-graduate qualification not yet accredited by the Quality Council
Percentage of programmes/ courses quality assured as per Quality Assurance Criteria	100% of programmes/ courses quality assured as per Quality Assurance Criteria	71.4% (30/42) of programmes/ courses quality assured as per Quality Assurance Criteria

Material misstatements

20. I identified preventable material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for public sector organisation and staff development. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

Report on compliance with legislation

21. 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.
22. 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.
23. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the Department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
24. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Expenditure management

25. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by section 38(1)(f) of the PFMA and Treasury Regulation 8.2.3.

Other information in the annual report

26. The Accounting Officer is responsible for the other information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that have been specifically reported on in this auditor's report.
27. 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.
28. 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 programme presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
29. If based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.

Internal control deficiencies

30. 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.
31. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on the annual performance report and the material findings on compliance with legislation included in the report.
32. Management did not ensure that invoices are paid within 30 days after the receipt of the invoice.
33. Senior management did not adequately review the reliability of the portfolio of evidence, as the annual performance report contained material misstatements not detected by the department's own system of internal control.

Auditor General

Pretoria

31 July 2026



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

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

Compliance with legislation - selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); Section 38(1)(h)(iii); 38(1)(j); 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4); Section 44(1); 44(2); 45(b);
Treasury regulations	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); Regulation 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b); Regulation 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1 Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1; 9.1.1; Regulation 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; Regulation 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; Regulation 16A3.2(a); 16A6.1; 16A6.2(a); Regulation 16A6.2(b); 16A6.3(a); 16A6.3(b); Regulation 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; Regulation 16A6.6; 16A7.1; 16A7.3; 16A7.6; Regulation 16A7.7; 16A8.3; 16A8.4; 16A9.1(b)(ii); Regulation 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; Regulation 16A9.2(a)(ii); 16A9.2(a)(iii); 17.1.1; 18.2 Regulation 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17; 25(7A)
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury instruction No 5 of 2020/21	Section 13
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.8; 4.9; 5.3

Legislation	Sections or regulations
National Treasury Instruction No. 4 of 2015/16	Paragraph 4.1
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 3.4
National Treasury Instruction No 7 of 2017/18	Paragraph 6
PFMA National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4(a); 4.17; 7.2; Paragraph 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
Practice Note 11 of 2008/9	Paragraph 2.1; 3.1(b)
Practice Note 5 of 2009/10	Paragraph 3.3
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; Regulation 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; 7.6; 7.8; Regulation 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)
State Information Technology Agency Act 88 of 1998	Section 7(3)



school of government

Department:
National School of Government
REPUBLIC OF SOUTH AFRICA

NATIONAL SCHOOL OF GOVERNMENT

VOTE 7

ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2026

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APPROPRIATION STATEMENT

for the year ended 31 March 2026

Appropriation per programme									
2025/26								2024/25	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	116,156	-	-	116,156	112,449	3,707	96.8%	110,780	108,079
2. Public Sector Organisational and Staff Development	112,527	-	-	112,527	112,527	-	100.0%	107,944	107,944
TOTAL	228,683	-	-	228,683	224,976	3,707	98.4%	218,724	216,023

	2025/26		2024/25	
	Final Budget	Actual Expenditure	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000
TOTAL (brought forward)	228,683	224,976	218,724	216,023
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	152		284	
Actual amounts per statement of financial performance (Total revenue)	228,835		219,008	

Actual amounts per statement of financial performance (Total expenditure)

224,976

216,023

APPROPRIATION STATEMENT

for the year ended 31 March 2026

Appropriation per economic classification									
	2025/26							2024/25	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	111,795	(1,813)	-	109,982	109,528	454	99.6%	106,463	105,196
Compensation of employees	66,459	(729)	-	65,730	65,276	454	99.3%	65,248	63,981
Goods and services	45,336	(1,084)	-	44,252	44,252	-	100.0%	41,215	41,215
Transfers and subsidies	112,527	439	-	112,966	112,966	-	100.0%	108,087	108,087
Departmental agencies and accounts	112,527	-	-	112,527	112,527	-	100.0%	107,944	107,944
Households	-	439	-	439	439	-	100.0%	143	143
Payments for capital assets	4,361	-	-	4,361	1,108	3,253	25.4%	4,174	2,740
Machinery and equipment	4,361	(36)	-	4,325	1,072	3,253	24.8%	4,103	2,669
Intangible assets	-	36	-	36	36	-	100.0%	71	71
Payments for financial assets	-	1,374	-	1,374	1,374	-	100.0%	-	-
Total	228,683	-	-	228,683	224,976	3,707	98.4%	218,724	216,023

APPROPRIATION STATEMENT

for the year ended 31 March 2026

Programme 1: Administration									
2025/26								2024/25	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
Management	10,248	131	-	10,379	9,925	454	95.6%	10,382	10,133
Corporate Services	85,921	(192)	-	85,729	82,476	3,253	96.2%	81,075	78,623
Property Management	19,987	61	-	20,048	20,048	-	100.0%	19,323	19,323
Total for sub programmes	116,156	-	-	116,156	112,449	3,707	96.8%	110,780	108,079
Economic classification									
Current payments	111,795	(1,813)	-	109,982	109,528	454	99.6%	106,463	105,196
Compensation of employees	66,459	(729)	-	65,730	65,276	454	99.3%	65,248	63,981
Goods and services	45,336	(1,084)	-	44,252	44,252	-	100.0%	41,215	41,215
Transfers and subsidies	-	439	-	439	439	-	100.0%	143	143
Households	-	439	-	439	439	-	100.0%	143	143
Payments for capital assets	4,361	-	-	4,361	1,108	3,253	25.4%	4,174	2,740
Machinery and equipment	4,361	(36)	-	4,325	1,072	3,253	24.8%	4,103	2,669
Intangible assets	-	36	-	36	36	-	100.0%	71	71
Payments for financial assets	-	1,374	-	1,374	1,374	-	100.0%	-	-
Total	116,156	-	-	116,156	112,449	3,707	96.8%	110,780	108,079

APPROPRIATION STATEMENT

for the year ended 31 March 2026

Programme 2: Public Sector Organisational and Staff Development									
	2025/26							2024/25	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Augmentation of the Trading Training Account	112,527	-	-	112,527	112,527	-	100.0%	107,944	107,944
Total for sub programmes	112,527	-	-	112,527	112,527	-	100.0%	107,944	107,944
Economic classification									
Transfers and subsidies	112,527	-	-	112,527	112,527	-	100.0%	107,944	107,944
Departmental agencies and accounts	112,527	-	-	112,527	112,527	-	100.0%	107,944	107,944
Total	112,527	-	-	112,527	112,527	-	100.0%	107,944	107,944

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2026

1. Detail of transfers and subsidies as per Appropriation Act (after Virement)

Details of these transactions can be viewed in the note on Transfers and Subsidies, and Annexure 1B-&1G of the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement)

Details of these transactions can be viewed in the note on Annual Appropriation to the Annual Financial Statements.

3. Detail 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

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Administration	116,156	112,449	3,707	3.19%
Public Sector Organisational and Staff Development	112,527	112,527	-	0.00%
Total	228,683	224,976	3,707	1.62%

The variance in compensation is due to funded vacant posts. The lower than planned expenditure on capital assets is mainly attributable to delays in issuing a purchase order for CISCO and LAN switches amounting to R2,578,549.45. Although the letter of award was issued in December and the supplier was tax compliant at the time, the Department was unable to issue the purchase order as the LOGIS system could not process it when the supplier later became non-compliant.

The supplier was subsequently notified to resolve the tax compliance issues, which were only finalised towards the end of the financial year. The purchase order was then processed in April, and delivery is currently awaited.

4.2 Per economic classification

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	65,730	65,276	454	0.69%
Goods and services	44,252	44,252	-	0.00%
Transfers and subsidies				
Departmental agencies and accounts	112,527	112,527	-	0.00%
Households	439	439	-	0.00%
Payments for capital assets				
Machinery and equipment	4,325	1,072	3,253	75.21%
Intangible assets	36	36	-	0.00%
Payments for financial assets	1,374	1,374	-	0.00%
Total	228,683	224,976	3,707	1.62%

The variance in compensation is due to funded vacant posts. The lower than planned expenditure on capital assets is mainly attributable to delays in issuing a purchase order for CISCO and LAN switches amounting to R2,578,549.45. Although the letter of award was issued in December and the supplier was tax compliant at the time, the Department was unable to issue the purchase order as the LOGIS system could not process it when the supplier later became non-compliant. The supplier was subsequently notified to resolve the tax compliance issues, which were only finalised towards the end of the financial year. The purchase order was then processed in April, and delivery is currently awaited.

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2026

		2025/2026	2024/2025
	Note	R'000	R'000
REVENUE			
Annual appropriation	1	228,683	218,724
Departmental revenue	2	152	284
TOTAL REVENUE		228,835	219,008
EXPENDITURE			
Current expenditure			
Compensation of employees	3	65,276	63,981
Goods and services	4	44,252	41,215
Total current expenditure		109,528	105,196
Transfers and subsidies			
Transfers and subsidies	6	112,966	108,087
Total transfers and subsidies		112,966	108,087
Expenditure for capital assets			
Tangible assets	7	1,072	2,669
Intangible assets	7	36	71
Total expenditure for capital assets		1,108	2,740
Payments for financial assets	5	1,374	-
TOTAL EXPENDITURE		224,976	216,023
SURPLUS/(DEFICIT) FOR THE YEAR		3,859	2,985

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2026

		2025/2026	2024/2025
	Note	R'000	R'000
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		3,707	2,701
Departmental revenue and NRF receipts	12	152	284
SURPLUS/(DEFICIT) FOR THE YEAR		3,859	2,985

STATEMENT OF FINANCIAL POSITION

for the year ended 31 March 2026

		2025/2026	2024/2025
	Note	R'000	R'000
ASSETS			
Current assets			
Cash and cash equivalents	8	4,083	42
Prepayments and advances	9	8	-
Receivables	10	166	2,682
TOTAL ASSETS		4,257	2,724
LIABILITIES			
Current liabilities			
Voted funds to be surrendered to the Revenue Fund	11	3,707	2,701
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	3	3
Payables	13	547	20
TOTAL LIABILITIES		4,257	2,724
NET ASSETS		-	-

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2026

		2025/2026	2024/2025
	Note	R'000	R'000
Capitalisation reserves		-	-
Opening balance		-	-
Transfers		-	-
Movement in equity		-	-
Movement in operational funds		-	-
Other movements		-	-
Closing balance		-	-
Recoverable revenue		-	-
Opening balance		-	-
Transfers:		-	-
Recoverable revenue written off		-	-
Debts revised		-	-
Debts recovered (included in departmental revenue)		-	-
Debts raised		-	-
Closing balance		-	-
Retained funds		-	-
Opening balance		-	-
Transfer from voted funds to be surrendered (Parliament/Legislatures ONLY)		-	-
Transferred from CARA Funds		-	-
Utilised during the year		-	-
Other transfers		-	-
Closing balance		-	-

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2026

		2025/2026	2024/2025
	Note	R'000	R'000
Revaluation reserve		-	-
Opening balance		-	-
Revaluation adjustment (Human Settlements departments)		-	-
Transfers		-	-
Other		-	-
Closing balance		-	-
Unauthorised expenditure		-	-
Opening balance		-	-
Unauthorised expenditure - current year		-	-
Relating to overspending of the vote or main division within the vote		-	-
Incurred not in accordance with the purpose of the vote or main division		-	-
Less: Amounts approved by Parliament/Legislature with funding		-	-
Less: Amounts approved by Parliament/Legislature without funding and derecognised		-	-
Current		-	-
Capital		-	-
Transfers and subsidies		-	-
Less: Amounts recoverable		-	-
Less: Amounts written off		-	-
Closing Balance		-	-
TOTAL		-	-

CASH FLOW STATEMENT

for the year ended 31 March 2026

		2025/2026	2024/2025
	Note	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		228,784	218,948
Annual appropriation funds received	1.1	228,683	218,724
Departmental revenue received	2	99	224
Interest received	2.2	2	-
Net (increase)/decrease in net working capital		3,035	(664)
(Surrendered to) / Received from the Revenue Fund	11,12	(2,853)	(3,226)
Current payments		(109,528)	(105,196)
Payments for financial assets	5	(1,374)	-
Transfers and subsidies paid		(112,966)	(108,087)
Net cash flow available from operating activities	14	5,098	1,775
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(1,108)	(2,740)
Proceeds from sale of capital assets	2.3	51	60
Net cash flow available from investing activities		(1,057)	(2,680)
Net increase/(decrease) in cash and cash equivalents		4,041	(905)
Cash and cash equivalents at beginning of period		42	947
Cash and cash equivalents at end of period	15	4,083	42

ACCOUNTING POLICIES

for the year ended 31 March 2026

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, which are direct charges against the Revenue Fund authorised in terms of enabling legislation). Appropriated funds are recognised as revenue 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 those adjustments become effective.

ACCOUNTING POLICIES

for the year ended 31 March 2026

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.
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.

ACCOUNTING POLICIES

for the year ended 31 March 2026

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 unspent 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.

ACCOUNTING POLICIES

for the year ended 31 March 2026

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 [or R1000 for specific assets per MCS 11.72A] 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.

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 capital 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.

ACCOUNTING POLICIES

for the year ended 31 March 2026

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 a present legal or constructive obligation exists as a result of past events, 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.

ACCOUNTING POLICIES

for the year ended 31 March 2026

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 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. Departures from the MCS requirements

Management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard.

24. 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/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

ACCOUNTING POLICIES

for the year ended 31 March 2026

25. 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/Provincial Revenue Fund when recovered or are transferred to the Statement of Financial Performance when written off.

26. Related party transactions

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

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

27. Inventories (Effective from date determined by the Accountant-General)

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.

28. 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.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

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) and Provincial Departments:

Programmes	2025/26			2024/25		
	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	116,156	116,156	-	110,780	110,780	-
Public Sector Organisational and Staff Development	112,527	112,527	-	107,944	107,944	-
Total	228,683	228,683	-	218,724	218,724	-

2. Departmental revenue

	Note	2025/26	2024/25
		R'000	R'000
Sales of goods and services other than capital assets	2.1	45	47
Interest, dividends and rent on land	2.2	2	-
Sales of capital assets	2.3	51	60
Transactions in financial assets and liabilities	2.4	54	177
Total revenue collected		152	284
Less: Own revenue included in appropriation	12	-	-
Total		152	284

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

2.1 Sales of goods and services other than capital assets

		2025/26	2024/25
	Note	R'000	R'000
Sales of goods and services produced by the department			
Other sales		45	47
Total	2	45	47

2.2 Interest, dividends and rent on land

		2025/26	2024/25
	Note	R'000	R'000
Interest		2	-
Total	2	2	-

2.3 Sales of capital assets

		2025/26	2024/25
	Note	R'000	R'000
Tangible capital assets			
Machinery and equipment		51	60
Total	2	51	60

2.4 Transactions in financial assets and liabilities

		2025/26	2024/25
	Note	R'000	R'000
Other receipts including Recoverable Revenue		54	177
Total	2	54	177

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

3. Compensation of employees

3.1 Analysis of balance

		2025/26	2024/25
	Note	R'000	R'000
Basic salary		45,030	43,488
Service based		54	54
Compensative/circumstantial		1,047	1,322
Other non-pensionable allowances		10,439	10,852
Total		56,570	55,716

3.2 Social contributions

		2025/26	2024/25
Employer contributions	Note	R'000	R'000
Pension		5,756	5,597
Medical		2,939	2,658
Bargaining council		11	10
Total		8,706	8,265

Total compensation of employees		65,276	63,981
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Average number of employees		80	79
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

4. Goods and services

		2025/26	2024/25
	Note	R'000	R'000
Administrative fees		133	107
Advertising		207	614
Minor assets	4.1	521	122
Bursaries (employees)		887	844
Catering		408	298
Communication		698	678
Computer services*	4.2	11,476	8,193
Consultants: Business and advisory services	4.8	572	558
Legal services		81	196
Contractors		192	384
Entertainment		-	2
Audit cost - external	4.3	2,118	2,211
Fleet services		144	224
Consumables**	4.4	393	1,680
Operating leases		16,779	15,962
Property payments	4.5	4,391	4,622
Rental and hiring		142	-
Travel and subsistence	4.6	2,796	2,612
Venues and facilities		591	510
Training and development		763	888
Other operating expenditure	4.7	960	510
Total		44,252	41,215

*The increase in computer services is due to licences being fully paid on Vote.

**The decrease in consumables is due to the Department going paperless and the people working from home due to the HVAC project.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

4.1 Minor assets

		2025/26	2024/25
	Note	R'000	R'000
Tangible capital assets			
Machinery and equipment		175	122
Intangible capital assets			
Software		346	-
Total	4	521	122

4.2 Computer services

		2025/26	2024/25
	Note	R'000	R'000
SITA computer services		2,242	2,058
External computer service providers		9,234	6,135
Total	4	11,476	8,193

4.3 Audit cost - external

		2025/26	2024/25
	Note	R'000	R'000
Regularity audits		2,118	2,211
Total	4	2,118	2,211

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

4.4 Consumables

		2025/26	2024/25
	Note	R'000	R'000
Consumable supplies			
Household supplies		246	519
Building material and supplies		24	-
IT consumables		77	223
Other consumables		9	60
Stationery, printing and office supplies		37	878
Total	4	393	1,680

4.5 Property payments

		2025/26	2024/25
	Note	R'000	R'000
Municipal services		932	1,161
Property management fees		783	735
Property maintenance and repairs		191	185
Other		2,485	2,541
Total	4	4,391	4,622

4.6 Travel and subsistence

		2025/26	2024/25
	Note	R'000	R'000
Local		1,172	1,621
Foreign		1,624	991
Total	4	2,796	2,612

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

4.7 Other operating expenditure

		2025/26	2024/25
	Note	R'000	R'000
Professional bodies, membership and subscription fees		9	35
Resettlement costs		-	85
Other		951	390
Total	4	960	510

4.8 Remuneration of members of a commission or committee of inquiry (Included in Consultants: Business and advisory services)

		2025/26	2024/25
	Note	R'000	R'000
Audit Committee		238	283
Total		238	283

5. Payments for financial assets

		2025/26	2024/25
	Note	R'000	R'000
Debts written off	5.1	1,374	-
Total		1,374	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

5.1 Debts written off

		2025/26	2024/25
Nature of debts written off	Note	R'000	R'000
Other debt written off			
Employee Debt		78	-
VAT		1,160	-
Claims		136	-
Total debt written off	5	1,374	-

6. Transfers and subsidies

		2025/26	2024/25
	Note	R'000	R'000
Departmental agencies and accounts	Annex 1B	112,527	107,944
Households	Annex 1G	439	143
Total		112,966	108,087

7. Expenditure for capital assets

		2025/26	2024/25
	Note	R'000	R'000
Tangible capital assets			
Machinery and equipment		1,072	2,669
Intangible capital assets			
Software		36	71
Total		1,108	2,740

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

7.1 Analysis of funds utilised to acquire capital assets - Current year

Name of entity	2025/26		
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets			
Machinery and equipment	1,072	-	1,072
Intangible capital assets			
Software	36	-	36
Total	1,108	-	1,108

7.2 Analysis of funds utilised to acquire capital assets - Prior year

Name of entity	2024/25		
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets			
Machinery and equipment	2,669	-	2,669
Intangible capital assets			
Software	71	-	71
Total	2,740	-	2,740

7.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2025/26	2024/25
		R'000	R'000
Machinery and equipment		-	11
Total		-	11

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

8. Cash and cash equivalents

		2025/26	2024/25
	Note	R'000	R'000
Consolidated Paymaster General Account		4,053	12
Cash on hand		30	30
Total		4,083	42

The increase is due to an increase in the bank balance at year end.

9. Prepayments and advances

		2025/26	2024/25
	Note	R'000	R'000
Travel and subsistence		8	-
Total		8	-

Analysis of Total Prepayments and advances

Current Prepayments and advances		8	-
Total		8	-

10. Receivables

		2025/26			2024/25		
		Current	Non- current	Total	Current	Non- current	Total
	Note	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	10.1	148	-	148	1,423	-	1,423
Staff debt	10.2	18	-	18	99	-	99
Other receivables	10.3	-	-	-	1,160	-	1,160
Total		166	-	166	2,682	-	2,682

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

10.1 Claims recoverable

		2025/26	2024/25
	Note	R'000	R'000
National departments		148	1,423
Total	10	148	1,423

10.2 Staff debt

		2025/26	2024/25
	Note	R'000	R'000
Bursary Debts		-	16
Salary Overpayment		-	58
Tax Debt		1	4
Recovery of damages/losses		17	21
Total	10	18	99

10.3 Other receivables

		2025/26	2024/25
	Note	R'000	R'000
VAT		-	1,160
Total	10	-	1,160

10.4 Impairment of receivables

		2025/26	2024/25
	Note	R'000	R'000
Estimate of impairment of receivables		-	1,359
Total		-	1,359

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

11. Voted funds to be surrendered to the Revenue Fund / (Voted funds receivable)

		2025/26	2024/25
	Note	R'000	R'000
Opening balance		2,701	2,942
As restated		2,701	2,942
Transferred from Statement of Financial Performance (as restated)		3,707	2,701
Received / (Paid) during the year		(2,701)	(2,942)
Closing balance		3,707	2,701

12. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

		2025/26	2024/25
	Note	R'000	R'000
Opening balance		3	3
As restated		3	3
Transferred from Statement of Financial Performance (as restated)		152	284
Paid during the year		(152)	(284)
Closing balance		3	3

13. Payables - current

		2025/26	2024/25
	Note	R'000	R'000
Amounts owing to other entities		539	20
Clearing accounts		8	-
Total		547	20

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

13.1 Clearing accounts

		2025/26	2024/25
	Note	R'000	R'000
Salary Reversal Control		8	-
Total	13	8	-

March salary recalled being paid in the new financial year.

14. Net cash flow available from operating activities

		2025/26	2024/25
	Note	R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		3,859	2,985
Add back non-cash/cash movements not deemed operating activities		1,239	(1,210)
(Increase)/decrease in receivables		2,516	(675)
(Increase)/decrease in prepayments and advances		(8)	23
Increase/(decrease) in payables - current		527	(12)
Proceeds from sale of capital assets		(51)	(60)
Expenditure on capital assets		1,108	2,740
Surrenders to / Received from the Revenue Fund		(2,853)	(3,226)
Net cash flow generated by operating activities		5,098	1,775

15. Reconciliation of cash and cash equivalents for cash flow purposes

		2025/26	2024/25
	Note	R'000	R'000
Consolidated Paymaster General account		4,053	12
Cash on hand		30	30
Total		4,083	42

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

16. Contingent liabilities and contingent assets

16.1 Contingent liabilities

			2025/26	2024/25
Liable to	Nature	Note	R'000	R'000
Claims against the department		Annex 3B	26,588	27,138
Total			26,588	27,138

17. Capital commitments

		2025/26	2024/25
	Note	R'000	R'000
Machinery and equipment		2,997	130
Intangible assets		-	-
Total		2,997	130

18. Accruals and payables not recognised

18.1 Accruals

		2025/26			2024/25
		30 Days	30+ Days	Total	Total
Listed by economic classification	Note	R'000	R'000	R'000	R'000
Goods and services		1,433	-	1,433	1,288
Transfers and subsidies		79	-	79	-
Other		129	-	129	81
Total		1,641	-	1,641	1,369

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

18.2 Payables not recognised

Listed by economic classification	Note	2025/26			2024/25
		30 Days	30+ Days	Total	Total
		R'000	R'000	R'000	R'000
Goods and services		311	-	311	5
Other		-	-	-	-
Total		311	-	311	5

19. Employee benefits

	Note	2025/26	2024/25
		R'000	R'000
Leave entitlement		3,615	2,752
Service bonus		1,787	1,766
Capped leave		922	925
Other*		(14)	35
Total		6,310	5,478

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

*This amount includes negative leave which relates to vacation leave taken in advance by employees -R25 000 as well as the provision for long service awards R11 000.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

20. Lease commitments

20.1 Operating leases

	2025/26				
	Vehicles	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	1,692	-	-	-	1,692
Later than 1 year and not later than 5 years	3,498	-	-	-	3,498
Total lease commitments	5,190	-	-	-	5,190

	2024/25				
	Vehicles	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	597	-	-	554	1,151
Later than 1 year and not later than 5 years	-	-	-	-	-
Total lease commitments	597	-	-	554	1,151

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

20.2 Finance leases **

	2025/26				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	-	-
Later than 1 year and not later than 5 years	-	-	-	-	-
Total lease commitments	-	-	-	-	-

	2024/25				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	-	-
Later than 1 year and not later than 5 years	-	-	-	-	-
Total lease commitments	-	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

21. Unauthorised, Irregular and Fruitless and wasteful expenditure

		2025/26	2024/25
	Note	R'000	R'000
Unauthorised expenditure - current year		-	-
Irregular expenditure - current year		492	584
Fruitless and wasteful expenditure - current year		-	19
Total		492	603

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

22. Related party transactions

NSG VOTE 7 has a related party relationship with all the public sector entities falling within the portfolio of the Minister for Public Service and Administration. During the period under review related party transactions were entered into with the following entities.

Entity	Nature of transactions
Government Employees Medical Scheme	Under the same Minister
Department of Public Service & Administration	Under the same Minister
NSG Training Trading Account	Provision of training; Administration; maintenance of records
Public Service Commission	Under the same Minister
Centre for Public Service Innovation	Under the same Minister

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

23. Key management personnel

		2025/26	2024/25
	Note	R'000	R'000
Officials:			
Level 15 to 16		3,550	5,390
Level 14 (including Chief Financial officer)		3,328	3,175
Total		6,878	8,565

24. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2026

	2025/26				
	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	37,364		1,072	2,887	35,549
Computer equipment	22,423		381	2,844	19,960
Furniture and office equipment	8,293		55	38	8,310
Other machinery and equipment	6,648		636	5	7,279
FINANCE LEASE ASSETS					
Finance lease assets	-		-	-	-
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	37,364	-	1,072	2,887	35,549

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

24. Movable Tangible Capital Assets (continued)

Movable Tangible Capital Assets under investigation

	Note	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register that are under investigation:			
Machinery and equipment		9	171
Total		9	171

The assets under investigation are due to losses up to 2025/26 financial year not yet finalised. It is either being investigated or in the process of being written off.

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

	2024/25				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	35,823	-	2,658	(1,117)	37,364
Computer equipment	21,683	-	1,751	(1,011)	22,423
Furniture and office equipment	8,232	-	84	(23)	8,293
Other machinery and equipment	5,908	-	823	(83)	6,648
FINANCE LEASE ASSETS					
Finance lease assets	-	-	11	(11)	-
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	35,823	-	2,669	(1,128)	

Finance lease included in computer equipment as calculated amount (20) prescribed by NT therefore also shown as disposals.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

24.2 Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2026

	2025/26						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	37	-	10,575	-	-	10,612
Value adjustments	-	-	-	-	-	-	-
Additions	-	346	-	175	-	-	521
Disposals	-	(20)	-	(27)	-	-	(47)
Total Minor assets	-	363	-	10,723	-	-	11,086

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
Number of minor assets at cost	-	11	-	6,417	-	-	6,428
Total number of minor assets	-	11	-	6,417	-	-	6,428

Minor capital assets under investigation

	Note	Number	Value
			R'000

Included in the above total of the minor capital assets per the asset register that are under investigation:

Machinery and equipment	6	13
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The assets under investigation are due to losses up to 2025/26 financial year not finalised yet. It is either being investigated or in the process of being written off.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

24.2 Minor assets (continued)

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

	2024/25						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	87	-	10,705	-	-	10,792
Prior period error	-	-	-	-	-	-	-
Additions	-	-	-	122	-	-	122
Disposals	-	(50)	-	(252)	-	-	(302)
Total Minor assets	-	37	-	10,575	-	-	10,612

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
Number of minor assets at cost	-	31	-	6,215	-	-	6,246
Total number of minor assets	-	31	-	6,215	-	-	6,246

24.3 Movable capital assets written off

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2026

	2025/26						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	333	-	-	-
Total movable assets written off	-	-	-	333	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

24.3 Movable capital assets written off (continued)

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2025

	2024/25						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	199	-	-	199
Total movable assets written off	-	-	-	199	-	-	199

25. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2026

	2025/26			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	2,292	36	-	2,328
TOTAL INTANGIBLE CAPITAL ASSETS	2,292	36	-	2,328

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

	2024/25				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	2,606	-	71	(385)	2,292
TOTAL INTANGIBLE CAPITAL ASSETS	2,606	-	71	(385)	2,292

26. Broad Based Black Economic Empowerment performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Departmental Agency or Account	2025/26						2024/25	
	TRANSFER ALLOCATION				TRANSFER		Final Budget	Actual transfer
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred		
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
National School of Government Trading Account	112,527	-	-	112,527	112,527	100.0%	107,944	107,944
TOTAL	112,527	-	-	112,527	112,527	100.0%	107,944	107,944

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	2025/26						2024/25	
	TRANSFER ALLOCATION				EXPENDITURE			
Household	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								
Leave Gratuities	301	-	-	301	301	100.0%	143	143
Claims against the State	138	-	-	138	138	100.0%	-	-
TOTAL	439	-	-	439	439	100.0%	143	143

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

ANNEXURE 2A

STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

Name of public entity	State Entities' PFMA Schedule type (state year end if not 31 March)	% Held 25/26	% Held 24/25	Number of shares held		Cost of investments		Net asset value of investments		Profit/(Loss) for the year		Losses guaran- teed
				R'000		R'000		R'000		R'000		
				2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26
National / Provincial Public entity												
NSG Training Trading Entity		-	-	-	-	-	-	139,995	150,550	-	-	
TOTAL		-	-	-	-	-	-	139,995	150,550	-	-	

The investment for 2024/25 is restated.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2026

Nature of liability	Opening balance 1 April 2025	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2026
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
An employee of the National School of Government has issued a statement of claim in the Labour Court, wherein he is claiming remuneration that he be paid on the same level as a Deputy Director, even though he was appointed as an Assistant Director.	300	-	-	-	300
Two employees of the NSG who were not awarded performance bonuses for the performance cycle 2018-2019 referred an unfair labour practice dispute to the Bargaining Council and obtained a favourable award. The NSG referred the matter to the office of the State Attorney to review the award. The NSG has fully complied with the court order, both employees paid in terms of the arbitration award.	388	-	(388)	-	-
The plaintiff, a former employee of the NSG, issued summons against the NSG for losses and damages allegedly as a result of the NSG rejecting to approve his application for remunerative work outside of the Public Service.	26,090	-	(162)	-	25,928
The NSG received an application to compel MP COGTA and others to issue a certification of completion of the Compulsory Induction programme (CIP) to a learner.	-	-	-	-	-
An employee who was dismissed due to ill health has issued a statement of claim against the Department via the PSA which was referred to the General Public Service Bargaining Council. The matter was settled amicably between the parties and the applicant has filed a notice of withdrawal. The Department has fully complied with the settlement agreement.	-	150	(150)	-	-
The NSG received an adverse arbitration award re-instating a dismissed employee. The NSG then resolved to review the arbitration award at the Labour Court which process is currently taking place.	360	-	-	-	360
TOTAL	27,138	150	(700)	-	26,588

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

ANNEXURE 4

CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2025/26 *	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025	31/03/2026	31/03/2025	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								
COGTA	-	-	-	47	-	47		
NSG Trading Account	121	1,267	-	-	121	1,267		
Agriculture	-	-	-	20	-	20		
Office of the Chief Justice	-	-	-	89	-	89		
Tourism	-	-	27	-	27	-		
TOTAL	121	1,267	27	156	148	1,423		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

ANNEXURE 5

INTERGOVERNMENTAL CONTINGENT LIABILITIES, PROVISIONS, ACCRUALS, PAYABLES NOT RECOGNISED AND EMPLOYEE BENEFITS

GOVERNMENT ENTITY	Total		Cash-in-transit at year end 2025/26 *	
	31/03/2026	31/03/2025	Payment date up to six (6) working days after year end	Amount
	R'000	R'000		R'000
DEPARTMENTS				
Payables not recognised				
SARS	492	17		
GEPF	47	3		
Subtotal	539	20		
Total Departments				
Payables not recognised	539	20		
TOTAL INTERGOVERNMENTAL CONTINGENT LIABILITIES, PROVISIONS, ACCRUALS, PAYABLES NOT RECOGNISED AND EMPLOYEE BENEFITS	539	20		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

ANNEXURE 6

INVENTORIES

				Materials and supplies	Total
Inventories for the year ended 31 March 2026	R'000	R'000	R'000	R'000	R'000
Opening balance				160	160
Add / (Less: Adjustments to prior year balances				-	-
Add: Additions/Purchases - Cash				-	-
Add: Additions - Non-cash				-	-
(Less): Disposals				-	-
(Less): Issues				-	-
Add / (Less): Received current, not paid; (Paid current year, received prior year)				-	-
Add / (Less): Adjustments				-	-
Closing balance				160	160

				Materials and supplies	Total
Inventories for the year ended 31 March 2025	R'000	R'000	R'000	R'000	R'000
Opening balance				160	160
Add/(Less: Adjustments to prior year balances				-	-
Add: Additions/Purchases - Cash				306	306
Add: Additions - Non-cash				141	141
(Less): Disposals				-	-
(Less): Issues				(585)	(585)
Add/(Less): Received current, not paid; (Paid current year, received prior year)				112	112
Add/(Less): Adjustments				26	26
Closing balance				160	160

PART F: FINANCIAL INFORMATION

TRADE



Report of the Auditor-General to Parliament on National School of Government Trading Entity

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of National School of Government Trading Entity (the Trading entity) as set out on pages 158 to 205, which comprise the statement of financial position as at 31 March 2026, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information 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 National School of Government Trading Entity as at 31 March 2026 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) as issued by the Accounting Standards Board of South Africa and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

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 trading entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South

Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

Emphasis of matter - Restatement of corresponding figures

6. As disclosed in note 17 to the financial statements, the corresponding figures for 31 March 2025 were restated as a result of an error in the financial statements of the Trading entity at, and for the year ended, 31 March 2026.
7. My opinion is not modified in respect of this matter.

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 Standards of Generally Recognised Accounting Practice (Standards of GRAP) as issued by the Accounting Standards Board of South Africa and the requirements of the Public Finance Management Act 1 of 1999 (PFMA); and for such internal control as the Accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, the accounting officer is responsible for assessing the trading entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the trading entity or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the Auditor-General for the audit of the financial statements

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 162 to 164, forms part of my auditor's report.

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 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. The Trading entity's performance information was reported in the annual performance report of the National School of Government Vote. I audited the reported performance information as part of the audit of the National School of Government Vote and any audit findings are included in that auditor's report.

Report on compliance with legislation

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

Annual financial statements, performance report and annual reports

18. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1) [(a) of the PFMA.
19. Material misstatements of payables from exchange transactions, revenue from exchange transactions and disclosure items identified by the auditors in the submitted financial statements were corrected, resulting in the financial statements receiving an unqualified opinion.

Expenditure management

20. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by section 38(1)(f) of the PFMA and treasury regulation 8.2.3.

Procurement and Contract management

21. Some of the goods and services were procured without obtaining at least three written price quotations in accordance with Treasury Regulation 16A6.1 and paragraph 3.2.1 of SCM instruction note 2 of 2021/22.

Other information in the annual report

22. The Accounting Officer is responsible for the other information included in the annual report. The other information does not include the financial statements and the auditor's report.
23. My opinion on the financial statements and my report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
24. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
25. If based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.

Internal control deficiencies

25. I considered internal control relevant to my audit of the financial statements and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
26. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.

27. Management did not review and monitor compliance with applicable legislation as there were numerous material non-compliances with legislation identified.
28. Management did not pay invoices within 30 days of receipt of the invoice
29. Management did not prepare regular, accurate and complete financial reports that are supported and evidenced by reliable information as there were material misstatements identified on revenue and payables from exchanges transactions.
30. Management did not ensure that the commitment schedule is accurate by correctly taking into account the payments made towards the orders.
31. Management did not ensure that the amounts as per the approved budget are accurately recorded on the statement of budget and actual amounts.
32. Management did not ensure that the disclosures made in the financial instruments note are in line with the requirements of GRAP 104.

Auditor General

Pretoria

31 July 2026



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-General's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the trading entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a trading entity to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

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

Compliance with legislation - selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); Section 38(1)(h)(iii); 38(1)(j); 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4); Section 44(1); 44(2); 45(b);
Treasury regulations	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); Regulation 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b); Regulation 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1 Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1; 9.1.1; Regulation 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; Regulation 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; Regulation 16A3.2(a); 16A6.1; 16A6.2(a); Regulation 16A6.2(b); 16A6.3(a); 16A6.3(b); Regulation 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; Regulation 16A6.6; 16A7.1; 16A7.3; 16A7.6; Regulation 16A7.7; 16A8.3; 16A8.4; 16A9.1(b)(ii); Regulation 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; Regulation 16A9.2(a)(ii); 16A9.2(a)(iii); 17.1.1; 18.2 Regulation 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17; 25(7A)
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury instruction No 5 of 2020/21	Section 13
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.8; 4.9; 5.3

Legislation	Sections or regulations
National Treasury Instruction No. 4 of 2015/16	Paragraph 4.1
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 3.4
National Treasury Instruction No 7 of 2017/18	Paragraph 6
PFMA National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4(a); 4.17; 7.2; Paragraph 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
Practice Note 11 of 2008/9	Paragraph 2.1; 3.1(b)
Practice Note 5 of 2009/10	Paragraph 3.3
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; Regulation 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; 7.6; 7.8; Regulation 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)
State Information Technology Agency Act 88 of 1998	Section 7(3)



NATIONAL SCHOOL OF GOVERNMENT (NSG) TRAINING TRADING ACCOUNT (TTA)

Annual Financial Statements for the year ended 31 March 2026

General Information

Executive Management	Ms Phindile Mkwanazi Dr Botshabelo Maja Dr Lakela Kaunda Mr Kubele Hlaethwa
Business address	ZK Matthews Building 70 Mentjies Street Sunnyside Pretoria 0001
Postal address	Private Bag X759 Pretoria 0001
Bankers	ABSA Bank
Auditors	Auditor General South Africa
Controlling Department	National School of Government

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The reports and statements set out below comprise the annual financial statements presented to the Parliament:

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Statement of Responsibility

The Accounting Officer is responsible for the preparation and integrity of the financial statements and related information included in the annual report. In order for the Accounting Officer to discharge these responsibilities, as well as those bestowed on him in terms of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) and other applicable legislation, he has developed, and maintains, a system of internal controls.

The internal controls include a risk-based system of internal accounting and administrative controls designed to provide reasonable, but not absolute, assurance that assets are safeguarded, and transactions executed and recorded in accordance with generally accepted business practices, as well as the entity's policies and procedures. Monitoring of these controls includes a regular review of their operations by the accounting officer and independent oversight by an audit committee.

The Auditor-General as external auditor is responsible for reporting on the financial statements.

The financial statements are prepared in accordance with Generally Recognised Accounting Practice (GRAP) and incorporate disclosure in line with the accounting

philosophy of the entity and the requirements of the PFMA. The financial statements are based on appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Accounting Officer believes that the entity will be a going concern in the year ahead due to the government grant and its own generation of revenue. For this reason, the accounting officer has adopted the going concern basis in preparing the annual financial statements. Refer to the Accounting Officer's Report of NSG Vote 7 on the operations of the NSG Training Trading Account (NSG TTA).

The Accounting Officer hereby approves the annual financial statements of the NSG TTA for the year ended 31 March 2026, as set out on pages 167 to 205.



Ms Phindile Mkwana
Acting Principal

Statement of Financial Position

as at 31 March 2026

	Note(s)	2026	2025
		R '000	Restated*
			R '000
Assets			
Current Assets			
Cash and cash equivalents	6	245,941	246,063
Receivables from exchange transactions	7	8,543	8,855
		254,484	254,918
Non-Current Assets			
Intangible assets	8	45,932	40,752
Total Assets		300,416	295,670
Liabilities			
Current Liabilities			
Payables from exchange transactions	9	149,122	135,549
Payables from non-exchange transactions	10	-	313
Employees benefits	11	11,299	9,258
		160,421	145,120
Total Liabilities		160,421	145,120
Net Assets		139,995	150,550
Accumulated surplus		139,995	150,550
Total Net Assets		139,995	150,550

Statement of Financial Performance

for the year ended 31 March 2026

	Note(s)	2026	2025
		R '000	Restated* R '000
Revenue			
Revenue from exchange transactions			
Courses Rendered		140,958	92,211
Interest received (trading)		1,513	1,212
Other revenue		-	2,360
Interest received - investments		13,992	17,111
Revenue from exchange transactions	2	156,463	112,894
Revenue from non-exchange transactions			
Transfer revenue			
Grants & subsidies		115,300	108,458
Revenue from non-exchange transactions	3	115,300	108,458
Total revenue		271,763	221,352
Expenditure			
Employee related costs	4	(121,934)	(112,354)
Operating Expenses	5	(160,384)	(157,257)
Total expenditure		(282,318)	(269,611)
Deficit for the year		(10,555)	(48,259)

Statement of Changes in Net Assets

for the year ended 31 March 2026

	Accumulated surplus / deficit	Total net assets
	R '000	R '000
Opening balance as previously reported	196,819	196,819
Adjustments		
Correction of Prior Period (Note 18)	1,990	1,990
Balance at 01 April 2024 as restated*	198,809	198,809
Changes in net assets Deficit for the year	(48,259)	(48,259)
Deficit for the year as previously stated	(38,892)	(38,892)
Correction of Prior Period Error (Note 18)	(9,367)	(9,367)
Restated* Balance at 01 April 2025	150,550	150,550
Changes in net assets Deficit for the year	(10,555)	(10,555)
Total changes	(10,555)	(10,555)
Balance at 31 March 2026	139,995	139,995

Cash Flow Statement

for the year ended 31 March 2026

	Note(s)	2026	2025
		R '000	Restated*
Cash flows from operating activities			
Receipts			
Cash Received from Clients		151,962	136,432
Grants		112,527	107,944
Interest income		13,992	17,111
		278,481	261,487
Payments			
Employee costs		(119,894)	(112,765)
Suppliers for goods and services		(153,188)	(151,238)
		(273,082)	(264,003)
Net cash flows from operating activities	12	5,399	(2,516)
Cash flows from investing activities			
Purchase of other intangible assets	8	(5,522)	(5,290)
Net increase/(decrease) in cash and cash equivalents		(123)	(7,806)
Cash and cash equivalents at the beginning of the year		246,064	253,868
Cash and cash equivalents at the end of the year	6	245,941	246,062

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis						
		Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual
		R '000	R '000	R '000	R '000	R '000
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Rendering of service - course fees		103,395	-	103,395	140,958	37,563
Interest received (trading)		-	-	-	1,513	1,513
Interest received - investments		14,066	-	14,066	13,992	(74)
Total revenue from exchange transactions		117,461	-	117,461	156,463	39,002
Revenue from non-exchange transactions						
Transfer revenue						
Government grants & subsidies		112,527	-	112,527	112,527	-
Donations		-	-	-	2,773	2,773
Total revenue from non-exchange transactions		112,527	-	112,527	115,300	2,773
Total revenue		229,988	-	229,988	271,763	41,775
Expenditure						
Employee Benefits		(120,797)	-	(120,797)	(121,934)	(1,137)
General Expenses		(97,690)	-	(97,690)	(160,384)	(62,694)
Total expenditure		(218,487)	-	(218,487)	(282,318)	(63,831)
Deficit before taxation		-	-	-	(10,555)	(22,057)
Capital Expenditure						
Intangible Assets		-	-	-	(5,522)	(5,522)
Budget Deficit	Note 13	-	-	-	(16,078)	(27,579)

ACCOUNTING POLICIES

for the year ended 31 March 2026

1. Significant account policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Statement of compliance

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP), as issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act, (Act No 1 of 1999).

1.2 Standards of GRAP issued but not yet effective.

The Standard of GRAP that has been issued by the ASB, but where the Minister has not determined an effective date, has not been adopted by the NSG.

None of the approved and not yet effective standards will be applicable to the entity:

1.3 Basis of preparation, presentation currency and rounding

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

1.4 Functional Currency

All amounts have been presented in the currency of the South African Rand (R), which is also the functional currency of the entity. Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

1.5 Going concern assumption

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern for a period of 12 months from the reporting date. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

1.6 Significant judgements and estimates

The use of judgement, estimates and assumptions is inherent to the process of preparing annual financial statements. Management is required to exercise its judgement in the process of applying the entity's accounting policies. These judgements, estimates and assumptions affect the amounts presented in the annual financial statements. Uncertainties about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the relevant asset or liability in future periods.

1.7 Fair value adjustment of receivables and payables

The calculation of the fair value adjustment of receivables is based on an assessment of the average age of receivables. All receivables are assumed to settle their accounts on the average settlement period. The receivables balance is discounted to its current fair value over this term at the government gazetted rate. As at reporting date the rates specified were 10.25% (2024/25:11%) per annum on the outstanding balance.

The gross payables have been assumed to approximate their fair value as the entity policy is to settle all payables one month of invoice date.

ACCOUNTING POLICIES

for the year ended 31 March 2026

1.8 Determination of allowance for doubtful debts

The calculation in respect of the impairment of debtors is based on a historical assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to subsequently make payments. The entity has recognised an allowance for doubtful debts of 100% against all receivables over 2 years because historical experience has been that receivables that are beyond 2 years are not recoverable. Refer to note 7.

1.9 Comparative information

Prior year comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior year 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. Where material accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

Amendments to accounting policies are reported as and when deemed necessary based on the relevance of any such amendment to the format and presentation of the financial statements.

1.10 Revenue from non-exchange transactions

Transfers and subsidies received represent the operating grant received from the controlling department - NSG Vote 7.

The NSG recognises the inflow of resources from a non-exchange transaction as revenue, except when a liability is recognised in respect of that inflow. These liabilities

are classified as payables from non-exchange transactions. Where services and donations are received (In-Kind or monetary), and a reliable estimate can be made, the NSG will recognise the related revenue. All donations or services will be recognised at fair value in all cases.

1.11 Revenue from exchange transactions

Revenue from exchange transactions is measured at the fair value of the consideration received or receivable. Charges for services are determined in accordance with Treasury Regulation 19.5.

Rendering of services

Revenue from the rendering of training services is recognised on the accrual basis in the reporting periods in which the services are rendered where applicable in reference to stage of completion method.

Revenue may include forfeitures applied to invoices paid as per the relevant policies of the NSG. Invoices issued and paid over 24 months at the beginning of the financial year will be forfeited.

Stage of completion method

The revenue is recognised in reference to services performed to date as a percentage of total services to be performed.

Where the entity provides administrative support and the client department is responsible for the training roll out, the revenue will be recognised in relation to the administrative services provided at the set mile stones where the entity hands over to the client department and resume again when client department provides the required evidence for the entity to complete the remaining administrative services. Revenue for E-Learning courses is recognised when the client accesses the system.

ACCOUNTING POLICIES

for the year ended 31 March 2026

1.11 Revenue from exchange transactions (continued)

Other Revenue

Other Revenue refers to any amount recognised by the Trading Entity from exchange transaction but which does not form part of rendering of service. The amount of other revenue are as a result of exchange transaction and is recognised as fair value.

Interest revenue

Interest revenue is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

1.12 Expenditure

Expenditure is classified in accordance with the nature of the expenditure.

The NSG recognises expenditure in the statement of financial performance when a decrease in future economic benefits or service potential related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

The NSG recognises expense immediately in the statement of financial performance when expenses produce no future economic benefits or service potential or when and to the extent that, future economic benefits or service potential do not qualify, or cease to qualify, for recognition in the statement of financial position as an asset.

The NSG also recognises expenses in the statement of financial performance in those cases when a liability is incurred without the recognition of an asset, for example, when a liability under a court ruling arises.

1.13 Employee benefits

Salaries and wages comprise payments to employees. Salaries and wages are recognised as an expense in the period in which the employee renders the related service.

Social contributions include the entity's contribution to social insurance schemes paid on behalf of the employee. Social contributions are recognised as an expense in the period in which the employee renders the related service.

Short-term employee benefits

Short-term employee benefits comprise of leave entitlements, thirteenth cheques and performance bonuses. The cost of short-term employee benefits is recognised in the period in which the employee renders the related service.

Short-term employee benefits that give rise to a present legal or constructive obligation are recognised and provided for at reporting date, based on current salary rates.

Post-employment retirement benefits

The entity, through its controlling department - NSG Vote 7, provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are charged to the statement of financial performance in the year to which they relate.

No provision is made for retirement benefits in the annual financial statements of the entity. Any potential liabilities are disclosed in the annual financial statements of the National Revenue Fund.

The entity does not contribute to the medical aid of retired employees.

ACCOUNTING POLICIES

for the year ended 31 March 2026

1.13 Employee benefits (continued)

Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The entity recognises termination benefits when it is demonstrably committed to either terminate the employment of the current employees according to a detailed formal plan without the possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. If the benefit falls due more than 12 months after reporting date, they are discounted to present value.

1.14 Financial assets

All financial assets are recognised and derecognised on trade date when the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value plus, in the case of a financial asset not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition of the financial asset.

All recognised financial assets are subsequently measured at fair value, amortised cost or cost.

Classification of financial assets

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

Financial assets at amortised cost and the effective interest method

The entity's principal financial assets are 'trade and other receivables' and 'cash and cash equivalents'. These financial assets are classified as 'loans and receivables' and designated at amortised cost.

Loans and receivables are measured initially at fair value plus transaction costs. Where the effect on the fair value at initial recognition of any extended payment terms is material an adjustment to the fair value is made to recognise the time-value of money.

Loans and receivables are subsequently measured at amortised cost using the effective interest method less any impairment with interest revenue recognised on an effective yield basis in investment revenue.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Gain or losses

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

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

ACCOUNTING POLICIES

for the year ended 31 March 2026

1.14 Financial assets (continued)

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Offsetting

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

Impairment of financial assets at amortised cost

Financial assets that are measured at amortised cost are assessed for indicators of impairment at the end of each reporting period.

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

Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial asset have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis.

Objective evidence of impairment for a portfolio of receivables could include the entity's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 2 years, as well as observable budget constraints that correlate with default on receivables.

The amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, reflecting the impact of collateral and guarantees, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in surplus or deficit.

ACCOUNTING POLICIES

for the year ended 31 March 2026

1.14 Financial assets (continued)

Derecognition of Financial Assets

The entity derecognises a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition, the difference between the carrying amount of the financial asset and the sum of the proceeds receivable and any prior adjustment to reflect the fair value of the asset that had been reported in net assets is included in net surplus or deficit for the period.

1.15 Financial liabilities and equity instruments

Classification of financial liabilities and equity

The entity operates as a trading entity under the administration of NSG Vote 7. Upon closure of the entity, all the assets and liabilities shall be transferred to the controlling department and taken on record. Consequently, debt instruments are classified as financial liabilities.

All of the entity's financial liabilities are classified as 'other financial liabilities'.

Financial guarantee contract liabilities

Financial guarantee contracts represent contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when they are contractually due.

Financial guarantee contract liabilities are initially measured at their fair values and are subsequently measured at the higher of the amount of the obligation under the

contract (as determined in accordance with GRAP 19: 'Provisions, Contingent Liabilities and Contingent Assets') or the amount initially recognised.

Other financial liabilities

The entity's principal financial liability is 'trade and other payables'.

Other financial liabilities are initially measured at fair value, net of transaction costs. Where the effect on the fair value at initial recognition of any extended payment terms is material an adjustment to the fair value is made to recognise the time value of money.

Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The entity derecognises a financial liability or a part thereof when, and only when, the entity's obligations are discharged, cancelled, or they expire. On derecognition, the difference between the carrying amount of the financial liability including related unamortised costs, and the amount paid for it is included in surplus or deficit for the period.

ACCOUNTING POLICIES

for the year ended 31 March 2026

1.16 Property, plant and equipment

The entity does not recognise assets relating to items of property, plant and equipment as the controlling department, NSG Vote 7, holds all items of property, plant and equipment. The entity utilises property, plant and equipment belonging to the controlling department free of charge as part of the controlling department's administration function.

1.17 Cash and cash equivalents

Cash and cash equivalents comprise bank balances.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

1.18 Intangible assets

Intangible assets acquired externally are initially recognised at historical cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a retrospective basis.

Training Courses with effect from 1 April 2011 and MYNSG were determined to have indefinite useful lives, based on an analysis of all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflow for, or provide potential to, the entity. The training courses and MYNSG are not amortised into results of operations, but instead are reviewed for impairment annually, or more often if impairment indicators arise.

Training Management System determined to have a useful life of ten (10) years as from June 2024 and is reviewed annually for Impairment.

Licenses are determined to have a useful life as from the date of purchase and are amortised monthly.

The Library System was determined to have a useful life of 87 months as from the date of purchase and is amortised monthly.

Internally generated intangible assets

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

Impairment of assets

At the end of each reporting period, the entity reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets may have suffered an impairment loss.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time-value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit in those expense categories consistent with the function of the impaired asset.

ACCOUNTING POLICIES

for the year ended 31 March 2026

1.18 Intangible assets (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit.

1.19 Borrowings

In terms of section 19.2.3 of the Treasury Regulations the entity may not borrow for bridging purposes and may not run an overdraft on its banking account.

1.20 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The entity may generally not enter into finance leases as it is prohibited by Treasury Regulation 13.2.4. However, National Treasury permits entities to enter into finance leases under certain conditions as outlined in the Office of the Accountant-General practice note 5 of 2006/07 'Finance Lease Transactions' despite the provisions of Treasury Regulation 13.2.4.

The NSG as lessee

Assets held under finance leases are initially recognised as assets of the entity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Assets held under finance leases are depreciated over the estimated useful life of the asset on the same basis as owned assets or, where shorter, the lease term of the relevant lease.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately against surplus or deficit. Contingent rentals arising under finance leases are recognised as an expense in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the periods in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

In terms of Treasury Regulation 13.2.5 the Accounting Officer of the entity may not enter into finance lease transactions, except for agreements concluded under Public-Private-Partnerships as contemplated in Treasury Regulation 16 and Practice Note 5 of 2007/08: "Finance Lease Transactions" issued by the Office of the Accountant-General.

ACCOUNTING POLICIES

for the year ended 31 March 2026

1.20 Leases (continued)

The controlling department - NSG Vote 7 - enters into both finance and operating lease agreements on behalf of the entity as part of its administration function. The proportionate monthly lease payments relating to the entity are recovered by the controlling department in terms of the expenditure allocation policy. These lease payments are recognised as an expense in the periods in which they are incurred.

1.21 Accruals

Accruals represent goods or services that have been received, but where no invoice has been received from the supplier at the reporting date, or where an invoice has been received but payment has not been made.

Accruals are recognised in the statement of financial position as a liability under "Trade and other payables" and as expenditure in the statement of financial performance in the period to which they relate.

1.22 Contingent liabilities

A contingent liability 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 wholly within the control of the entity. Contingent liabilities are not recognised, but only disclosed in the notes to the annual financial statements.

Contingent Liabilities are carried and reported on the Vote account as the controlling entity.

1.23 Commitments

Commitments represent goods/services that have been approved and/or contracted, but where no delivery has taken place at the reporting date. Commitments are not

recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are disclosed in the notes to the annual financial statements.

Lease commitments represent amounts owing from the reporting date to the end of the lease contract. These commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are disclosed in the notes to the annual financial statements where the entity enters into lease agreements.

1.24 Provisions

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the entity will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle an obligation are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

The movement related to any provision during the reporting period is recognised in surplus or deficit.

ACCOUNTING POLICIES

for the year ended 31 March 2026

1.25 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is recognised as an expense in the Statement of Financial Performance in the period it was incurred.

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the Fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery. Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

1.26 Irregular expenditure

Irregular expenditure comprises expenditure, other than unauthorised expenditure, incurred in contravention of, or that is not in accordance with a requirement of any applicable legislation, including: - the PFMA; Irregular Expenditure Framework; National Treasury regulations, National treasury instruction notes and the National school of government's Supply Chain Management Policy (only upon contravention of legislative prescripts is irregular expenditure recognised against the respective class of expense in the period in which it was incurred).

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the irregularity unless it is impracticable to determine, in which case reasons therefore are provided in the note. Irregular expenditure is removed from the note when it is either condoned by

the relevant authority or transferred to receivables for recovery or not condoned and is not recoverable. Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written off as irrecoverable.

1.27 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the entity.

ACCOUNTING POLICIES

for the year ended 31 March 2026

1.27 Related parties (continued)

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the entity is exempt from the disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.28 Tax

The entity is exempt from paying income tax in terms of section 10(1)(a) of The Income Tax Act, Act 58 of 1962 as amended. The entity is exempt from paying VAT (Value Added Tax) in terms of the Value-Added Tax Act, Act 89 of 1991 as amended.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

	2026	2025
	R '000	R '000

2. Revenue from exchange transactions

Courses Rendered	140,958	92,211
Interest received (trading)	1,513	1,212
Interest received - investments	13,992	17,111
Other revenue	-	2,360
	156,463	112,894

3. Revenue from non-exchange transactions

Funds from the Department (NSG)	112,527	107,944
Donations	2,773	514
	115,300	108,458

During the 2025/26 financial year, the NSG has received a donation in kind for sponsorship in support of Economic Governance School which was conducted in 3 modules across 3 African countries. AngloGold Ashanti (Ghana) donated R814 948.13 towards module 1 in Ghana. MTN and ABSA donated R1 500 000 and R150 000 respectively towards module 3 held in South Africa.

The NSG received donations in kind from Nedbank through utilisation of their facilities for training purposes in the 2024/25 financial year (R514 000) and 2025/26 financial year (R307 615), as a result of an existing memorandum of agreement between the two parties.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

	2026	2025
	R '000	R '000

4. Employee related information

4.1 Employee related costs

Basic Salary	82,331	77,376
Other non-pensionable allowances	22,165	20,801
Long-service awards	94	98
Overtime pay	77	34
Pension	11,088	10,589
Medical	4,305	3,847
Official unions and associates	20	17
Leave pay provision expense	1,854	(408)
	121,934	112,354
Employees	139	136

4.2 Number of employees

Employees		
Permanent	139	136

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

	2026	2025
	R '000	R '000

5. Operating expenses

Consulting and professional fees	37,802	41,285
Consumables	1,442	1,611
IT expenses	18,159	21,883
Marketing	1,063	681
Communication costs	998	926
Postage and courier	708	557
Printing and stationery	2,885	2,427
Property payments	7,164	7,541
Venue and facilities	43,677	36,808
Movement in the provision for debtors impairment	(83)	(3,429)
Catering departmental activities	62	261
Equipment rental payments	319	548
Travel and subsistence	14,330	11,103
Property rental payments	26,379	24,854
Amortisation of Intangible assets	343	4,479
Bad debts written off	149	4,155
General administrative expenses	4,987	1,567
	160,384	157,257

6. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	245,941	246,063
	245,941	246,063

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

7. Trade and other receivables

2026	Under one year	One to two years	Over two years	Total
	R '000	R '000	R '000	R '000
Trade debtors	8,008	535	571	9,114
Allowance for impairment provision	-	-	(571)	(571)
Other receivables	-	-	-	-
	8,008	535	-	8,543

2025	Under one year	One to two years	Over two years	Total
	R '000	R '000	R '000	R '000
Trade debtors	8,141	714	645	9,500
Allowance for impairment provision	-	-	(645)	(645)
Other receivables	-	-	-	-
	8,141	714	-	8,855

Trade receivables disclosed above are classified as financial assets measured at amortised cost. All the amounts are classified as current assets. The fair value of trade and other receivables are disclosed below.

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

All invoices issued to customers must be settled within 30 days from date of receipt of the invoice as per Treasury Regulation 8.2.3. However, due to delayed payment from customers the entity is assumed to provide extended credit terms of 33 days (2024/25: 27 days) to customers affecting the fair value of debt raised. Implicit interest is charged in accordance with Section 80 of the PFMA at the rates specified. As at the reporting date the rates specified were 10.25% (2024/25: 11%) per annum on the outstanding balance.

Consequently, the entity does not assess the credit quality of customers and does not set any credit limits per customer.

Trade receivables disclosed above include amounts (see below for aged analysis) that are past due at the end of the reporting period, but against which the entity has not recognised an allowance for doubtful receivables because there has not been a significant change in credit quality and the amounts are still considered recoverable.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

	2026	2025
	R '000	R '000

7. Trade and other receivables (continued)

A review of the payment history of NSG's customers, based on transaction data captured in the debtor administration system, revealed an average collection period of 33 days (2024/25: 27 days) from course date. Customers are expected to settle invoices within 60 days from date of issue of the invoice.

The entity does not hold any collateral or other credit enhancements over these balances, nor does it have a legal right of offset against any amounts owed by the entity to the counterparty.

Trade receivables past due, but not impaired - 31 March 2026

	61 to 365 days	366 to 730 days	Total
	R '000	R '000	R '000
Nominal Value	10,799	664	11,463
Impairment Adjustment	-	-	-
	10,799	664	11,463

Trade receivables past due, but not impaired - 31 March 2025

	61 to 365 days	366 to 730 days	Total
	R '000	R '000	R '000
Nominal Value	10,384	1,892	12,276

Impairment of trade receivables

Balance at cost	7,703	7,544
Less: impairment	(496)	(654)
	7,207	6,890

The impairment of trade receivables is based on cash flows discounted using the rate prescribed by the Minister of Finance in terms of section 80 of the PFMA of 10.25% (2024/25: 11%).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

	2026	2025
	R '000	R '000

7. Trade and other receivables (continued)

Movement in the impairment provision

Opening balance	645	4,074
Provision for impairment	-	726
Amounts Written off during the year	(149)	(4,155)
	496	645

8. Intangible assets

	2026			2025		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
MyNSG	10,071	-	10,071	7,255	-	7,255
Licenses and franchises	494	(350)	144	494	(103)	391
Training Management System	2,334	(2,268)	66	2,697	(2,622)	75
Library System	-	-	-	134	(134)	-
Training Courses	40,401	(4,750)	35,651	37,330	(4,299)	33,031
Total	53,300	(7,368)	45,932	47,910	(7,158)	40,752

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

8. Intangible assets (continued)

Reconciliation of intangible assets - 2026

	Opening balance	Additions	Amortisation	Total
MyNSG	7,255	2,816	-	10,071
Licenses and franchises	391	-	(247)	144
Training Management System	75	-	(9)	66
Training Courses	33,031	2,707	(87)	35,651
	40,752	5,523	(343)	45,932

Reconciliation of intangible assets - 2025

	Opening balance	Additions	Amortisation	Total
MyNSG	4,648	2,607	-	7,255
Licenses and franchises	-	494	(103)	391
Training Management System	859	-	(784)	75
Library System	5	-	(5)	-
Training Courses	34,430	2,189	(3,588)	33,031
	39,942	5,290	(4,480)	40,752

A test was conducted at the end of the reporting period on the training courses and nothing was identified for Impairment. The Training Management System was amortised due to the change in its useful life.

Library System was fully amortised during the current financial year.

The amortisation expense is recognised are included in the line item 'amortisation and impairment' in the statement of financial performance.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

8. Intangible assets (continued)

The following useful lives are used in the calculation of amortisation:

	Useful life 2026	Useful life 2025
Capitalised training course development and MYNSG	Indefinite	Indefinite
Licenses	24 Months	24 Months
Training management system	10 Years	10 Years

9. Payables from exchange transactions

2026	30 days	30+ days	Total
	R '000	R '000	R '000
Trade creditors	8,721	-	8,720
Amounts due to customers: trade debtors	-	140,282	140,281
Amount owed to NSG Vote 7	121	-	121
	8,842	140,282	149,122

2025	30 days	30+ days	Total
	R '000	R '000	R '000
Trade creditors	5,889	-	5,889
Amounts due to customers: trade debtors	-	128,395	128,395
Amount owed to NSG Vote 7	1,267	-	1,267
	7,156	128,395	135,551

The amounts due to customers is made up by the prepayments received for training that will be delivered in the near future.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

	2026	2025
	R '000	R '000

10. Payables from non-exchange transaction

National Treasury advance for course development	-	313
	-	313

The amount for payables from Non-Exchange was redirected to fund an e-learning NSG course with the remaining R313 00 recognised in the current financial year.

11. Employment Benefits

Leave entitlement

Carrying amount beginning of period	6,462	6,869
Current Service cost	9,148	11,883
Less benefit utilised	(7,273)	(12,290)
Total Leave entitlement	8,337	6,462

13th cheque

Carrying amount beginning of period	2,702	2,712
Current Service cost	2,889	2,702
Less benefit utilised	(2,702)	(2,712)
Total 13th cheque	2,889	2,702

Long Service Awards

Carrying amount beginning of period	94	87
Current Service cost	73	94
Less benefit utilised	(94)	(87)
Total Long Service Awards	73	94
Total Employment Benefits	11,299	9,258

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

	2026	2025
	2025	R '000
	R '000	

12. Cash generated from (used in) operations

Deficit	(10,555)	(48,259)
Adjustments for:		
Allowances for doubtful debts	(83)	(3,429)
Interest income	(1,513)	(1,212)
Impairment of assets	343	4,479
Bad debts	149	4,155
Changes in estimates of employee benefits	(2,041)	396
Non-cash donations and other in-kind benefits	(2,773)	(516)
Changes in working capital:		
Receivables from exchange transactions	312	4,821
Payables from exchange transactions	21,560	37,049
	5,399	(2,516)

13. Budget information

The budget is approved on an accrual basis by nature classification. The approved budget covers the period from 01 April 2025 to 31 March 2026.

The budget and accounting bases are the same; both are on the accrual basis. The financial statements are prepared using a classification on the nature of expenses in the statement of financial performance.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

13. Budget information (continued)

Reconciliation between budget deficit and statement of financial performance:

	2026
	R '000
Budget Surplus	
Course fees above the budgeted amount	37,563
Non exchange donations	2,773
Interest trade receivables	1,513
Favourable interest on investment	(74)
Capital expenditure	(5,522)
Savings on compensation of employees	(1,137)
Over-expenditure on operational expenditure	(62,694)
Deficit for the year	(16,078)

Reason for budget deviation in revenue

The revenue performance for the financial year ending 31 March 2026 reflects an unfavourable variance of R16 million due to increased costs of conducting business and non increment of training fees.

Reason for budget deviation in expenditure.

Expenditure is above budget due to high volume of training related activities.

14. Financial instruments

Capital risk management

The entity does not have share capital that is publicly tradable on the capital markets. Upon closure of the entity all assets and liabilities will be transferred to the controlling department as required by Treasury Regulation 19.9.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

	2026	2025
	R '000	R '000

14. Financial instruments (continued)

The objectives when managing capital (retained earnings) are to safeguard the entity's ability to continue as a going concern on the cost-recovery basis and to execute government priorities through service delivery. The annual financial statements of the entity have been prepared on the going concern basis.

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset and financial liability are disclosed in the accounting policies.

Financial assets

Amortised cost

Cash and cash equivalents (Note 6)	245,941	246,063
Trade and other receivables (Note 7)	8,543	8,855
	254,484	254,918

Financial liabilities

Amortised cost

Trade and other payables (Note 9)	8,842	7,156
	8,842	7,156

Financial risk management objectives

The entity has limited exposure to financial risks due to its limited ownership (ownership is limited to the net asset holders of the controlling department - National School of Government Vote 7) and the funding of any cash deficit by the controlling department. The entity has no exposure to foreign currency risk, cash flow interest rate risk and equity price risk.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

	2026	2025
	R '000	R '000

14. Financial instruments (continued)

Credit risk management

Credit risk comprises the risk of financial loss to the entity if a counter party to a financial instrument fails to meet its contractual obligations.

The entity only transacts with entities in the national, provincial, and local spheres of government and function within the pool of funds managed by National Treasury. The credit quality of government entities is therefore not assessed as these entities are considered creditworthy.

The entity makes use of only National Treasury approved banks representing high credit quality financial institutions.

The entity does not hold any collateral or other credit enhancements to cover credit risk. However, any cash deficit caused by government entities defaulting on their contractual obligations is funded by the controlling department through augmentation as mentioned in Treasury Regulation 19.7.3.

The carrying amount of trade and other receivables recorded in the financial statements (refer to note 8), which is net of impairment losses, represents the entity's maximum exposure to credit risk without taking into account any funding by the controlling department in accordance with TR 19.7.

Receivables from exchange transactions (Note 7)	9,114	9,500
Allowance for doubtful debts (Note 7)	(571)	(645)
	8,543	8,855

There has been no significant change during the financial year, or since the end of the financial year, to the entity's exposure to credit risk, the approach of measurement or the objectives, policies, and processes for managing this risk.

Liquidity risk

Liquidity risk comprises the risk that the entity will not be able to meet its financial obligations as they fall due.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

	2026	2025
	R '000	R '000

14. Financial instruments (continued)

Ultimate responsibility for liquidity risk management rests with the Accounting Officer, who has established an appropriate liquidity risk management framework for the management of the entity's short-, medium- and long-term funding and liquidity management requirements. The entity manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity Analysis	At 31 March 2026
Cash and cash equivalents	245,941
Receivables from exchange transactions	8,543
Current Assets	254,484
Payable from exchange transaction	8,842
Current Liabilities	8,842
Excess liquidity	245,342

Maturity analysis

The entity's remaining contractual maturity for all its financial liabilities are between one and three months.

Financial assets at amortised cost

- Trade and other receivables	8,543	8,855
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Financial liabilities at amortised cost

- Trade and other payables	8,842	7,156
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Impairment of financial instruments

The carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair values.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

	2026	2025
	R '000	R '000

14. Financial instruments (continued)

The fair value of financial assets and liabilities measured at amortised cost is determined by discounting the future cash flows at the current interest rate prescribed by the Minister of Finance in terms of section 80 of the PFMA.

15. Related parties

The entity is controlled through the Department of National School of Government at National Government level.

As a result of the constitutional independence of the three spheres of government in South Africa, only parties within the national sphere of government will be considered to be related parties.

Management is defined as being individuals with the authority and responsibility for planning, directing and controlling the activities of the entity. Individuals on top management and executive committee members are considered management.

Related party transactions and outstanding balances

Revenue from non-exchange transactions – NSG Vote Account	112,527	107,944
Outstanding balance- Claims receivable – NSG Vote Account	-	-
Outstanding balance- Claims payable - NSG Vote Account	121	1,267

The department of the National School of Government paid some operating expenditure on behalf of the trading entity which the department then claims from the trading entity.

Other Government Departments

Outstanding balances- Trade and other Payables	32,408	11,432
Outstanding balances- Trade and other receivables	3,040	7,597

The trading account had normal business transactions with other National Departments. The outstanding balances shown above are normal business transactions.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

	2026	2025
	R '000	R '000

15. Related parties (continued)

Key Management Personnel remuneration

2026

Name	Position	Basic salary	Other short-term employee benefits	Post-employment benefits	Total
		R '000	R '000	R '000	R '000
Dr B Maja	Deputy Director-General	1,225	658	159	2,042
Ms PP Mkwana	Deputy Director-General	1,134	1,086	148	2,368
		2,359	1,744	307	4,410

2025

Name	Position	Basic salary	Other short-term employee benefits	Post-employment benefits	Total
		R '000	R '000	R '000	R '000
Dr B Maja	Deputy Director-General	1,177	669	153	1,999
Ms PP Mkwana	Deputy Director-General	1,045	561	136	1,742
		2,222	1,230	289	3,741

The key management personnel of the entity include the following personnel appointed in the controlling department – National School of Government Vote 7:

Official	Position
Mr KS Hlaethwa	Chief Financial Officer
Dr L Kaunda	Deputy Director-General

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

	2026	2025
	R '000	R '000

15. Related parties (continued)

Key management personnel are appointed in terms of the Public Service Act, Act 103 of 1994 as amended. The remuneration of the key management personnel is determined in accordance with the SMS remuneration scales issued by the DPSA on an annual basis. Performance awards are approved by the Accounting Officer having regard to the performance of the individuals.

16. Commitments

Leases Commitments

All lease agreements are entered into by the controlling department - National School of Government Vote 7. Therefore, all lease commitments are presented and disclosed in the financial statements of National School of Government Vote 7. The lease payments are recovered from the National School of Government TTA in accordance with the expenditure allocation policy.

The controlling department, National School of Government Vote 7, leases office equipment and Transport equipment used by the entity for a period of three years to 31 October 2025. The average lease payment is R 10,290 per month (2024-25: R 45 666) with no contingent lease payments. The lease agreements do not transfer substantially the risks and rewards associated with ownership of the assets to National School of Government. The lease agreements may be extended in accordance with clause 4 of the Master transversal agreement.

The controlling department also leases office accommodation used by the entity. The renewal period is currently on a month-to-month basis. The average lease payment is R2,128,792 per month (2024-25: R 1,998,866) escalating at 6.5% per year on 31 October. The agreement contains no contingent lease payments. The agreement does not transfer substantially the risks and rewards associated with ownership of the assets to National School of Government. The lease agreement imposes no restrictions.

Expenditure Commitments

Capital Commitments	37,999	18,876
Operational Commitments	9,000	3,814
Total	46,999	22,690

Commitments relate to the new training management system, other capital goods that have been procured and operational goods and services.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

	2026	2025
	R '000	R '000

17. Irregular expenditure and Fruitless expenditure

Description

Irregular Expenditure	18	176
Fruitless and wasteful expenditure	7	17
	25	193

No amount disclosed in the irregular and fruitless expenditure resulted in any material losses through criminal conduct and no criminal or disciplinary steps were taken as a result at the reporting date.

18. Prior period errors

18.1

During the 2025/26 financial year the entity's management identified calculation errors on the amount disclosed as short -term portion of the Long Service Awards provision. The error resulted in the overstatement of Current Liabilities and understatement and overstatement of Compensation of employees. The result of the correction is as follows:

	2026
	R '000
Decrease in Current Liabilities	15
Increase in expense	(15)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

18. Prior period errors (continued)

18.2

During the 2025/26 financial year the entity's management identified credit balances which were recognised in error in the 2024/25 financial year. The error resulted in the overstatement of revenue and understatement receivables. The result of the correction is as follows:

	2026
	R '000
Increase in receivables	(274)
Decrease in revenue	274

18.3

During the 2025/26 financial year the entity's management identified invoices that were erroneously recognised as revenue in the 2022/23 and 2023/24 financial years. The error resulted in the understatement of payables, understatement of receivables and overstatement of revenue. The result of the correction is as follows:

	2026
	R '000
Increase in payables	(610)
Increase in receivables	(54)
Decrease in opening balance - accumulated surplus	664

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

18. Prior period errors (continued)

18.4

During the 2025/26 financial year the entity's management identified invoices that were deferred in error in the 2022/23 and 2023/24 financial year. The error resulted in the overstatement of payables, overstatement of receivables and understatement of revenue. The result of the correction is as follows:

	2026
	R '000
Decrease in payables	46
Decrease in receivables	7
Increase in opening balance - accumulated surplus	(52)

18.5

During the 2025/26 financial year the entity's management identified an invoice that were erroneously deferred in the 2023/24 financial year. The error resulted in the understatement of receivables and understatement of revenue. The result of the correction is as follows:

	2026
	R '000
Increase in receivables	2,602
Decrease in opening balance- Accumulated surpluses	(2,602)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

18. Prior period errors (continued)

18.6

During the 2025/26 financial year the entity's management identified invoices that were not recognised as revenue in the 2024/25 financial year. The error resulted in the overstatement of payables and Receivables and the understatement of revenue. The result of the correction is as follows:

	2026
	R '000
Decrease in receivables	5,027
Decrease in payables	21,144
Increase in Revenue	(26,171)

18.7

During the 2025/26 financial year the entity's management identified invoices that were erroneously recognised as revenue in the 2024/25 financial year. The error resulted in the understatement of Payables and the overstatement of revenue and Receivables. The result of the correction is as follows:

	2026
	R '000
Increase in receivables	(1,159)
Increase in payables	(7,128)
Decrease in Revenue	8,288

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2026

18. Prior period errors (continued)

18.8

During the 2025/26 financial year the entity's management identified invoices that were erroneously recorded as paid in the 2024/25 financial year. The error resulted in the overstatement of Payables and the understatement of Receivables. The result of the correction is as follows:

	2026
	R '000
Increase in receivables	(2,669)
Decrease in payables	2,669

18.9

Forfeited Invoices that were recognised as revenue in the 2024/25 financial year were reversed in the current year due to the recommendation of the auditors. The result of the correction is as follows:

	2026
	R '000
Decrease in revenue	26,992
Increase in payables	(26,992)

19. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the entity to continue as a going concern is reinforced by the allocation already included in the MTEF allocation from National Treasury for the trading entity.

20. Events after the reporting date

The entity is not aware of any event subsequent to year end which might require adjustment of the stated figures.

21. Approval of the Financial Statements

The financial statements were approved by the Accounting Officer and authorised for issue.

RP85/2026

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