

culture, sport & recreation

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

2025/26 ANNUAL REPORT VOTE 11



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PART A

GENERAL

INFORMATION



culture, sport & recreation

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA



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1. LIST OF ABBREVIATIONS / ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor - General South Africa
AIDS	Acquired Immune Deficiency Syndrome
APP	Annual Performance Plan
BBBEE	Broad Based Black Economic Empowerment
BSA	Boxing South Africa
CFO	Chief Financial Officer
CGI	Corporative Governance Information
CGICT	Corporative Governance Information Communication Technology
CTF	Communication Technology Framework
COVID-19	Coronavirus Disease 2019
DAC	Department of Arts and Culture
DAS	District Academies of Sport
DCSR	Department of Culture, Sport and Recreation
DoE	Department of Education
DORA	Division of Revenue Act
DPISA	Department of Public Service and Administration
DPWRT	Department of Public Works Roads and Transport
EPWP	Expanded Public Works Programme
EU	European Union
FC	Football Club
HATC	High Altitude Training Center
HIV	Human Immune Virus
HOD	Head of Department
ICT	Information and Communication Technology
IGR	Intergovernmental Relations
IRM	Infrastructure Reporting Model
IYM	In Year Monitoring



LGNC	Local Government Names Committee	PGNC	Provincial Geographical Names Committee
LM	Local Municipality	PHRA	Provincial Heritage Resources Authority
LSEN	Learners with Special Educational Needs	PMC	Provincial Management Committee
MDG	Millennium Development Goal	PMDS	Performance Management Development System
MEC	Member of the Executive Council	PPP	Public Private Partnership
MHRAC	Mpumalanga Heritage Resources Authority Council	PSCC	Provincial Social Cohesion Committee
MIG	Municipal Infrastructure Grant	PSETA	Public Service and Training Authority
MILN	Multi Index of Library Need	RMC	Risk Management Committee
MINMEC	Minister and Members of the Executive Committee	RSA	Republic of South Africa
MMS	Middle Management Services	SADC	Southern African Development Countries
MOU	Memorandum of Understanding	SAFA	South African Football Association
MP	Mpumalanga Province	SAGNC	South African Geographic Names Council
MPGNC	Mpumalanga Provincial Geographical Names Committee	SAGPA	South African Gold Panning Association
MPLC	Mpumalanga Provincial Language Committee	SASCOC	South African Sport Confederation and Olympic Committee
MPLIS	Mpumalanga Provincial Library Information System	SATMA	South African Traditional Music Achievement Awards
MPUWA	Mpumalanga Writers Association	SCM	Supply Chain Management
MRM	Moral Regeneration Movement	SCOPA	Standing Committee in Public Accounts
MSAI	Mpumalanga Sport Association for the Intellectually Impaired	SDIP	Service Delivery Improvement Plan
MSC	Mpumalanga Sport Confederation	SETA	Sector Education and Training Authority
MTDP	Medium Term Development Plan	SITA	State Information Technology Agency
MTEF	Medium Term Expenditure Framework	SLIMS	SITA Library Information Management System
MUNIMEC	Municipalities and MEC	SMS	Senior Management Services
NAAIRS	National Automated Archival Information Retrieval System	TR	Treasury Regulations
NDP	National Development Plan	TVET	Technical Vocational Education and Training
NPO	Non- Profit Organizations	WIL	Workplace Integrated Learning
NQF	National Qualifications Framework	WSP	Workplace Skills Plan
PAS	Provincial Academy of Sport		
PERSAL	Personnel Salary System		
PF	Provincial Federations		
PFMA	Public Finance Management Act		

2. FOREWORD BY THE MEC



Mrs LM Mabuza
MEC for the Department of Culture, Sport and Recreation

In accordance with Section 40(1) (d) of the Public Finance Management Act, 1999, the Public Service Act, 1994, and the National Treasury Regulations (NTR), it is my honour to present the Annual Report on financial statements, performance indicators and Departmental activities for the 2025/26 Financial Year of the Department of Culture, Sport and Recreation, Vote 11.

We are delighted with the progress made thus far to change the life of the people for the better with regard to social cohesion and nation building programmes. The Department managed to successfully achieve 33 of the 37 planned key outputs which is 89 percent.

These key outputs delivered contributes to the Departmental mandate reflected in Priority 2: reduce poverty and tackle the high cost of living in the context of 2024 – 2029 Medium Term Development Plan (MTDP). It also forms part of the building blocks towards achieving the vision of the National Development Plan 2030 and in particular towards the realization of a cohesive society.

Achievements in relation to policy directives, 2024 – 2029 Medium Term Development Plan and department's outcomes

Promoting social cohesion through increased interaction across space and class: The sharing of space across race and class is one of the key action of the MTDP (2024 – 2029). This key action meant redressing apartheid Spatial pattern that limit opportunity for sharing of space across race and class. The access to sport for all communities regardless of color greet or give an opportunity to interact and thus focus on the common issue more than our differences to build nation. The outcome indicator suggest that the more people interact across the color it increase chances of racial integration.

The promotion of the country's national symbols, including the Constitution and its values, helps forge one national identity. It is also linked to promoting the values of democracy, non-sexism, non-racism, inherent human dignity and equality. Nation building should include eradicating discrimination, segregation and marginalisation on the basis of disability, gender, ethnicity and sexual orientation. It is about breaking

attitudinal, physical and communication barriers, and addressing harmful stereotypes and descriptors associated with disability and sexual orientation. The Department is working with both cultural and sporting community based structures in order to promote active citizenry.

Society should have balanced and appropriate incentive systems which commensurate with the individual's contribution to society. Excessive displays of wealth as well as unjustified differentials in income distort these incentives.

On this sub-outcome the Department recorded the following significant achievements:

- Promote values – non- racialism, non-sexism, democracy. Promoted national identity utilising the flag at national days, major cultural and sporting events, in schools; and conducted seventeen (17) national symbols public awareness activations.
- Implemented the Provincial community conversations / dialogues programme and also promoted the celebration of seven (7) commemorative days on intercultural basis, which were fully inclusive of all South Africans.
- Six (6) standardized geographic names features reviewed which form an important component to redress the past imbalances.
- The Province hosted major cultural events that includes amongst others; Mpumalanga Cultural Xperience 10th edition, Metro FM Music Awards, Innibos National Festival and also supported cultural events linked to Kings in the Province.
- The sport events supported includes amongst others various marathons such: 3 in 1 marathon, Mbombela Marathon and other events such as Mpumalanga Cycling.
- In addition there is a school sport programme with forty nine (49) programmes supported at the district and local level. The mass participation games in community sport and recreation was supported with twenty two (22) sport leagues activities which added necessary impetus towards social cohesion programmes.
- Eighteen (18) community arts and culture structures as well as eight (8) sport community based structures supported to advance sport programmes and enhance tourism.

Contributing towards equal opportunities, inclusion and redress: In the MTDP outcome (2024 - 2029) one of the core pillars is to build the capabilities of South Africans and increase access to information through library facilities for communities to make informed decision is a step in a right direction. The establishment of these facilities in line with Spatial Development Framework also contribute towards the realization of the

key action of NDP that advocate for inter-grated Human Settlement that seeks to provide housing adjacent to social services and communities. These facilities give access to all communities that include women, children and people with disabilities. The model of new facilities has a section dedicated for children. In addition, there are designated libraries that caters for the blind.

The outcome indicator respond very well to NDP 2030 that each municipal ward to have a public library. The impact indicator measures the process of closing the backlogs where in one hundred and twenty two (122) existing public libraries versus 400 municipal ward in Mpumalanga.

On this sub-outcome the Department recorded the following significant achievements:

- One (1) new library was 100% completed at Louieville.
- Seven thousand seven hundred and forty five (7 745) electronic books were made accessible

Promote multi-lingualism in the Province as per MP Language Act No 3 of 2014: In alignment with the MP Language Act No. 3 of 2014, promoting multi-lingualism by establishing Provincial and Local Language Units to implement language policies, facilitate translation services, and support the development of indigenous languages. These units will work with communities, educational institutions, and cultural organizations to promote language awareness, literacy programs, and multilingual communication in public spaces. The Provincial Language Unit will standardize language use in government communication, while Local Language Units will focus on grassroots initiatives, language revitalization, and advocacy. Through these efforts, we aim to foster an inclusive, linguistically diverse society where all languages are valued, respected, and used as tools for cultural expression, knowledge-sharing, and economic empowerment.

On this sub-outcome the Department recorded the following significant achievements:

- Two (2) projects implemented to produce reading materials in indigenous languages
- Three (3) language coordinating structure supported.

Increased investment in cultural and sport institution: Actively promote and secure greater investment in cultural and sports institutions to enhance their sustainability, accessibility, and impact through infrastructure development, capacity building, and operational support. Establishment of new cultural institutions as hubs for artistic expression, heritage preservation, and cultural innovation, fostering skills development and community engagement while strengthening local and international collaborations. This initiative continued to drive economic growth in the cultural and creative industries, created employment opportunities, and promoted social cohesion through inclusive programming. Additionally, investments in sports institutions provided athletes and sports professionals with world-class facilities, training programs, and development opportunities, contributing to a more vibrant and competitive sports sector.

On this sub-outcome the Department recorded the following significant achievements:

- The construction of the indoor multi-purpose Arena at Mbombela stadium was put on hold while the

Department change the implementing Agent from Mbombela stadium management to Department of Public works, Roads and Transport.

Build a functional cooperate governance services: The MTDP (2024 – 2029) encourage accountability, transparency, effective management and leadership in the public service. It is also within this space that the Department also contributed towards increasing the share of government spending on women-owned and led businesses to 88% of its total spending on entrepreneurship. The outcome indicator is important to show level of compliance towards the envisaged good governance that seeks to Build a functional cooperate governance services.

On this sub-outcome the Department recorded the following significant achievements:

- Encourage accountability, transparency, effective management and leadership in the public service the Department measure this outcome indicator “build a functional cooperate governance services” through an audit opinion granted by AGSA.

Challenges

On the outcome indicator: **Increased investment in cultural and sport institution**, the Department did not achieve the planned output (construction of the indoor multi-purpose Arena at Mbombela stadium) due to the project being put on hold while the Department change the implementing Agent from Mbombela stadium management to Department of Public works, Roads and Transport.

Capital projects continue to be a challenge in the overall performance of the Department. These relate to both Library and Sport infrastructure. Working together and strengthening monitoring system with the implementing Agent will continue to ensure that all projects are timeously delivered to close the backlog and expedite service delivery to the people of Mpumalanga.

Strategic Focus over the medium to longterm period

The Department also participates in the District Development Model (DDM) that aims at partnering with National, Provincial and Local government as well as other partners and stakeholders. Therefore, the Department is optimistic that in the medium and longterm period, one of its catalytic project such as the establishment of High Altitude Training Center which will bring much return on investment through provision of access to a state of the art sport facility. This project was recorded at pre-construction phase in the period under review and will be continued in the outer years. The Multipurpose arena is a strategic capital project that was put on hold, while the Department changed the implementing Agent from Mbombela stadium management to the Department of Public Works, Roads and Transport in the period under review. The top structure construction will be initiated in the 2026/27 FY.

Appreciation

I would like to take this opportunity to thank the Premier, the entire Executive Council, Portfolio and Select Committees for the oversight and leadership they provided during the implementation of Departmental programmes. My dedication also goes to all Sport and Culture delivery agents and funders, without whom we would have not achieved the current milestones. Lastly, I also express my gratitude to the Head of Department for administrative support and to the officials of the Department who go beyond their call of duty to deliver on our commitment and give effect towards the attainment of our vision of a socially cohesive society.

I thank you.



Mrs LM Mabuza

MEC for the Department of Culture, Sport & Recreation

Date: 31st August 2026



4. REPORT OF THE ACCOUNTING OFFICER



Mr EM Mahlangu
HOD: Culture, Sport and Recreation

4.1. Overview of operations of the Department

The Department has significantly strived to meet the expectations of its stakeholders in the Cultural Affairs, Library & Information Services, Sport and Recreation as well as civil society and other spheres of government.

The achievements were attained by ensuring that all systems and controls were in place and that Cultural Affairs, Library & Archives as well as Sport and Recreation were guided to successfully fulfil their obligations to roll out service delivery to the people of Mpumalanga.

For the 2025/26 financial year, the Department achieved 33 output out of its 37 planned annual targets that record 89% performance achievements.

Significant events and projects for the year were as follows;

- Promoted cultural diversity and integration while enhancing cultural tourism through support of three (3) signature events namely; Metro FM Music Awards, Innibos National Festival and Mpumalanga Cultural Xperience.
- Implemented the revitalization programme through maintenance of the Pilgrim's Rest museum.
- Used the national gold panning championship at Thaba Chweu Local Municipality as a traditional sport to market museums and built social cohesion nationally.
- Promoted the celebration of seven (7) commemorative days on an intercultural basis, fully inclusive of all South Africans.
- Transformed geographic landscape through Six (6) reviewed features and popularization of the existing ones.
- One (1) new public library was completed at Louieville. The Department also managed to provide support to one hundred and twenty two (122) existing public libraries to create access to information and empowered learners and communities with knowledge through provision of electronic books.
- Coordinated and supported programmes that honour men and women in sport through hosting of Mpumalanga Sport awards.
- Supported rugby match RSA (Springbok) vs Georgia (The Lelos Pumas) and soccer match RSA (Bafaba Bafana) Vs Rwanda (Amavubi) at Mbombela Stadium as part of high profile game to promote sport development.
- Construction of Bulk services for High Altitude Training Center (HATC) through construction of 7ML reservoir was recorded at 92% completion and the Waste water Treatment plant was recorded at 51% completion.
- The indoor multi-purpose arena at Mbombela stadium was put on hold and the budget was surrendered to Provincial Treasury, while the Department change the implementing Agent from Mbombela stadium management to the Department of Public Works, Roads and Transport.

4.2. Overview of the financial results of the Department:

4.2.1. Departmental Receipts

Departmental receipts	2025/26			2024/25		
	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	1 196	613	583	948	806	142
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	93	-	-
Interest, dividends and rent on land	660	900	(240)	761	1 421	(660)
Sale of capital assets	167	73	94	135	134	1
Financial transactions in assets and liabilities	-	17	(17)	-	-	-
Total	2 023	1 603	420	1 937	2 361	(424)

The Department projected to collect **R2 023 million** for the financial year 2025/26 and has collected **R1 603 million**. The sale of goods and services which includes, entrance fees, commission insurance, sales of minor assets and rental housing was projected to collect **R1 196 million** and managed to collect **R613 thousand**.

The interest on dividends and rent on land is interest on bank accounts determined by the interest rate paid by the bank on the Departments credit balance. The Department projected to collect **R660 thousand** and collected **R900 thousand** on interest.

The Department projected to collect an estimated **R167 million** for sale of capital assets and received **R73 thousand** for auction of motor vehicle.

4.2.2 Programme Expenditure

Programme Name	2025/26			2024/25		
	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	136,458	134,470	1,988	126 278	126 158	120
Cultural Affairs	137,739	123,439	14,300	146 181	145 016	1 165
Library and Archives	217,909	217,827	82	243 154	228 279	14 875
Sport and Recreation	139,267	126,005	13,262	147 499	135 808	11 691
Total	631,373	601,741	29,632	663 112	635 261	27 851

The Department was allocated a budget of **R663 112 million** in 2024/25 with an expenditure of **R635 261 million** at 96 percent, decreasing to **R 631 373 million** in the 2025/26 fiscal year, and spent **R601 741 million**, which constitutes 95 percent of the total allocated budget, with an underspending of **R29 632 million**, a significant portion of which is attributable to compensation of employees and payment for capital assets.

- Programme 1: Administration reached 99 percent of the allocated budget as of the end of the 2025/26 financial year.
- Expenditure for Programme 2: Cultural Affairs stood at 90 percent. A substantial portion of the budget was directed towards the coordination of commemorative days, the Multipurpose Arena, and the Cultural Experience signature event. Underspending on goods and services is due to accruals on projects that were not paid by end of the financial year
- Programme 3: Library and Archives Services recorded a spending level of 100 percent. Expenditure was aligned with the District Development Model, ensuring that all three districts in the province benefited from the Department's services.
- Programme 4: Sport and Recreation stood at 90 percent. The underspending was mainly due to delays in the implementation of the school sport programme.

➤ Virements / Rollovers

The virement for the affected programmes is declared below:

Programme 1: Administration

An amount of **R4.4 million** has been shifted within Programme 1: Administration, from Compensation of

Employees to defray excess expenditure on Goods and Services. Additionally, **R1.364 million** has been shifted from Transfers and Subsidies to defray excess expenditure on Goods and Services within sub-programmes.

Programme 2: Cultural Affairs

A total amount of **R300 thousand** has been reclassified within Transfers and Subsidies and goods and services in Programme 2: Cultural Affairs.

Programme 3: Library and Archives Services

A total amount of **R400 thousand** has been added from Programme 4: Sport and Recreation to defray excess expenditure in Programme 3: Library and Archive Services. In addition, an amount of **R1.319 million** has been shifted within Payments for Capital Assets.

Programme 4: Sport and Recreation

A total amount of **R400 thousand** has been shifted from Programme 4: Sport and Recreation to defray excess expenditure on Goods and Services in Programme 3: Library and Archive Services

➤ Rollover for 2026/27

The Department requested a rollover of appropriated funds at the end of financial year 2025/26.

The total amount requested by the Department is **R1.291 million**, with the breakdown by economic classification provided below:

Goods and Services

Due to the delay of procurement of sports attire and equipment, **R1 291 million** from Program 4: Sport and Recreation (Mass Sport Participation Development grants) was not spent by the end of the financial year.

- A description of the reasons for unauthorised, fruitless and wasteful expenditure and the amounts involved as well as steps taken to prevent a recurrence.

➤ None

- Strategic focus over the short to medium term period

➤ None

- Public Private Partnerships

➤ None

- Discontinued key activities / activities to be discontinued

➤ None

- New or proposed key activities

➤ None

- Supply chain management

➤ The Department has an approved procurement policy in place to prevent irregular expenditure

➤ Challenges experienced in SCM and how they were resolved

➤ None

- Gifts and Donations received in kind from non related parties

➤ None

- Exemptions and deviations received from the National Treasury

➤ None

- Events after the reporting date

Acknowledgement/s or appreciation

I would like to thank the MEC of Culture, Sport and Recreation Mrs LM Mabuza for providing the Department with strategic leadership and direction. Lastly, I would like to thank all the managers and staff who went an extra mile to ensure that service delivery is not compromised, the Department will continue to appreciate those selfless contributions. Let us continue serving the citizens of South Africa in line with the Batho Pele principles of putting people first.

Approval

The Annual Financial Statements set out on page **148 to 213** has been approved by the Accounting Officer



Mr EM Mahlangu
Accounting Officer
Department of Culture, Sport and Recreation
Date: 31st July 2026

5. 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 of 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.

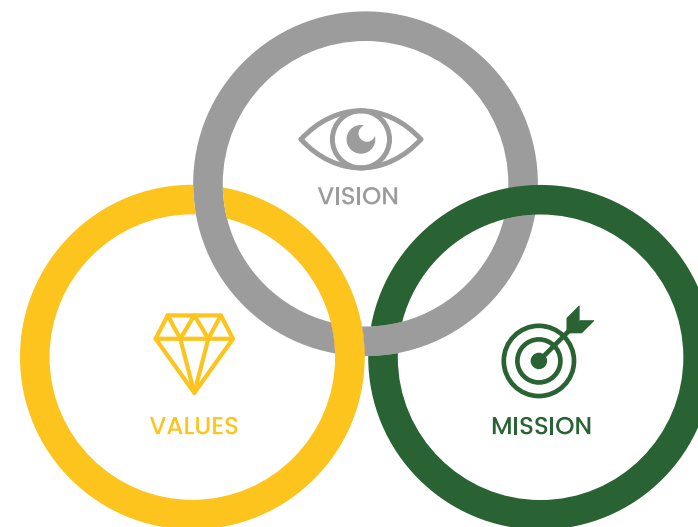
In my opinion the annual report fairly reflects operations, performance information, human resources information and financial affairs of the Department for the financial year ended 31 March 2026.

Yours faithfully



Mr EM Mahlangu
Accounting Officer
Department of Culture, Sport and Recreation
Date: 31st July 2026

6. STRATEGIC OVERVIEW



6.1. Vision

A patriotic socially cohesive society.

6.2. Mission

To promote social cohesion and nation building through culture, sport and information service to people of Mpumalanga.

6.3. Values

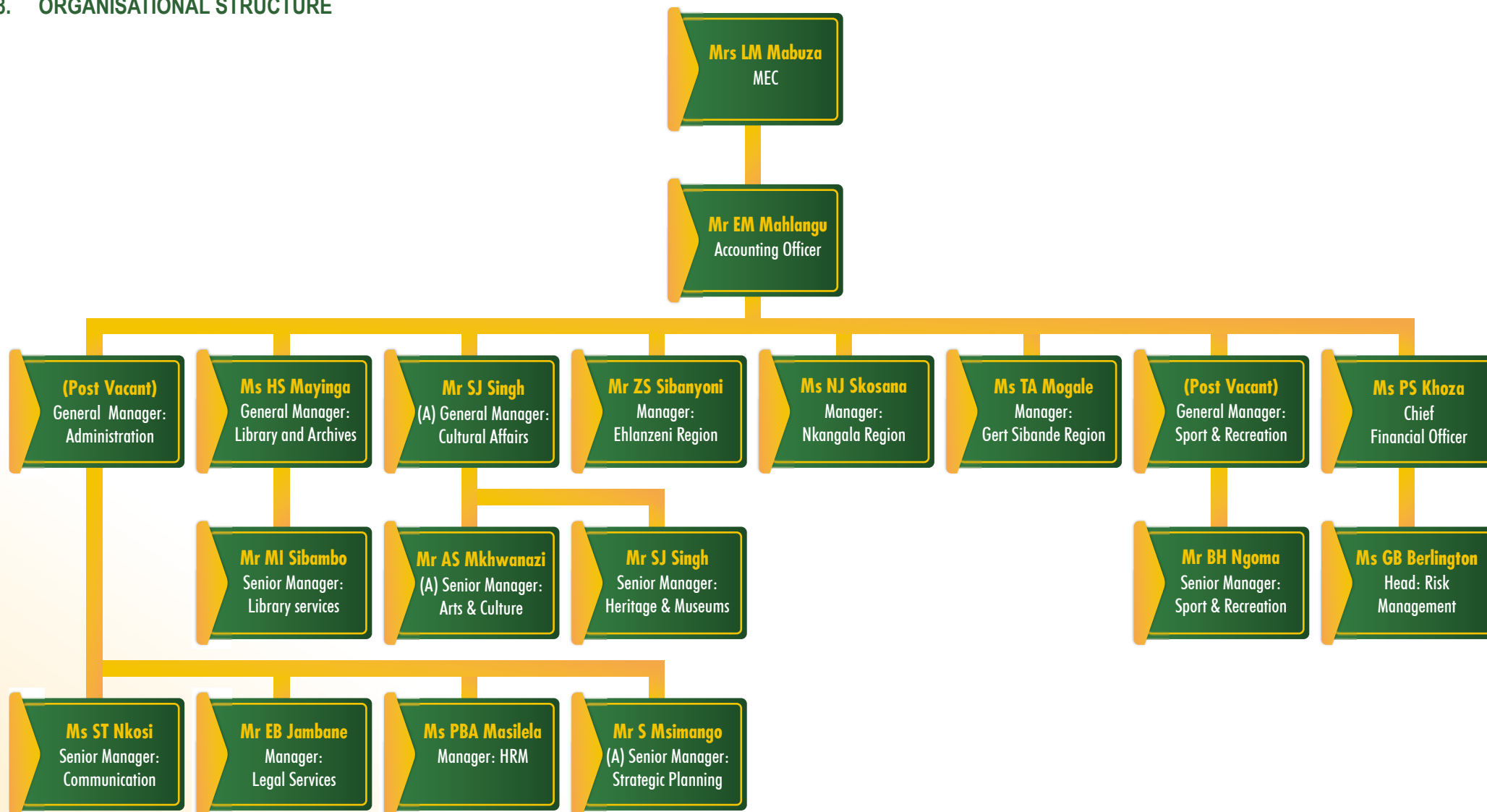
- Caring
- Accountability
- Teamwork
- Responsive
- Integrity
- Creativity

7. LEGISLATIVE AND OTHER MANDATES

Name of the Act	Purpose
The Constitution of South Africa, Act 108 of 1996	To provide for promulgation of all legislations in the Republic.
Library Ordinance No. 20 of 1992	To consolidate and amend the laws relating to the establishment, control and management of the library service, museum service and certain libraries and museums
Mpumalanga Arts and Culture Council Act No 2 of 1999	To establish a juristic person to be known as the Mpumalanga Arts and Culture Council; to determine its objects, functions and method of work; to prescribe the manner in which it is to be managed and governed; to regulate its staff matters and financial affairs
National Sports Act No. 110 of 1998	To provide for promotion and development of sport and recreation and the co-ordination of the relationships between Sport and Recreation South Africa and Sport Confederation, National federations and other agencies; to provide for measures aimed at correcting imbalances in sport and recreation; to provide for dispute resolution mechanisms in sport and recreation.
National Archives of South Africa No.43 of 1996	To provide for proper management and care of the records of governmental bodies and the preservation and use of archival heritage.
South African Library for the Blind Act No. 91 of 1998	To provide library for the Blind, information services and print-handicapped readers.
The National Library of South Africa Act No. 92 of 1998	To provide for a library; for collecting, preserving, making available and promoting awareness of the documentary heritage.
National Heritage Resources Act No. 25 of 1999	To promote good management of the Nations estate, and enable and encourage communities to nurture and conserve their legacy so that it may be bequeathed to future generations. To establish an Agency together with its Council, to co-ordinate and promote the management of heritage resources of South Africa.
South African Geographical Names Council Act No. 118 Of 1998	To establish a permanent advisory body to be responsible for arts and culture on the transformation and standardization of geographical names for official purposes

Legislations	Purpose of the legislation
National Arts Council Act No. 25 of 1999	To establish a juristic person to be known as the National Arts Council; to determine its objects, functions and method of work; to prescribe the manner in which it is to be managed and governed; to regulate its staff matters and financial affairs; and to provide for matters connected therewith
National Heritage Council Act No.11 of 1999	To establish a juristic person to be known as the National Heritage Council act; to determine its objects, functions and method of work; to prescribe the manner in which it is to be managed and governed; to regulate its staff matters and financial affairs; and to provide for matters connected therewith.
Heraldry Act No. 18 of 1962	To make provision for the establishment of a bureau of heraldry, a heraldry committee and a heraldry council; for the registration and protection of coats of arms, badges, other emblems, names and uniforms; and for other incidental matters.
National Film and Video Foundation Act No. 73 of 1997	To establish a juristic person to be known as the National film and video foundation to determine its objects, functions and method of work, to prescribe the manner in which it is to be managed and governed; to regulate its staff matters and financial affairs and to provide for matters connected therewith.
Pan South African Language Board Act No. 59 of 1995	To provide for the recognition, implementation and furtherance of multilingualism in the Republic of South Africa; and the development of previously marginalized languages; to establish a Pan South African Language Board; and to provide for matters connected therewith.
Safety at Sport and Recreational Event Act no.2 of 2010	To provide for measures to safeguard the physical well-being and safety of persons and property at sports, recreational, religious, cultural, exhibition, organizational or similar events held at stadiums, venues or along a route; to provide for the accountability of event role-players; to provide for certain prohibitions; to provide for the risk categorization of events; to provide for the establishment of measures to deal with safety and security at events.
Mpumalanga Provincial Archives Act 14 of 1998	To provide for the establishment of the Mpumalanga Archives; the proper management and care of the records of governmental bodies; the preservation and use of a provincial archival heritage; and to provide for matters connected therewith.
Mpumalanga Language Act of 2014	To designate the official languages of the Province; to provide for the regulation and monitoring of the use of designated official languages by all Provincial organs of state; to elevate the status and advance the use of indigenous languages spoken in the Province; to provide for the recognition of the Mpumalanga Provincial Language Committee as established in terms of the Pan South African Language Board: Act, 1995, to assist in the development, implementation and monitoring of the provincial language policy; to provide for the establishment of the Mpumalanga Provincial Language Forum; to provide for the development of internal language policies by Provincial organs of state; to provide for the establishment of a Provincial Language Unit and language units within Provincial organs of state; to empower the public to use language of their choice in order to access government services, knowledge and information; and to provide for matters connected therewith.

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

None



PART B

PERFORMANCE INFORMATION

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management. The programme that was audited, Cultural Affairs, no material findings were reported under the Predetermined Objectives heading in the auditor's report.

Refer to page 142 to 143 of the Report of the Auditor General, published as Part F: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The Department deliver its services through the three (3) line functions. There were certain services that were affected per programme by external factors during delivery this services are reported as follows:

Programme 2: Cultural Affairs

The programme seeks to promote cultural diversity, multi-faith, multi-lingualism, transformation of the heritage landscape and in the process ensure that socio-economic development takes place in the province. This programme had only one (1) key output that could not be achieved due to the project that was put onhold (Multi-purpose Arena) while changing the implementing agent to be Department of Public Works,Roads and Transport (DPWRT) .

Programme 3: Library and Archives

- The programme seeks to provide and promote public libraries, archives and records management in the province. The priorities set for this programme include the improvement of access to facilities, the promotion of sustainable reading culture and increasing compliance to legislation and policies by governmental bodies and parastatals on the management of records. This programme also had only one (1) key output that could not be achieved which is libraries established per year where one (1) of three (3) libraries was completed . The two libraries (Mmamethlake, Warburton) were impacted negatively due to constructors experiencing financial constraints and had to be reprioritized to the next financial year.

Programme 4: Sport and Recreation

The programme seeks to promote, develop, administer and enhance the sporting and recreation capabilities of the people of Mpumalanga. The key output most negatively affected was the Phase 1: Completion of 7ML reservoir construction due to reinforcing concrete slab over the existing roof slab, supported by detailed quality control measures and inspections and heavy rain during the period under review and the contractor not having a letter of good standing required by the Occupational Health and safety (OHS) Agent before resuming with consruction.The other key output most negatively affected was school sport programmes supported at a district and local level due to Minister's directive to School Sport Programme Directorates

in provinces and School Sport System to stop any School Sport Programme activities from using the Conditional Grant funding for four (4) months ans also the floods in Bahlabelo during the month of February 2026.

2.2 Service Delivery Improvement Plan

The Department reviewed its Service Delivery Improvement Plan year 2025/26 – 2029/30 ,the plan is focusing on one (1) selected service that needed to be improved. The plan is informed by the Strategic Plan 2025/30, aligned to the Annual Performance Plans medium term targets for 2025/26 - 2029/30 and the departmental Service Model.The plan focuses on improving Arts,Culture/Sports services on providing financial support to culture and sport structures.

The Department issued grants for sustenance of Cultural Institutions and Sport Structures in the Province to maximise coverage in development and promotion of active citizenry and broad-based leadership. The process to transfer funds to structures took over twelve (12) months instead of six (6) months. The quarterly report reflects delays in transferring funds which has a negative effect to the beneficiaries, as they are not given enough time to implement. Furthermore, it is a problem to structures to implement projects and programmes as per the departmental Annual Performance Plan (APP).

Main Sevices and Standards

Main Service	Beneficiaries	Current / actual standard of service	Desired standard of service	Actual achievements
Provision of financial support to culture and sport structures	Twenty two (22) cultural,sport community structures supported - Eleven (11) cultural structures - Three (3) cordinating language structures - Eight (8) sport community based structures	Nineteen (19) community based structures were supported in eleven (11) months	Twenty two (22) community based structures to be supported within the first six (6) months of the first SDIP cycle target	Twenty nine (29) community based structures supported within twelve (12) months of the first SDIP cycle target (12 structures received payment within the six (6) of the SDIP cycle.

Batho Pele arrangements with beneficiaries

Current/actual arrangements	Desired arrangements	Actual Achievements
None	Coordinate 2 consultation meetings per annual with structures	No consultation meeting was coordinated during the year under review

Service delivery information tool

Current/actual information tool	Desired complaints information tool	Actual Achievements
Four (4) platforms available to share information regarding funding to structures : Departmental Website, Newspaper advert; Social Media and Departmental offices	Avail four (4) platforms to share information regarding funding to structures : Departmental Website, Newspaper advert; Social Media and Departmental offices	No advert was issued in the year under review

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual Achievements
All complaints should be directed to the Regional Heads and resolved within 14 days and 21 days in case/s appealed to the Chief Director	To have complaints/ suggestion boxes in all Departmental service points and for all registered complaints resolved within 21 days	No complaints related to the transfers of grants were received during the 2025/26 FY

2.3 Organisational environment

In the 7th Administration, the Department had review its organizational structure, it was approved by the Mpumalanga Premier and sent it to the Minister of Public Service Administration (MPSA) for concurrence, DPSA has concurred with the review, the Department is in a process of signing off the reviewed organizational structure.

On the year under review the key advertised positions includes SMS's positions of an Accounting Officer and a Chief Financial Officer. The Department managed to fill both positions and twenty (20) other critical post that were advertised in the 2025/26 FY.

2.4 Key policy developments and legislative changes

There was no key policy and legislative changes on the year under review.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department impact statement is "an active, creative, informed and patriotic society" planned to be realized as per the Strategic Plan 2025 – 2030 through the five (5) conceived outcomes.

Promoting social cohesion through increased interaction across space and class: The sharing of space across race and class is one of the key action of the MTDP (2024 – 2029). This key action meant redressing apartheid Spatial pattern that limit opportunity for sharing of space across race and class. The access to sport for all communities regardless of color greet or give an opportunity to interact and thus focus on the common issue more than our differences to build nation. The outcome indicator suggest that the more people interact across the color it increase chances of racial integration.

The promotion of the country's national symbols, including the Constitution and its values, helps forge one national identity. It is also linked to promoting the values of democracy, non-sexism, non-racism, inherent human dignity and equality. Nation building should include eradicating discrimination, segregation and marginalisation on the basis of disability, gender, ethnicity and sexual orientation. It is about breaking attitudinal, physical and communication barriers, and addressing harmful stereotypes and descriptors associated with disability and sexual orientation. The Department is working with both cultural and sporting community based structures in order to promote active citizenry.

Society should have balanced and appropriate incentive systems which commensurate with the individual's contribution to society. Excessive displays of wealth as well as unjustified differentials in income distort these incentives.

On this sub-outcome the Department recorded the following significant achievements:

- Promote values – non- racialism, non-sexism, democracy. Promoted national identity utilising the flag at national days, major cultural and sporting events, in schools; and conducted seventeen (17) national symbols public awareness activations.
- Implemented the Provincial community conversations / dialogues programme and also promoted the celebration of seven (7) commemorative days on intercultural basis, which were fully inclusive of all South Africans.
- Six (6) standardized geographic names features reviewed which form an important component to redress the past imbalances.
- The Province hosted major cultural events that includes amongst others; Mpumalanga Cultural Xperience 10th edition, Metro FM Music Awards, Innibos National Festival and also supported cultural events linked to Kings in the Province.
- The sport events supported includes amongst others various marathons such: 3 in 1 marathon, Mbombela Marathon and other events such as Mpumalanga Cycling.
- In addition there is a school sport programme with forty nine (49) programmes supported at the district and local level. The mass participation games in community sport and recreation was supported with

twenty two (22) sport leagues activities which added necessary impetus towards social cohesion programmes.

- Eighteen (18) community arts and culture structures as well as eight (8) sport community based structures supported to advance sport programmes and enhance tourism.

Contributing towards equal opportunities, inclusion and redress: In the MTDP outcome (2024 - 2029) one of the core pillars is to build the capabilities of South Africans and increase access to information through library facilities for communities to make informed decision is a step in a right direction. The establishment of these facilities in line with Spatial Development Framework also contribute towards the realization of the key action of NDP that advocate for inter-grated Human Settlement that seeks to provide housing adjacent to social services and communities. These facilities give access to all communities that include women, children and people with disabilities. The model of new facilities has a section dedicated for children. In addition, there are designated libraries that caters for the blind.

The outcome indicator respond very well to NDP 2030 that each municipal ward to have a public library. The impact indicator measures the process of closing the backlogs where in one hundred and twenty two (122) existing public libraries versus 400 municipal ward in Mpumalanga.

On this sub-outcome the Department recorded the following significant achievements:

- One (1) new library was 100% completed at Louieville.
- Seven thousand seven hundred and forty five (7 745) electronic books were made accessible

Pomote multi-lingualism in the Province as per MP Language Act No 3 of 2014: In alignment with the MP Language Act No. 3 of 2014, promoting multi-lingualism by establishing Provincial and Local Language Units to implement language policies, facilitate translation services, and support the development of indigenous languages. These units will work with communities, educational institutions, and cultural organizations to promote language awareness, literacy programs, and multilingual communication in public spaces. The Provincial Language Unit will standardize language use in government communication, while Local Language Units will focus on grassroots initiatives, language revitalization, and advocacy. Through these efforts, we aim to foster an inclusive, linguistically diverse society where all languages are valued, respected, and used as tools for cultural expression, knowledge-sharing, and economic empowerment.

On this sub-outcome the Department recorded the following significant achievements:

- Two (2) projects implemented to produce reading materials in indigenous languages
- Three (3) language coordinating structure supported.

Increased investment in cultural and sport institution: Actively promote and secure greater investment in cultural and sports institutions to enhance their sustainability, accessibility, and impact through infrastructure development, capacity building, and operational support. Establishment of new cultural institutions as hubs for artistic expression, heritage preservation, and cultural innovation, fostering skills development and community engagement while strengthening local and international collaborations. This initiative continued

to drive economic growth in the cultural and creative industries, created employment opportunities, and promoted social cohesion through inclusive programming. Additionally, investments in sports institutions provided athletes and sports professionals with world-class facilities, training programs, and development opportunities, contributing to a more vibrant and competitive sports sector.

On this sub-outcome the Department recorded the following significant achievements:

- The construction of the indoor multi-purpose Arena at Mbombela stadium was put on hold while the Department change the implementing Agent from Mbombela stadium management to Department of Public works, Roads and Transport.

Build a functional cooperate governance services: The MTDP (2024 – 2029) encourage accountability, transparency, effective management and leadership in the public service. It is also within this space that the Department has contributed towards increasing the share of government spending on women-owned and led businesses to 88% of its total spending on entrepreneurship. The outcome indicator is important to show level of compliance towards the envisaged good governance that seeks to Build a functional cooperate governance services.

The significant achievements:

- Encourage accountability, transparency, effective management and leadership in the public service the Department measure this outcome indicator “build a functional cooperate governance services” through clean audit opinion. The Department obtained unqualified audit outcome with matters of emphasis.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose of the programme

- The purpose of this programme is to provide for political and administrative support of the Department, in accordance with applicable National and Provincial policies, the PFMA, the PSA and other legislations and policies.

List of sub programmes

- The programme comprises of two sub programmes; which are the Office of the MEC and Corporate Services. The sub programmes of corporate services includes; Strategic Management, Finance, Information Technology Support, Enterprise Risk Management and Communication.
- The MEC sub programme and other Corporate services functions such as Security, International Relations, Transversal, Employee Health and Wellness, Auxiliary Services, Legal as well as Regional Administration are outlined in the separate Annual Operational Plan (AOP) of the Department as activities that support line functions to achieve their objectives.

List the purpose of the sub programmes (MEC Office)

- The purpose of this sub programme is to provide for political support of the Department, in accordance with applicable National and Provincial policies, the PFMA, the PSA and other legislations and policies.

List the purpose of the sub programmes (Corporate Services)

- The purpose of this sub programme is to provide for the overall management and administrative support of the Department, in accordance with applicable National and Provincial policies, the PFMA, the PSA and other legislations and policies.

List the institutional outcomes that each programme contributes towards according to the Annual Performance Plan.

- The Department had a total of five (5) outcomes planned to deliver its services. Programme 1: Administration provide services to the line functions and therefore, only one (1) outcome is attached to it namely; Build a functional cooperate governance services

Outcomes, outputs, output indicators, targets and actual achievements

The following narrative provide analysis of the significant achievements of targets for the outputs and output indicators for Programme 1: Administration. The following outputs were key towards achievement of the Department's outcome:

Build a functional cooperate governance services

- Improve strategic coordination of plans that are compliant and accountability in the Department. The strategic planning and accountability documents such as the Annual Performance Plan and progress reports produced and submitted to oversight bodies has strengthened transparency and accountability when rendering utilising public resources.
- Achieve unqualified audit opinion on financial statements: The Department produced Interim Financial Statements (IFS) on the quarterly basis to reduce material misstatement on the Annual Financial Statement and disclosures.
- Successfully implement and realise benefits from ICT solutions in doing the work of the Department. The ICT structure was established and met on the quarterly basis to ensure that the six (6) objectives of the ICT Corporate Governance Framework are achieved.
- Promote good corporate governance practices and management through Risk Management. The approved risk implementation plan and risk management reports produced assisted to track progress quarterly to minimize vulnerability of the Department from risky activities that can affect its operations and enhance risk management and increase the likelihood that established outcome of service delivery and related impact is realized.

- Implementation of the Communication strategy to market the Department. Four (4) marketing initiatives were implemented

The successful implementation of the above key outputs contribute towards the attainment of the outcome which is strengthening of good governance. These outputs are very key since they are linked to the MTDP (2024 – 2029) key action that encourage accountability, transparency, effective management and leadership in the public service.

Prioritization of women, youth and person with disabilities

The Department has eight (8) Senior Management Services (SMS) members, three (3) women representation and five (5) males. This represents 38% percent of women at Senior Management Level, There is no 50% women representation at SMS level, however the Department consider the appointment. Ten (10) persons living with Disabilities are represented in the Department, this represents 2,22% of the total staff compliment.

The Department made remarkable strides to ensure that at least 40% women owned companies are empowered in the procurement of goods and services in government. In the 2025/2026 financial year a total of 88% constituted by 1183 of 1345 procurement transactions in the Department was dedicated to women owned businesses. A positive variance of 48% has been realized. The Department will continue prioritization of women economic inclusion in the 2025/26 financial year and outer years to realize sustainable gender equity.

Table 2.4.4.1:

The Department did not re-table the Annual Performance Plan 2025/26 for all its programmes during the year under review. Therefore, the following table is reported as nil.

Programme 1: Administration, Programme 2: Cultural Affairs, Programme 3: Library and Archive and Programme 4: Sport and Recreation									
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
None									

Table 2.4.4.2:

1. Programme 1: Administration (Sub programme: Corporate Services)								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Reasons for deviations
Build a functional cooperate governance services	Coordinated strategic plans that are compliant and accountability in the Department	Number of strategic planning and accountability documents approved and submitted to Legislature on time	4	4	4	4 Strategic planning and accountability documents approved and submitted to Legislature on time	None	None
	Financial Statements that are compliant to modified cash standards prepared and submitted	Number of financial Statements approved	4	4	4	4 Financial Statements and reports approved	None	None
Build a functional cooperate governance services	Implemented ICT solutions to ease doing the work of the Department	Number of ICT Corporate Governance Framework objectives implemented	6	6	6	6 ICT Corporate Governance Framework objectives implemented	None	None
	Interventions implemented to manage risks in the operations of the Department	Number of risk compliance documents produced	3	5	5	5 of risk compliance documents produced	None	None
	Implement of the Communication strategy interventions to market the Department	Number of marketing initiatives implemented	4	4	4	4 marketing initiatives implemented	None	None

Linking performance with budgets

Sub programme expenditure

Programme Name: Administration	2025/26			2024/25		
	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
Office of the MEC	17 256	17 255	1	12 064	16 634	(4 570)
Corporate Services	119 202	117 215	1 987	114 214	109 524	4 690
Total	136 458	134 470	1,988	126 278	126 158	120

Notes:

The programme provides executive support, strategic management support, human capital management, financial management and procurement, risk management, legal support, communication and liaison, regional support services, security services and employee health and wellness support. The programme was allocated **R136 458 million** for the year under review and spent **R134 470 million**.

Strategy to overcome areas of under performance

- None

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

The Sport, Arts and Culture sector do not have standardised indicators for Programme 1: Administration

4.2 Programme 2: Cultural Affairs

- The purpose of this programme is to promote cultural diversity for socio-economic development and transformation for the citizens of Mpumalanga.
- The following is the list of three sub programmes and related purpose;
 - ✓ Arts and Culture; to develop, promote and preserve arts and culture in visual arts and craft, performing arts, art technology, art industries and living culture.
 - ✓ Museums and Heritage; to develop, conserve, preserve and promote the heritage of the province through museum services and heritage resource management.

- ✓ Language Services; to develop historically marginalised languages, promotion of multi-lingualism.
- The Department had a total of five (5) outcomes planned to deliver its services. Programme 2: Cultural Affairs of which three (3) are programme specific namely; Promoting social cohesion through increased interaction across space and class and Increased investment in cultural and sport institutions and Promote multi-lingualism in the Province as per MP Language Act No3 of 2014.

Outcomes, outputs, output indicators, targets and actual achievements

The following narrative provide analysis of the significant achievements of targets for the outputs and output indicators for Programme 2: Cultural Affairs. The following outputs were key towards achieving the three (3) outcomes.

Promoting social cohesion through increased interaction across space and class

- Promotion of national identity utilising the flag at national days, major cultural and sporting events, and I am the Flag Campaign
- Community conversations / dialogue programme implemented to enhance social cohesion and nation building
- Promote the celebration of national days on an intercultural basis, fully inclusive of all South Africans. Seventeen (17) awareness atcivations hosted in schools and communities.
- Promote cultural diversity and enhance cultural tourism through support and host of signature cultural events seven (7) National days and historical days celebrated. Three (3) events that promote cultural diversity and enhance cultural tourism were supported such as Metro FM Music Awards, Innibos National Festival and hosted Mpumalanga Cultural Xperience.

- Implement the revitalization programme of the cultural villages and museums to remain relevant in preservation of history and heritage. One (1) museum facility provided with maintenance at Pilgrim's Rest museum
- Contributed to tourism by attracting the number of visitors in museums and cultural villages. Two (2) Museum facilities providing museum services namely; Pilgrims Rest and Barberton.
- Used gold panning as a traditional sport to market museums and built social cohesion nationally and internationally. Participated in Two (2) gold panning tournaments (International 2025 World Gold Panning Championships in Spain and National Gold Panning Championships in Pilgrims Rest).
- Coordinated marketing platforms for creative industry products to create jobs. Fifty one (51) Arts and Crafts cooperatives supported to market and sell their artifacts.
- Increased scope of implementing Arts and Culture projects through appointment of EPWP coordinators. Forty six (46) Job opportunities were created.
- Transformation of geographic landscape through reviewed features and popularization of the existing. Six (6) Geographic names features reviewed.
- Promote participation in community-based governance processes. Eighteen (18) Arts and Culture community structures supported.

Increased investment in cultural and sport institutions

- The construction of the indoor Multi-purpose Arena at Mbombela Stadium was put on hold and the budget was surrendered to Provincial Treasury in 2025/26 FY while the Department change the implementing Agent to be Department of Public Works, Roads and Transport (DPWRT).

Promote multi-lingualism in the Province as per MP Language Act No3 of 2014

- Promote participation in community-based governance processes. Three (3) language coordinating structures Isiyalo Writers Guild, Provincial Language Committee and Umgogodla Wesive supported.
- Promotion and implementation of indigenous African languages. Two (2) projects implemented to produce reading materials in indigenous languages and three (3) Language services (translation, editing and interpreting) were provided.

Prioritization of women, youth and person with disabilities

Cultural Affairs programme in its nature does prioritize women, youth and people with disabilities in its service delivery especially in Young Patriotic Program (YPP), arts and culture cooperatives, Extended Public Work Program (EPWP). The challenges encountered in particular with the youth is that as they exit the program with the necessary expertise to open their own business, the economic downturn in the country is not favourable to create new business especially in arts and culture.

The women who are the majority in the creative industry sector are equally suffering as a results of their artifacts not being sold. As for people living with disabilities, the challenges are mainly in centers that are not designed to accommodate them. In order to address this challenges, the Department is working closely with community based structures such as Innibos National Festival that provided platform to promote the arts and craft. Lastly, the

Department continue to advocate for the design of new centers provided through Corporate Social Investment (CSI) to accommodate people living with disabilities.

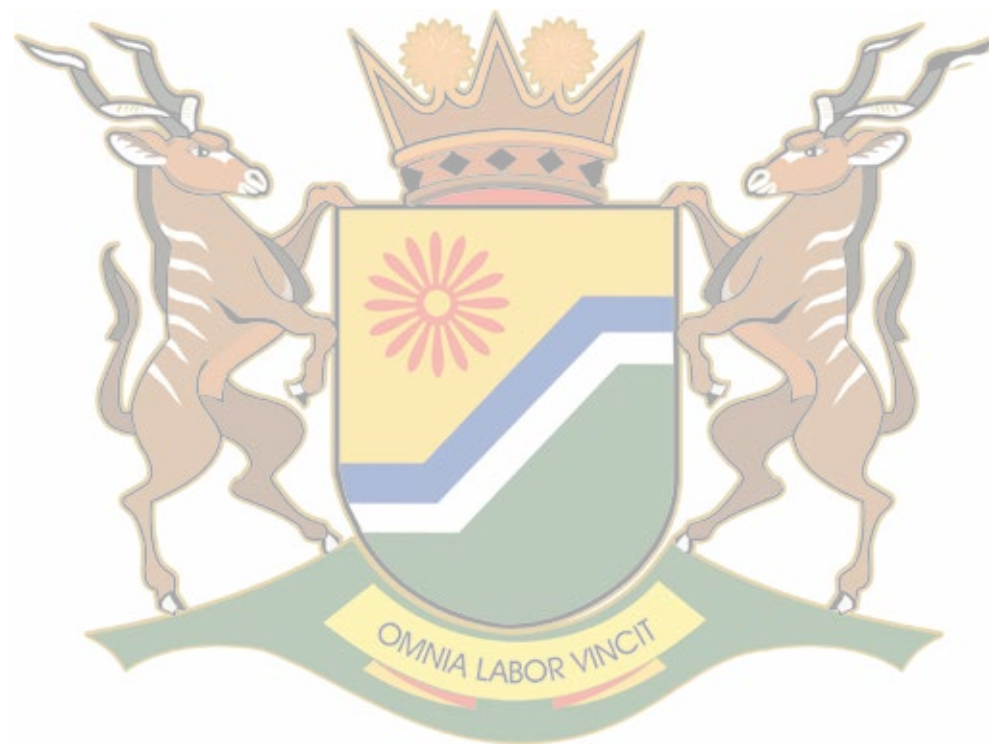


Table 2.4.4.1:

The Department did not re-table the Annual Performance Plan 2025/26 during the year under review. Hence, the following table is reported as nil.

Programme 2: Cultural Affairs									
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
None									

Table 2.4.4.2.

Programme 2: Cultural Affairs (Sub Programme: Arts and Culture)								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Reasons for deviations
Promoting social cohesion through increased interaction across space and class	Promotion of national identity utilising the flag at national days, major cultural and sporting events, in schools; Traditional Councils; and I am the Flag Campaign	Number of initiatives implemented to raise awareness on the national symbols	17	17	17	17 initiatives implemented to raise awareness on the national symbols	None	None
	Community conversations / dialogue programme implemented to enhance social cohesion and nation building	Number of community conversations / dialogues implemented to foster social interaction per year	3	3	3	3 community conversations / dialogues implemented at: - Nkomazi LM - Block C community hall - Emakhazeni LM - Sakhelwe community hall in Dullroom - Mkhondo LM - Amsterdam community hall	None	None
Increased investment in cultural and sport institutions	Establishment of mega indoor facility to promote social integration	Number of phases for Multi-purpose Arena implemented	0	0	1 (Phase II: Construction initiated)	0 Not achieved	1	The project was put on hold and the budget was surrendered to Provincial Treasury in 2025/26 FY while the Department change the implementing Agent to be Department of Public Works, Roads and Transport (DPWRT).

Programme 2: Cultural Affairs (Sub Programme: Arts and Culture)

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Reasons for deviations
Promoting social cohesion through increased interaction across space and class	Promote the celebration of national days on an intercultural basis, fully inclusive of all South Africans	Number of National and historical days celebrated	6	6	7	7 national and historical days celebrated • National Freedom day Celebration – Gert Sibande • Africa Day at Schools – Gert Sibande, Ehlanzeni, Bohlabelo and Nkangala Region • Provincial Youth Day celebration - Ehlanzeni Region • Womens Day Celebration - Steve Tshwete Local Municipality. • Heritage Day Celebration – Dipaleseng Local Municipality • National day of Reconciliation - Govan Mbeki LM – Govan Mbeki LM • Human Rights Day - Bushbuckridge LM	None	None
	Promote cultural diversity and enhance cultural tourism through support and hosting of signature cultural events	Number of signature events that promote cultural diversity and enhance cultural tourism supported	2	2	3	2 signature events that promote cultural diversity and enhance cultural tourism, supported • Innibos Nationa; Arts festival • Metro FM Music Awards	None	None

Programme 2: Cultural Affairs (Sub Programme: Arts and Culture)

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Reasons for deviations
Promoting social cohesion through increased interaction across space and class	Promote cultural diversity and enhance cultural tourism through support and host of signature cultural events	Number of Mpumalanga Cultural Xperience hosted	1	1	1	1 Mpumalanga Cultural Xperience hosted: • Carnival Xperience • Soul Session Xperience • Comedy Xperience • Kasi Xperience • Choral Xperience • Marathon Xperience • Traditional Xperience • 013 Summer Blaze • Mpumalanga Gospel Awards	None	None
	Promote cultural diversity and enhance cultural tourism through support and hosting of signature cultural events	Number of cultural projects supported	2	4	4	4 Cultural project supported: • Umkhosi womhlanga KZN • Umkhosi wemhlanga eSwatini • King Nyabela (Erholweni cultural event) • King Silamba (Komjekejeke Heritage site)	None	None
	Coordinated marketing platforms for creative industry products to create jobs	Number of Arts and Crafts cooperatives supported	17	53	51	51 Arts and Crafts cooperatives supported	None	None

Programme 2: Cultural Affairs (Sub Programme: Arts and Culture)

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Reasons for deviations
Promoting social cohesion through increased interaction across space and class	Increased scope of implementing Arts and Culture projects through appointment of EPWP coordinators	Number of jobs opportunities created through arts, culture and heritage programmes	95	87	46	46 job opportunities created through arts, culture and heritage programmes	None	None
	Promote participation in community-based governance processes	Number of community structures supported	13	11	11	18 Community structures supported	(7)	Additional request were considered to accommodate structures that caters for other genres such as film and choral music.

Programme 2: Cultural Affairs (Sub Programme: Museum and Heritage)

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Reasons for deviations
Promoting social cohesion through increased interaction across space and class	Maintenance of the museums infrastructure for posterity and continued accessibility to the public	Number of museums provided with maintenance	1	1	1	1 Museum facility provided with maintenance Pilgrim's Rest museum	None	None
	Provision of museum services to visitors and patrons	Number of facilities providing museum services	3	3	2	2 Facilities providing museum services - Pilgrim's Rest museum - Barberton museum	None	None
	Used gold panning as a traditional sport to market museums and built social cohesion nationally and internationally	Number of international and national gold panning tournaments participated in	1	2	2	2 Gold panning tournaments participated in: 2025 World Gold Panning Championships in Spain - National Gold Panning Championships, held in Pilgrim's Rest	None	None

Programme 2: Cultural Affairs (Sub Programme: Museum and Heritage)

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Reasons for deviations
Promoting social cohesion through increased interaction across space and class	Standardised geographical names and features in the province	Number of Standardized geographic names features reviewed	6	3	6	6 Standardized geographic names features were received for reviewal by MPGNC Ehlanzeni – formal registration of name in City of Mbombela - Mgomeja Gert Sibande – formal registration of name features and renaming in Chief Albert Luthuli LM - Enhlabha - Ekulindeni - Manqhuzi - Syde – Ngodlomezi (renaming) Nkangala – renaming of feature in Thembisile Hani LM - Kwaggafontein E – Mthunjwa	None	None
Promote multi-lingualism in the Province as per MP Language Act No3 of 2014	Promote participation in community-based governance processes	Number of language coordinating structures supported	1	1	3	3 Language coordinating structure supported - Isiyalo Writers Guild - Provincial Language Committee - Umgogodla Wesive support concluded.	None	None

Programme 2: Cultural Affairs (Sub Programme: Museum and Heritage)

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Reasons for deviations
	Promotion and implementation of indigenous African languages	Number of projects implemented to produce reading materials in indigenous languages	3	2	2	2 projects implemented to produce reading materials in indigenous languages - Writing competition - novels produced - Terminology Development-Trilingual Information and Communication Technology	None	None
	Improve access to formal languages as per RSA constitution of 1996	Number of Language services provided	0	0	3	3 Language services were provided. - Translation - Editing - Interpreting	None	None

Strategy to overcome areas of under performance

- The indoor multi-purpose Arena project at Mbombela stadium has been handed over to the Department of Public Works Roads and Transport as a new Implementing Agent ,The target has been prioritised for 2026/27 Financial Year.

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

- The Sport Art and Culture sector did not have Standardised Outputs and Output Indicators for 2025/26 FY.

Linking performance with budgets

Sub programme expenditure

Programme Name: Cultural Affairs	2025/26			2024/25		
	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	2 362	1 764	598	1 326	1 286	40
Arts and Culture	99 853	94 356	5 497	121 389	120 873	516
Museum and heritage	26 432	23 702	2 730	21 509	20 959	550
Language services	9 092	3 617	5 475	1 957	1 898	59
Total	137 739	123 439	14 300	146 181	145 016	1 165

Notes:

The programme is responsible for management of key sub programs and implementation of projects linked to Arts and Culture, Museum and Heritage and Language Services. The programme was allocated **R137 739 million** for the year under review and spent **R123 439 million**.

4.3. Programme 3: Library and Archives

- The aim of this programme is to provide and promote public libraries, archives and records management in the province.
- The programme is divided into two sub programmes;
 - ✓ Library Services; to improve access to facilities and the promotion of a sustainable reading culture
 - ✓ Archival Services; to maintain good archival and records management practices.
- The Department had a total of five (5) outcomes planned to deliver its services. Programme 3: Library and Archives had one (1) programme specific outcome namely; Contributing towards equal opportunities, inclusion and redress.

Outcomes, outputs, output indicators, targets and actual achievements

The following narrative provide analysis of the significant achievements of targets for the outputs and output indicators for Programme 3: Library and Archives. The following outputs were key towards achieving the one (1) outcome.

Contributing towards equal opportunities, inclusion and redress

The following key outputs were preferred to realize the above outcome.

- Built new libraries to create access to information. One (1) new library (Louieville Public Library) was completed in the 2025/26 FY.
- Maintained six (6) existing library facilities to increase durability.
- Empowered learners and communities with knowledge through supply of new library materials to public libraries. Seven thousand seven hundred and forty five (7 745) electronic books were made accessible in order to diversify the service provided to library users.
- Created access to information for the blind. Thirty nine (39) libraries offered services to the blind. Currently we have 625 active members across the province.

- Mpumalanga Library and Information System installed to improve access to library service. One hundred and twenty two (122) libraries accessing Mpumalanga Library Information Management System
- Popularize, collect and preserve Indigenous Knowledge System (IKS) for social, economic and cultural development. Two (2) public awareness programs conducted in Archives.

The Department in collaboration with the Department of Basic Education in the Province, is continuously supporting children, youth, women and people with disabilities when it render its services. The library material, free Internet and Wi-Fi, electronic books is appealing to all the designated groups in the province including service to the blind and partially sighted. However, the Department still encounter challenges in relation to the transportation of blind users.

Prioritization of women, youth and person living with disabilities

Table 2.4.4.1:

The Department did not re-table the Annual Performance Plan 2025/26 during the year under review. Hence, the following table is reported as nil.

Programme 3: Library and Archives									
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
None									

Table 2.4.4.2:

Programme 3: Library and Archives (Sub Programme: Library)								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Reasons for deviations
Contributing towards equal opportunities, inclusion and redress	Build new libraries to create access to information	Number of libraries established per year	2	3	3	1 Not achieved	2	The main challenge was contractors experiencing financial constraints. Mmamethlake was 79% and Warborton 50% all against target of 100%.
	Maintain and upgrade existing library facilities to increase durability	Number of municipal libraries provided with maintenance	6	1	6	6 municipal libraries provided with maintenance • Stan West Public Library • Elukwatini Public Library • Thubelihle Public Library • Phumula Public Library • Masoyi Public Library • Shatale Public Library	None	None
Contributing towards equal opportunities, inclusion and redress	Supply of new library materials to public libraries to empower learners and communities with knowledge	Number of electronic books made accessible	5 745	6745	7745	7745 electronic books made accessible	None	None
	Created access to information for the blind	Number of libraries offering services to the blind	34	39	39	39 libraries offering services to the blind	None	None
	Mpumalanga Library and Information System installed to improve access to library service	Number of libraries accessing Mpumalanga Library Information Management System	120	120	122	122 libraries accessing Mpumalanga Library Information Management System	None	None

Programme 3: Library and Archives (Sub Programme: Library)

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Reasons for deviations
Contributing towards equal opportunities, inclusion and redress	Popularize, collect and preserve Indigenous Knowledge System (IKS) for social, economic and cultural development	Number of public awareness programs conducted about archival services	2	2	2	2 public awareness programs conducted in archives - National Archive awareness week - Oral History conference about archival services	None	None

Strategy to overcome areas of under performance

- The two (2) libraries (Mmamethlake & Warburton) planned for 100% completion were delayed due to contractors experiencing financial constraints. Mmamethlake financial constraints were resolved and a cession contractor was appointed for Warbuton.

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

- The Sport Art and Culture sector did not have Standardised Outputs and Output Indicators for 2025/26 FY.
Linking performance with budget

Sub programme expenditure

Programme Name: Library & Archives	2025/26			2024/25		
	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	1 823	1 627	196	459	370	89
Library Services	209 249	209 779	(133)	238 165	222 065	16 100
Archives Services	6 440	6 421	19	4 530	5 844	(1 314)
Total	217 509	217 827	82	243 154	228 279	14 875

Notes:

The programme is responsible for management of key sub programs and implementation of projects linked to Library, Information and Archives Services. The programme was allocated **R217 909 million** for the year under review and spent **R217 827 million**.

4.4. Programme 4: Sport and Recreation

- The purpose of this programme is to develop and enhance the sporting and recreation capabilities of the people of Mpumalanga.
- The programme is divided into three sub programmes that are as follows;
 - ✓ Sport: to facilitate establishment and support of sport structures and institutions.
 - ✓ Community Sport & Recreation: to improve the quality of life for the people of Mpumalanga by promoting recreational activities.
 - ✓ School Sport: to develop Sport at school level by providing support and organizing school competitions.
- The Department had a total of five (5) outcomes planned to deliver its services. Programme 4: Sport and Recreation had one (1) programme specific outcome namely, Promoting social cohesion through increased interaction across space and class.

Outcomes, outputs, output indicators, targets and actual achievements

The following narrative provide analysis of the significant achievements of targets for the outputs and output indicators for Programme 4: Sport and Recreation. The following outputs were key towards achieving the one (1) outcome.

The following key outputs were preferred to realize the above outcome

Promoting social cohesion through increased interaction across space and class

- High Altitude Training Center established with multiple facilities as a pioneering Centre for sporting excellence. 1st phase of bulk infrastructure services was (Water Waste Treatment) was initiated and recorded at 51% complete while the 7 ML reservoir could not be completed and reprioritized for 2026/27 FY.
- Coordinated and supported a programme that honor men and women in sport. One (1) Provincial Sport Awards hosted to honor athletes who have great achievements in sport
- Support high profile games to promote sport development. Two (2) high profile games to promote sport development were supported namely; RSA (Springbok) Vs Georgia (The Lelos) and RSA (Bafana

Bafana) vs Rwanda (Amavubi) at Mbombela Stadium.

- Promote participation in community-based governance processes. Eight (8) Sport Community Based Structures were supported.
- Promote participation in sport and recreation by facilitating opportunities for people to share space. Twenty two (22) local leagues activities were supported in netball, athletics, volley ball, basket ball, football, boxing, softball, rugby, cricket and tennis.
- Supported high performance athletes to achieve success in national sport platform by providing them with scientific support. One (1) athlete development programme supported by academies.
- Provision of athletes in schools, municipal hubs and clubs with sport equipment and/ or attire to excel in sport. Two hundred and eighty five (285) Schools, hubs and clubs provided with equipment and / or attire to enable participation in sport and/or recreation.
- Active recreation events organised for inclusive participation amongst active recreation events, Organised fifty four (54) active recreation events
- Developed and nurture talent of learners in sport by providing them with opportunities to excel school sport seasons hosted. 49 School sport programmes were supported

Prioritization of women, youth and person with disabilities

In the main all the programmes on Sport and Recreation address and prioritise women, youth and person with disabilities in its service delivery environment through programs of Sport, Recreation and School Sport.

Table 2.4.4.1:

The Department did not re-table the Annual Performance Plan 2025/26 during the year under review. Hence, the following table is reported as nil.

Programme 4: Sport and Recreation									
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
None									

Table 2.4.4.2:

Programme 4: Sport and Recreation								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations
Promoting social cohesion through increased interaction across space and class	High Altitude Training Center established with multiple facilities as a pioneering Centre for sporting excellence	Number of phases for bulk services implemented for the High-Altitude Training Centre	1 Provision of phase 1: construction of 7ML reservoir and half complete the 2nd phase bulk infrastructure services (portable water & wastewater treatment)	2 Bulk services phases for the High Altitude Training Center implemented Phase 1 : Completion of 7ML reservoir construction Phase 2: Initiate up-grading of waste water treatment plants	2 Phase 1 : Completion of 7ML reservoir construction Phase 2: Initiate up-grading of waste water	1 Not Achieved	1	The construction of the 7ML reservoir is still at 92% due to reinforcing concrete slab over the existing roof slab, supported by detailed quality control measures and inspections, heavy rain during the period under review also contributed. The contractor not having a letter of good standing required by the Occupational Health and Safety (OHS) Agent before resuming with construction had a negative impact to the project
	Coordinated and support programme that honour men and women in sport	Number of Provincial Sport Awards hosted to honour athletes who have great achievement in sport	1	1	1	1 Provincial Sport Awards hosted to honor athletes who have great achievement in sport	None	None

Programme 4: Sport and Recreation

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations
	Support high profile games to promote sport development	Number of high profile games supported to promote sport development	1	1	2	2 high-profile games supported to promote sport development • RSA (Springbok) vs Georgia (The Lelos) at Mbombela Stadium • RSA (Bafana Bafana) VS Rwanda (Amavubi) at Mbombela Stadium	None	None
	Promote participation in community-based governance processes	Number of sport community based structures supported to advance sport programmes and enhance tourism	5	7	8	8 sport community based structures supported • Mbombela Tennis • Nelspruit Marathon • Barberton makhonjwa mountain marathon (Bella-Athletics club) • Imizamo yabagibeli horse riders. • Mpumalanga School Sport Organisation • SA Boxing (Women in Boxing Bout) • Mpumalanga cycling tour • Mpumalanga Sport Confederation	None	None

Programme 4: Sport and Recreation (Recreation)

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Reasons for deviations
Promote interaction across race and class through number of athletes participating in sports	Promote participation in sport and recreation by facilitating opportunities for people to share space	Number of local leagues activities supported	8	27	22	22 local leagues activities supported	None	None
	Supported high performance athletes to achieve success in national sport platform by providing them with scientific support	Number of athletes development programmes supported by academies	300	300	1	1 Athletes supported by the sports academies	None	None
Promote interaction across race and class through number of athletes participating in sports	Provision of athletes in schools, municipal hubs and clubs with sport equipment and/ or attire to excel in sport	Number of school, hub and clubs provided with equipment and/ or attire as per estblisehd norms and standards	177	315	285	285 Schools, hubs and clubs provided with equipment and / or attire to enable participation in sport and/or recreation	None	None

Programme 4: Sport and Recreation (Sub programme: School Sport)

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Reasons for deviations
	Provide learners with opportunities to excel in school sport seasons hosted	Number of school sport programmes supported at a district and local levelTournaments at District Level	0	0	70	Not Achieved 49 School sport programmes supported at a district and local level	21	The indicator was not achieved due to Minister's directive to School Sport Programme Directorates in provinces and School Sport System to stop any School Sport Programme activities using the Conditional Grant funding for 4 months, Programmes could not be implemented due to floods in Bohlabela during the month of February

Strategy to overcome areas of under performance

- 2 Bulk services for High Altitude Training Center not completed due to reinforcing concrete slab over the existing roof slab, supported by detailed quality control measures and inspections, heavy rain during the period under review and the contractor not having a letter of good standing required by the Occupational Health and Safety (OHS) Agent before resuming with construction. The project have been reprioritized for completion of outstanding work in 2026/27 FY.
- School sport programmes supported at a district and local level was not achieved due to the Minister's directive to School Sport Programme Directorates in provinces and School Sport System to stop any School Sport Programme activities using the Conditional Grant funding for four (4) months. Also programmes could not be implemented due to floods in Bohlabela during the month of February. The target will be reprioritised in the 2026/27 FY.

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

- The Sport Art and Culture sector did not have Standardised Outputs and Output Indicators for 2025/26 FY.

Linking performance with budgets

Sub programme expenditure

Programme Name: Sport and Recreation	2025/26			2024/25		
	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	2 152	2 236	(84)	1 836	1 723	113
Sports	77 397	67 736	9 661	76 870	71 348	5 522
Recreation	35 207	31 594	3 613	34 517	29 070	5 447
School Sports	24 911	24 439	72	34 276	33 667	609
Total	139 667	126 005	13 262	147 499	135 808	11 691

Notes:

The programme is responsible for management of key sub programs and implementation of projects linked to Sports, Recreation and School Sport. The programme was allocated **R139 267 million** for the year under review and spent **R126 005 million**. The programme was able to achieve almost all its planned outcomes for the year under review.

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

None

5.2. Transfer payments to all organisations other than public entities

The Department made some transfers to cultural and sporting institutions that assists to deliver services to communities. These institutions are monitored annually since most of them are events driven. Therefore, it become a challenge to monitor them on monthly basis. The close up reports that account for the resources are provided at the year end.

The table below reflects the transfer payments made for the period 1 April 2025 to 31 March 2026

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
1. Zoe Creative Organisation	Non-Profit Organisation	Promote and develop arts and culture	Yes	700	700	None
2. MP Moral Regeneration Movement	Non-Profit Organisation	Revive and instil the moral fibre and values that were decayed	Yes	1 000	1 000	None
3. Innibos National Festival	Community based organisation	Promote cultural diversity and enhance cultural tourism	Yes	1 000	1 000	None
4. Pensele Multicultural Foundation	Community based organisation	Promote and develop arts and culture	Yes	100	100	None
5. Mpumalanga Gospel Music Awards	Community based organisation	Promote and develop arts.	Yes	1 500	1 500	None
6. Likhanyo Girls Foundation	Non-Profit Organisation	Promote, develop arts and culture	Yes	450	450	None
7. Admire Billy Malubana Foundation	Non Profit Institution	Promote, develop arts and culture	Yes	450	450	None
8. Mpumalanga International Film Festival	Non-Profit Organisation	Promote, develop arts.	Yes	200	200	None
9. FJM Development - Somakhawula	Non-Profit Organisation	Promote, develop arts and culture	Yes	50	50	None
10. Phakama festival	Non-Profit Organisation	Promote, develop arts.	Yes	150	150	None
11. Khethkile Foundation	Non-Profit Organisation	Promote, develop arts.	Yes	200	200	None
12. Forgotten Angel	Non-Profit Organisation	Promote, develop arts.	Yes	25	25	None
13. Khezomen Foundation	Private Company	Promote, develop arts.	Yes	150	150	None
14. Mthombeni Zamani	Private Company	Promote, develop arts.	Yes	100	100	None

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
15. Xitsonga Music Awards (SABC)	Community based organisation	Promote and develop arts.	Yes	300	300	None
16. Relax Its Arts	Non-Profit Organisation	Promote, develop arts.	Yes	50	50	None
17. Mpumalanga Choral Association	Non-Profit Organisation	Promote, develop arts.	Yes	400	400	None
18. Jimeliz foundation	Community based organisation	Promote and develop arts.	Yes	1 500	1 500	None
11. Umkhosi weMhlanga Lenhle YemaSwati	Non-Profit Institution	Promote cultural diversity	Yes	200	200	None
12. Umkhosi woMhlanga Sigcina Amagagu	Non-Profit Institution	Promote cultural diversity	Yes	200	200	None
13. Top Ace Entertainment	Non-Profit Organisation	Promote, develop arts and culture	Yes	450	450	None
14. Cultural Creatives Industries Federation of South Africa (CCIFSA)	Non-Profit Institution	Promote, develop arts and culture	Yes	500	500	None
15. Metro Awards	Non Profit Institution	Arts and Culture support	Yes	15 000	15 000	None
16. Friends of the Museums	Non-Profit Organisations	Pay stipends to volunteers to ensure that museum services are accessible to the public over weekends and public holidays	Yes	1 050	1 050	Remaining balance will be used for the payment of stipends and bank charges while new grants are being processed.
17. South African Gold Panning Association (SAGPA)	Non-Profit Organisation	Promote social cohesion	Yes	1 000	1 000	Remaining balance to be used for maintenance of the site and machinery
18. Mpumalanga Provincial language committee	Non-Profit organisation	Multilingual Language Promotion	Yes	200	200	None
19. Isiyalo Writers Guild	Non-Profit organisation	IsiNdebele language promotion	yes	150	150	None
20. Umgogodla Wesive Writers	Non-Profit organisation	Siswati language promotion	yes	150	150	None
21. Nelspruit Marathon	Non-Profit institution	Administration and Programmes for Sport Development	Yes	100	100	None
22. MP Cycling Union	Non-Profit organisation	Administration and Programmes for Sport Development	Yes	400	400	None

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
23. MPU School Sports ORG	Non-Profit Organisation	Administration and Programmes for Sport Development	Yes	200	200	None
24. Ilanga boxing promotion	Non-Profit Organisation	To promote boxing	Yes	800	800	None
25. Bellas Athletic Club (Makhonjwa)	Non-profit Institution	Administration and Programmes for Sport Development	Yes	100	100	None
26. Imijaho yabagibeli (Horse Racing)	Non-profit Institution	Administration and Programmes for Sport Development	Yes	200	200	None
27. CASRIC STARS Football club	Non-Profit Institution	Administration of club	Yes	1 500	1 500	None
28. Kruger United Football club	Non-Profit Institution	Administration of club	Yes	1 500	1 500	None
29. TS Galaxy football club	Non-Profit Institution	Administration of club	Yes	3 000	3 000	None
30. Mpumalanga Sport Awards	Non-Profit Institution	Recognition of excellence in sports	Yes	1 500	1 500	None
31. Boxing South Africa	Non-Profit Institution	Promotion and advancement of boxing	Yes	300	300	None
32. The Bees Football Club	Non-Profit Institution	Administration of club	Yes	1 500	1 500	None
33. Mpumalanga Sport Confederation	Non-Profit Institution	Support sport confederation	Yes	1 698	1 698	None
34. Tennis Base Legacy	Non-Profit Institution	Promotion of tennis in the province	Yes	800	800	None
35. Mbombela Stadium Management	Non-Profit Institution	Promote and develop Arts, Culture and Sport	Yes	4 396	4 396	None

The table below reflects the transfer payments which were budgeted for in the period 1 April 2025 to 31 March 2026, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
1.Loskop Marathon	Administration and Programmes for Sport Development	200	00	Non Tax complaint

6. CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds paid

– None

Conditional Grant EPWP Integrated:

Department who transferred the grant	– National Department of Public Works, Roads and Transport
Purpose of the grant	– To create job opportunities
Expected outputs of the grant	– 46 job opportunities created through the Cultural sector
Actual outputs achieved	– 46 job opportunities created through the Cultural sector
Amount per amended DORA (R'000)	– R 1 846
Amount received (R'000)	– R 1 846
Reasons if amount as per DORA was not received	– None
Amount spent by the department (R'000)	– R 1 846
Reasons for the funds unspent by the entity	– None
Reasons for deviations on performance	– None
Measures taken to improve performance	– None
Monitoring mechanism by the receiving department	– Implementing projects according to the approved business plan – Submit monthly, quarterly and annual reports

6.2 Conditional grants and earmarked funds received

– The table/s below details the conditional grants and earmarked funds received during for the period 1 April 2025 to 31 March 2026.

Conditional Grant Community Library:

Department who transferred the grant	– National Department of Sport, Arts and Culture
Purpose of the grant	– To have transformed community library infrastructure, facilities and services in Mpumalanga through a recapitalised programme at National, Provincial and Local government level
Expected outputs of the grant	– 7 745 electronic books made accessible – 122 libraries accessing Mpumalanga Library Information Management System – 3 New libraries established per year with 100% completion – 6 municipal library maintained – 39 libraries offering services to the blind
Actual outputs achieved	– 7 745 electronic books made accessible – 122 libraries accessing Mpumalanga Library Information Management System – 1 New libraries established – 6 municipal libraries maintained – 39 libraries offering services to the blind
Amount per amended DORA	– R 179 385
Amount received (R'000)	– R 179 385
Reasons if amount as per DORA was not received	– None
Amount spent by the entity (R'000)	– R 1 79385
Reasons for the funds unspent by the entity	– None
Reasons for deviations on performance	– 2 new libraries were not completed established due to contractors experiencing financial constraints
Measures taken to improve performance	– Mmamethlake's contractor challenges were resolve and a cession contractor has been appointed for Warborton
Monitoring mechanism by the receiving Department	– Implementing projects according to the approved business plan – Submit monthly, quarterly and annual reports – Conduct site visits where all library projects are implemented and make follow ups with the implementing agent where there are challenges

Conditional Grant Mass Participation:

Department who transferred the grant	– National Department of Sports, Arts and Culture
Purpose of the grant	– To facilitate sport and recreation participation and empowerment in partnership with relevant stakeholders
Expected outputs of the grant	– 285 schools, hubs and clubs provided with equipment and / or attire as per established norms and standards – 1 athlete development programme supported by academies – 22 local leagues activities supported, – 48 Active recreation events organised – 70 School sport programmes supported
Actual outputs achieved	– 285 schools, hubs and clubs provided with equipment and / or attire as per established norms and standards – 1 athlete development programme supported by academies – 22 local leagues activities supported, – 54 Active recreation events organised – 49 School sport programmes supported
Amount per amended DORA (R'000)	– R 56 442
Amount received (R'000)	– R 56 442
Reasons if amount as per DORA was not received	– None
Amount spent by the Department (R'000)	– R 52 956
Reasons for the funds unspent by the entity (R'000)	– The directive to school sport system to stop any sport programme activities using the conditional grant funding for six months.
Reasons for deviations on performance	– The target of 70 School sport programmes supported was not achieved due to the minister's directive to school sport programme directorates and school sport system to stop any sport programme activities using the conditional grant funding for four (4) months.
Measures taken to improve performance	– School sport programmes will be implemented through the revised plan by National Sport, Arts and culture in the 2026/27 financial year.
Monitoring mechanism by the receiving Department	– Implement projects according to the approved business plan – Submit monthly, quarterly and annual reports

7. DONOR FUNDS

7.1 Donor Funds Received

None

8. CAPITAL INVESTMENT

8.1 Capital investment, maintenance and asset management plan

- Progress made on implementing the capital, investment and asset management plan.
- Infrastructure projects which have been completed in the current year and the progress in comparison to what was planned at the beginning of the year. Provide reasons for material variances (2% variance)
- Infrastructure projects that are currently in progress (list projects) and when are they expected to be completed,

Nr Name of Project Revised / Completion Date

a)	HATC – bulk services provision	31 March 2027
b)	Multi-purpose Arena at Mbombela Stadium	31 March 2027
c)	Mmametlake Public Library	30 June 2026
d)	Warburton Public Library	30 Sept 2027
e)	Louville Public Library	31 March 2026

- Plans to close down or down-grade any current facilities, None
- One (1) Museum and Six (6) municipal libraries were provided with maintenance as planned

a)	Pilgrim's Rest Museum	e)	Phumula Public Library
b)	Stan West Public Library	f)	Masoyi Public Library
c)	Elukwatini Public Library	g)	Shatale Public Library
d)	Thubelihle Public Library		
- The are no material developments since the provision of the two (2) remaining libraries budget has been made in the 2026/27 financial year.

Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft

Classification	Sold for Cash	Asset lost non recoverable	Asset destroyed/ scrapped	Asset donated/ transferred	Total
Motor Transport	5 131	506	-	5 637	Motor Transport
Computer Hardw & Sys	-	151	3 473	3 624	Computer Hardw & Sys
Office Furniture & Equip	-	-	12 129	12 129	Office Furniture & Equip
Other Machinery & Equip	-	-	1 239	1 239	Other Machinery & Equip
Closing balance	5 131	657	16 841	22 629	Closing balance

- Physical asset verification were conducted at all Department's workstations with active assets.
- The department's capital assets are in good condition.
- The Department procured assets for donating to Municipalities in support of service delivery and these assets are fairly new, hence they are 100% good condition.

- Major maintenance projects that have been undertaken during the period under review

- Stan West Public Library
- Elukwatini Public Library
- Thubelihle Public Library
- Phumula Public Library
- Masoyi Public Library
- Shatale Public Library
- Pilgrims Rest Museum

- Progress made in addressing the maintenance backlog during the period under review, for example, has the backlog grown or become smaller. Is the rate of progress according to plan? If not why not, and what measures were taken to keep on track

- Library facilities – the Department has a ten (10) year infrastructure plan. According to the plan the Department has a capacity to maintain an average of five (5) libraries per annum against the total of one hundred and twenty two (122) public libraries. Due to unforeseen circumstance the Department managed to maintain six (6) public libraries in the period under review. This is a combination of new libraries built starting from 2006 when the conditional grant started and those that were inherited before 1994. The majority of libraries inherited are in dire state that ultimately make the backlog to be huge. However, the Department has made remarkable progress since the beginning of this initiative.
- Cultural Villages and Museums – the Department ensures that there is an allocation for the maintenance of these facilities every year. In consideration of limited resources the maintenance is being implemented in phases. In the year under review one (1) museum facility was maintained (Pilgrims Rest Museum).

Infrastructure projects	2025/26			2024/25		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	62 379	55 865	6 514	71 173	68 512	
Existing infrastructure assets	5 700	7 385	(1 685)	7 000	7 868	(868)
-Upgrades and additions	1 000	4 095	(3 095)	3 000	5 658	(2 658)
-Rehabilitation, renovations and refurbishments	-	-	-	-	-	-
- Maintenance and repairs	4 700	3 290	1 410	4 000	2 210	1 790
Infrastructure transfer	-	-	-	-	-	-
-Current	8 804	7 006	1 798	4 556	4 004	552
-Capital	63 379	59 960	3 419	74 173	74 170	(2 762)
Total	72 183	66 966	5 217	78 729	78 174	(2 210)



PART C

GOVERNANCE



1. INTRODUCTION

The Department of Culture, Sport and Recreation remains committed to maintaining the highest standards of governance, accountability, ethical leadership, transparency and sound financial management in the execution of its constitutional mandate during the 2025/26 financial year. The Department recognises that effective governance is fundamental to the achievement of strategic objectives, improved service delivery and the prudent utilisation of public resources in accordance with the principles of good governance as espoused in the Public Finance Management Act (PFMA), Treasury Regulations and the principles contained in King V on Corporate Governance.

The Department continued to strengthen governance systems and internal controls aimed at promoting accountability, enhancing organisational performance and ensuring compliance with all applicable legislative and regulatory prescripts. Governance structures such as the Audit Committee, Internal Audit Function, Risk Management Committee and management oversight committees continued to provide strategic oversight and assurance on the adequacy and effectiveness of internal controls, risk management and governance processes.

Management remained focused on cultivating an ethical organisational culture through the implementation of policies and procedures that promote integrity, consequence management, transparency and zero tolerance towards fraud and corruption. The Department also continued to monitor compliance with financial disclosure requirements, conflict of interest management processes and adherence to the Public Service Code of Conduct.

Through continuous monitoring, performance reporting and oversight, the Department sought to ensure that public resources were utilised economically, efficiently and effectively to advance sport development, cultural preservation, recreation opportunities and social cohesion within the Province.

2. RISK MANAGEMENT

The Department maintained a proactive and accountable risk management culture across all levels of the organisation during the 2025/26 financial year. Risk management continued to be embedded within strategic planning, operational processes and performance management to support the achievement of departmental objectives and improve service delivery outcomes.

The Department reviewed the Enterprise Risk Management Strategy and Framework, Risk Management Policy, Risk Management Committee Charter and Risk Management Implementation Plan. Risk Management Committee made recommendations for approval by the Accounting Officer.

Departmental Strategic Risk assessment has been done and an operational Risk Assessment was finalized. Risk Management Workshops were conducted at Head Office and in the three (3) Regions. Management identified, assessed and rated the Strategic risks of the Department. The Strategic Risk registers and Operational Risk register were compiled and approved.

Three (3) Risk Management Committee meetings were convened during the 2025/26 financial year. The Committee reviewed the effectiveness of the Department's risk management systems, practices and procedures, and provided recommendations for improvement thereof.

Management remained committed to strengthening the internal control environment through continuous monitoring of risk mitigation plans, implementation of consequence management and regular reporting to governance structures. Risk champions within programmes assisted in coordinating risk management activities and promoting awareness amongst employees regarding their roles and responsibilities in managing risk.

3. FRAUD AND CORRUPTION

The Fraud Prevention Plan of the Department was implemented. The following aspects were covered: Training and awareness, staff screening and vetting, fraud disclosure and reporting of fraud. The purpose of the plan is to list and discuss several fraud prevention initiatives considered by the Department to actively prevent fraud and determine the security competence of employees. The intention is to create a fraud free environment and to empower its employees to assist in the active fight against fraud and corruption.

The Department's Fraud Prevention Policy and Response Plan outlines all internal and external fraud and corruption reporting mechanisms and assures employees protection regarding confidential disclosures, in terms of the Protected Disclosure Act 26 of 2000. The Department also conducted Ethics questionnaires for Senior and Middle Managers.

4. MINIMISING CONFLICT OF INTEREST

The Department continued implementing measures to minimise and manage conflicts of interest in order to promote transparency, ethical conduct and accountability during the 2025/26 financial year. Employees were required to disclose any private or business interests that could potentially conflict with their official responsibilities in accordance with the Public Service Regulations and departmental policies. All Senior Management Service (SMS) members are disclose their financial interests by the 30th of April every year. During the year under review, 100% of SMS members complied and submitted the information to the Public Service Commission before the deadlines.

The Department implemented processes to ensure that all employees intending to perform remunerative work outside the public service obtained prior written approval in terms of the applicable regulatory framework. Applications for remunerative work outside the public service were assessed to ensure that such activities did not conflict with the interests of the Department or negatively affect official duties and service delivery responsibilities.

To further strengthen ethical governance, the Department continued implementing its Gift, Donation and Sponsorship Policy, which provides guidance on the acceptance, declaration and management of gifts, hospitality and sponsorships. Employees were encouraged to disclose gifts and benefits received to avoid actual or perceived conflicts of interest.

Supply Chain Management officials, bid committee members and all officials involved in procurement processes were required to declare interests prior to participating in bid evaluations and adjudication processes. This assisted in promoting fairness, transparency and integrity within procurement processes.

The Department remains committed to fostering a culture of integrity, ethical leadership and good governance through continuous awareness initiatives, monitoring processes and enforcement of compliance with ethical standards and legislative requirements.

5. CODE OF CONDUCT

The Public Service Code of Conduct is implemented in the Department. Awareness programmes are conducted to all staff relating to behaviour and ethics in a workplace. These awarenesses are conducted as and when the need arise to ensure the message is understood and practised by employees. In case an employee breaches the rule, the employer follows the disciplinary code route to address the unethical behaviour/conduct and applies the principle of discipline at all times. The Department always strive to have a disciplined and harmonious workforce.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department is in a process of instituting the health and safety unit. The unit will be responsible to ensure that the Department comply with Occupational Health and Safety Act 85 of 1993. The Department's initiative to address Injury on Duty (IOD) cases through Human Resource Management under HR Administration is a commendable interim measure in the absence of an Occupational Health and Safety (OHS) Representative. However, it's crucial to ensure that this approach aligns with the requirements of the Occupational Health and Safety Act (OHSA) No. 85 of 1993 and the Compensation for Occupational Injuries and Diseases Act (COIDA) No. 130 of 1993.



7. PORTFOLIO COMMITTEES

The Portfolio Committee continuously provide an oversight responsibility to the Departments performance on service delivery. The following meeting (s) were held in the year under review:

a. Tabling of Annual Performance Plan 2025/26

25 September 2025 - Tabling of the Annual Performance Plan 2025/26		
No	Resolution	Progress
1	Ensure that all suppliers are paid within 30 Days, utilising the Invoice Tracking System and closely monitor invoices monthly to ensure that they are paid timeously.	The Department is continuously monitoring invoices through the Invoice tracking system; The current progress is 94% at on 31 August 2025.
2	Ensure that the implementation of the Audit Action Plan is closely monitored.	The audit action plan is monitored and progress is reported to Provincial Treasury and Internal audit monthly.
3	Ensure that progress on the implementation of the Audit plan is tracked by the Internal Auditor.	Internal Audit is tracking the audit action plan quarterly and progress is reported to the Audit Committee.
4	Monitor emerging risks and mitigation strategies quarterly through the Departmental Risk Management Committee, moving towards the attainment of a clean Audit Opinion.	The Department is continuously monitoring emerging risk quarterly, progress on mitigation strategies are reported to the committee quarterly.
5	Facilitate and ensure the filling of all vacant funded positions including the position of the Chief Financial Officer as a matter of urgency and provide a progress report to the Committee on quarterly basis.	The Department has commenced with the process of shortlisting and interviewing for all the 33 advertised posts which includes the Chief Financial Officer's post.
6	Continue to request for more allocation from Provincial Treasury during the Budget Adjustment to cover the shortfall for both the creative industry and school sport programmes.	The Department has noted the recommendation of the Committee and would like to confirm that arrangement are in place through the submission made to Provincial Treasury on Budget Pressures for the current financial year to cover all sport related shortfall challenges.
7	Come up with a monitoring system to ensure that the budget of R 53 099 000.00 is spend as planned to address the accruals and ensure that there is strict monitoring of the action plan to prevent the re-occurrence of accruals in the next financial year.	The Department has implemented cost curtailment measures to cash back previous year accruals. The following monitoring action plan will be implemented to prevent re-occurrence of accruals. - The Department will not implement activities not budget in the current financial year. - Budget and expenditure will be monitored and tracked by the budget committee to prevent over and under expenditure.
8	Closely monitor the utilisation of the R14 703 000.00 roll over funds for the CCTV Camera server installation ,sport equipment and attire provisioning if it has been approved and provide a quarterly progress report to the Committee.	The Department has put systems in place that will ensure that roll over funds for the CCTV Camera server installation, sport equipment and attire provisioning are closely monitored and are utilized for its purpose in an effective and efficient manner.

25 September 2025 - Tabling of the Annual Performance Plan 2025/26

No	Resolution	Progress
9	Ensure that the money paid for the traffic fines and the damaged vehicles is recovered from the responsible employees, provide a quarterly progress report to the committee detailing the how the accident damaged vehicles are being processed i.e. Sold in Auctions.	The Departmental government vehicles traffic fines are re-directed to the responsible personnel to settle the traffic fines on their personal capacity. The investigation on the Three (3) damaged vehicles is in progress; the outcome will be determined by the recommendations of the committee. Arrangement to recover one (1) damaged vehicle is processed.
10	Ensure that a monitoring system is in place to ensure that the Community Library Services grant is spend as planned. And also : i). Collaboration with the implementing Agent to ensure that contractors are timeous appointed to avoid delays.	The Expenditure for Library Infrastructure projects is closely monitored monthly through Inner-Year Monitoring report (IYM) to avoid unauthorized expenditure. The Department continuously collaboration with the implementing agent to ensure that expenditure is aligned to the approved Business Plan in order to achieve the set targets in our Annual Performance Plan.
11	ii) Ensure the timeous appointment of Community Liaison Officers to address issues pertaining to community protests that hinder the progress of the project.	The appointment of Community Liaison Officers (CLOs) by the Department of Public Works, Roads, and Transport (DPWRT) is done to facilitate communication, transparency, and stakeholder engagement between the department, contractors, and the local community. Henceforth, CLOs are continuously appointed on time.
12	iii) Ensure the timeous certification and payment of contractors.	The Department will continue to fast-track the invoice certification through invoice tracking system to ensure that all invoices are timeously paid. Currently, the Department is sitting at 90% in terms of payment of invoices in time.
13	Fast track the consultation with the Provincial Treasury which is required to meet the feasibility study requirements, including the government contribution in the form of the State Theatre, Incubator Hub and the Bulk service to finalise the procurement documentation to secure the R608.100 000.00 to be contributed by the private investor as it is dependent on the confirmation of the government contribution and report back to the committee.	A cabinet memo has been written to request for authorisation and new mandate for the project.
14	Provide a detailed report indicating the type of scarce skills and position of the foreign national employed by the department in August 2024 to justify his employment considering the high rate of unemployment in the province. If the employment cannot be justified, the contract must be terminated and consequence management must be exercised.	The foreign national is married to a South African and have a spousal visa. She is appointed in the office of the Executing Authority (EA) on a receptionist.

23 February 2026 - Tabling of the Annual Report 2024/25

No	Resolution	Progress
1.	Ensure that the commitments are inline with the approved business plan, annual performance plan, annual operational plan, and the allocated funds.	The Department continue to verify and ensure that all commitments have been approved during the planning and budgeting cycle. The Department will additionally introduce a Monthly commitment register as an early warning before overspending.
2.	Ensure that the special allocation from Provincial Treasury for the installation of the CCTV Camera's is used for the intended purpose in the 2025/26 financial year	The CCTV installation project was funded through a special allocation from Provincial Treasury. Currently, no budget was allocated for this project for 2025/26 FY.
3.	Ensure that project management processes are attended within the set timelines to avoid similar challenges in future.	The Department has established a Project Management team led by Programme Managers. The team's responsibilities include planning, executing, and closing projects, ensuring deliverables meet quality, budget, and timeline constraints.
4.	Fastrack the filling of the three (3) vacant posts as a matter of urgency following the process of interviews that have been conducted and provide a progress Report to the Committee before the end of the fourth quarter of the current year.	The Department has filled the Chief Financial Officer and Asset Clerk positions. The Cleaner position is part of the fourth quarter interviews schedule which is currently in progress.
5.	Ensure that Grant allocations are effectively managed and spent within the planned time frames to avoid incurring additional expenses as Accruals and avoiding rollover applications in future.	The Department acknowledges the recommendation and will ensure that Grant allocations are effectively managed and spent within the planned time frames as guided by the systems and processes of cash flow management.
6.	Ensure that in future beneficiaries submit all compliance documents on time and strengthen internal controls to avoid returning funds to the provincial Treasury.	The Department will frequently engage with structures assisting them to submit compliance documents on time. However, the Department has also developed a Service Delivery Improvement Plan (SDIP) 2025/30 which is a plan that deals with improving poor performing services. The service of providing financial support to structures is identified as a key service that needs improvement in the Departmental SDIP plan.
7.	Ensure that the special allocation for the installation of the CCTV from the Provincial Treasury is utilized, prudently for the intended purpose and provide a progress report to the Committee by the end of the fourth quarter of the current financial year.	The CCTV installation project was funded through a special allocation from Provincial Treasury. Currently, no budget was allocated for this project for 2025/26 FY.
8.	Implement and monitor cost curtailment measures to cover the cashflow challenges and use the available cash from the savings to pay invoices within the prescribed period of 30 days.	The Department will strengthen the cost curtailment measures implemented and continue to monitor spending.
9.	Consider increasing the budget to manage the demand for support by the cooperatives and strengthen the partnership with stakeholders to ensure sustainability.	The Department will strengthen partnerships with other stakeholders in order to manage the demand and maximise support to Arts and Craft cooperatives.

23 February 2026 - Tabling of the Annual Report 2024/25

No	Resolution	Progress
10.	Review the MoU with Small Enterprise Development Agency (SEDA) to reflect the new structure the small enterprise Development Finance Agency (SEDFA), through effective business, planning, finance management, marketing, and export development to sustain the cooperatives.	The Memorandum of Understanding (MoU) with Small Enterprise Development Finance Agency (SEDFA) is currently under review and roles and responsibilities of each institution will be clarified.
11	In collaboration with the implementing Agent ensure that appointed contractors receive training on financial management, Compliance, and other skills to avoid delays in the payment of invoices, which directly impacts negatively on the delivery of services within the prescribed timelines.	The Department of Public Works, Roads and Transport (DPWRT) as an Implementing Agent is responsible for appointing contractors. However, during the progress meetings, the Department will recommend to DPWRT provide relevant trainings to contractors.
12	Fast track the appointment of permanent staff members for Ethandukhanya Public Library in Mkhondo Local Municipality in the third quarter and provide a progress report to the Committee by the end of the fourth quarter of the current financial year.	The Department has appointed two (2) positions (Librarian and Cleaner) and the incumbents have already resumed their responsibilities. The two outstanding appointments of a Library Assistant and Groundsman are currently in progress.
13	In collaboration with the implementing Agent ensure that service providers are appointed timeously and are paid on time to avoid delays in the delivery of services.	The Department will engage the Department of Public Works, Roads and Transport (DPWRT) to fast track appointments of service providers and further ensure that invoices are expeditiously submitted and are paid on time.
14	Closely monitor the work of the contractor and independent Engineer and complete the construction of the roof slab and column concrete by the end of the fourth quarter of the current financial year and provide a progress report to the Committee.	The 7ML Reservoir construction is at 92 % due to reinforcing concrete slab over the existing roof slab, supported by detailed quality control measures and inspections. The slow progress was caused by heavy rain during the period under review. The project progress report will be provided at the end of the fourth quarter 2025/26 FY.
15	Ensure that the School Sport programme is implemented successfully and provide a detailed progress report to the committee indicating the beneficiaries, types of activities capacity building programmes and provide a progress report to the committee by the end of the fourth quarter in the current financial year.	The Department is ensuring that school sport programme is fully implemented, currently 55 of 70 schools sport programmes at lower level mass participation on football, netball, rugby, softball, gymnastics, chess, basketball, volleyball, indigenous games, etc, with the age group of primary and high school learners and also learners with disabilities on goalball, football and netball. Furthermore, 120 educators were trained in coaching for hockey, volleyball, softball and basketball. The programme progress report will be provided at the end of the fourth quarter 2025/26 FY.
16	Consider appointing a female candidate in the vacant position of the CFO that has been readvertised to address the issue of Gender equity and provide a progress report to the committee by the end of the fourth quarter of the current financial year.	The Department has appointed a Female Chief Financial Officer to address the issue of Gender equity as per the portfolio committee recommendation.

8. SCOPA RESOLUTIONS

The role of the Standing Committee on Public Accounts is to exercise oversight over Provincial Government to ensure accountable utilization of resources, prudent financial management and to make recommendations to the Legislature. This role is complemented by the Auditor-General, whose mandate is to conduct audits of Provincial state Departments, and to submit reports to the Legislature as per the requirements of the Public Audit Act, 2004 (Act No. 25 of 2004) and the Constitution of RSA.

RESOLUTION NO.	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
SUBJECT: 5.1 AUDIT OUTCOMES			
(i)	Ensure that all issues raised in the Audit action plan are addressed.	The Department addressed 62% (8 of 13) of the issues raised in the Audit action plan. Currently, five (5) of the findings are still in progress and monitored monthly by management, Internal Audit and the Audit Committee. The progress report on the Audit action plan was provided.	NO
(ii)	Ensure that vacancies in key management positions are filled timeously to avoid audit queries in future.	According to Department of Public Service and Administration (DPSA) vacancies should be filled within Eight (8) months. The Department has improved its turnaround time regarding filling of vacancies in key management positions. Three key management positions were advertised in the year under review, two of the three positions have been filled. List of two key positions filled; • Head of the Department • Chief Financial Officer Key positions in progress • Director: Planning and Programme Management All the recruitment processes for this position such as advertisement, interviews were concluded timeously by the Department and submitted to the Executive Council for approval. The Department will do follow ups to ensure that this matter is in the agenda of Executive Council.	NO

RESOLUTION NO.	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
(iii)	Provide the Committee with a progress report after the process of filling the vacancies has been concluded.	Two key management positions were advertised and filled in the year under review. Namely; - Head of the Department (Male) - Chief Financial Officer (Female) The Head of the Department resumed his responsibilities on 1st of December 2025, while the Chief Financial Officer started on 1st February 2026. The Department is gradually stabilising and started working towards improved Audit outcomes.	YES
5.2. EMPHASIS OF MATTERS IN THE 2024/25 BUDGET YEAR			
(i)	In terms of Treasury Regulations 8.1.1. ensure that internal procedures and internal control measures are in place for payment approvals and processing. These internal controls should provide reasonable assurance that all expenditure is necessary, appropriately paid promptly and is adequately recorded and reported in future.	The Department has implemented the following internal control procedures: - All expenditures are subject to budget verification and align with plans and approved cash flow projections prior commitments are made. - Monitor the payment checklist to ensure that all supporting documents are complete, valid and accurate. - The Budget Committee provide advise and oversight on budget and expenditure on a quarterly basis. - Expenditure is reviewed, recorded and reported in line with the Standard Chart of Accounts (SCOA) as well as Modified Cash Standards (MCS). - Regardless of all this internal controls, the underspending of 4.7 percent, will still be recorded in the year under review due to previous incorrect utilization of conditional grant funds for equitable share allocations that dates back to 2021/22 financial year. - The Department is annually expected to surrender back to Provincial Treasury a conditional grant amount of R27,187 million incurred for Equitable share. - The Department will engage Provincial Treasury to mitigate this challenge.	YES
5.3. OTHER MATTERS			
Number of Phases for the Establishment of the Arena at Mbombela Stadium			
(i)	Follow the necessary procedures, use the prescribed pieces of legislation and Treasury guidelines when entering into agreements with private service providers on government projects.	The Department acknowledges the recommendation of the committee with regards to following procedures, and prescribed legislation when implementing capital projects. The project has since been handed over to the Department of Public Works, Roads and Transport as an implementing agent. The Department has also corrected this by reclassification of the Indoor Multi-purpose Arena allocation from Transfers to Capital. The Department will in future ensure that all capital projects are in line with the Preferential Procurement Policy Framework Act 5 of 2000 following competitive bidding process.	YES

RESOLUTION NO.	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
(ii)	Fastrack the investigation for liability on Irregular, Fruitless and Wasteful Expenditure, take the necessary disciplinary actions and provide a progress Report to the Committee by the end of the fourth quarter of the current budget year.	The investigation for liability on Irregular, Fruitless and Wasteful Expenditure has been finalised and submitted to the Department. The following findings were established: • The services were rendered, • The deliverables such as planning and designs that includes, engineering plans were verified by DPWRT. In addition the designs were approved by the City of Mbombela. • The Department received value for money, which was corroborated by DPWRT and was recalculated using the gazetted rates for the different professions. • No evidence of fraud or corruption was identified, • Possible negligence on failure to comply with Supply Chain Management requirement Based on the above findings the Accounting Officer will implement disciplinary actions inline with section 81 (1) (b) of the PFMA which stipulates the following; 81. Financial misconduct by officials in departments and constitutional institutions. (1) An Accounting Officer for a Department or a constitutional institution commits an act of financial misconduct if that Accounting Officer willfully or negligently (b) makes or permits an unauthorized expenditure, an irregular expenditure or a fruitless and wasteful expenditure.	NO
5.4 MATERIAL MISSTATEMENTS			
(i)	Ensure that there are no material misstatements in the annual performance report and that the financial statements are prepared in accordance with the prescribed financial reporting framework as per Section 40 (1) (f) of the PFMA.	The Department has since corrected the misclassification of the Indoor Multi-Purpose Arena from Transfers to Capital. The Department will ensure that in the current year no material misstatement will be recorded in the annual performance report and that the financial statements. The Annual Performance Report (APR) 2025/26 FY and the Annual Financial Statement (AFS) 2025/26 FY will be reviewed by Provincial Treasury and Internal Audit as per Section 40 (1) (f) of the PFMA and Modified Cash Standards before submission to Auditor General of South Africa.	NO
5.5 ANNUAL FINANCIAL STATEMENTS AND ANNUAL REPORTS			
(i)	Ensure that the Office is well capacitated to prepare financial statements in accordance with the prescribed financial reporting framework as required by section 40(1) (b) of the PFMA.	The Department has appointed the Chief Financial Officer to strengthen the capacity of finance division. In addition, three officials attached to the finance unit were capacitated on Annual Financial Statements (AFS), which was conducted by National Audit Turnaround Indaba. The objective of the training was to assist government departments to improve in preparation of financial statements and audit outcomes. Furthermore, the capacity of the department has since been enhanced through decentralization of shared service of internal audit from Office of the Premier as at the 01 April 2026. This will go a long way in strengthening the capacity of the department.	YES

RESOLUTION NO.	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
(ii)	Establish a fully functional filing system with back-up to ensure availability of supporting documents.	The Department has a record management section with functional filing system plan. In the current year, all the Portfolio of evidence (POE) documents related to Indoor Multi-Purpose Arena has since been centralized within the record management section of the Department. These includes all capital and other related projects within the Department. In addition, the department has also appointed an Assistant Director for Auxiliary Services who is responsible for record management.	YES
(iii)	Ensure that implementing Agents submit requisite information on time for further processing.	The Department acknowledges that some of the Portfolio of Evidence (POE) were not timeously submitted on the previous audit. However, the previous Implementing Agent (Mbombela Stadium Management) has since submitted all the requisite information and reviewed by the Department of Public Works, Roads and Transport. These requisite information has been further submitted to Auditor General South Africa (AGSA) during the Audit planning period of 2025/26 FY.	YES
5.6 EXPENDITURE MANAGEMENT			
(i)	Implement cost-curtailling measures to cover previous years Accruals and ensure that no additional expenditure is incurred where budget is not available.	The Department acknowledges the recommendations made by the committee. The Department implemented the following strategies to cost-curtaillment department activities to reduce accruals during the current budget year. • Review the current cost curtailment on travelling substances • Contract Review • Market related prices • Review departmental specifications to only critical items to reduce costs • Ensure that all multi year infrastructure projects spent within allocated budget. The Department will prevent additional expenditure by ensuring that all procurement activities is in line with Annual performance plan/Operational plan. Furthermore availability of budget availability will be confirmed before a commitment is made.	NO
(ii)	Implement the online tracking system and conduct regular follow ups with the department to ensure compliance with Treasury regulations 8.2.3.	The Department is implementing and monitoring the invoice tracking system and the payment of suppliers within 30 days was at 89% as at 31 March 2026. However, the challenge of the Department not achieving 100 percent on payment of invoices emanates from recurring non cash backed accruals. The Department has already started to put measures that will assist towards reducing the accruals in 2026/27 financial year. In the long term these measures will ensure that Department complies with Treasury Regulation 8.2.3.	NO

RESOLUTION NO.	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
(iii)	Ensure adherence to the cutoff dates for orders, invoices, and claims towards the end of the budget year to avoid the March Spike.	The Department has issued a circular dated 20 March 2026 informing officials on the cut off dates to avoid March Spike. The cuts of dates were as follows: 22 March 2026 cut-off dates for issuing purchase orders, 23 March 2026 cut off-off dates for processing of subsistence and travel claims to avoid March Spike in line with the Provincial Treasury Circular. 26 March 2026 cut off dates for payment of suppliers' invoices The Department has since adhered to the set cut-off dates for all submissions and March spike was avoided.	YES
(iv)	Encourage suppliers to submit their outstanding claims and invoices on time for payments.	The Department communicates with suppliers to submit invoices for the work done in order to ensure that payments are processed on time. The Department envisage to improve payment of service providers within 30 days building from 89% recorded in the 2025/26 financial year.	YES
(v)	Encourage suppliers to submit invoices through the online system.	The Department acknowledges the recommendation made by the committee and continue to encourage contracted service providers to utilize the online system for invoice submission. Suppliers are encouraged to submit invoice on the online invoice tracking. The uptake of invoice submission on the system is still slow. The Department will continue with the awareness campaign to encourage online submission.	NO
5.7 PROCUREMENT AND CONTRACT MANAGEMENT			
(i)	Take disciplinary measures against the official (s) for not ensuring that appropriate processes are implemented as required by Treasury Regulation 16A6.1 and 16A6.4.	According to the investigation report the root cause for non compliance of Treasury Regulation 16A6.1 and 16A 6.4.was due to the following: - Weak SCM oversight - Poor co-ordination - Lack of compliance enforcement - Insufficient understanding of SCM processes The Department will take the disciplinary measures against the officials who did not adhere to prescribed prescripts	NO
(ii)	Develop control measures to verify price quotations against market price to ensure that goods are sourced economically.	The Department has developed and implemented a market analysis tool (spreadsheet) to compare supplier quotations with prevailing market prices. This ensures that all goods and services are procured at reasonable and competitive rates. Additional control measures, including review and approval processes, have been strengthened to improve compliance and value for money in 2025/26 financial year.	YES

RESOLUTION NO.	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
(iii)	Provide capacity-building measurers for all supply chain management employees.	The Department approached Provincial Treasury to facilitate a training to supply chain officials. The request resulted in National Treasury providing the training on improved supply chain processes and good governance on 12 March 2026. This equipped officials with depth knowledge and skills on procurement. The outcomes will help in strengthening the internal control and procurement processes within the Department.	YES
(iv)	Implement staff Rotation to build and strengthen capacity within the section.	In line with the recommendation by the committee, two supply chain management officials were rotated in the 2025/26 financial year with a view to strengthening capacity.	YES
(v)	Ensure that the procurement of goods and services is proceeded by the verification of budget availability for the year before any purchase orders are prepared and issued.	The Department has implemented internal controls. Prior to requesting any goods and services, programmes are required to verify the availability of budget and attach a budget report as supporting documentation before any purchase orders are prepared and issued.	YES
(vi)	Ensure that expenditure on multi-year projects is limited to the annual budget available.	The Department confirms the annual budget for each project with the implementing agent. The expenditure is tracked through the Project Operation management meetings. This ensures alignment of expenditure and progress on projects under implementation. This will also assist in monitoring expenditure on multi-year projects to be within the approved budget.	YES
(vii)	Ensure that the processes for compliance monitoring are focused on the procurement and contract management space to prevent the incurrence of irregular expenditure.	The Department is ensuring that compliance monitoring focuses on procurement and contract management to prevent the occurrence of irregular expenditure. The following measures has been developed: • Supply Chain Management checklist • Market analysis spreadsheet.	YES
5.8 ASSET MANAGEMENT			
(i)	Expediting the catalogue process for all books acquired to ensure that all books acquired are captured on the LIMS.	Librarians submit weekly reports on the number of books catalogued. This serves as a monitoring measure to ensure that the cataloguing process is expedited and that the system is fully utilised. According to system-generated reports, a total of 656,953 books have been catalogued to date. There are still 28 548 books to be catalogued. The Department planned to complete the cataloguing process in the next six months.	NO
(ii)	Conduct training and capacity development workshops on cataloguing, Circulation and Patron Management Modules.	Training and capacity-building workshops on cataloguing, circulation, and patron management modules have been conducted across the six regional libraries. A total of 110 officials have been trained to improve system utilisation and operational efficiency. Staff capacitation is an ongoing process, hence the department will continue conducting scheduled training on the system to ensure that officials are kept up to date with system developments. For the financial year 2026/27 the department has planned three training sessions for each quarter in the three districts.	YES

RESOLUTION NO.	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
(iii)	Introduce accountability measurers in the form of statistical reports and develop public and Regional Library Manuals.	Weekly statistics are submitted to ensure the full utilisation of the system. The report is shared with Regional Libraries for monitoring purposes. According to the system-generated report to date, 656,953 books have been catalogued, 34,303 books have been circulated, and 21,627 patrons have been registered. The Department has developed Public and Regional Library manuals.	YES
5.9 CONSEQUENCE MANAGEMENT			
(i)	Ensures that a Loss and Control Committee is established to finalize the investigations on the Fruitless and Wasteful expenditure incurred in the previous years and provide a progress report to the Committee.	The Department has initiated the establishment of a Loss and Control Committee, which will be effective from April 2026. The Committee will be responsible for the determination of losses on fruitless and wasteful expenditure incurred in previous years and will provide a recommendation to the Accounting Officer.	NO
(ii)	Ensure that appropriate actions are taken to either condone, recover or write off following the necessary processes as prescribed by the Provincial Treasury.	The Loss and Control Committee will recommend appropriate actions, in line with Provincial Treasury guidelines, to condone, recover or write off the transactions after following the prescribed processes.	NO
5.10 INTERNAL CONTROL DEFICIENCIES			
(i)	Review all the internal controls systems in place to ensure effective implementation.	The following internal controls were reviewed: - Action plan by Internal Audit - Time frames and remedial action to fast-track Auditor General Action Plan.	YES
(ii)	Establish effective monitoring controls to ensure continuous implementation of daily and monthly records.	The Department introduced the following controls to monitor implementation of records; - Continuous monitoring the invoice tracking system to ensure payments are made within 30 days. - Weekly monitoring of Cash flow and expenditure. - Review of cost curtailment measure implemented to raise savings to fund previous year accruals	YES
(iii)	Ensure that service providers are paid within the stipulated 30 days' time frame.	The Department continues to monitor payments within the 30-day period. Currently, compliance stands at 89%. However, the challenge of the Department not achieving 100 percent on payment of invoices emanates from recurring non cash backed accruals.	YES
(iv)	Ensure that the department spends its budget in accordance with the approved cash flow projections to reduce accruals.	The Department continues to monitor its spending against budget and cash flow. The following strategies are implemented to reduce accruals during the current financial year; - Contract review - Market related prices analysis - Reasonable specifications on Departmental activities	NO

RESOLUTION NO.	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
(v)	Fast track the investigation, implement consequence management and provide a report to the Committee by the end of the fourth quarter of the current financial year.	According to the investigation report the non implementation of internal controls is the root cause of non compliance. These includes the following key areas: Internal Audit services The expectation was to get advice from the shared internal audit service based in the Office of the Premier Office. The Department did not seek such advise since at the time of the transaction, it was of the view that it was in the correct path. The shared services has since been decentralised with an effect of 01 April 2026. This will further strengthen the internal controls systems. The consequence management will not be applied in this instance since the Accounting Officer on the period under review is no longer in the employ of the Public service.	NO
5.12 IRREGULAR EXPENDITURE			
(i)	Implement and monitor the market analysis spread sheet developed to evaluate the quality and pricing of all quotations received.	The Department has developed and implemented a market analysis tool (spreadsheet) to compare supplier quotations with prevailing market prices. This ensures that all goods and services are procured at reasonable and competitive rates. Additional control measures, including review and approval processes, have been strengthened to improve compliance and value for money in 2025/26 financial year.	YES
(ii)	Provide capacity-building workshops for all supply chain management employees.	The Department approached Provincial Treasury to facilitate a training to supply chain officials. The request resulted in National Treasury providing the training on improved supply chain processes and good governance on 12 March 2026. This equipped officials with depth knowledge and skills on procurement. The outcomes will help in strengthening the internal control and procurement processes within the Department.	YES
(iii)	Implement staff Rotation to build and strengthen capacity within the section.	In line with the recommendation by the committee, two supply chain management officials were rotated in the 2025/26 financial year with a view to strengthening capacity.	YES

RESOLUTION NO.	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
5.13 FRUITLESS AND WASTEFUL EXPENDITURE			
(i)	Implement the recovery plan and invoke consequence management upon the finalization and recommendations of fruitless and wasteful expenditure.	The investigation was concluded with the following recommendations: Collusion and defrauding: The matter that involve the former departmental official, a criminal case was opened with South African Police Service (SAPS) Case No. 476/2/2025. In addition a letter of demand was issued to the officials at an amount of R 1,711, 109.85. The Department is continuously making follow up with SAPS. Furthermore the Department will make a follow up with the three affected service providers with intention of recouping the money. Interest charged to the Department: Interest charged were as a result of payment done outside statutory deadlines. However, consequence management could not be applied in this regard as result of cash flow challenges to pay invoice in line with statutory deadlines. Therefore the investigation report recommended that the Accounting Officer consider writing off the fruitless and wasteful expenditure amounting to R47 850.00.	YES
5.14 THE EFFECTIVENESS OF INTERNAL CONTROLS			
(i)	Implement innovative and effective mechanisms to strengthen the internal control deficiencies identified by the Auditor General.	The Department implemented the following innovative and effective mechanisms: - The misstatement of transfer payment and capital expenditure is corrected and reviewed by Provincial Treasury. Recommendations of the review is at an implementation stage. - Mbombela Stadium Management submitted all the requisite information to support the expenditure and reviewed by the Department of Public Works, Roads and Transport. - The irregular expenditure disclosure has been corrected and reviewed by Provincial Treasury. Recommendations of the review is at an implementation stage.	NO
(ii)	Ensure the streamlining of processes incorporating internal audit, thus bringing the secondary level of assurance into the foray – adding an additional level of assurance.	The Annual Financial Statements will be submitted to Internal Audit to provide quality assurance. The recommendations will be effected before finalization of the Annual Financial Statements.	NO
(iii)	Ensure that review and reconciliation processes are streamlined (planned for and executed against norms and standards) to ensure quality of the financial statements.	The Annual Financial disclosure is planned to be reconciled and reviewed to ensure correctness of the quality of Annual Financial Statements.	NO

RESOLUTION NO.	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
(iv)	Ensure that all employees complete and sign financial disclosure forms as required by legislation.	In 2025/26 100% (8 of 8) Senior Management Service (SMS) members complied with e-disclosure. In relation to Middle Management Services (MMS) members 43% (10 of 23) complied. Ten MMS did not comply due to system crashing few days before the closure that affected all the public service departments in the country. Finance and Supply Chain Management 62% (8 of 13) disclosed. Five officials were also affected by crashing of the system.	YES
(v)	Ensure that accurate and complete financial information is submitted in accordance with the prescribed financial reporting framework.	The financial records supporting the Annual Financial Statements will be reviewed by the Internal Audit and Provincial Treasury before submission to the Auditor-General of South Africa.	NO
(vi)	Put measures in place to deal with prior year's audit outcomes that have not yet been addressed so that they can be closed.	The Department is monitoring the implementation of the Auditor General Action plan to deal with prior year audit outcomes. The Department has developed a tracking tool to monitor the implementation of AG action plan bi-monthly.	NO
(vii)	Ensure that vacancies in key management positions are filled timeously to avoid audit queries in future and provide the Committee with a progress report after the process of filling the vacancies has been concluded.	According to Department of Public Service and Administration (DPSA) vacancies should be filled within eight (8) months. The Department has improved its turnaround time regarding filling of vacancies in key management positions. Three key management positions were advertised in the year under review, two of the three positions have been filled. List of two key positions filled; • Head of the Department • Chief Financial Officer Currently awaiting Executive Council (EXCO) resolution to finalize the outstanding position of a Director: Planning and Programme Management.	NO

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Qualified -The misclassification on transfer payments, tangible capital assets, prepayment and irregular expenditure disclosure of the Mbombela Indoor Multipurpose Arena planning and design performed during 2024/25 financial year	2024/25	The qualification was resolved, investigation of irregular expenditure was finalised.

10. INTERNAL CONTROL UNIT

Management achieved this control by implementing an internal control system encompassing all the policies and procedures adopted by management to assist the Department in achieving its objectives. The Department does not have an internal control unit, however, the shared Internal Audit function located within the Office of the Premier provides management with assurance on the adequacy and effectiveness of internal controls.

Based on the internal audit work performed for the Department, we can report that there has been a generally improvement in the system of internal control for the period under review. Where weaknesses were identified, these were communicated to management, that committed and developed action plans to remedy the situation and strengthen the internal control environment. This commitment resulted in significant number of management action plans being successfully implemented.

11. INTERNAL AUDIT

In accordance with the provisions of Section 38(1)(a)(ii) and 76(4)(e) of the PFMA, read together with Treasury Regulation 3.2.2 issued in terms of the PFMA, the Office of the Premier established an Internal Audit function under the control and direction of the Shared Audit Committee.

11.1 Internal Audit Modality

The Department utilizes the services of the shared Internal Audit function within the Office of the Premier. The shared Internal Audit function was established in terms of Section 38 (1) (a) (ii) of the PFMA and obtains its mandate from the PFMA and its Treasury Regulations.

The Office of the Premier provided stable funding and continuous audit needs. As such, the Internal Audit utilised its own internal audit staff (i.e., fully in-house/insourced), which included staff to deliver specialised audit engagements.

During the reporting period, the Office of the Premier, as part of restructuring, implemented the approved revised organizational structure. This strategic decision resulted in the shared Internal Audit function being abolished within the OTP Organisational structure, effectively changing the internal audit modality. The Executive Council endorsed the transfer of the shared internal audit function from the Office of the Premier (OTP) to the respective departments previously serviced, including the Department of Culture, Sport and

Recreation, amongst three others. Accordingly, the Department of Culture, Sport and Recreation had to embark on the process of reconfiguring its own organizational structure, and establish an Internal Audit Function in terms of Sections 38(1)(a)(i) and 76(4)(e) of the Public Finance Management Act, 1999 (Act No. 1 of 1999) as amended (PFMA) read together with the prevailing Treasury Regulation 3.2.2 issued in terms of the PFMA, with effect from 1 April 2026 (i.e. the new 2026/27 financial year).

This transition was undertaken to strengthen accountability, enhance responsiveness to departmental risks, and improve alignment between internal audit activities and the Department's strategic objectives. The decentralised model enables the establishment of a dedicated internal audit capacity, supplemented where necessary through co-sourcing arrangements to address specialised audit areas. The new modality is expected to improve audit coverage, deepen institutional knowledge, and support the delivery of timely, risk-based assurance to management and the Shared Audit Committee, in line with the requirements of the Public Finance Management Act (PFMA) and applicable Treasury Regulations

11.2 Purpose, Mandate, and Strategy of the Internal Audit Function

In line with the definition of internal auditing as per the Institute of Internal Auditors, the primary purpose and mandate of the Internal Audit function is to provide an independent, objective assurance and advisory service designed to add value and improve the Department of Culture, Sport and Recreation's operations. It helps the Department accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

Internal auditing strengthens the organization's ability to create, protect, and sustain value by providing the board (i.e., the Shared Audit Committee) and Management with independent, risk-based, and objective assurance, advice, insight, and foresight.

Internal auditing enhances the organization's:

- Achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

Internal auditing is most effective when:

- It is performed by competent professionals in conformance with the Global Internal Audit Standards, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the board.
- Internal auditors are free from undue influence and committed to making objective assessments.

While the primary mandate and function of the Internal Audit function is to strengthen governance, risk management, and control processes, its effects extend beyond the Department as it contributes to the Department's overall stability and sustainability by providing assurance on its operational efficiency, reliability of reporting, compliance with laws and/or regulations, safeguarding of assets, and ethical culture. This, in turn, fosters public trust and confidence in the Department and the broader systems of which it is a part.

11.3 Independence and Objectivity

In keeping with its primary mandate, the Internal Audit facilitates the functioning of the Shared Audit Committee and supports the Accounting Officer, being the Head of Department, and his Top Management team through evaluating and contributing to improving the effectiveness of risk management, control, and governance processes.

During the year under review, the organisational independence and reporting relationship were maintained, as the Chief Audit Executive (CAE) was not responsible for managing any functions beyond the Internal Audit. The CAE reported functionally to the Shared Audit Committee for audit-related matters and administratively to the Accounting Officer. The Internal Audit function had unrestricted access to information, personnel, and all the records of the Department. Further, there have been no impairments of independence or objectivity of the internal audit function.

11.4 Charter, Methodology, and Internal Audit Plans

The Internal Audit function operated within an approved Internal Audit Charter in accordance with the requirements of the PFMA, Treasury Regulations, and the new Global Internal Audit set by the Institute of Internal Auditors. The internal audit charter set out the mandate, purpose, organizational positioning, reporting relationship, authority and responsibility, scope of work, types of services provided, and other specifications.

In addition, the Internal Audit function operated in terms of its methodology, which was duly presented, endorsed, and formally approved by the Shared Audit Committee.

Further, the Internal Audit function developed a rolling three-year Strategic Internal Audit Plan and an Annual Internal Audit Coverage/Operational Plan for the 2025/26 financial year based on the results of the annual risk assessment.

In consultation with Management, the Head of Department supported the internal audit plans, and these were presented and formally approved by the Shared Audit Committee at the beginning of the financial year under review.

11.5 Quality Assurance Improvement Plan

Treasury Regulation 3.2.6 requires that the internal audit must be in accordance with the Standards set by the Institute of Internal Auditors. The shared Internal Audit function has accordingly adopted the new Global Internal Audit Standards, which came into effect on 9 January 2025.

Accordingly, the Internal Audit developed a Quality Assurance Improvement Action Plan with a view to strengthening the weaknesses identified during the External Quality Assessment Review (EQAR) process, which was undertaken during the 2023/24 financial year. The results of the assessment revealed that the Internal Audit has obtained a **"Generally Conformance"** status, which means that one or more discrepancies or gaps have been noted within the Internal Audit function, but the intent and purpose of the standards or principles were met. The Internal Audit function is implementing the Quality Assurance Improvement Plan, and it is regularly reviewed; updated and progress made in addressing the weaknesses identified are reported on a regular quarterly basis to the Shared Audit Committee.

11.6 Combined Assurance

During the reporting period, the Department embarked on a process to strengthen its assurance environment through the development of a Combined Assurance Framework and Plan. The development of these documents is ongoing. The Framework and Plan are intended to formalise and coordinate assurance activities across Management, internal audit, and external assurance providers.

However, it remained in draft form as of the end of the reporting period. Once finalised and implemented, the Combined Assurance Framework will enhance collaboration, minimise duplication of effort, and ensure that key risks are adequately covered through a structured and integrated assurance approach. This initiative is aligned with leading governance practices, including the principles of the Institute of Internal Auditors (IIA) and the King Report on Corporate Governance for South Africa.

11.7 Audit Work done

The Internal Audit Annual Operational Plan provided the framework for audit work each financial year and was aligned to the Department's corporate governance arrangements, whilst also being responsive to any changes to the risks faced by the Department during the financial year.

The Annual Internal Audit Coverage/Operational Plan identified different audit engagements, and the Internal Audit function fully executed the approved plans. The respective reports were issued to Management, communicating identified control weaknesses, recommendations for improvement(s), and also incorporated agreed management action plans to implement corrective action.

In addition, as required in terms of the PFMA and the approved Internal Audit Charter, the Internal Audit function communicated to Management all the identified control weaknesses and also reported and tabled such in the meetings of the Shared Audit Committee to allow for effective monitoring and oversight.

The following is the summary of the audit work done by the shared Internal Audit function during the year under review, as per the approved plans:

Summary of Audit Work Done

a) Planned & Completed Audit Engagements

- Monitoring the tracking of audit findings as previously reported by both Auditor-General South Africa and the shared Internal Audit function to evaluate progress made by Management in implementing agreed audit action plans;
- Follow-up of the previous year's audit findings raised by the Auditor-General (SA) and Internal Audit;
- Review of Departmental Performance Information
- Review of Draft Annual Report, inclusive of Annual Financial Statements for 2024/25
- Review of Interim Financial Statements for the period ending 30 September 2025;
- Supply Chain Management;

- Cultural Affairs;
- Transfer Payments and DORA;
- Performance Audit on Sport and Recreation; and
- ICT General and Application Review.

b) Ad-hoc, including Advisory Audit Engagements

- Providing advisory and consulting services through routine activities including participating in Standing Management Committee meetings, and the provision of advice, as and when invited and/or required.

There were no direct restrictions that were imposed upon the activities of the audit practitioners with regard to access to all functions, records, property, systems, and personnel as per the approved Internal Audit Charter

11.8 Status of Audit Findings

Following the finalisation of an audit engagement, action plans are agreed upon with the Responsible Managers to address any issues found. All actions agreed upon are followed up to ensure that any underlying control weaknesses are addressed.

The dashboard below shows the status as at the reporting period with regard to the implementation of audit recommendations in respect of agreed audit action plans for both the Internal Audit and Auditor-General (SA) Findings.

	Number of Findings	Total Addressed	Total in Progress	Total Not Addressed
IAF Findings	93	37	17	39
AGSA Findings	21	9	11	1

12 SHARED AUDIT COMMITTEE

12.1 Purpose and Mandate

The Audit Committee serves as an independent governance structure whose primary function is to provide an oversight over the Department's financial reporting, risk management, control, and governance processes. The Audit Committee assists the Accounting Officer in the effective execution of his responsibilities.

12.2 Shared Audit Committee Independence

The Shared Audit Committee is constituted to ensure its independence and comprises of external nonofficial members (appointed from outside the Public Service). It operates in terms of a formally documented and approved terms of reference referred to as the Shared Audit Committee Charter, which deals with matters such as its membership, authority, and responsibilities. The said "terms of reference" are reviewed annually, in accordance with the requirements set by the PFMA and its Treasury Regulations. Further, it has direct and unobstructed lines of communication to the Head of Department, Senior Management, the Provincial Treasury, Shared Internal Audit Function, and AGSA.

12.3 Protecting the independence of the Internal Audit function

The Audit Committee plays a central governance role in safeguarding the **independence and objectivity** of the internal audit function.

Accordingly, it continued to maintain oversight of the internal audit function and safeguard its independence through a combination of the following arrangements:

- by ensuring a functional reporting line to the Committee,
- approving the Internal Audit Charter, Internal Audit Strategy, and Internal Audit Plans (Three-year Rolling Plan and Annual Operational Plan), and
- engaging privately with internal audit without Management present.

The Committee also receives reports from Internal Audit quarterly and monitors any constraints of interference and ensures that internal audit operates in accordance with recognised professional standards.

12.4 Shared Audit Committee Performance against statutory duties

The Shared Audit Committee has discharged its responsibilities in accordance with its approved charter and applicable legislative requirements, including the Public Finance Management Act (PFMA) and National Treasury Regulations.

During the reporting period, the Committee provided independent oversight over the systems of internal control, risk management, governance, financial reporting, compliance management, and the activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations, and the responses of Management to specific recommendations.

Where deficiencies were identified during the reporting period, these matters (where deemed necessary) were communicated to Management and subjected to ongoing monitoring by the Committee. Notwithstanding these challenges, the Committee remains satisfied that it has fulfilled its statutory responsibilities

12.5 Shared Audit Committee Composition and Meeting Attendance

The shared Audit Committee consisted of five (5) independent members, who have been appointed from outside the public service pursuant to section 77(a)(i) of the PFMA and its Treasury Regulations. The Committee was properly constituted, with a balanced representation of independent members with a diverse and appropriate mix of qualifications, skills, and experience.

As per the approved Shared Audit Committee Terms of Reference (Shared Audit Committee Charter), the Shared Audit Committee shall meet at least four times a year, with authority to convene additional meetings as deemed necessary. In this regard, the Committee convened seven (7) times during the year, with four (4) being ordinary meetings and the remainder being special meetings

The Head of Department and Executive Management were always represented in the meetings. The AGSA was always invited to attend the meetings of the Shared Audit Committee, thus ensuring that meetings are as effective and transparent as possible.

12.6 Combined Assurance

The Shared Audit Committee was engaged and provided guidance in the process of the development of the Combined Assurance Framework and Plan. The Framework aims to coordinate assurance activities across management, internal audit, risk management, and external assurance providers to enhance risk coverage and reduce duplication.

The Committee supports its finalisation and implementation in the next reporting period to strengthen integrated assurance and oversight effectiveness in line with good governance principles, including those of the King Report on Corporate Governance for South Africa.

12.7 Remuneration of Shared Audit Committee Members

Shared Audit Committee members were remunerated in accordance with their appointment contracts and as per the rates approved by the National Treasury and applicable Treasury Regulations. The remuneration comprised the fee for attendance at meetings, preparation time, the fee for attendance at approved ad hoc governance activities, and approved travel expenditure incurred in the execution of the Committee's oversight responsibilities.

12.8 Audit Committee Membership Transition

The Office experienced a transition in membership of its Audit Committee following the end of the 2025/26 financial year. The term of office of the outgoing Audit Committee expired after the reporting period, after which a new Audit Committee was appointed in accordance with the applicable legislative and regulatory requirements.

The outgoing Audit Committee provided independent oversight over the Department's governance, risk management, internal control, performance information and financial management throughout the 2025/26 financial year.

Following its appointment, the newly constituted Audit Committee assumed responsibility for overseeing the year-end financial reporting process, including the review of the Annual Financial Statements prior to their submission for audit, consideration of significant accounting matters, engagement with Management, Internal Audit and the Auditor-General South Africa during the audit process, and monitoring the implementation of recommendations arising from the audit.

Oversight of the Department's governance arrangements during the reporting period was exercised by the outgoing Audit Committee, while oversight of the preparation, review and finalisation of the 2025/26 Annual Financial Statements after year-end was exercised by the newly appointed Audit Committee.

The Shared Audit Committee meetings held were attended as follows:

Name	Qualifications	Professional Affiliation	Appointment: Term of Office		No of meetings attended 2025/26FY		Has the AC Member declared private and business interest in every meeting? (Yes / No)	Is the AC Member an employee of an organ of State? (Yes / No)	No of other ACs that the Member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc., whether in this or any other institution(s)
			Start Date	End Date	Ordinary Meetings	Special Meetings				
Ms. Thembelihle Mbatha CA(SA) Chairperson	Master's Degree in Business Leadership (UNISA) BCompt. Honours Accounting (UNISA) BComm Accounting (UNISA) CA(SA)	SAICA IODSA	01/07/2021	31/03/2026	04	03	Yes	No	1	-
Mr. Mogakolodi Sebeelo	B-Tech Internal Auditing (UNISA) Nat Diploma Internal Auditing (TUT) Advance Programme Project Management (UNISA)	IRMSA	01/07/2021	31/03/2026	04	03	Yes	No	-	-
Dr. Charles Motau	BComm (VISTA) Higher Diploma in Computer Auditing (WITS) Certificate in Executive Leadership (Regenesys Business School) Certificate in Human Resource Management (Regenesys Business School) Certificate in Digital Transformation Strategy Master's Degree Business Leadership (UNISA) Master's Degree in Information Technology (UP) Doctorate in Computer Science	ISACA IRMSA CBCI	01/07/2021	31/03/2026	04	03	Yes	No	3	4

Name	Qualifications	Professional Affiliation	Appointment: Term of Office		No of meetings attended 2025/26FY		Has the AC Member declared private and business interest in every meeting? (Yes / No)	Is the AC Member an employee of an organ of State? (Yes / No)	No of other ACs that the Member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc., whether in this or any other institution(s)
			Start Date	End Date	Ordinary Meetings	Special Meetings				
Mr. Henry K Masango	Master's Degree in Public Management (Regenesys) Postgraduate Diploma in Public Management (Regenesys) Bachelor Degree in Commerce (STADIO) Certificate in Public Management (Regenesys) Certificate Programme in Management Development for Municipal Finance (Univ. Witwatersrand Business School)	ILBM	01/11/2021	31/03/2026	04	03	Yes	No	-	-
Ms. Sabelwe S Tshitho	BTech - Internal Auditing (Cape Peninsula Univ) National Diploma - Internal Auditing (Cape Peninsula University) Certificate in Fraud & Forensic Investigation Audit (UNISA) Financial Management Certificate (Cape College)	IIA	01/11/2021	31/03/2026	04	03	Yes	Yes	-	-

13 AUDIT COMMITTEE REPORT

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

Part 1: Shared Audit Committee Responsibility

The Shared Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a)(ii) of the PFMA and Treasury Regulation 3.1.

The Shared Audit Committee also reports that it has adopted appropriate formal terms of reference as its Shared Audit Committee Charter, has regulated its affairs in compliance with this charter, and has discharged all its oversight responsibilities as contained therein and other applicable legislative requirements, except that we have not reviewed the changes in accounting policies, as these changes are as per the National Treasury instruction.

The Committee's primary strategic focus and objective remained the provision of independent assurance and advisory support to the Accounting Officer on matters relating to governance, risk management, internal control, financial reporting, compliance, and the effectiveness of internal and external assurance processes.

The Committee further oversaw the transition in the internal audit operating model following the strategic decision of restructuring the Office of the Premier and implementing the approved revised organizational structure, which culminated in the shared Internal Audit function being abolished within the OTP Organizational structure and decentralization of the shared internal audit function. As the Committee, we noted the desired objective of improving responsiveness to departmental risks and enhancing audit coverage.

In addition, the Committee provided guidance on the development of the Combined Assurance Framework and Plan, which is intended to strengthen coordination among assurance providers and improve the overall assurance environment. While the process of developing the Framework and Plan is ongoing, the Committee notes that the Framework aims to coordinate assurance activities across Management, internal audit, risk management, and external assurance providers to enhance risk coverage and reduce duplication.

The Committee supports its finalisation and implementation in the next reporting period to strengthen integrated assurance and oversight effectiveness in line with good governance principles, including those of the King Report on Corporate Governance for South Africa.

The Shared Audit Committee has internalized the relevant requirements of the Global Internal Audit Standards set by the Institute of Internal Auditors in its work and ensured alignment of both the shared Internal Audit function and Shared Audit Committee Charters to such standards and good governance principles, including those of the King Report on Corporate Governance for South Africa.

Through its activities, the Shared Audit Committee sought to contribute to improved governance outcomes, enhanced financial stewardship, and the strengthening of ethical and accountable administration within the Office. In this regard, the Committee confirms that it has applied professional scepticism in the execution of its duties, critically evaluating information placed before it, requesting additional information when necessary, and continuously assessing whether internal audit, Management, and other providers of assurance maintained high ethical and professional standards.

The Committee recognises its duty to serve the public interest and confirms that it has diligently upheld this critical responsibility. It has continued to function without hindrance, limitations, or threats to its independence throughout the reporting period.

Part 2: Shared Audit Committee Composition and Meeting Attendance

The Shared Audit Committee consists of five (5) external and independent members. The committee is properly constituted, with a balanced representation of independent members with a diverse and appropriate mix of qualifications, skills, and experience. The committee convened seven (7) times during the year, with four (4) being ordinary meetings and the remainder special meetings.

The Shared Audit Committee meetings held were attended as follows:

Name	Qualifications	Is the AC Member an employee of an organ of State? (Yes / No)	Number of ordinary meetings attended	Number of special meetings attended
Ms. TH Mbatha Chairperson	Master's Degree in Business Leadership (UNISA) BCompt. Honours Accounting (UNISA) BComm Accounting (UNISA) CA(SA)	Yes	04	03
Mr. M Sebeelo	B-Tech Internal Auditing (UNISA) Nat Diploma Internal Auditing (TUT) Advance Programme Project Management (UNISA)	No	04	03
Dr. C Motau	BComm (VISTA) Higher Diploma in Computer Auditing (WITS) Certificate in Executive Leadership (Regenesys Business School) Certificate in Human Resource Management (Regenesys Business School) Certificate in Digital Transformation Strategy Master's Degree Business Leadership (UNISA) Master's Degree in Information Technology (UP) Doctorate in Computer Science	No	04	03
Mr. HK Masango	Master's degree in Public Management (Regenesys) Postgraduate Diploma in Public Management (Regenesys) Bachelor Degree in Commerce (STADIO) Certificate in Public Management (Regenesys) Certificate Programme in Management Development for Municipal Finance (Univ. Witwatersrand Business School)	No	04	03
Ms. SS Tshitlho	BTech - Internal Auditing (Cape Peninsula Univ) National Diploma - Internal Auditing (Cape Peninsula University) Certificate in Fraud & Forensic Investigation Audit (UNISA) Financial Management Certificate (Cape College)	Yes	04	03

Audit Committee Membership and Succession

The term of office of the shared Audit Committee members expired following the conclusion of the 2025/26 financial year. To ensure the continued discharge of its governance and oversight responsibilities, a new Audit Committee was duly appointed in line with the applicable legislative and regulatory prescripts.

The outgoing Audit Committee remained accountable for providing independent oversight over the system of internal control, risk management, governance, financial reporting, internal audit and external audit matters for the period under review. Accordingly, the Audit Committee Report and attendance disclosures contained in this Annual Report relate to the members who served during the 2025/26 financial year.

The current Audit Committee was appointed subsequent to the end of the 2025/26 financial year and assumed responsibility for overseeing the completion of the annual financial reporting process, including the review of the Annual Financial Statements and engagement with the Auditor-General South Africa during the external audit. The transition (change in membership) formed part of the normal governance succession process and did not result in any interruption to the functioning of the Audit Committee or the execution of its statutory responsibilities.

In performing these responsibilities, the new Committee considered the work undertaken by the previous Shared Audit Committee during the financial year, together with reports from management, Internal Audit and other assurance providers. The new Committee is satisfied that appropriate governance and oversight arrangements were maintained throughout the transition period, enabling it to discharge its responsibilities in terms of section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999), and the applicable Treasury Regulations.

Part 3: Shared Audit Committee Focus Areas

The effectiveness of internal control systems

In line with the PFMA, Internal Audit assures the Audit Committee and Management that the internal controls are appropriate and effective. This is achieved by evaluating internal controls to determine their effectiveness and efficiency and developing recommendations for enhancement or improvement. The Accounting Officer is responsible for implementing such recommendations per Treasury Regulation 3.1.12.

From the various reports of Internal Auditors and the AGSA, it was noted that matters were reported indicating deficiencies in the system of internal controls in areas pertaining to annual financial statements, reporting on predetermined objectives, and compliance with laws and regulations.

The work performed by Internal Audit throughout the year was monitored and reviewed by the Shared Audit Committee, and only after the year-end did the new Audit Committee had to take over the responsibilities.

Our analysis of audit reports and engagement with the Department shows that the system of internal controls for the period under review was not entirely adequate and effective.

Based on our interaction with the Department, we conclude that the Department does have an adequate but not fully effective action plan management system to address Internal Audit and AGSA findings, hence repeat findings in some instances.

Effectiveness of the Internal Audit Function

The Shared Audit Committee is reasonably satisfied that the Internal Audit function operated effectively and had addressed the risks pertinent to the Office in its audits during the year under review.

The Shared Audit Committee has regularly enquired and reviewed the work performed by the Internal Audit function and has seen an improvement in the quality of the internal audit reports; the actions initiated by the Internal Audit function to bring the reported weaknesses to the attention of Senior Management, and the process of ensuring action to address such deficiencies. However, there is still room for improvement in areas such as:

- flexibility of the planning process to adapt to emerging risks and the changing risk profile of the Office;
- the timing and execution of internal audit engagements;
- influence and persuasion by Internal Audit of Management to effect the necessary changes; and
- improvement of the maturity of governance, risk management, and internal control systems.

The Audit Committee notes the decision of the Office of the Premier to decentralise the shared internal audit function and transfer the function to the respective cluster department, i.e., Department of Culture, Sport and Recreation, amongst others, in line with its efforts to align with the DPSA-approved generic functional organizational structures. In addition, the Shared Audit Committee further noted with concern that some positions within the Internal Audit function remained vacant even after the resolution by the EXCO to lift the moratorium on filling vacant positions.

The Audit Committee further appreciates the support provided by the Chief Audit Executive and the Internal Audit team in assisting the Committee in discharging its responsibilities.

Effectiveness of Risk Management:

The Audit Committee is also responsible for the oversight of risk management. The Risk Management Committee reports to the Shared Audit Committee quarterly on the governance and management of risk. Based on the Shared Audit Committee's quarterly reviews of the reports from the Risk Management Committee, it can be concluded that the Department's processes and systems relating to fraud prevention and risk management are adequate and effective.

Adequacy, Reliability, and Accuracy of Financial and Performance Information

The new Audit Committee has reviewed the draft Annual Financial Statements prepared by the Office and has advised the Accounting Officer to ensure that all the review notes and comments of the Internal Audit and the Audit Committee are fully addressed prior to submission of the Annual Financial Statements to the AGSA.

Subsequently, the material misstatements identified during the external audit process were also reviewed when the management report of the AGSA was discussed with the Audit Committee.

Accounting and Auditing concerns identified as a result of Internal and External Audits

We have reviewed the Department's Implementation Plan for audit issues raised in the previous year, and we are not entirely satisfied that all the matters have been adequately resolved. The Audit Committee concurs and accepts the conclusions of the AGSA on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements be accepted and read together with the report of the AGSA.

Compliance with Legal and Regulatory Provisions

Throughout the year under review, the Shared Audit Committee has remained concerned with the status of compliance with all applicable laws and regulations. The Committee, however, appreciates that the noted that the Compliance Matrix has been developed to monitor the compliance issues in the Department.

Quality of In-Year Management and Monthly Quarterly Report

The Department of Culture, Sport and Recreation has confirmed that they have reported to the Treasury as the PFMA requires.

Combined Assurance

The Shared Audit Committee has provided guidance on the development of the Combined Assurance Framework and Plan. The Framework aims to coordinate assurance activities across management, internal audit, risk management, and external assurance providers to enhance risk coverage and reduce duplication.

The Committee supports the finalisation and implementation in the next reporting period to strengthen integrated assurance and oversight effectiveness in line with good governance principles, including those of the King Report on Corporate Governance for South Africa.

Evaluation of Annual Financial Statements

The Audit Committee has reviewed the draft Annual Financial Statements prepared by the Department and has advised the Accounting Officer to ensure that all the review notes and comments of the Internal Audit and the Audit Committee are fully addressed prior to submission of the Annual Financial Statements to the AGSA.

Subsequently, the material misstatements identified during the external audit process were also reviewed when the management report of the AGSA was discussed with the Audit Committee.

External Audit

The Audit Committee has also reviewed the Department's Implementation Plan for audit issues raised in the previous year, and the Committee was not entirely satisfied that all the matters have been adequately resolved. The Audit Committee is unaware of any unresolved issues with respect to the current audit.

Auditor-General's Report

The Audit Committee concurs and accepts the conclusions of the AGSA on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements be accepted and read together with the report of the AGSA.

The Audit Committee is unaware of any unresolved issues with respect to the current audit.

Conclusion

The Audit Committee recommends that the Department of Culture, Sport and Recreation strengthen the implementation and ongoing monitoring of Audit Action Plans arising from both internal and external audit findings. Particular attention should be given to enhancing the effectiveness of internal controls over Goods and Services as well as Capital Work in Progress, with the aim of addressing the root causes of the qualification and improving the Department's audit outcome in the ensuing financial year.

The Audit Committee wishes to thank the Executive Authority, Head of Department and Management, Internal Audit and AGSA for their tireless efforts, commitment and support throughout the previous year and for the time of reporting.

Signed on behalf of the Audit Committee by:



Mr. S Sebeelo
Chairperson of the Audit Committee
Department of Culture, Sport and Recreation
Date: 03 August 2026



14. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion <i>(include a discussion on your response and indicate what measures have been taken to comply)</i>
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	The Department is planning to appoint a service provider to access and evaluate the B-BBEE certificate level.
Developing and implementing a preferential procurement policy?	Yes	The Department has an approved preferential procurement policy. All procurement were done through Black Economic Empowerment companies.
Determining qualification criteria for the sale of state-owned enterprises?	No	Qualification criteria will be determined once the a service provider access and evaluate the B-BBEE level of the Department
Developing criteria for entering into partnerships with the private sector?	No	Qualification criteria will be determined once the a service provider access and evaluate the B-BBEE level
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	Qualification criteria will be determined once the a service provider access and evaluate the B-BBEE level



PART D

HUMAN RESOURCES



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 Department acknowledges that effective management of the human resource capital is the cornerstone of efficient service delivery. This continued to drive the Department to strive for effective Human Resource Management.

The Department is continuing to create job opportunities, in the 2025/26 Financial Year Three (3) SMS positions were advertised with only two (2) positions filled namely: Head of Department and a Chief Financial Officer. The position of a Director: Planning and Programme Management is still awaiting approval. Whereas Nineteen (19) Level 1-12 position has been efficiently appointed, however these appointments do not address the staff shortage on critical positions, natural attrition still has a negative impact on imparting skills and knowledge. The Department of Employment and Labour has issued new Employment Equity targets that the Department needs to comply with in as far as the appointment of people living with disabilities is concerned.

In line with the 7th Administration's directive, the Department has reviewed its organizational structure to align reporting lines, functions, and compliance with generic structures. This review has been concurred by the Minister of Public Service and Administration that shall await the Executive Authority's to request for the Mpumalanga Premier's approval for the Department to resume with the implementation. The Department's efforts reflect a commitment to addressing staffing challenges, promoting diversity and inclusion, and enhancing performance management. However, achieving the set Employment Equity targets remains a significant challenge, necessitating continued focus and strategic planning.

The Department has Eight (8) SMS members comprising of three (3) women representation and five (5) Males. This represents 38% percent of women at Senior Management Level. Ten (10) persons living with Disabilities are represented in the Department, this represents 2.2% of the total staff compliment. In relation to the Employment Equity plan targets, the department lacks far behind in the appointment of women and the people living with disabilities

The Department recruited and placed 25 graduate interns and 16 TVET Learners in 2024-26 internship intake. The youth and development programmes have assisted in terms of building capacity and addressing the challenge of youth unemployment in the Province. To accede to the call, the Department created jobs

and permanently appointed two (2) interns. In the financial year 2025-2026 the department has advertised for 31 internship intake for the next two years.

Performance Management and Development System is managed effectively by adhering to the Mpumalanga Provincial PMDS Policy as well as DPSA Directives. Four Hundred and Fifty (450) employees including Members of Senior Management have entered into Performance Agreements, furthermore the Mid-term & Annual assessments for both officials on salary level 1 -12 and SMS level were concluded within the stipulated time frame. All officials qualifying for 1.5% pay progression for 2024/25 Financial Year were paid as per the Incentive Policy Framework.

The Department is in continuation to instill a discipline in the workforce and the promotion of sound labour relations management further ensure promotion of labour peace amongst the employer and employees and amongst the employees themselves. During this financial year the department recorded 5 misconduct cases with no Harassment reports, this implies that there is a huge progress on labour matters, awareness's on Code of Conduct are yielding good results for the Department.

The Employee Health and Wellness unit is making a huge impact to the staff wellbeing although there is little progress. The unit's programmes cuts across all the age groups as they also differ with their health and mental state. This unit is there to give support and information as well as encourage employees to get the appropriate professional help. They are also beneficial to the incapacitated intending to physically and mentally recuperate them towards coming back to perform their duties.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

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

Table 3.1.1 Personnel expenditure by programme for the period 1 April 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)
ADMINISTRATION	134 471	78 606	0	0	58.50	591
CULTURAL AFFAIRS	123 438	49 789	0	0	40.30	339
LIBRARY & ARCHIVE SERVICES	217 814	106 383	0	0	48.80	495
SPORTS & RECREATION	126 005	27 551	0	0	21.90	363
Total as on Financial Systems (BAS)	601 727	262 328	0.00	0	43.60	459

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)	6 219	2.30	30	207 300
Skilled (level 3-5)	20 225	7.40	67	301 866
Highly skilled production (levels 6-8)	143 304	52.60	268	534 716
Highly skilled supervision (levels 9-12)	62 946	23.10	69	912 261
05 Senior management (Levels >= 13)	10 722	3.90	7	1 531 714
Contract (Levels 1-2)	190	0.10	1	190 000
Contract (Levels 3-5)	1 674	0.60	10	167 400
Contract (Levels 6-8)	6 805	2.50	62	109 758
Contract (Levels 9-12)	4 481	1.60	4	1 120 250
Contract (Levels >= 13)	2 557	0.90	3	852 333
Abnormal Appointment	1 880	0.70	49	38 367
Total	261 003	95.90	571	457 098

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

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
ADMINISTRATION	61 727	75.30	3 595	4.40	2 030	2.50	4 083	5
CULTURAL AFF.	36 597	69.60	832	1.60	1 964	3.70	3 736	7.10
LIB & ARCHIVE	82 939	76.60	625	0.60	4 389	4.10	7 900	7.30
SPORTS & RECREATION	21 602	73.40	1 173	4	638	2.20	1 287	4.40
Total	202 865	74.50	6 225	2.30	9 021	3.30	17 006	6.20

Table 3.1.4 Salaries, Overtime, Home Owners 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
Lower skilled (Levels 1-2)	4 098	65.80	18	0.30	553	8.90	1 048	16.80
Skilled (Levels 3-5)	14 289	70.30	256	1.30	1 425	7	2 388	11.80
Highly skilled production (Levels 6-8)	108 738	73.50	3 815	2.60	5 612	3.80	11 046	7.50
Highly skilled supervision (Levels 9-12)	51 296	76.70	1 825	2.70	1 104	1.70	2 382	3.60
Senior management (Levels >= 13)	9 326	79.70	0	0	276	2.40	97	0.80
Contract (Levels 1-2)	190	100	0	0	0	0	0	0
Contract (Levels 3-5)	1 469	87.40	86	5.10	0	0	40	2.40
Contract (Levels 6-8)	6 788	96.80	6	0.10	0	0	0	0
Contract (Levels 9-12)	4 263	82.30	218	4.20	0	0	0	0
Contract (Levels >= 13)	2 409	77.40	0	0	51	1.60	5	0.20
Abnormal Appointment	0	0	0	0	0	0	0	0
TOTAL	202 865	74.50	6 225	2.30	9 021	3.30	17 006	6.20

3.2 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

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 need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

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

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Pr1:Administration, Permanent	154	111	27.90	22
Pr2:Cultural Aff, Permanent	140	94	32.90	4
Pr3:Lib & Archive, Permanent	268	215	19.80	0
Sports & Recreation, Permanent	40	30	25	46
TOTAL	602	450	25.20	72

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
Lower Skilled (Levels 1-2), Permanent	37	30	18.90	0
Skilled (Levels 3-5), Permanent	110	67	39.10	0
Highly Skilled Production (Levels 6-8), Permanent	331	265	19.90	3
Highly Skilled Supervision (Levels 9-12), Permanent	96	68	29.20	1
Senior Management (Levels >= 13), Permanent	15	7	53.30	0
Other, Permanent	1	1	0	0
Contract (Levels 1-2), Permanent	1	1	0	0
Contract (Levels 3-5), Permanent	4	4	0	6
Contract (Levels 9-12), Permanent	4	4	0	0
Contract (Levels >= 13), Permanent	3	3	0	0
TOTAL	602	450	25.20	72

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
Administration Clerks, Permanent	1	1	0	0
Administration Officer, Permanent	3	2	33.30	0
Administrative Related, Permanent	23	15	34.80	10
Archivists Curators And Related Professionals, Permanent	32	24	25	1
Auxiliary And Related Workers, Permanent	8	7	12.50	0
Building And Other Property Caretakers, Permanent	38	23	39.50	0
Bus And Heavy Vehicle Drivers, Permanent	2	2	0	0
Chief Financial Officer, Permanent	2	1	50	0
Cleaners In Offices Workshops Hospitals Etc., Permanent	38	31	18.40	0
Client Inform Clerks(Switchb Recept Inform Clerks), Permanent	3	1	66.70	0
Communication And Information Related, Permanent	33	25	24.20	0
Craft & Related Workers Not Elsewhere Classified, Permanent	4	4	0	0
Editor, Permanent	1	1	0	0
Elementary Workers Not Elsewhere Classified, Permanent	3	1	66.70	0
Farm Hands And Labourers, Permanent	1	1	0	0
Finance And Economics Related, Permanent	11	7	36.40	0
Financial Accountant, Permanent	1	1	0	0
Financial And Related Professionals, Permanent	16	15	6.30	0
Garden Worker, Permanent	6	5	16.70	0
General Legal Administration & Rel. Professionals, Permanent	1	1	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Groundskeeper, Permanent	1	0	100	0
Head Of Provincial Department, Permanent	1	1	0	0
Heritage Practitioner/ Advisor, Permanent	1	1	0	0
Household And Laundry Workers, Permanent	4	4	0	0
Human Resources & Organisat Developm & Relate Prof, Permanent	7	5	28.60	0
Human Resources Clerks, Permanent	5	3	40	0
Human Resources Related, Permanent	3	2	33.30	0
Interpreter, Permanent	6	4	33.30	0
Language Practitioners Interpreters & Other Commun, Permanent	1	1	0	0
Legal Related, Permanent	1	1	0	0
Librarian, Permanent	1	1	0	0
Librarians And Related Professionals, Permanent	81	69	14.80	0
Library Assistant, Permanent	1	0	100	0
Library Mail And Related Clerks, Permanent	65	40	38.50	0
Library Manager, Permanent	1	1	0	0
Light Vehicle Driver, Permanent	1	1	0	0
Light Vehicle Drivers, Permanent	2	2	0	0
Linguist, Permanent	2	2	0	0
Managers Not Elsewhere Classified, Permanent	1	1	0	0
Messengers Porters And Deliverers, Permanent	1	0	100	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Midd.Manager:Human Resource & Organisa.Devel.Rela, Permanent	1	1	0	0
Middle Manager: Administrative Related, Permanent	4	3	25	0
Middle Manager: Finance And Economics Related, Permanent	1	0	100	0
Middle Manager:Communication & Information Related, Permanent	5	5	0	0
Motor Vehicle Drivers, Permanent	3	2	33.30	0
Office Cleaner, Permanent	17	12	29.40	0
Other Administrat & Related Clerks And Organisers, Permanent	47	36	23.40	2
Other Administrative Policy And Related Officers, Permanent	4	3	25	0
Other Clerical Support Workers, Permanent	1	1	0	22
Other Information Technology Personnel., Permanent	5	5	0	0
Other Middle Manager, Permanent	4	2	50	0
Other Occupations, Permanent	3	1	66.70	0
Personal Assistant, Permanent	1	1	0	0
Professionals Not Elsewhere Classified., Permanent	11	7	36.40	0
Registry And Mailing Clerk, Permanent	2	1	50	0
Safety/Health&Environ.& Quality(She&Q)Practitioner, Permanent	1	1	0	0
Secretaries & Other Keyboard Operating Clerks, Permanent	10	6	40	0
Secretary (General), Permanent	3	3	0	0
Senior Managers, Permanent	11	5	54.50	0
Social Sciences Related, Permanent	1	1	0	0
Sports Development Officer, Permanent	4	3	25	0
Sports Official, Permanent	1	1	0	46

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Supply Chain Practitioner, Permanent	1	0	100	0
Trade Labourers, Permanent	7	4	42.90	0
Translator, Permanent	2	2	0	0
Wed Technician, Permanent	39	37	5.10	0
TOTAL	602	450	25.20	72

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.

3.3. Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it relates to 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 on 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
Salary Level 15	1	1	100%	0	100%
Salary Level 14	2	1	50%	1	50%
Salary Level 13	7	6	85%	1	14%
Total	10	8	80%	2	20%

Table 3.3.2 SMS post information as on 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
Salary Level 15	1	1	100%	0	100%
Salary Level 14	2	1	50%	1	50%
Salary Level 13	7	6	85%	1	14%
Total	10	8	80%	2	20%

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 6 months of 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
Salary Level 15	1	1	0
Salary Level 14	1	1	0
Salary Level 13	2	1	1
Total	4	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 and 31 March 2026

Reasons for vacancies not advertised within six months
Director Planning and Programme Management at SL 13 could not be approved by Executive Council within the stipulated time frame
Reasons for vacancies not filled within twelve months
Director Planning and Programme Management position could not be filled within 12 months due to Exco non approval and the moratorium implemented in April 2026.

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
None
Reasons for vacancies not filled within six months
None

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)	37	0	0	0	0	0	0
Skilled (Levels 3-5)	110	0	0	0	0	0	0
Highly Skilled Production (Levels 6-8)	331	8	2.40	7	85.71	0	0
Highly Skilled Supervision (Levels 9-12)	96	3	3.10	2	50	0	0
Senior Management Service Band A	10	0	0	0	0	0	0
Senior Management Service Band B	3	0	0	0	0	0	0
Senior Management Service Band D	2	0	0	0	0	0	0
Contract (Levels 1-2)	1	1	100	0	0	0	0
Contract (Levels 3-5)	1	0	0	0	0	0	0
Contract (Levels 9-12)	4	0	0	0	0	0	0
Contract 0Band A	4	0	0	0	0	0	0
Contract Band C	1	0	0	0	0	0	0
Other	2	0	0	0	0	0	0
Total	602	12	2	9	77.78	0	0

The following table provides a summary of the number of employees whose positions were upgraded due to their post being 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 posts upgraded could also be vacant.

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

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

Employees with a disability	0
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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
Undefined	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0

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

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

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

Employees with a disability	0	0	0	0	0
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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 determine by job evaluation

None

3.5 Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in 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 beginning of period-1 April 2025	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower Skilled (Levels 1-2) Permanent	27	4	0	0
Skilled (Levels 3-5) Permanent	70	2	5	7.10
Highly Skilled Production (Levels 6-8) Permanent	267	9	5	1.90
Highly Skilled Supervision (Levels 9-12) Permanent	65	2	0	0
Senior Management Service Band A Permanent	4	0	0	0
Senior Management Service Band B Permanent	2	0	1	50
Senior Management Service Band D Permanent	1	0	0	0
Other permanent	1	0	0	0
Contract (Levels 1-2) Permanent	1	0	0	0
Contract (Levels 3-5) Permanent	10	2	2	20
Contract (Levels 6-8) Permanent	70	48	8	11.40
Contract (Levels 9-12) Permanent	4	0	0	0
Contract B and A Permanent	1	0	0	0
Contract B and C Permanent	1	1	0	0
TOTAL	524	68	21	4

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
ADMINISTRATION CLERKS Permanent	0	1	0	0
ADMINISTRATION OFFICER Permanent	2	0	0	0
ADMINISTRATIVE RELATED Permanent	16	0	0	0
ARCHIVISTS CURATORS AND RELATED PROFESSIONALS Permanent	28	0	0	0
ARTS/CULTURE MANAGER Permanent	0	0	1	0
AUXILIARY AND RELATED WORKERS Permanent	7	0	0	0
BUILDING AND OTHER PROPERTY CARETAKERS Permanent	25	0	0	0
BUS AND HEAVY VEHICLE DRIVERS Permanent	2	0	0	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC. Permanent	34	0	0	0
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS) Permanent	1	0	0	0
COMMUNICATION AND INFORMATION RELATED Permanent	26	0	0	0
CRAFT & RELATED WORKERS NOT ELSEWHERE CLASSIFIED Permanent	4	0	0	0
ELEMENTARY WORKERS NOT ELSEWHERE CLASSIFIED Permanent	1	0	0	0
FARM HANDS AND LABOURERS Permanent	1	0	0	0
FINANCE AND ECONOMICS RELATED Permanent	7	0	0	0
FINANCIAL ACCOUNTANT Permanent	1	0	0	0
FINANCIAL AND RELATED PROFESSIONALS Permanent	15	0	0	0
GALLERY OR MUSEUM TECHNICIAN Permanent	0	0	1	0
GARDEN WORKER Permanent	4	2	3	75
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS Permanent	1	0	0	0

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
HEAD OF OFFICE OF PREMIER Permanent	0	1	0	0
HERITAGE PRACTITIONER/ ADVISOR Permanent	1	0	0	0
HOUSEHOLD AND LAUNDRY WORKERS Permanent	4	0	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF Permanent	5	0	0	0
HUMAN RESOURCES CLERKS Permanent	3	0	0	0
HUMAN RESOURCES RELATED Permanent	2	0	0	0
INTERPRETER Permanent	0	2	0	0
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN Permanent	2	0	0	0
LEGAL RELATED Permanent	1	0	0	0
LIBRARIAN Permanent	1	1	4	400
LIBRARIANS AND RELATED PROFESSIONALS Permanent	73	0	0	0
LIBRARY ASSISTANT Permanent	1	0	0	0
LIBRARY MAIL AND RELATED CLERKS Permanent	76	0	0	0
LIGHT VEHICLE DRIVER Permanent	1	0	0	0
LIGHT VEHICLE DRIVERS Permanent	2	0	0	0
LINGUIST Permanent	0	1	0	0
MANAGERS NOT ELSEWHERE CLASSIFIED Permanent	1	0	0	0
MIDD.MANAGER:HUMAN RESOURCE & ORGANISA.DEVEL.RELA Permanent	1	0	0	0
MIDDLE MANAGER: ADMINISTRATIVE RELATED Permanent	3	1	0	0
MIDDLE MANAGER:COMMUNICATION & INFORMATION RELATED Permanent	3	0	0	0
MOTOR VEHICLE DRIVERS Permanent	2	0	0	0
OFFICE CLEANER Permanent	10	4	4	40

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
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS Permanent	38	0	0	0
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS Permanent	3	0	0	0
OTHER CLERICAL SUPPORT WORKERS Permanent	29	0	6	20.70
OTHER INFORMATION TECHNOLOGY PERSONNEL. Permanent	5	0	0	0
OTHER MIDDLE MANAGER Permanent	2	0	0	0
OTHER OCCUPATIONS Permanent	1	0	0	0
PERSONAL ASSISTANT Permanent	1	0	0	0
PROFESSIONALS NOT ELSEWHERE CLASSIFIED. Permanent	5	0	0	0
REGISTRY AND MAILING CLERK Permanent	1	0	0	0
SAFETY/HEALTH&ENVIRON.& QUALITY(SHE&Q)PRACTITIONER Permanent	0	1	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS Permanent	7	0	0	0
SECRETARY (GENERAL) Permanent	1	1	0	0
SENIOR MANAGERS Permanent	7	0	0	0
SOCIAL SCIENCES RELATED Permanent	1	0	0	0
SPORTS DEVELOPMENT OFFICER Permanent	2	0	0	0
SPORTS OFFICIAL Permanent	49	50	2	4.10
TRADE LABOURERS Permanent	4	0	0	0
TRANSLATOR Permanent	1	3	0	0
TOTAL	524	68	21	4

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.

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

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
01 Death, Permanent	1	4.80
02 Resignation, Permanent	15	71.40
03 Expiry of contract, Permanent	0	0
06 Discharged due to ill health, Permanent	2	9.50
09 Retirement, Permanent	3	14.30
TOTAL	21	100

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
Administration Clerks	0	0	0	2	0
Administration Officer	2	0	0	9	450
Administrative Related	16	0	0	0	0
Applications Programmer	0	0	0	1	0
Archivist	0	0	0	2	0

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
Archivists Curators And Related Professionals	28	0	0	0	0
Auxiliary And Related Workers	7	0	0	0	0
Building And Other Property Caretakers	25	0	0	0	0
Bus And Heavy Vehicle Drivers	2	0	0	0	0
Bus Driver	0	0	0	3	0
Chief Financial Officer	0	1	0	0	0
Cleaners In Offices Workshops Hospitals Etc.	34	0	0	0	0
Client Inform Clerks(Switchb Recept Inform Clerks)	1	0	0	0	0
Communication And Information Related	26	0	0	0	0
Craft & Related Workers Not Elsewhere Classified	4	0	0	0	0
Editor	0	1	0	0	0
Elementary Workers Not Elsewhere Classified	1	0	0	10	1 000
Farm Hands And Labourers	1	0	0	0	0
Finance And Economics Related	7	0	0	0	0
Financial Accountant	1	1	100	6	600
Financial And Related Professionals	15	0	0	0	0
Gallery Or Museum Curator	0	0	0	2	0
Gallery Or Museum Technician	0	0	0	3	0
Garden Worker	4	0	0	15	375
General Legal Administration & Rel. Professionals	1	0	0	0	0
Graphic Designer	0	0	0	1	0

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
Heritage Practitioner/ Advisor	1	0	0	2	200
Household And Laundry Workers	4	0	0	0	0
Human Resource Practitioner	0	0	0	4	0
Human Resources & Organisat Developm & Relate Prof	5	0	0	0	0
Human Resources Clerks	3	0	0	0	0
Human Resources Related	2	0	0	0	0
Ict Security Specialist	0	0	0	1	0
Industrial/ Labour Relations Officer	0	0	0	1	0
Information Technology & Systems Manager	0	0	0	1	0
Interpreter	0	0	0	1	0
Kitchen Hand	0	0	0	1	0
Language Practitioners Interpreters & Other Commun	2	0	0	0	0
Legal Related	1	0	0	0	0
Librarian	1	0	0	66	6 600
Librarians And Related Professionals	73	0	0	0	0
Library Assistant	1	0	0	69	6 900
Library Mail And Related Clerks	76	0	0	0	0
Light Vehicle Driver	1	0	0	2	200
Light Vehicle Drivers	2	0	0	0	0
Managers Not Elsewhere Classified	1	0	0	0	0
Midd.Manager:Human Resource & Organisa.Devel.Rela	1	1	100	3	300

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
Middle Manager: Administrative Related	3	1	33.30	14	466.70
Middle Manager: Finance And Economics Related	0	0	0	7	0
Middle Manager: Legal Related	0	0	0	1	0
Middle Manager: Communication & Information Related	3	1	33.30	21	700
Motor Vehicle Drivers	2	0	0	0	0
Office Cleaner	10	0	0	23	230
Organisational Development Practitioner	0	0	0	1	0
Other Administrat & Related Clerks And Organisers	38	0	0	0	0
Other Administrative Policy And Related Officers	3	0	0	0	0
Other Clerical Support Workers	29	0	0	0	0
Other Information Technology Personnel.	5	0	0	0	0
Other Middle Manager	2	1	50	3	150
Other Occupations	1	0	0	0	0
Personal Assistant	1	0	0	0	0
Professionals Not Elsewhere Classified	0	0	0	2	0
Professionals Not Elsewhere Classified.	5	0	0	20	400
Registry And Mailing Clerk	1	0	0	2	200
Secretaries & Other Keyboard Operating Clerks	7	0	0	0	0
Secretary (General)	1	0	0	3	300
Senior Managers	7	0	0	0	0
Social Sciences Related	1	0	0	0	0

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
Social Worker	0	0	0	1	0
Sports Development Officer	2	0	0	18	900
Sports Official	49	0	0	0	0
Supply Chain Practitioner	0	0	0	8	0
Switchboard Operator	0	0	0	2	0
Systems Administrator	0	0	0	3	0
Trade Labourers	4	0	0	0	0
Translator	1	0	0	0	0
TOTAL	524	7	1.30	334	63.70

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), Permanent	27	0	0	13	48.10
Skilled (Levels 3-5), Permanent	70	0	0	39	55.70
Highly Skilled Production (Levels 6-8), Permanent	267	1	0.40	228	85.40
Highly Skilled Supervision (Levels 9-12), Permanent	65	5	7.70	54	83.10
Senior Management (Levels >= 13), Permanent	7	1	14.30	0	0
09 Other, Permanent	1	0	0	0	0
Contract (Levels 1-2), Permanent	1	0	0	0	0
Contract (Levels 3-5), Permanent	10	0	0	0	0
Contract (Levels 6-8), Permanent	70	0	0	0	0
Contract (Levels 9-12), Permanent	4	0	0	0	0
Contract (Levels >= 13), Permanent	2	0	0	0	0
TOTAL	524	7	1.30	334	63.70

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	
Senior Officials And Managers	2	0	1	0	1	0	0	0	4
Professionals	2	0	0	0	1	0	0	0	3
Clerical Support Workers	54	0	0	0	58	2	0	2	116
Elementary	37	0	0	1	45	0	0	0	83
Managers	36	0	0	1	34	0	0	0	71
Plant & Machine Operators & Assemblers	7	0	0	0	0	0	0	0	7
Professionals	47	0	0	0	83	0	0	1	131
Skill Agri Fores Fish Craft Related Trades Workers	5	0	0	0	3	0	0	0	8
Technicians & Associate Technical Occupations	38	0	0	0	60	0	0	1	99
TOTAL	228	0	1	2	285	2	0	4	522
Employees with disabilities	5	0	0	0	4	1	0	1	11

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, Permanent	0	0	0	0	1	0	0	0	1
Senior Management, Permanent	2	0	1	0	3	0	0	0	6
Professionally qualified and experienced specialists and mid-management, Permanent	33	0	0	1	34	0	0	1	69
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	117	0	0	0	148	1	0	2	268
Semi-skilled and discretionary decision making, Permanent	29	0	0	0	36	1	0	1	67
Unskilled and defined decision making, Permanent	15	0	0	1	14	0	0	0	30
Not Available, Permanent	1	0	0	0	0	0	0	0	1
Contract (Top Management), Permanent	2	0	0	0	0	0	0	0	2
Contract (Senior Management), Permanent	1	0	0	0	0	0	0	0	1
Contract (Professionally Qualified), Permanent	3	0	0	0	1	0	0	0	4
Contract (Skilled Technical), Permanent	20	0	0	0	42	0	0	0	62
Contract (Semi-Skilled), Permanent	4	0	0	0	6	0	0	0	10
Contract (Unskilled), Permanent	1	0	0	0	0	0	0	0	1
TOTAL	228	0	1	2	285	2	0	4	522

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	
Professionally qualified and experienced specialists and mid-management, Permanent	1	0	0	0	1	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	5	0	0	0	4	0	0	0	9
Semi-skilled and discretionary decision making, Permanent	1	0	0	0	1	0	0	0	2
Unskilled and defined decision making, Permanent	1	0	0	1	2	0	0	0	4
Contract (Top Management), Permanent	1	0	0	0	0	0	0	0	1
Contract (Skilled technical), Permanent	17	0	0	0	31	0	0	0	48
Contract (Semi-skilled), Permanent	0	0	0	0	2	0	0	0	2
TOTAL	26	0	0	1	41	0	0	0	68
Employees with disabilities	0	0	0	0	0	0	0	0	0

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	
Senior Management, Permanent	0	0	0	0	1	0	0	0	1
Professionally qualified and experienced specialists and mid-management, Permanent	27	0	0	1	30	0	0	1	59
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	99	0	0	0	128	1	0	1	229
Semi-skilled and discretionary decision making, Permanent	15	0	0	0	22	1	0	1	39
Unskilled and defined decision making, Permanent	7	0	0	0	6	0	0	0	13
TOTAL	148	0	0	1	187	2	0	3	341
Employees with disabilities	4	0	0	0	1	1	0	1	7

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	
Senior Management, Permanent	1	0	0	0	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	1	0	0	0	3	0	0	1	5
Semi-skilled and discretionary decision making, Permanent	3	0	0	0	2	0	0	0	5
Contract (Skilled technical), Permanent	4	0	0	0	4	0	0	0	8
Contract (Semi-skilled), Permanent	0	0	0	0	2	0	0	0	2
TOTAL	9	0	0	0	11	0	0	1	21
Employees with Disabilities	0	0	0	0	0	0	0	0	0

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	
Undefined	0	0	0	0	0	0	0	0	0
Undefined	0	0	0	0	0	0	0	0	0

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

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	4	0	1	0	2	0	0	0	7
Professionals	46	0	0	0	84	0	0	1	131
Managers	36	0	0	1	34	0	0	0	71
Technicians and associate professionals	38	0	0	0	60	0	0	1	99
Clerks	54	0	0	0	58	2	0	2	116
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	5	0	0	0	3	0	0	0	8
Plant and machine operators and assemblers	7	0	0	0	0	0	0	0	7
Elementary occupations	37	0	0	1	45	0	0	0	83
Employees with disabilities	0	0	0	0	0	0	0	0	0
Total	227	0	1	2	286	2	0	4	522
Employees with disabilities	5	0	0	0	4	1	1	0	11

3.6 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 not complying within the prescribed timeframes and 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
Salary Level 15	1	1	1	100%
Salary Level 14	2	2	1	50%
Salary Level 13	7	6	5	71.4%
Total	10	9	7	70

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 took place in April, the reporting date in the heading of the table above should change to 31 July 2025

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

Reasons
The position of the Director: Planning and Programme Management had already been vacant and funded

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
At the time of Performance Agreement the Head of Department's contract had expired.

Notes

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

3.7. 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	0	0	0	0	0
Male	0	223	0	0	0
Female	0	281	0	0	0
Asian	0	0	0	0	0
Male	0	1	0	0	0
Female	0	0	0	0	0
Coloured	0	0	0	0	0
Male	0	0	0	0	0
Female	0	1	0	0	0
White	0	0	0	0	0
Male	0	2	0	0	0
Female	0	3	0	0	0
Employees with a disability	0	11	0	0	0
Total	0	522	0	0	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)	0	30	0	0	0	0
Skilled (Levels 3-5)	0	67	0	0	0	0
Highly Skilled Production (Levels 6-8)	0	268	0	0	0	0
Highly Skilled Supervision (Levels 9-12)	0	69	0	0	0	0
09 Other	0	1	0	0	0	0
Contract (Levels 1-2)	0	1	0	0	0	0
Contract (Levels 3-5)	0	10	0	0	0	0
Contract (Levels 6-8)	0	62	0	0	0	0
Contract (Levels 9-12)	0	4	0	0	0	0
TOTAL	0	512	0	0	0	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
Administration Clerks	0	1	0	0	0
Administration Officer	0	2	0	0	0
Administrative Related	0	16	0	0	0
Archivists Curators And Related Professionals	0	25	0	0	0
Auxiliary And Related Workers	0	7	0	0	0
Building And Other Property Caretakers	0	23	0	0	0

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Bus And Heavy Vehicle Drivers	0	2	0	0	0
Chief Financial Officer	0	1	0	0	0
Cleaners In Offices Workshops Hospitals Etc.	0	31	0	0	0
Client Inform Clerks(Switchb Recept Inform Clerks)	0	1	0	0	0
Communication And Information Related	0	25	0	0	0
Craft & Related Workers Not Elsewhere Classified	0	4	0	0	0
Editor		1			
Elementary Workers Not Elsewhere Classified	0	1	0	0	0
Farm Hands And Labourers	0	1	0	0	0
Finance And Economics Related	0	7	0	0	0
Financial Accountant	0	1	0	0	0
Financial And Related Professionals	0	15	0	0	0
Garden Worker	0	5	0	0	0
General Legal Administration & Rel. Professionals	0	1	0	0	0
Head Of Provincial Department	0	1	0	0	0
Heritage Practitioner/ Advisor	0	1	0	0	0
Household And Laundry Workers	0	4	0	0	0
Human Resources & Organisat Developm & Relate Prof	0	5	0	0	0
Human Resources Clerks	0	3	0	0	0
Human Resources Related	0	2	0	0	0
Interpreter	0	4	0	0	0

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Language Practitioners Interpreters & Other Commun	0	1	0	0	0
Legal Related	0	1	0	0	0
Librarian	0	1	0	0	0
Librarians And Related Professionals	0	69	0	0	0
Library Mail And Related Clerks	0	40	0	0	0
Library Manager	0	1	0	0	0
Light Vehicle Driver	0	1	0	0	0
Light Vehicle Drivers	0	2	0	0	0
Linguist	0	2	0	0	0
Managers Not Elsewhere Classified	0	1	0	0	0
Midd.Manager:Human Resource & Organisa.Devel.Rela	0	1	0	0	0
Middle Manager: Administrative Related	0	3	0	0	0
Middle Manager:Communication & Information Related	0	5	0	0	0
Motor Vehicle Drivers	0	2	0	0	0
Office Cleaner	0	12	0	0	0
Other Administrat & Related Clerks And Organisers	0	38	0	0	0
Other Administrative Policy And Related Officers	0	3	0	0	0
Other Clerical Support Workers	0	23	0	0	0
Other Information Technology Personnel.	0	5	0	0	0
Other Middle Manager	0	2	0	0	0
Other Occupations	0	1	0	0	0

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Personal Assistant	0	1	0	0	0
Professionals Not Elsewhere Classified.	0	7	0	0	0
Registry And Mailing Clerk	0	1	0	0	0
Safety/Health&Environ. & Quality(She&Q)Practitioner	0	1	0	0	0
Secretaries & Other Keyboard Operating Clerks	0	6	0	0	0
Secretary (General)	0	3	0	0	0
Senior Managers	0	5	0	0	0
Social Sciences Related	0	1	0	0	0
Sports Development Officer	0	3	0	0	0
Sports Official	0	47	0	0	0
Trade Labourers	0	4	0	0	0
Translator	0	2	0	0	0
Wed Technician	0	37	0	0	0
TOTAL	0	522	0	0	0

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 3.8.4 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	0	6	0	0	0	0
Band B	0	1	0	0	0	0
Band C	0	2	0	0	0	0
Band D	0	1	0	0	0	0
Total	0	10	0	0	0	0

3.8. Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 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)
Contract (Levels 3-5)	23	100	2	0.80	12	7
Contract (Levels 6-8)	74	97.30	13	5	6	29
Highly skilled production (Levels 6-8)	1 421	99.70	144	55.40	10	2 728
Highly skilled supervision (Levels 9-12)	357	98.60	30	11.50	12	1 235
Lower skilled (Levels 1-2)	120	100	22	8.50	5	88
Senior management (Levels 13-16)	3	66.70	1	0.40	3	17
Skilled (Levels 3-5)	493	100	48	18.50	10	483
TOTAL	2 491	99.50	260	100	10	4 586

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)	0	0	0	0	0	0
Skilled (Levels 3-5)	118	100	0	28.60	59	112
Highly skilled production (Levels 6-8)	154	100	4	57.10	39	299
Highly skilled supervision (Levels 9-12)	56	100	1	14.30	56	190
TOTAL	328	100	7	100	47	602

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

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

Salary band	Total days taken	Average per employee	Number of Employees using annual leave
Contract (Levels 3-5)	117	20	6
Contract (Levels 6-8)	632	15	42
Contract (Levels 9-12)	7	7	1
Highly skilled production (Levels 6-8)	6 352	24	264
Highly skilled supervision (Levels 9-12)	1 349	21	63
Lower skilled (Levels 1-2)	365	15	24
Senior management (Levels 13-16)	97	16	6
Skilled (Levels 3-5)	1 620	21	76
TOTAL	10 539	22	482

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 2025
Contract (Levels 1-2)	0	0	0	0
Contract (Levels 13-16)	0	0	0	6
Contract (Levels 3-5)	0	0	0	0
Contract (Levels 6-8)	0	0	0	0
Contract (Levels 9-12)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	56
Highly skilled supervision (Levels 9-12)	0	0	0	82
Lower skilled (Levels 1-2)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	99
Skilled (Levels 3-5)	0	0	0	40
TOTAL	0	0	0	64

The following table summarise 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)
Annual - gratuity: death/retirement/medical retirement(work	245	12	20 417
Capped - gratuity: death/retirement/medical retirement(work	79	2	39 500
TOTAL	323	14	59 971
Leave Payouts	(Actual) Allowance Codes - 0060, 0168, 0625, 0422, 0567, 0698, 0699, 0701		

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	0	0	0	0	0	0
Skilled (Levels 3-5)	1	100	1	100	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
Total	1	100	1	100	0	0

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
Clerical Support Workers	1	100	1	100	0	0
Professionals and managers	0	0	0	0	0	0

3.10. Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2025 to 31 December 2026

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	0	0	0	0	0	0
Contract (Levels 3-5)	23	100	2	0.80	12	7
Contract (Levels 6-8)	74	97.30	13	5	6	29
Highly skilled production (Levels 6-8)	1 421	99.70	144	55.40	10	2 691
Highly skilled supervision (Levels 9-12)	357	98.60	30	11.50	12	1 235
Lower skilled (Levels 1-2)	120	100	22	8.50	5	88
Senior management (Levels 13-16)	3	66.70	1	0.40	3	17
Skilled (Levels 3-5)	493	100	48	18.50	10	483
Total	2 491	99.50	260	100	10	4 586

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2025 to 31 December 2026

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	118	100	0	28.60	59	112
Highly skilled production (Levels 6-8)	154	100	4	57.10	39	299
Highly skilled supervision (Levels 9-12)	56	100	1	14.30	56	190
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	328	100	7	100	47	602

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

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

Salary band	Total days taken	Average per employee	Number of Employees using annual leave
Lower skilled (Levels 1-2)	365	15	24
Skilled Levels 3-5)	1 620	21	76
Highly skilled production (Levels 6-8)	6 352	24	264
Highly skilled supervision(Levels 9-12)	1 349	21	63
Senior management (Levels 13-16)	97	16	6
Contract (Levels 3-5)	117	20	6
Contract (Levels 6-8)	632	15	42
Contract (Levels 9-12)	7	7	1
Total	10 539	22	482

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 2022
Contract (Levels 1-2)	0	0	0	0
Contract (Levels 13-16)	0	0	0	6
Contract (Levels 3-5)	0	0	0	0
Contract (Levels 6-8)	0	0	0	0
Contract (Levels 9-12)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	56
Highly skilled supervision (Levels 9-12)	0	0	0	82

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 2022
Lower skilled (Levels 1-2)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	99
Skilled (Levels 3-5)	0	0	0	40
Total	0	0	0	64

The following table summarise 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 2025/26 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2025/26	0	0	0
Current leave payout on termination of service for 2025/26	0	0	0
Annual - Gratuity: Death/Retirement/Medical Retirement(Work	245	12	20 417
Capped - Gratuity: Death/Retirement/Medical Retirement(Work	79	2	39 500
TOTAL	323	14	

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
In the department there is no unit that is regarded as high risk, however according to the, GEMS report the age group from 25 to 35 years are the high-risk age group in both females and males.	- Voluntary health screening and testing are conducted - Safe sex practice awareness - Condom distribution in the workplace

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.		No	The department is in the process of appointing the new senior personal in the level of chief director as per the requirement.
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.	Yes		The department has Social Worker employed on full time basis coordinating.
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.	Yes		Conduct and coordinate voluntary testing of HIV/AIDS, TB and other noncommunicable diseases.
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.	Yes		1. Mr M Vilakazi (chairperson of the wellness committee) 2. Mr Z.E Thabethe- wellness coordinator 3. Mr S Shabangu – Gert Sibande region chairperson 4. Ms M Mboweni – Nkangala Region wellness chairperson 5. Ms T Mafora Nhlanzeni Wellness chairperson
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.	Yes		HIV/AIDS and TB Management policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		The wellness section conducts Awareness workshop on HIV/AIDS and the impact of discrimination. The department has policy against discrimination of employee perceived or who are HIV positive.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		The department allows employee to participate in HCT organised by the Wellness section.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		The Department receives report from service providers such as GEMS. The report indicated the number of new infection and number of people on treatment. The report also indicates areas of concerns.

1.1 Labour Relations

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

Subject matter	Date
None	N/A
None	N/A

Notes

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

Total number of Collective agreements	0
---------------------------------------	---

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	12.5
Verbal warning	0	0
Written warning	0	0
Final written warning	5	62.5
Suspended without pay	1	12.5
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	1	12.5
Total	8	100

Notes

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

Total number of Disciplinary hearings finalised	5
--	----------

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
Improper, disgraceful and unacceptable behaviour	2	40%
Coming to work under the influence of alcohol	1	20%
Damaging state property (Government vehicle)	2	40%%
Total	5	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	2	50%
Number of grievances not resolved	2	50%
Total number of grievances lodged	4	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	0	0
Number of disputes dismissed	1	25%
Number of disputes outstanding	3	75%
Total number of disputes lodged	4	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
Number of people who's suspension exceeded 30 days	1
Average number of days suspended	N/A
Cost of suspension(R'000)	N/A

3.13 Skills development

This section highlights the efforts of the department with regard to 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	2	0	0	0	0
	Male	5	0	0	0	0
Professionals	Female	85	0	14	0	14
	Male	46	0	4	0	4
Managers	Female	34	0	11	0	11
	Male	37	0	15	0	15
Technicians and associate professionals	Female	61	0	0	0	0
	Male	38	0	0	0	0

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
Clerks	Female	62	0	1	0	1
	Male	54	0	0	0	0
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	3	0	0	0	0
	Male	5	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	7	0	0	0	0
Elementary occupations	Female	45	0	0	0	0
	Male	38	0	0	0	0
Sub Total	Female	292	0	0	0	26
	Male	230	0	0	0	19
Total		522	0	1	0	45

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	2	0	2	0	2
	Male	5	0	1	0	1
Professionals	Female	85	0	65	0	65
	Male	46	0	36	0	26
Managers	Female	34	0	23	0	23
	Male	37	0	29	0	29

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
Technicians and associate professionals	Female	61	0	24	0	24
	Male	38	0	28	0	28
Clerks	Female	62	0	39	0	39
	Male	54	0	23	0	23
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	3	0	0	0	0
	Male	5	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	7	0	0	0	0
Elementary occupations	Female	45	0	26	0	26
	Male	38	0	20	0	20
Sub Total	Female	292	0	179	0	179
	Male	230	0	137	0	137
Total		522	0	316	0	316

3.14 Injury on duty

The following tables provide basic information on injury on duty.

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

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	1	100%
Permanent Disablement	0	0
Fatal	0	0
Total	1	100%

3.15 Utilisation of Consultants

The following tables relates 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 who or which 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
None			

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

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
None			

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
None			

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

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 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
None			

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)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision(Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0



PART E

PFMA COMPLIANCE

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	45 477	238 343
Opening balance as restated	45 477	-
Add: Irregular expenditure confirmed	-	33 327
Less: Irregular expenditure condoned	-	(131 545)
Less: Irregular expenditure not condoned and removed	-	(94 648)
Closing balance	45 477	45 477

Reconciling notes

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure that relates to the prior year and identified in the current year	-	29 481
Irregular expenditure for the current year	-	3 846
Total	-	33 327

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

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure under assessment	93 419	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total	93 419	-

The possible irregular expenditure is based on status of employment contract. The process is under assessment.

1.1. Irregular expenditure (continued)

c) Details of irregular expenditure condoned

Description	2025/2026	2024/2025
	R'000	R'000
	-	-
Irregular expenditure condoned	-	131 445
Total	-	33 327

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

Description	2025/2026	2024/2025
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	94 648
Total	-	94 648

1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2025/2026	2024/2025
	R'000	R'000
Opening balance	1 871	11 003
Opening balance as restated	-	11 003
Add: Fruitless and wasteful expenditure confirmed	339	48
Less: Fruitless and wasteful expenditure not recoverable and written off	-	(9 180)
Closing balance	2 210	1 871

1.2. Fruitless and wasteful expenditure (continued)

Reconciling notes

Description	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure for the current year	339	48
Total	339	48

b) 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	-	9 180
Total	-	9 180

1.3. Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2025/2026	2024/2025
	R'000	R'000
Opening balance	32 644	32 644
Opening balance as restated	32 644	32 644
Closing balance	32 644	32 644

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	2857	365 104
Invoices paid within 30 days or agreed period	2431	310 664
Invoices paid after 30 days or agreed period	426	54 440
Invoices older than 30 days or agreed period (<i>unpaid and without dispute</i>)	218	14738
Invoices older than 30 days or agreed period (<i>unpaid and in dispute</i>)	-	-

3. SUPPLY CHAIN MANAGEMENT

3.1. 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
Transactional advisor for high altitude training centre for the period for twelve (12) months	Horstein project Pty Ltd	Expansion	CSR/125/23/MP	R22 731	-	-
Total				R22 731	-	-



PART F

FINANCIAL INFORMATION

Report of the auditor-general to the Mpumalanga Provincial Legislature on vote no. 11: Department of Culture, Sport and Recreation

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Mpumalanga Department of Culture, Sport and Recreation as set out on pages 148 to 213, 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, except for the possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Mpumalanga Department of Culture, Sport and Recreation 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, the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act No. 2 of 2025 (Dora).

Basis for qualified opinion

Capital Work in Progress

3. I was unable to obtain sufficient appropriate audit evidence for capital work in progress, as adequate supporting evidence was not available for certain amounts included in the opening balance. I was unable to confirm

the capital work in progress by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the capital work in progress stated at R513 102 000 and disclosed under immovable tangible capital assets in note 27.2 to the financial statements.

Goods and Services

4. I was unable to obtain sufficient appropriate audit evidence for goods and services, as adequate supporting evidence was not provided for computer services expenditure. I was unable to confirm the expenditure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to goods and services stated at R224 547 000 in note 4 to the financial statements.

Context for opinion

5. 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.
6. 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.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Responsibilities of the accounting officer for the financial statements

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, the accounting officer is responsible for assessing the provincial 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 provincial 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 146 to 147 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. I selected the following material performance indicators related to Programme 2: Cultural Affairs presented in the annual performance report for the year ended 31 March 2026. I selected those indicators that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.
 - Number of initiatives implemented to raise awareness on national symbols
 - Number of community conversations /dialogs implemented to foster social interaction per year
 - Number of phases for Multi-Purpose Arena Implemented
 - Number of national and historical days celebrated.
 - Number of signature events that promote cultural diversity and enhance cultural tourism supported
 - Number of Mpumalanga cultural Xperience hosted
 - Number of cultural projects supported
 - Number of Arts and Crafts cooperatives supported
 - Number of job opportunities created through arts, culture and heritage programmes
 - Number of community structures supported
 - Number of museums provided with maintenance
 - Number of facilities providing museum services
 - Number of international and national gold panning tournaments participated in
 - Number of standardized geographic names features reviewed
 - Number of language coordinating structures supported
 - Number of projects implemented to produce reading materials in indigenous languages
 - Number of language services provided

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

15. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and 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 what was committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets

16. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

17. I did not identify any material findings on the reported performance information for the selected indicators.

Other matter

18. I draw attention to the matter below

Achievement of planned targets

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

20. 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 25 to 35.

Programme 2: Cultural Affairs

<i>Targets achieved: 94%</i> <i>Budget spent: 90%</i>		
Key indicator not achieved	Planned target	Reported achievement
Number of phases for Multi-purpose Arena	1	0

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 provincial 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 provincial 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:

Annual financial statements and annual report

25. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1)(b) of the PFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statements were corrected, but the uncorrected material misstatements resulted in the financial statements receiving a qualified opinion.

Asset management

26. Processes and procedures were not in place at the departments for the effective, efficient, economical and transparent use of the institution's assets as required by Treasury Regulation 10.1.2.

Expenditure management

27. I was unable to obtain sufficient appropriate audit evidence that the resources of the department were utilised effectively, efficiently, economically and transparently as required by section 38(1)(b) of the PFMA. Payments were made for computer services however we could not confirm that such services were rendered to the department.

28. 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

29. 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 material indicators in the scoped-in programme presented in the annual performance report that has been specifically reported on in this auditor's report.

30. 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.

31. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in programme presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

32. I have nothing to report in this regard.

Internal control deficiencies

33. 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.

34. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the material findings on compliance with legislation included in this report.

35. Senior management did not implement adequate review processes to ensure that payments are supported by sufficient evidence that the underlying services were rendered as a result we could not confirm occurrence of some expenditure.

36. The accounting officer and senior management did not adequately review and monitor compliance with applicable laws and legislation, which resulted in non-compliance, some of the non-compliance was recurring.

37. Senior management did not implement adequate recording, reviewing and reporting processes and controls to ensure credible, complete and accurate financial reporting due to constrained capacity and resourcing.

Auditor General

Mbombela

31 July 2026



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



culture, sport & recreation
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

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 skepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators and on the department's compliance with selected requirements in key legislation.

Financial statements

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

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

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Concerning 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, paragraphs or regulations
Public Finance Management Act 1 of 1999	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 39(1)(a); 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4); 44; 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; 19.8.4
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A); 25(9)(a); 25(10)
Division of Revenue Act 2 of 2025	Section 11(6)(a); 12(5); 16(1); 16(3); 16(3)(a)(i); 16(3)(a)(ii)(bb)
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Regulation, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Public Service Regulations, 2016	Regulation 18(1); 18(2); 25(1)(e)(i); 25(1)(e)(iii)



APPROPRIATION STATEMENT for the year ended March 31, 2026

2025/2026										2024/2025	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
		R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000	
Appropriation per programme											
Programme											
Programme 1 - Administration	1	136,458	-	-	136,458	134,470	1,988	98.54%	126,278	126,158	
Programme 2 - Cultural Affairs	2	137,739	-	-	137,739	123,439	14,300	89.62%	146,181	144,497	
Programme 3 - Library and Archives Services	3	217,509	-	400	217,909	217,827	82	99.96%	243,154	228,279	
Programme 4 - Sports and Recreation	4	139,667	-	(400)	139,267	126,005	13,262	90.48%	147,499	135,808	
Programme subtotal		631,373	-	-	631,373	601,741	29,632	95.31%	663,112	634,742	
Total		631,373	-	-	631,373	601,741	29,632	95.31%	663,112	634,742	

Reconciliation with

Add:

Departmental revenue

1,603

2,361

Actual amounts per (total revenue)

632,976

665,473

Add:

Actual amounts per (total expenditure)

601,741

634,742

APPROPRIATION STATEMENT

for the year ended March 31, 2026

	2025/2026							2024/2025	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
Appropriation per economic classification									
Economic classification									
Current payments									
Compensation of employees	281,557	-	(4,400)	277,157	262,343	14,814	94.66%	247,460	243,543
Goods and services	220,703	-	5,568	226,271	224,547	1,724	99.24%	223,392	224,800
Total current payments	502,260	-	1,168	503,428	486,890	16,538	96.71%	470,852	468,343
Transfers and subsidies									
Provinces and municipalities	180	-	-	180	145	35	80.56%	269	269
Department agencies and accounts	2,250	-	-	2,250	2,250	-	100.00%	-	-
Public corporations and private enterprises	7,400	-	946	8,346	3,950	4,396	47.33%	5,050	5,050
Nonprofit institutions	37,123	-	(750)	36,373	36,373	-	100.00%	39,490	37,030
Households	2,000	-	(1,364)	636	611	25	96.07%	3,800	3,755
Total transfers and subsidies	48,953	-	(1,168)	47,785	43,329	4,456	90.67%	48,609	46,104
Payments for capital assets									
Buildings and other fixed structures	62,060	-	1,319	63,379	59,960	3,419	94.61%	104,173	101,693
Machinery and equipment	18,100	-	(1,319)	16,781	11,560	5,221	68.89%	34,478	16,327
Software and other intangible assets	-	-	-	-	-	-	-	5,000	2,272
Total payments for capital assets	80,160	-	-	80,160	71,520	8,640	89.22%	143,651	120,292
Payments for financial assets	-	-	-	-	2	(2)	-	-	3-
Total	631,373	-	-	631,373	601,741	29,632	95.31%	663,112	634,742

APPROPRIATION STATEMENT

for the year ended March 31, 2026

	2025/2026							2024/2025	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
1. Programme 1 - Administration									
Sub programme									
Office of The MEC	12,849	-	4,407	17,256	17,255	1	99.99%	12,064	16,634
Corporate Services	123,609	-	(4,407)	119,202	117,215	1,987	98.33%	114,214	109,524
Subtotal	136,458	-	-	136,458	134,470	1,988	98.54%	126,278	126,158
Economic classification									
Current payments									
Compensation of employees	83,228	-	(4,400)	78,828	78,609	219	99.72%	76,310	75,178
Goods and services	46,670	-	5,764	52,434	50,990	1,444	97.25%	43,186	45,635
Total current payments	129,898	-	1,364	131,262	129,599	1,663	98.73%	119,496	120,813
Transfers and subsidies									
Provinces and municipalities	180	-	-	180	145	35	80.56%	269	269
Households	2,000	-	(1,364)	636	611	25	96.07%	3,800	3,755
Total transfers and subsidies	2,180	-	(1,364)	816	756	60	92.65%	4,069	4,024
Payments for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	-%	213	212
Machinery and equipment	4,380	-	-	4,380	4,115	265	93.95%	2,500	1,107
Total payments for capital assets	4,380	-	-	4,380	4,115	265	93.95%	2,713	1,319
Payments for financial assets	-	-	-	-	-	-	-%	-	2
Total	136,458	-	-	136,458	134,470	1,988	98.54%	126,278	126,158

APPROPRIATION STATEMENT

for the year ended March 31, 2026

	2025/2026							2024/2025	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
2. Programme 2 - Cultural Affairs									
Sub programme									
Management	2,362	-	-	2,362	1,764	598	74.68%	1,326	1,286
Arts and Culture Services	99,853	-	-	99,853	94,356	5,497	94.49%	121,389	120,354
Museum and Heritage	26,432	-	-	26,432	23,702	2,730	89.67%	21,509	20,959
Language Services	9,092	-	-	9,092	3,617	5,475	39.78%	1,957	1,898
Subtotal	137,739	-	-	137,739	123,439	14,300	89.62%	146,181	144,497
Economic classification									
Current payments									
Compensation of employees	57,739	-	-	57,739	49,788	7,951	86.23%	45,993	45,288
Goods and services	52,095	-	150	52,245	46,312	5,933	88.64%	39,098	39,347
Total current payments	109,834	-	150	109,984	96,100	13,884	87.38%	85,091	84,635
Transfers and subsidies									
Departmental agencies and accounts	200	-	-	200	200	-	100.00%	-	-
Public corporations and private enterprises	-	-	150	150	150	-	100.00%	-	-
Nonprofit institutions	27,175	-	(300)	26,875	26,875	-	100.00%	31,090	30,380
Total transfers and subsidies	27,375	-	(150)	27,225	27,225	-	100.00%	31,090	30,380

APPROPRIATION STATEMENT

for the year ended March 31, 2026

	2025/2026							2024/2025	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
2. Programme 2 - Cultural Affairs (continued)									
Payments for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	-%	30,000	29,481
Machinery and equipment	530	-	-	530	113	417	21.32%	-	-
Total payments for capital assets	530	-	-	530	113	417	21.32%	30,000	29,481
Payments for financial assets	-	-	-	-	1	(1)	-%	-	1
Total	137,739	-	-	137,739	123,439	14,300	89.62%	146,181	144,497



APPROPRIATION STATEMENT

for the year ended March 31, 2025

	2025/2026							2024/2025	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
3. Programme 3 - Library and Archives Services									
Sub programme									
Management	1,823	-	-	1,823	1,627	196	89.25%	459	370
Library Services	209,246	-	400	209,646	209,779	(133)	100.06%	238,165	222,065
Archive services	6,440	-	-	6,440	6,421	19	99.70%	4,530	5,844
Subtotal	217,509	-	400	217,909	217,827	82	99.96%	243,154	228,279
Economic classification									
Current payments									
Compensation of employees	107,445	-	-	107,445	106,395	1,050	99.02%	96,127	96,086
Goods and services	64,124	-	400	64,524	70,032	(5,508)	108.54%	65,981	72,495
Total current payments	171,569	-	400	171,969	176,427	(4,458)	102.59%	162,108	168,581
Transfers and subsidies									
Departmental agencies and accounts	1,750	-	-	1,750	1,750	-	100.00%	-	-
Nonprofit institutions	-	-	-	-	-	-	-%	1,750	-
Total transfers and subsidies	1,750	-	-	1,750	1,750	-	100.00%	1,750	-
Payments for capital assets									
Buildings and other fixed structures	31,000	-	1,319	32,319	32,318	1	100.00%	42,318	42,206
Machinery and equipment	13,190	-	(1,319)	11,871	7,332	4,539	61.76%	31,978	15,220
Software and other intangible assets	-	-	-	-	-	-	-%	5,000	2,272
Total payments for capital assets	44,190	-	-	44,190	39,650	4,540	89.73%	79,296	59,698
Total	217,509	-	400	217,909	217,827	82	99.96%	243,154	228,279

APPROPRIATION STATEMENT

for the year ended March 31, 2026

	2025/2026							2024/2025	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
4. Programme 4 - Sports and Recreation									
Sub programme									
Management	2,152	-	-	2,152	2,236	(84)	103.90%	1,836	1,723
Sports Services	77,397	-	-	77,397	67,736	9,661	87.52%	76,870	71,348
Recreation	35,207	-	-	35,207	31,594	3,613	89.74%	34,517	29,070
School Sports	24,911	-	(400)	24,511	24,439	72	99.71%	34,276	33,667
Subtotal	139,667	-	(400)	139,267	126,005	13,262	90.48%	147,499	135,808
Economic classification									
Current payments									
Compensation of employees	33,145	-	-	33,145	27,551	5,594	83.12%	29,030	26,991
Goods and services	57,814	-	(746)	57,068	57,213	(145)	100.25%	75,127	67,323
Total current payments	90,959	-	(746)	90,213	84,764	5,449	93.96%	104,157	94,314
Transfers and subsidies									
Departmental agencies and accounts	300	-	-	300	300	-	100.00%	-	-
Public corporations and private enterprises	7,400	-	796	8,196	3,800	4,396	46.36%	5,050	5,050
Nonprofit institutions	9,948	-	(450)	9,498	9,498	-	100.00%	6,650	6,650
Total transfers and subsidies	17,648	-	346	17,994	13,598	4,396	75.57%	11,700	11,700
Payments for capital assets									
Buildings and other fixed structures	31,060	-	-	31,060	27,642	3,418	89.00%	31,642	29,794
Payments for financial assets	-	-	-	-	1	(1)	-%	-	1
Total	139,667	-	(400)	139,267	126,005	13,262	90.48%	147,499	135,808

NOTES TO THE APPROPRIATION STATEMENT

for the year ended March 31, 2026

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

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the financial statements.

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

Detail of these transactions can be viewed in note 1 Annual appropriation to the financial statements.

3. Detail on payments for financial assets

Details of these transactions per programme can be viewed in the note on Payments for financial assets to the financial statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R '000	R '000	R '000	%
Programme 1 - Administration	136,458	134,470	1,988	1.5%
Programme 2 - Cultural Affairs	137,739	123,439	14,300	10.4%
Programme 3 - Library and Archives Services	217,909	217,827	82	-%
Programme 4 - Sports and Recreation	139,267	126,005	13,262	9.5%

The underspending on Programme 2(Cultural Affairs) is as a result of delays in filling some vacant positions on senior management and Language services, accruals incurred in the current financial year . The underspending on Programme 4 (Sport and Recreation) is attributed to delays on filling of vacant positions, finalisation of Transactional advisory services of and implementation of school sport programs.

NOTES TO THE APPROPRIATION STATEMENT
for the year ended March 31, 2026

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R '000	R '000	R '000	%
Current payments				
Compensation of employees	277,157	262,343	14,814	5%
Goods and services	226,271	224,547	1,724	1%
Transfers and subsidies				
Provinces and municipalities	180	145	35	19%
Departmental agencies and account	2,250	2,250	-	-%
Public corporations and private enterprises	8,346	3,950	4,396	53%
Nonprofit institutions	36,373	36,373	-	-%
Households	636	611	25	4%
Payments for capital assets				
Buildings and other fixed structures	63,379	59,960	3,419	5%
Machinery and equipment	16,781	11,560	5,221	31%
Payments for financial assets	-	2	(2)	-%

The underspending on compensation is due to the delays on filling some vacant positions . The underspending on Goods and services is due to delays in the implementation of school sport programmes, Transactional advisory services and current financial year accruals. The underspending on Provinces and municipalities is due to the decrease in vehicle licensing ,the underspending on Households is due to retirements. The underspending on Machinery and Equipment is due to delays on operationalisation of Libraries. The underspending on building and other fixed structures is due to the accruals on the High Altitude Training Centre.

NOTES TO THE APPROPRIATION STATEMENT

for the year ended March 31, 2026

4.3 Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R '000	R '000	R '000	%
Community Library Service grant	179,385	179,385	-	-%
Mass Participation and Sports Development Grant	56,442	52,956	3,486	6%
Expanded Public Works Programme	1,846	1,846	-	-%

The underspending on Mass Participation and Sport Development Grant is due delays on implementation of School sport programmes and filling of vacant positions.

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025 Restated*
		R '000	R '000
Revenue			
Annual appropriation	1	631,373	663,112
Departmental revenue	2	1,603	2,361
Total revenue		632,976	665,473
Expenditure			
Current expenditure			
Compensation of employees	3	262,343	243,543
Goods and services	4	224,547	224,800
Total current expenditure		486,890	468,343
Transfers and subsidies			
Transfers and subsidies	6	43,329	46,104
Expenditure for capital assets			
Tangible assets	7	71,520	118,020
Intangible assets	7	-	2,272
Total expenditure for capital assets		71,520	120,292
Payments for financial assets	5	2	3
Total expenditure		601,741	634,742
Surplus for the year		31,235	30,731
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		26,146	25,561
Conditional grants		3,486	2,809
		29,632	28,370
Departmental revenue and NRF Receipts	12	1,603	2,361
Surplus for the year		31,235	30,731



STATEMENT OF FINANCIAL POSITION

for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025 Restated*
		R '000	R '000
Assets			
Current Assets			
Cash and cash equivalents	8	3,499	1,413
Prepayments and advances	9	-	519
Receivables	10	208	155
		3,707	2,087
NonCurrent Assets			
Receivables	10	-	21
Total Assets		3,707	2,108
Liabilities			
Current Liabilities			
Voted funds to be surrendered to the Revenue Fund	11	36,138	34,357
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	213	340
Payables	13	-	55
		36,351	34,752
Total Liabilities		36,351	34,752
		(32,644)	(32,644)
Represented by:			
Unauthorised expenditure		(32,644)	(32,644)

STATEMENT OF CHANGES IN NET ASSETS

for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025 Restated*
		R '000	R '000
Unauthorised expenditure			
Opening balance		(32,644)	(32,644)

CASH FLOW STATEMENT

for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025 Restated*
		R '000	R '000
Cash flows from operating activities			
Receipts			
Annual appropriated funds received	1.1	631,373	663,112
Departmental revenue received	2	630	806
Interest received	2.3	900	1,421
		632,903	665,339
Net (increase)/ decrease in working capital		411	(518)
(Surrendered to) / Received from the Revenue Fund	11	(29,581)	(33,925)
Current payments		(486,890)	(468,343)
Payments for financial assets		(2)	(3)
Transfers and subsidies paid		(43,329)	(46,104)
Net cash flow available from operating activities	14	73,512	116,446
Cash flows from investing activities			
Payments for capital assets	7	(71,520)	(120,292)
Proceeds from sale of capital assets	2.4	73	134
(Increase)/ decrease in noncurrent receivables	10	21	176
Net cash flows from investing activities		(71,426)	(119,982)
Net increase/ (decrease) in cash and cash equivalents		2,086	(3,536)
Cash and cash equivalents at beginning of year		1,413	4,949
Cash and cash equivalents at the end of the year	15	3,499	1,413

ACCOUNTING POLICIES

for the year ended March 31, 2026

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 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 , 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 '000).

5. Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rand using the spot exchange rates prevailing at the date of payment / receipt.

6. Comparative information

6.1 Prior period comparative information

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information 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 comprises 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 the adjustments become effective.

Appropriated funds are measured at the amounts receivable.

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

7.2 Departmental revenue

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

Departmental revenue is measured at the cash amount received.

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

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

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.

ACCOUNTING POLICIES

for the year ended March 31, 2026

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

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

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

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

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

8.1.2 Social contributions

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

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

8.2 Other expenditure

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

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

8.3 Accruals and payables not recognised

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

8.4 Leases

8.4.1 Operating leases

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

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

8.4.2 Finance leases

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

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

At commencement of the finance lease term, finance lease assets acquired are recorded and measured at:

- the fair value of the leased asset; or if lower,
- the present value of the minimum lease payments.

Finance lease assets acquired prior to 1 April 2024, are recorded and measured at the present value of the minimum lease payments.

9. Aid assistance

9.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

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

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

9.2 Aid assistance paid

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

10. Cash and cash equivalents

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

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

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

ACCOUNTING POLICIES

for the year ended March 31, 2026

held, other shortterm 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.

12. Loans and receivables

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

13. Investments

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

14. Financial assets

14.1 Financial assets (not covered elsewhere)

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

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

14.2 Impairment of financial assets

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

15. Payables

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

16. Capital assets

16.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost, or fair value [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 R -.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R -

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

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

16.3 Intangible assets

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R -.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R -.

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 March 31, 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

Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future

expenditure that will result in the outflow of cash.

18. Unauthorised expenditure

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

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

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

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

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

19. Fruitless and wasteful expenditure

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

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

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

20. Irregular expenditure

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

ACCOUNTING POLICIES

for the year ended March 31, 2026

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 estimates and errors

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

22. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

23. Principal Agent arrangements

The department is party to a principal-agent arrangement for construction of immovable assets]. In terms of the arrangement the department is the agent and is responsible for [infrastructure]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.

24. Departures from the MCS requirements

25. Capitalisation reserve

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

26. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to

the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

27. Related party transactions

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

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

28. Inventories

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

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

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

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

29. Public Private Partnerships

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

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

30. Employee benefits

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

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

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

ACCOUNTING POLICIES

for the year ended March 31, 2026

31. Transfers of functions

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

32. Mergers

Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.



NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025
		R '000	R '000

1. Annual appropriation

1.1 Annual appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	2025/2026		2024/2025	
	Final budget	Actual funds received	Final budget	Appropriation received
	R '000	R '000	R '000	R '000
Programmes				
Programme 1 - Administration	136,458	136,458	126,278	126,278
Programme 2 - Cultural Affairs	137,739	137,739	146,181	146,181
Programme 3 - Library and Archives Services	217,909	217,909	243,154	243,154
Programme 4 - Sports and Recreation	139,267	139,267	147,499	147,499
Total	631,373	631,373	663,112	663,112

1.2 Conditional grants**

Total grants received	29	237,673	233,660
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2. Departmental revenue

Sales of goods and services other than capital assets	2.1	613	806
Interest, dividends and rent on land	2.3	900	1,421
Sales of capital assets	2.4	73	134
Transactions in financial assets and liabilities	2.5	17	-
Total revenue collected		1,603	2,361

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2025

	Note(s)	2025/2026	2024/2025
		R '000	R '000
2. Departmental revenue (continued)			
2.1 Sales of goods and services other than capital assets			
Sales by market establishment		106	109
Other sales		507	697
Sales of goods and services produced by the department		613	806
2.2 Interest, dividends and rent on land			
Interest		900	1,421
2.3 Sales of capital assets			
Tangible assets			
Machinery and equipment		73	134
2.4 Transactions in financial assets and liabilities			
Receivables		17	-
3. Compensation of employees			
3.1 Salaries and wages			
Basic salary		178,565	168,413
Service based		276	331
Compensative/circumstantial		9,532	6,760
Other non-pensionable allowances		33,296	30,726
Total		221,669	206,230

[Other nonpensionable allowances include capital remuneration,Housing allowance, Non pension allowances and Service bonus.]

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025
		R '000	R '000
3. Compensation of employees (continued)			
3.2 Social contributions			
Employer contributions			
Pension		21,863	20,581
Medical		17,090	15,199
Bargaining council		64	55
Insurance		1,657	1,478
Total		40,674	37,313
Total compensation of employees		262,343	243,543
Average number of employees		450	522

[Average number of employees comprises of 392 permanent and 58 contract employees]

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025
		R '000	R '000
4. Goods and services			
Administrative fees		6,198	7,140
Advertising		8,504	12,009
Minor assets	4.1	849	5,457
Catering		8,485	7,895
Communication		6,962	9,781
Computer services	4.2	17,540	20,073
Consultants: Business and advisory services		14,528	15,241
Legal services		3,629	9,953
Contractors		23,649	19,170
Agency and support / outsourced services		1,531	1,850
Audit cost external	4.3	5,909	5,047
Fleet services		5,720	5,025
Inventory	4.4	14,513	11,676
Consumables	4.5	10,796	5,265
Operating leases		19,902	13,215
Property payments	4.6	23,433	20,724
Rental and hiring		4,000	3,526
Transport provided as part of the departmental activities		12,677	16,741
Travel and subsistence	4.7	30,789	31,424
Venues and facilities		2,918	2,443
Training and development		583	-
Other operating expenditure	4.8	1,432	1,145
Total		224,547	224,800

Other operating expenditure include Professional bodies, Membership subscription fee, Courier & delivery services, Laundry services, Non life insurance and Printing & publication.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2025

	Note(s)	2025/2026	2024/2025
		R '000	R '000
4. Goods and services (continued)			
4.1 Minor assets			
Tangible assets			
Machinery and equipment		849	5,457
4.2 Computer services			
SITA computer services		157	56
External computer service providers		17,383	20,017
Total	4	17,540	20,073
4.3 Audit cost external			
Regularity audits		5,909	5,047
4.4 Inventory			
Materials and supplies		14,513	11,676

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025
		R '000	R '000

4. Goods and services (continued)

4.5 Consumables

Uniform and clothing		330	382
Household supplies		7,058	3,104
Building material and supplies		458	329
IT consumables		27	31
Other consumables		616	-
Consumable supplies		8,489	3,846
Stationery, printing and office supplies		2,307	1,419
Total	4	10,796	5,265

Other consumables include fuel, Electrical spares, Notice boards and signs & Recreation supplies

4.6 Property payments

Municipal services		3,631	3,446
Other		19,802	17,278
Total	4	23,433	20,724

Other property payments include Cleaning services, Gardening services, Pest control and fumigation services and Safeguard & security.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025
		R '000	R '000
4. Goods and services (continued)			
4.7 Travel and subsistence			
Local		30,071	30,624
Foreign		718	800
Total	4	30,789	31,424
4.8 Other operating expenditure			
Professional bodies, membership and subscription fees		439	141
Other		993	1,004
Total	4	1,432	1,145
Other operating expenditure include Courier, Laundry services, Life insurance, Printing and publication.			
5. Payments for financial assets			
Debts written off	5.1	2	3
5.1 Debts written off			
Nature of debts written off			
Other debt written off			
Tax debt and over payment		2	3

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2025

	Note(s)	2025/2026	2024/2025
		R '000	R '000
6. Transfers and subsidies			
Provinces and municipalities	30	145	269
Departmental agencies and accounts	Annexure 1B - Unaudited	2,250	-
Public corporations and private enterprises	Annexure 1D - Unaudited	3,950	5,050
Nonprofit institutions	Annexure 1F - Unaudited	36,373	37,030
Households	Annexure 1G - Unaudited	611	3,755
Total		43,329	46,104

	Note(s)	2025/2026	2024/2025
		R '000	R '000

7. Expenditure for capital assets

Tangible capital assets

Buildings and other fixed structures	27	59,960	101,693
Machinery and equipment	25	11,560	16,327
		71,520	118,020

[The expenditure on building and other fixed structures includes Libraries transferred to municipalities amounting to R 6,567 million.]

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

7. Expenditure for capital assets (continued)

7.1 Analysis of funds utilised to acquire capital assets 2025/2026

	Voted funds	Total
	R '000	R '000
Tangible capital assets		
Buildings and other fixed structures	59,960	59,960
Machinery and equipment	11,560	11,560
	71,520	71,520

	Voted funds	Total
	R '000	R '000

7.2 Analysis of funds utilised to acquire capital assets 2024/2025

Tangible capital assets

Buildings and other fixed structures	101,693	101,693
Machinery and equipment	16,327	16,327
	118,020	118,020

Intangible capital assets

Software	2,272	2,272
Total	120,292	120,292

8. Cash and cash equivalents

Consolidated paymaster general account	3,514	1,413
Disbursements	(15)	-
Total	3,499	1,413

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025
		R '000	R '000

9. Prepayments and advances

Prepayments (Not expensed)	9.1	-	519
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Analysis of total prepayments and advances

Non-current prepayments and advances		-	519
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9.1 Prepayments (Not expensed)

	Note(s)	Balance as at 01 April 2025	Less: Amount expensed in current year	Add/Less: Other	Balance as at 31 March 2026
		R '000	R '000	R '000	R '000

Listed by economic classification

Capital assets	9	519	-	(519)	-
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	Note(s)	Balance as at 01 April 2024	Less: Amount expensed in current year	Add/Less: Other	Balance as at 31 March 2025
		R '000	R '000	R '000	R '000

Listed by economic classification

Capital assets	9	-	(29,481)	30,000	519
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NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

10. Receivables

	Note	2025/2026		2024/2025		
		Current	Total	Current	Non-current	Total
		R '000	R '000	R '000	R '000	R '000
Staff debt	10.1	4	4	7	21	28
Other receivables	10.2	204	204	148	-	148
Total		208	208	155	21	176

Other receivables include Salary income tax, Tax debt and Salary overpayment

	Note(s)	2025/2026	2024/2025
		R '000	R '000

10.1 Staff debt

Staff debts		4	28
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10.2 Other receivables

(Group major categories, but list material items)

Tax debt		11	20
Over payment		184	117
Asset recovery		9	11
Total	10	204	148

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025
		R '000	R '000

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

Opening balance		34,357	37,891
Transferred from statement of financial performance (as restated)		29,632	28,370
Received / (Paid) during the year		(27,851)	(31,904)
Closing balance		36,138	34,357

11.1 Prior period error

Nature of prior period error

Relating to 2024/2025

Transfer from statement of financial performance			519
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[The Prior period error is due to the missclassification of expenditure and prepayment.]

11.2 Reconciliation of unspent conditional grants

Opening balance		2,809	3,617
Total conditional grants received	1.2	237,673	236,469
Total conditional grants spent		(234,187)	(233,660)
Unspent conditional grants to be surrendered		6,295	6,426
Approved for rollover		(2,775)	(3,616)
Not approved for rollover		(34)	(1)
Less: Paid to the Provincial Revenue Fund by Provincial department		(2,809)	(3,617)
Closing balance	11	3,486	2,809

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025
		R '000	R '000
12. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund			
Opening balance		340	-
Transferred from statement of financial performance (as restated)		1,603	2,361
Paid during the year		(1,730)	(2,021)
Closing balance		213	340
13. Payables - current			
Clearing accounts	13.1	-	55
13.1 Clearing accounts			
Income Tax		-	55

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025
		R '000	R '000

14. Net cash flow available from operating activities

Net surplus as per Statement of Financial Performance		31,235	30,731
Add back non cash/ cash movements not deemed operating activities			
(Increase)/ decrease in receivables		(53)	(59)
(Increase)/ decrease in prepayments and advances		519	(514)
Increase/ (decrease) in payables – current		(55)	55
Proceeds from sale of capital assets		(73)	(134)
Expenditure on capital assets		71,520	120,292
Surrenders to / Received from the Revenue Fund		(29,581)	(33,925)
Net cash flow generated by operating activities		73,512	116,446

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

Consolidated paymaster general account	3,514	1,413
Disbursements	(15)	-
Total	3,499	1,413

16. Contingent liabilities and contingent assets

16.1 Contingent liabilities

Liable to	Nature		
Claims against the department		Annexure 3B - Unaudited	- 7,134

The contingent liabilities against the department are due to disputes on labour and tender appointment disputes. The settlement of the contingent liabilities disclosed contain elements of uncertainties relating to the amount or timing of any outflow, due to reliance to the verdicts by courts which cannot be predetermined. Contingent liabilities of the department comprises of litigations using the best estimate of the outflow of resources as at the financial year-end.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025
		R '000	R '000

17. Capital commitments

Buildings and other fixed structures		83,799	129,714
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	2025/2026		2024/2025	
	30 Days	30+ Days	Total	Total
	R '000	R '000	R '000	R '000

18. Accruals and payables not recognised

18.1 Accruals

Listed by economic classification

Goods and services	8,114	40,251	48,365	29,215
Capital assets	-	-	-	1,750
Total	13,163	49,601	62,764	40,860

Intergovernmental payables not recognised (included above)		Annexure 5 - Unaudited	2,530	350
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18.2 Payable not recognised

Listed by economic classification

Goods and services	362	28,797	29,159	9,807
Capital assets	-	1,190	1,190	2,432
Total	362	29,987	30,349	12,239

Intergovernmental payables not recognised (included above)		Annexure 5 - Unaudited	3,973	2,074
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NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025
		R '000	R '000

19. Employee benefits

Leave entitlement		16,991	13,950
Service bonus		7,186	6,501
Capped leave		6,155	6,406
Other		765	218
Total		31,097	27,075

At this stage the department is not able to reliably measure the long term portion of the long service awards. R109 Thousand is other long services award for the period of 12 Months and Capped leave for retired employees amounting to R 656 Thousand

20. Lease commitments

20.1 Operating leases

2025/2026

	Buildings and other fixed structures	Machinery and equipment	Total
	R '000	R '000	R '000
Not later than 1 year	2,751	7,387	10,138
Later than 1 year and not later than 5 years	1,056	16,621	17,677
Total lease commitments	3,807	24,008	27,815

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

20. Lease commitments (continued)

20.1 Operating leases

2024/2025

	Buildings and other fixed structures	Machinery and equipment	Total
	R '000	R '000	R '000
Not later than 1 year	2,730	6,912	9,642
Later than 1 year and not later than 5 years	2,581	23,166	25,747
Total lease commitments	5,311	30,078	35,389

Lease commitments is for Office Building and copier machine.

21. Unauthorised, Irregular and Fruitless and wasteful expenditure

	Note(s)	2025/2026	2024/2025
		R '000	R '000
Irregular expenditure		-	33,327
Fruitless and wasteful expenditure		339	48
Total		339	33,375

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

	Note(s)	2025/2026	2024/2025
		R '000	R '000

22. Related party transactions

In kind goods and services provided/received (Additional disclosure)

List in kind goods and services between the department and the related party

Accounting and IT services: Provincial Treasury	-	-
Internal Audit and Audit Committee: Office of the Premier	-	-
Office Accommodation: Department of Public Works, Road and Transport	-	-
Security Services: Department of Community Safety, Security and Liaison	-	-
Total	-	-

During the year under review the Department received free of charge from the Department of Public Works, Roads, and Transport, Department of Community Safety, Security and Liaison, Office of the Premier and that are related to Department of Culture, Sport and Recreation. The Department occupies government building in the Province provided by Department of Public Works, Roads and Transport and implementing agent for immovable assets free of charge, assets are accounted for by the Department. The Department received service for the Audit Committee and Internal Audit provided through the shared service in the Office of The Premier. Provincial Treasury provided IT services free of charge. There's no related party transaction within the MEC portfolio however all departments are related and the above is disclosed as an additional information in line TR 21.2.4.

23. Key management personnel

Political office bearers (provide detail below)	2,270	1,994
Level 15 to 16	1,835	1,885
Level 14 (incl. CFO if at a lower level)	5,744	5,228
Other: Level 12 & 13	2,141	2,049
Total	11,990	11,156

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

24. Provisions

Provision for retention on capital assets	6,076	8,658
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Provisions for retention on capital assets is due to library infrastructure. The outflow of resources is based on contractual terms and there are no uncertainties on the timing of the outflow.

	Note(s)	2025/2026	2024/2025
		R '000	R '000

24.1 Reconciliation of movement in provisions 2024/2025

	Provision 1	Total provisions
	R '000	R '000
Opening balance	8,658	8,658
Increase in provision	386	386
Settlement of provision	(1,888)	(1,888)
Unused amount reversed	(1,080)	(1,080)
Closing balance	6,076	6,076

24.2 Reconciliation of movement in provisions 2024/2025

	Provision 1	Total provisions
	R '000	R '000
Opening balance	8,798	8,798
Increase in provision	3,203	3,203
Settlement of provision	(3,343)	(3,343)
Closing balance	8,658	8,658

[Provisions for retention on capital assets is due to library infrastructure. The outflow of resources is based on contractual terms and there are no uncertainties on the timing of the outflow.]

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

25. Movable tangible capital assets

Movement in movable tangible capital assets per asset register for the year ended 31 March 2026

	Opening balance	Additions	Disposals	Closing balance
	R '000	R '000	R '000	R '000
Heritage assets				
Heritage assets	210	-	-	210
Machinery and equipment				
Transport assets	56,199	1,873	5,637	52,435
Computer equipment	24,262	1,776	3,625	22,413
Furniture and office equipment	39,782	6,626	12,128	34,280
Other machinery and equipment	6,073	232	1,239	5,086
	126,316	10,507	22,629	114,194
Total movable tangible capital assets	126,526	10,507	22,629	114,404

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

25. Movable tangible capital assets (continued)

25.1 Movement for 2024/2025

Movement in movable tangible capital assets per asset register for the year ended 31 March 2025

	Opening balance	Additions	Disposals	Closing balance
	R '000	R '000	R '000	R '000
Heritage assets				
Heritage assets	210	-	-	210
Machinery and equipment				
Transport assets	32,134	24,771	706	56,199
Computer equipment	27,606	1,929	5,273	24,262
Furniture and office equipment	35,787	7,692	3,697	39,782
Other machinery and equipment	6,654	262	843	6,073
	102,181	34,654	10,519	126,316
Total movable tangible capital assets	102,391	34,654	10,519	126,526

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

25. Movable tangible capital assets (continued)

25.2 Minor assets

Movement in minor capital assets per the asset register for the year ended as at 31 March 2026

	Heritage assets	Machinery and equipment	Total
	R '000	R '000	R '000
Opening balance	25	26,910	26,935
Additions	-	839	839
Disposals	-	(6,350)	(6,350)
Total minor capital assets	25	21,399	21,424

	Heritage assets	Machinery and equipment	Total
Number of R1 minor assets	25	1,015	1,040
Number of minor assets at cost	-	85,925	85,925
Total number of minor assets	25	86,940	86,965

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

25. Movable tangible capital assets (continued)

25.2 Minor assets

Movement in minor capital assets per the asset register for the year ended as at 31 March 2025

	Heritage assets	Other Machinery and equipment	Total
	R '000	R '000	R '000
Opening balance	25	27,328	27,353
Prior period errors	-	(5)	(5)
Additions	-	4,648	4,648
Disposals	-	(5,061)	(5,061)
Total minor capital assets	25	26,910	26,935

	Heritage assets	Other Machinery and equipment	Total
Number of R1 minor assets	25	1,015	1,040
Number of minor assets at cost	-	62,349	62,349
Total number of minor assets	25	63,364	63,389

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

25.2 Minor assets (continued)

25.2.1 Prior period error

	Note	2024/2025
		R '000

Nature of prior period error

Relating to 2024/2025 (affecting the opening balance)

Minor assets: Lawnmower

(5)

The prior period error is as a result of a duplicate lawnmower during 2024/25 financial year.

25.3 Movable tangible capital assets written off

Movable capital assets written off for the year ended as at 31 March 2026

	Machinery and equipment	Total
	R '000	R '000

Assets written off

686

686

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

25.2 Minor assets (continued)

25.3 Movable tangible capital assets written off (continued)

	Machinery and equipment	Total
	R '000	R '000
Assets written off	3,186	3,186

Movable capital assets written off for the year ended as at 31 March 2025

25.4 Movable tangible capital assets: Capital work-in-progress

Capital work-in-progress for the year ended as at March 31, 2026

	Note	Opening balance April 1, 2024	Current year capital WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2025
			R '000	R '000	R '000
Machinery and equipment		16,981	6,990	23,971	-

26. Intangible capital assets

Movement in intangible assets per the asset register for the year ended as at 31 March 2026

	Opening balance	Closing balance
	R '000	R '000
Software	33,632	33,632

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

26. Intangible capital assets (continued)

26.1 Movement for 2024/2025

Movement in intangible capital assets per asset register for the year ended 31 March 2025

	Opening balance	Additions	Closing balance
	R '000	R '000	R '000
Software	31,360	2,272	33,632

26.2 Intangible capital assets: Capital work-in-progress

Capital work-in-process for the year ended as at 31 March 2025

	Note	Opening balance April 1, 2025	Prior period errors	Current year capital WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance March 31, 2026
		R '000	R '000	R '000	R '000	R '000
Intangible assets		27,297	-	-	-	27,297

Capital work-in-process for the year ended as at 31 March 2026

	Note	Opening balance April 1, 2024	Prior period errors	Current year capital WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance March 31, 2025
		R '000	R '000	R '000	R '000	R '000
Intangible assets		27,297	-	-	-	27,297

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

27. Immovable tangible capital assets

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2026

	Opening balance	Additions	Disposals	Closing balance
	R '000	R '000	R '000	R '000
Buildings and other fixed structures				
Non-residential buildings	168,839	28,043	(127,156)	69,726
Other fixed structures	61,648	-	-	61,648
	230,487	28,043	(127,156)	131,374
Heritage assets				
Heritage assets	3,933	-	-	3,933
Total immovable tangible capital assets	234,420	28,043	(127,156)	135,307

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

27. Immovable tangible capital assets (continued)

27.1 Movement for 2024/2025

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2025

	Opening balance	Prior period error	Additions	Closing balance
	R '000	R '000	R '000	R '000
Buildings and other fixed structures				
Nonresidential buildings	107,436	-	61,403	168,839
Other fixed structures	60,798	(17)	867	61,648
	168,234	(17)	62,270	230,487
Heritage assets				
Heritage assets	3,933	-	-	3,933
Total immovable tangible capital assets	172,167	(17)	62,270	234,420

27.1.1 Prior period error

	Note	2024/2025
		R '000

Nature of prior period error

Relating to 2024/2025 (affecting the opening balance)

Disposal of immovable assets (17)

[The prior period error is due to the omission of guard house disposal.]

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

27. Immovable tangible capital assets (continued)

27.2 Immovable tangible capital assets: Capital work-in-progress

Capital work-in-progress as at 31 March 2026

	Note	Opening balance	Current year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance
		R '000	R '000	R '000	R '000
Buildings and other fixed structures		487,752	59,960	34,610	513,102

Payables not recognised relating to capital work-in-progress

[Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress]	7,479	8,693
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Capital work-in-progress as at 31 March 2025

	Opening balance	Prior period error	Current year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance
	R '000	R '000	R '000	R '000	R '000
Buildings and other fixed structures	448,329	27,523	74,170	62,270	487,752

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

27. Immovable tangible capital assets (continued)

27.3 Immovable tangible capital assets written off

Immovable tangible capital assets written off for the year ended as at 31 March 2026

	Building and other fixed structures	Total
	R '000	R '000
Assets written off	17	17

28. Prior period errors

28.1 Correction of prior period errors

2024/2025

	Note	Amount before error correction	Prior period error	Restated amount
		R '000	R '000	R '000

Annual Appropriation

Public Corporation and Private enterprise		35,050	(30,000)	5,050
Building and Other Fixed Structures		74,170	29,481	103,651
		-	-	-
VOTED FUND TO BE SURRENDERED	11	33,838	519	34,357
Transfer from statement of financial performance	11	27,851	519	28,370
Net effect		170,909	519	171,428

The error on the Annual Appropriation relating to Public corporation and private enterprise and Building and other fixed structures is due to the missclassification of expenditure on the Indoor Multipurpose Arena. the error on Voted funds to be surrendered is due to error on misclassification of prepayment.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

28. Prior period errors (continued)

28.1 Correction of prior period errors

	Note	Amount before error correction	Prior period error	Restated amount
		R '000	R '000	R '000
Expenditure: Transfer and Subsidies, Tangible Immovable Assets , Goods and Services and Prepayment				
TRANSFERS AND SUBSIDIES	6	76,104	(30,000)	46,104
Public and Private corporations	6	35,050	(30,000)	5,050
		-	-	-
TANGIBLE CAPITAL ASSETS	7	90,497	27,523	118,020
Building and other fixed structures	7	74,170	27,523	101,693
GOODS AND SERVICES		-	-	-
Computer services	4	14,263	5,810	20,073
Property payments	4	20,613	111	20,724
Other operating expenditure	4	6,955	(5,810)	1,145
Pre-payment	9	-	519	519
Net effect		317,652	(4,324)	313,328

The prior period error is due to the missclassification on Transfer payments, Tangible capital assets and prepayment of the Mbombela Indoor Multipurpose Arena planning and design performed during 2024/25 financial year. The adjustment is required to correct the missclassification and understatement occurred during 2024/25 financial year. The prior period error on Goods and Services is due to the misclassification on computer services and other operating expenditure on the Library Management Sytem as well as the misclassification of Property payments on Library Maintenance classified to Capital-Work -in-Progress.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

28. Prior period errors (continued)

28.1 Correction of prior period errors

	Note	Amount before error correction	Prior period error	Restated amount
		R '000	R '000	R '000
Immovable tangible capital assets per asset register.				
MOVEMENT IN IMMOVABLE TANGIBLE ASSET REGISTER:	27	234,437	(17)	234,420
Building and other fixed structures	27	230,504	(17)	230,487
CAPITAL WORK IN PROGRESS				
Building and other fixed structures	27	460,229	27,523	487,752
MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER				
Machinery and equipment	26	26,940	(5)	26,935
	26	26,915	(5)	26,910
Net effect		979,025	27,479	1,006,504

The prior period error is due to the omission of guard house disposal, the error is required to adjust the closing balance to reflect the disposal of the prior year. The error on Capital Work in Progress is due to the misstatement of Capital expenditure for the Mbombela Indoor Multipurpose Arena, High Altitude Training centre and Library projects . The error on movement on Minor capital assets is due to duplicate on lawnmower asset.

CAPITAL COMMITMENT	17	127,373	2,341	129,714
OPERATING LEASE				
Lease Commitments: Machinery and equipment Not later than 1 year	20	40,332	(4,943)	35,389
Lease Commitments: Machinery and equipment later than 1 year and not later than 5 years	20	733	(424)	309
	20	27,685	(4,519)	23,166
Net effect		196,123	(7,545)	188,578

The prior period error on operating lease is due to the addition of variable printing escalation cost of the copier . The prior period error on capital commitments is due to the omission of variation cost, understatement of contract cession cost and additional expenditure not relating to a capital asset. The adjustment is required to restate the opening balances.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

28. Prior period errors (continued)

28.1 Correction of prior period errors

	Note	Amount before error correction	Prior period error	Restated amount
		R '000	R '000	R '000
IRREGULAR EXPENDITURE	21	3,846	29,481	33,327

The error is due to the non-disclosure of irregular expenditure for the planning and design of the Mbombela Indoor Multi-purpose Arena. The correction is required to disclose the irregular expenditure identified 2024/25 financial year.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

29. Statement of conditional grants received

Grant allocation				Spent			2024/2025		
Name of grant	Division of Revenue Act/ Provincial Grants	Roll Overs	Total Available	Amount received by department	Amount spent by department	Under / (Overspending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
Community Library Service Grant	179,385	-	179,385	179,385	179,385	-	-%	178,409	178,409
Mass Participation and Sports Development Grant	53,667	2,775	56,442	56,442	52,956	3,486	94%	56,060	53,251
Expanded Public Works Programme Incentive	1,846	-	1,846	1,846	1,846	-	-%	2,000	2,000
	234,898	2,775	237,673	237,673	234,187	3,486	-%	236,469	233,660

Departments are reminded of the requirement to certify that all transfers in terms of this Act were deposited into the primary bank account of the province or, where appropriate, into the CPD account of the province.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

30. Statement of conditional grants paid to the provinces

Name of Grant	Grant allocation		Transfer	2024/2025	
	Division of Revenue Act	Total Available	Actual Transfer	Division of Revenue Act	Actual Transfer
	R '000	R '000	R '000	R '000	R '000

Summary by province

Mpumalanga	180	180	145	269	269
------------	-----	-----	-----	-----	-----

Summary by grant

Name of grant 1	180	180	145	269	269
-----------------	-----	-----	-----	-----	-----

1. Name of grant 1

Mpumalanga	180	180	145	269	269
------------	-----	-----	-----	-----	-----

National Departments are reminded of the DORA requirements to indicate any reallocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

31. Broad based black economic empowerment performance

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

ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

Annexure 1B - Unaudited

Statement of transfers to Departmental Agencies and Accounts

Departmental Agency / Account	Transfer allocation		Transfer	
	Adjusted budget	Total available	Actual transfer	% of available funds transferred
	R '000	R '000	R '000	%
Provincial Language Committee	200	200	200	100%
BOXING SOUTH AFRICA	300	300	300	100%
Library for the blind	1,750	1,750	1,750	100%
Total	2,250	2,250	2,250	

ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

Annexure 1D - Unaudited

Statement of transfers/ subsidies to public corporations and private enterprises

Name of public corporations/private enterprise	Transfer allocation		Expenditure		2024/2025	
	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
	R '000	R '000	R '000	%	R '000	R '000
Public corporations						
Transfers						
Mbombela Stadium Management	4,396	4,396	-	100%	(30,000)	-
	4,396	4,396	-	100%	(30,000)	-
Private enterprises						
Transfers						
ilanga boxing	800	800	800	100.0%	1,000	1,000
Castric Stars Football Association	1,500	1,500	1,500	100.0%	2,000	2,000
Kruger United Football Club	-	-	-	-	2,000	2,000
The bees	1,500	1,500	1,500	100.0%	-	-
Khezomen Production	150	150	150	100.0%	-	-
Belas	-	-	-		50	50
	3,950	3,950	3,90		5,050	5,050
Total	8,346	8,346	3,950		(24,950)	5,050

Departments are required to include a summary of expenditure per conditional grant to aid in the identification of under- / over spending of such funds and to allow the department to provide an explanation for the variance.

ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

Annexure 1F Unaudited

Statement of transfers to nonprofit institutions

Nonprofit institutions	Transfer allocation		Expenditure		2024/2025	
	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
	R '000	R '000	R '000	%	R '000	R '000
Transfers						
TS GALAXY	3,000	3,000	3,000	100%	3,000	3,000
Mkhosi Wemhlanga	-	-	-	-%	50	50
South African Gold Panning	1,000	1,000	1,000	100%	1,000	1,000
Lukhanyo Girls	450	450	450	100%	450	450
Zoe Creatives	700	700	700	100%	700	700
Provincial Language Services	-	-	-	-%	150	150
Mpumalanga gospel awards	1,500	1,500	1,500	100%	1,300	1,300
Friends of the Museum	1,050	1,050	1,050	100%	1,050	1,050
Library for the blind	-	-	-	-%	1,750	-
Phakama NPO	150	150	150	100%	-	-
FJM DEVELOPMENT	50	50	50	100%	-	-
MP International film	200	200	200	100%	-	-
Metro Awards	15,000	15,000	15,000	100%	15,000	15,000
MP Moral regeneration	1,000	1,000	1,000	100%	200	200
Erholweni	-	-	-	-%	100	-
Komjekeje	-	-	-	-%	100	-
CCIFSA	500	500	500	100%	350	350
Innibos	1,000	1,000	1,000	100%	1,000	1,000
Ebukhosini	-	-	-	-%	5,940	5,880
Admire Billy Malubana Foundation	450	450	450	100%	150	150
Pensele Multi Cultural Foundation	100	100	100	100%	100	100

ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

Annexure 1F Unaudited (continued)

Statement of transfers to nonprofit institutions

Nonprofit institutions	Transfer allocation		Expenditure		2024/2025	
	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
	R '000	R '000	R '000	%	R '000	R '000
Top Aces	450	450	450	100%	450	450
Jimeliz Foundation	1,500	1,500	1,500	100%	1,500	1,500
Bellas	100	100	100	100%	-	-
Nelspruit Marathon	100	100	100	100%	150	150
Sport Confederations	1,698	1,698	1,698	100%	1,000	1,000
MP: Sports Awards	1,500	1,500	1,500	100%	1,500	1,500
Mpumalanga Cycling	400	400	400	100%	400	400
Loskop Marathon	-	-	-	-%	200	200
Mp: Schools Sports Org	200	200	200	100%	200	200
Lenhle Yemaswati	200	200	200	100%	50	50
Malumbi Foundation	-	-	-	-%	1,450	1,000
Imijaho yemahhasi	-	-	-	-%	200	200
Imizamo yabagibeli	200	200	200	100%	-	-
Mkhosi womhlanga	200	200	200	100%	-	-
Xitsonga music awards	300	300	300	100%	-	-
Kruger United FC	1,500	1,500	1,500	100%	-	-
Umgogodla	150	150	150	100%	-	-
Isiyalo	150	150	150	100%	-	-
Tennis base legacy	800	800	800	100%	-	-
Choral music association	400	400	400	100%	-	-
Forgotten angle theatre	25	25	25	100%	-	-
Mthombeni zamani	100	100	100	100%	-	-
Khethekile foundation	200	200	200	100%	-	-
Relax its arts	50	50	50	100%	-	-
	36,373	36,373	36,373		39,490	37,030



ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

Annexure 1G Unaudited

Statement of transfers to households

Households	Transfer allocation		Expenditure		2024/2025	
	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
	R '000	R '000	R '000	%	R '000	R '000
Transfers						
Leave Gratuity	500	500	475	95%	2,200	2,136
Injury on duty	136	136	136	100%	300	169
Post retirement benefits	-	-	-	-%	1,300	1,450
	636	636	611		3,800	3,755

ANNEXURES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2026

Annexure 3B Unaudited

Statement of contingent liabilities as at 31 March 2026

Nature of liabilities	Opening balance April 1, 2024	Liabilities incurred during the year	Closing balance March 31, 2025
	R '000	R '000	R '000

Claims against the department

PRE/040/14/MP/J14006/17
JS964/21

- - -



ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

Annexure 5 Unaudited

Inter-government contingent liabilities, accruals, payables not recognised and employee benefits Intergovernment payables

Government entity	Total	
	2024/2025	2023/2024
	R '000	R '000
Departments		
Contingent liabilities		
Accruals		
Department of Culture, Sport and Recreation	2,530	350
Payables not recognised		
Department of Public Works, Road and Transport	3,673	2,074
Total Departments		
Contingent liabilities	-	-
Accruals	2,530	350
Payables not recognised	3,673	2,074
	6,203	2,424
Total inter-government contingent liabilities, accruals, payables not recognised and employee benefits	6,203	2,424

ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

Annexure 6 Unaudited

Inventories

Inventory for the year ended March 31, 2026

	Note	Sport equipment and attire	Total
		R '000	R '000
Opening balance		887	887
Add: Additions/Purchases Cash		14,513	14,513
(Less): Disposals		(14,513)	(14,513)
Closing balance		887	887

Inventory for the year ended 31 March 2025

	Note	Insert major category of inventory	Total
		R '000	R '000
Opening balance		887	887
Add: Additions/Purchases Cash		11,675	11,675
(Less): Disposals		(11,675)	(11,675)
Closing balance		887	887

ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

Annexure 7 Unaudited

Movement in capital working progress

Movement in capital working progress for the year ended March 31, 2026

	Opening balance	Current year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R '000	R '000	R '000	R '000
Buildings and other fixed structures				
Nonresidential buildings	162,121	32,318	34,610	159,829
Other fixed structures	325,631	27,642	-	353,273
	487,752	59,960	34,610	513,102
Computer software				
Computer Software	27,297	-	-	27,297
Total	515,049	59,960	34,610	540,399

ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

Annexure 7 Unaudited (continued)

Movement in capital working progress for the year ended 31 March 2025

	Opening balance	Prior period errors	Current year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R '000	R '000	R '000	R '000	R '000
Machinery and equipment					
Transport assets	16,981	-	6,990	23,971	-
Buildings and other fixed structures					
Nonresidential buildings	181,318	(111)	42,317	61,403	162,121
Other fixed structures	267,011	27,634	31,853	867	325,631
	448,329	27,523	74,170	62,270	487,752
Computer software					
Computer Software	27,297	-	-	-	27,297
Total	492,607	27,523	81,160	86,241	515,049

ANNEXURES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2026

Annexure 12 - Unaudited

Analysis of repayments and advances (note 9)

Name of entity	Sector of the entity	Description of goods, services, and/or capital assets paid for	Classification categories	Total contract value R'000	Contract commencement date	Frequency of the prepayment or advance	Balance outstanding as at 31 March 2025 R'000	Add/(Less): Other R'000
Prepayments Mbombela Stadium Management	Public entity	Planning and design (Mbombela Indoor Multipurpose Arena	Capital assets	30,000	2024/05/01	Once off	519	(519)

NOTES



NOTES

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Department of Culture, Sport and Recreation

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