



ANNUAL REPORT 2024/25



Border Management Authority

Annual Report

2024/2025 Financial Year



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PART A

GENERAL

INFORMATION



1. PUBLIC ENTITY'S GENERAL INFORMATION

REGISTERED NAME:

BORDER MANAGEMENT AUTHORITY

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DORINGKLOOF

CENTURION

GAUTENG

0157

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WEBSITE ADDRESS:

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EXTERNAL AUDITORS:

AUDITOR GENERAL SOUTH AFRICA

BANKERS:

ABSA BANK LTD





2. LIST OF ABBREVIATIONS/ACRONYMS

AFS	Annual Financial Statements
ARC	Audit and Risk Committee
AGSA	Auditor General of South Africa
BBBEE	Broad Based Black Economic Empowerment
BMA	Border Management Authority
CCP	Community Crossing Point
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
DALRRD	Department of Agriculture, Land Reform and Rural Development
DC	Deputy Commissioner
DFFE	Department of Forestry, Fisheries and the Environment
DHA	Department of Home Affairs
HCREMC	Human Capital and Remuneration Committee
IHR	International Health Regulations
MEC	Member of Executive Council
NDoh	National Department Of Health
NEHNS	National Norms and Standards for Environmental Health
NTC	National Targeting Centre
PFMA	Public Finance Management Act, Act 1 of 1999
POE	Port of Entry
RFP	Request for Proposal
RSA	Republic of South Africa
SANDF	South African National Defence Force
SAPS	South African Police Services
SARS	South African Revenue Services
SCM	Supply Chain Management
TR	Treasury Regulations



FOREWORD BY THE EXECUTIVE AUTHORITY



Dr L.A Schreiber, MP
Executive Authority

The Border Management Authority (BMA) stands at the forefront of a transformative journey, positioning itself as a digital-first organisation to secure South Africa's borders with efficiency and innovation. Our strategic realignment will harness cutting-edge technologies such as machine learning, artificial intelligence, automated entry and exit systems at ports, and advanced risk engines to redefine border management. This digital pivot ensures the BMA operates with precision, agility, and foresight, safeguarding our nation's sovereignty while facilitating seamless trade and travel.

In alignment with the Department of Home Affairs' Home Affairs @ Home vision, exemplified by the Electronic Travel Authorisation (ETA), the BMA collaborates closely to ensure synergy between these vital institutions. By integrating digital platforms, we aim to streamline processes, enhance traveller experiences, and bolster security through real-time data sharing and intelligence-driven operations.

Central to this vision are the National and Regional Targeting Centres, the nerve centers of BMA's operations. Equipped with state-of-the-art technologies, including drones and predictive analytics, these centres will empower the BMA to proactively identify risks and respond swiftly to threats. This data-driven approach strengthens our ability to secure borders while fostering economic growth.

However, achieving this ambitious vision requires substantial resources. The BMA continues to face a serious funding shortfall, which we are actively addressing through strategic partnerships and through ongoing advocacy. By securing the necessary investments, we will empower the BMA to procure critical technologies and build a robust digital infrastructure. This will not only enhance border security but also position South Africa as a leader in innovative, technology-driven border management.

Our commitment is unwavering: to build a BMA that is technologically advanced, operationally effective, and globally respected. By embracing digital transformation, we are laying the foundation for a safer, more prosperous South Africa, where secure borders and seamless connectivity to the global society harmoniously together.



DR L.A SCHREIBER, MP
MINISTER OF HOME AFFAIRS
DATE: 22 SEPTEMBER 2025



3. COMMISSIONER'S OVERVIEW



Dr NM Masiapato, PhD
Commissioner, BMA

As we present the Border Management Authority (BMA) Annual Report for 2024/2025, I am pleased to reflect on the significant strides that we have made in strengthening South Africa's border security and operational efficiency. This year has been marked by measurable improvements in performance, enhanced operational capacity, and stronger financial governance—all of which contribute to our mandate of securing our borders while facilitating legitimate movement of people and goods across countries.

Compared to the previous financial year, the BMA has made notable progress in refining performance monitoring and reporting. We have implemented more robust data collection systems, ensuring greater accuracy in tracking border movements, enforcement actions, and operational outcomes. We further incrementally introduced unmanned aerial systems to assist in monitoring our border lines and the results of the introduction of the system were observed when we reported about the 2024/2025 festive season operations. These enhancements have allowed us to make evidence-based decisions, improve accountability, and demonstrate tangible results in border security and immigration management.

A key priority for the BMA has been building capacity in our core business areas, including port-of-entry operations, border law enforcement, specialised functions and migration control. Over the past year, we have deployed additional trained personnel to high-risk and high-volume ports of entry; upgraded critical infrastructure at key border posts to enhance efficiency and security and strengthened inter-agency collaboration with SARS, SAPS, SANDF, CBRTA, RTMC and other stakeholders, to combat cross-border crime.

These efforts have resulted in improved detection of illicit goods, reduced illegal crossings, and faster processing times for legitimate travellers.

Recognising the importance of sound financial management, the BMA has intensified efforts to improve internal controls, procurement processes, and expenditure monitoring. We have introduced stricter oversight mechanisms, enhanced audit readiness, and reinforced compliance with Treasury Regulations. These measures ensure that public funds are utilised effectively to support our operational objectives.

It is my privilege to present the BMA's 2024/25 Annual Report, which captures the Authority's continued growth as a key pillar of South Africa's national security and economic resilience. This report highlights our performance over the past year, detailing progress in strengthening border security, advancing the facilitation of lawful trade and travel and protecting the nation's strategic interests.





Overview of the operations of the BMA

South Africa's borders serve as both points of access to economic opportunity and channels of trade, while at the same time posing potential risks to national security. The BMA is tasked with maintaining a critical balance: enabling lawful movement of people and goods that stimulates economic growth, while actively safeguarding the country against unlawful activities that undermine safety and prosperity. To fulfil this mandate, the BMA operates through two main programmes:

- Corporate Services
- Operations

The Corporate Services programme ensures that the Authority functions effectively by providing leadership, management and institutional support. This includes the development of policies, governance oversight, counter-corruption initiatives, financial management, and human resources functions such as labour relations, staff development, and legal services. It also oversees information and communication technology (ICT), infrastructure and facilities management, stakeholder engagement, communication, and training.

The Operations programme is the centre of the BMA's work, focusing on its core business. It covers border law enforcement, management of human and goods movement, and specialised functions such as Port Health, Agriculture, Environmental and Immigration services. In addition, it deals with national risk management and the targeting of threats.

To promote accountability and uphold governance standards, the BMA's activities are overseen by two governance committees: the Audit and Risk Committee (ARC) and the Human Capital and Remuneration Committee (HCREMC). The ARC provides oversight of financial reporting, internal controls, risk management, audits, compliance monitoring and ethical conduct. The HCREMC advises the Authority on human capital strategies, policies and frameworks that align with legislation and principles of sound governance.

As an implementing authority responsible for administering laws transferred from four policy departments, the BMA also reports to two statutory bodies established by the BMA Act, 2020: the Inter-Ministerial Consultative Committee (IMCC) and the Border Technical Committee (BTC).

The IMCC, established under Section 24 of the Act, is chaired by the Minister of Home Affairs and includes the following Ministers: Agriculture; Defence and Military Veterans; Forestry, Fisheries and the Environment; Finance; Health; Police; State Security (Presidency); Trade, Industry and Competition; and Transport.

At the technical level, Section 25 of the Act establishes the BTC, chaired by the BMA Commissioner and composed of the Accounting Officers of the departments represented in the IMCC.

Overall Performance Overview

For the period under review, the BMA achieved 81% of its Annual Performance Plan (APP) targets, which is an improvement from the 60% that Authority achieved in its first year of operation, the 2023/24 Financial Year. Numerically, this translates to an achievement of 13 targets out of a total of 16 targets. The table below reflects the spread of the performance shows annual performance is reflected in the table below:

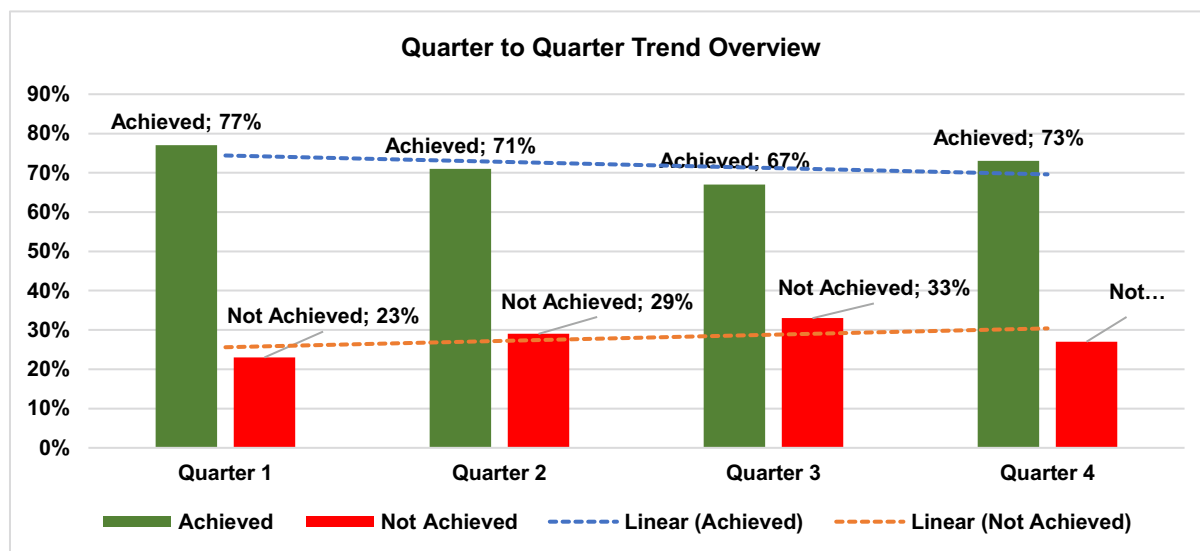


Annual Performance

Programme	Annual targets	Achieved	Not Achieved
Programme 1: CS	4	3 (75%)	1 (25%)
Programme 2: BMA Ops	12	10 (83%)	2 (17%)
Total	16	13 (81%)	3 (19%)

The Authority monitored its performance on a quarterly basis throughout the financial year, and the graph below shows the performance trend as noted over the four quarters of the 2024/25 Financial Year.

Quarter to Quarter Trend Overview



Considering that this was the second year of the BMA, the achievement rate of 81% reflects the Authority's commitment to enhancing border security, the facilitation of legitimate trade and travel, as well as safeguarding the nation's interests. While the BMA recognises that there is still a lot of work that needs to be done to fully secure the borders of the South Africa, this achievement demonstrates significant progress towards the strategic objectives of the Authority.



Challenges experienced and measures taken to address the challenges

Notwithstanding its annual performance, the Authority encountered several challenges linked to insufficient funding, i.e. capacity shortages at all levels across the organisation; and the ability to procure and deploy adequate tools of trade, and ICT systems and technology.

To address capacity issues in the border environment, the BMA embarked on several strategies to be implemented and decided on focus areas that include the enhancement of technology, improving infrastructure, optimizing processes and strengthening international cooperation. By implementing the strategies and focusing on those issues, the BMA has significantly improved its capacity in dealing with and management of the environment.

The following are part of the strategies and focus areas:

Enhancing Technology

The BMA through the procurement of advanced technology have implemented advanced technologies in the border environment, such as the introduction of unmanned aerial vehicles, drones, body worn cameras and other resources that has been assisting in the monitoring of the declared ports of entry and the border law enforcement areas.

Automated Systems

The BMA is currently busy with the establishment and capacitation of the National Targeting Centre at National, Regional and Local Level, we are also introducing the Biometric Movement Control System (BMCS) which is an automated system for immigration processing and have the capacity in the verification of travel and other documents, the later will assist in the speeding up of the process and will also minimise delays and congestions.

Predictive Analysis

The establishment of the National Targeting Centre will assist in data analysts to forecast travelling and movement of people and goods patterns in the three spheres of our functional modalities. It will further assist in the correct and effective allocations of resources to deal with or minimize delays and congestions. The introduction of the Advanced Passenger Processing (APP), Advanced Passenger Information (API) for example will assist in real time analysis of border movements, identifying potential threats and the optimization of resources.

One Stop Border Stop (OSBP)

The BMA has embarked on the introduction of the OSBP process with our land border neighbouring countries, in context we have identified six ports of entry in redesigning and redeveloping to be amenable for the OSBP. The process includes the introduction of the OSBP concept to Parliament in order to have a legislation that will also harmonise our neighbours legislations in order to deal with jurisdictional issues.

The OSBP process will streamline the border processes and will reduce delays by consolidating border functions into a single location based on the category decided on.





Infrastructure Development

The infrastructure that include office and residential accommodation especially in the land modality has not been prioritized for a long time due to the challenges of fragmentation and lack of amalgamation. The submission of the business plan to National Treasury seek to further request funding that will assist in the modernization of the border infrastructure by investing in the upgrading to the existing infrastructure to include the road networks, the perimeter, security systems, the later will assist to enhance the capability such as implementing of designated areas of the different traffic and to include search areas to ensure smooth movement.

Optimizing Border Processes

Working with primary role players we implementing pre- clearance processes with our neighbours by signing Joint Action Plans to reduce processing time and improving efficiency, by way of coordinating with our neighbours to ensure a unified approach. We are also prioritizing and investing in training of staff to ensure that staff is equipped with the necessary knowledge to handle various situations.

Strengthening of International Cooperation

The BMA partakes in the Bi-National Commissions in order to be part of the International Cooperations entered into by the country with our neighbouring countries, such involvement assist the BMA to be able to establish processes whereby Data Sharing, Joint Patrol structures are established with the neighbouring countries to work together.

Overview of the BMA's financial report

In the 2024/25 financial year, the BMA received an allocation of R1,407 billion which mostly represented budgets received from the four policy departments that transferred functions to the BMA. Included in this allocation was R300 million from National Treasury to assist with the establishment of the entity.

Financial Review of the BMA

In the year under review the entity reported a negative financial performance and a weakened financial position. Revenue declined by 5.5% when compared to the prior year, and operating expenses remained elevated, resulting in a deficit of R90,485 million. Cash flow from operations was negative at R80,845 million, contributing to tighter liquidity. The balance sheet shows reduced cash and cash equivalents and non-current assets mainly as a result of no additional funding being received which would have allowed to entity to invest in tools of trade.

Overall, liquidity and solvency metrics weakened, reducing near-term financial flexibility as the operating costs continue to rise due to new requirements, including the digitization of operations to meet international regulatory standards and improve efficiency, along with obligations from transferring functions for which no budgets were transferred. These financial challenges are further compounded by increasing demand from customers and travellers, driving operating expenses higher.





Whilst the entity has adopted initiatives aimed at increasing revenue and reducing operational costs, these initiatives will not be sufficient to alleviate the financial constraints. It is for this reason that the entity continues discussions with National Treasury to advocate for the adequate funding of the entity. It goes without saying that the gross underfunding of the BMA continues to undermine national security and the growth of the broader economy.

Spending trends of the BMA

Due to financial constraints and the absence of additional funds allocated to the entity during the financial year under review, expenditures were limited to ordinary operating costs. Compensation of Employee costs accounted for about 85% of the budgeted revenue. The remaining nominal balance was used to procure goods and services primarily to support operational costs related to ICT and Port of Entry operations.

Requests for roll over of funds

In the year under view the BMA did not have any funds that needed to be rolled over. No application was made by the BMA to National Treasury.

Supply Chain Management

The financial year under review was the first year in which BMA had taken over the supply chain management (SCM) functions. The SCM functions in FY2023/24 had been outsourced to the Department of Home Affairs due to capacity constraints. Despite a limited capacity within the SCM Unit, the Unit was able to implement all SCM activities, including the development of policies and procedures, the formulation of the procurement plan for the year under review, and the finalisation of all procurement to support the entity's operational activities. The entity did not engage in any unsolicited bid proposals during the financial year under review.

The BMA has established robust internal controls within its SCM Unit, a unit that is typically susceptible to fraud. This is evidenced by the results of both internal and external audits, which indicate that adequate and effective controls have been designed and implemented within the Unit.

Audit report matters in the previous year and how they have been addressed

The BMA has undertaken extensive efforts to address the issues identified in audit reports issued by the Auditor-General of South Africa (AGSA). We can confirm that, during the FY2024/25 audit, the BMA had resolved three of the four audit findings raised.

To resolve the audit report matters, the entity collaborated with the Department of Home Affairs (DHA) to address findings related to the transfer of functions, expenditure, and trade payables. Reconciliations and review of supporting documents were conducted to ensure the accuracy and completeness of the information reported in the Annual Financial Statements. In addition, during the year the entity developed an audit action plan, which is being regularly reviewed and monitored. The plan incorporates other findings reported by the AGSA and Internal Audit, with the aim of ensuring that none of these findings materialize into audit report matters.





Plans to address financial challenges

The BMA remains optimistic that National Treasury will respond favourably to the submitted funding business case. In addition to the business case, the entity continues to implement cost-containment measures while identifying potential revenue streams within its existing functions and optimising current revenue streams.

Other important finance related information for noting

The BMA looks forward to the transfer of funds from the Department of Public Works and Infrastructure (DPWI) for the repairs and maintenance of Land Ports of Entry in the 2024/25 financial year. This is a development that aligns with its preparations for the imminent finalisation of the land infrastructure transfer from the DPWI to BMA.

The BMA has also undertaken to approach the Department of Justice and Constitutional Development (DOJ&CD) to secure funding for its tools of trade through the Criminal Asset Recovery Asset Funds. The entity remains optimistic that adequate justification has been provided to warrant a positive response.

Audit Related Matters

As part of the BMA's commitment to good governance, the BMA ARC meets quarterly in line with its charter to oversee governance issues, risk management, performance management, information technology and the internal financial controls of the entity, including the work of external and internal auditors.

Internally, the Internal Audit Unit concluded all audits identified on the approved Annual Plan. Findings thereof were discussed with the organisation and action plans to close the identified gaps were developed. Amongst others, internal control weaknesses were noted in governance, performance information, deployment of border guards, uniform management, leave and revenue. Management action plans were developed to close the findings raised by Internal Audit, thereby improving on the overall control environment of the organisation. Going forward, the implementation of the action plans will be monitored in the 2025/26 financial year to ensure implementation.

Public-Private Partnerships (PPPs)

The redevelopment of six (6) land Ports of Entry project is being pursued as a Public-Private Partnership (PPP). The Project is aimed at improving efficiencies at the following Ports of Entry with regard to the movement of persons and goods:

- a) Beit Bridge Port of Entry (bordering with Zimbabwe);
- b) Ficksburg Port of Entry (bordering with Lesotho);
- c) Kopfontein Port of Entry (bordering with Botswana);
- d) Lebombo Port of Entry (bordering with Mozambique);
- e) Maseru Bridge Port of Entry (bordering with Lesotho); and
- f) Oshoek Port of Entry (bordering with eSwatini).





By the end of the 2024/25 financial year, the project was still in the procurement phase.

The project is expected to yield direct and indirect socio-economic benefits for communities living around the 6 designated Ports of Entry; and also contribute to the country's broader economy in line with the Medium Term Development Plan (MTDP).

Planned Activities

Over the upcoming MTDP period the BMA will pursue activities related to,

- a) Entrenching its architectural posture that is geared towards enhancing national security and protecting our national interests;
- b) Improving the organisational culture and mindset; and
- c) The digital transformation of the organisation to better secure borders and improve customer experiences.

Acknowledgement/s or Appreciation

None of these achievements would have been possible without the steadfast support of the Honourable Minister of Home Affairs, Honourable Deputy Minister of Home Affairs, the Parliamentary Portfolio Committee on Home Affairs, Audit and Risk Committee as well as the Human Capital and Remuneration Committee. Your guidance and oversight have been instrumental in shaping the BMA's strategic direction.

I would further like to express my sincere appreciation to all key stakeholders across the South African border environment for their unwavering collaboration and support. The successes we have achieved in strengthening border security, promoting lawful trade and travel, and safeguarding our national interests are the result of collective effort. Government departments, law enforcement agencies, industry partners, and communities alike have played an instrumental role in advancing our shared mandate. This spirit of partnership not only enhances operational efficiency but also reinforces the resilience of our national security and economic systems. We remain committed to deepening these collaborations as we continue building a safer, more secure, and economically vibrant South Africa.

I also extend my deepest appreciation to the BMA leadership team and our dedicated staff for their unwavering commitment. Despite capacity challenges, their hard work and resilience continue to drive the BMA forward.

As we look ahead, we remain focused on further modernising border management, enhancing security, and improving service delivery. We are confident that the foundation laid this year will enable even greater progress in the future.

NAME: DR NM MASIAPATO

COMMISSIONER AND CEO

BORDER MANAGEMENT AUTHORITY

DATE: 18 SEPTEMBER 2025



4. 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 in the annual report is consistent with the annual financial statements audited by the Auditor General South Africa.

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

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

The Annual Financial Statements (Part F) have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), applicable to the public entity.

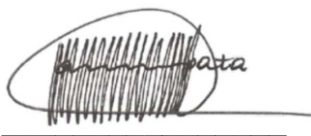
The Accounting Authority is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Authority is responsible for establishing and implementing a system of internal control 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 our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2025.

Yours faithfully



COMMISSIONER AND CHIEF EXECUTIVE OFFICER

COMMISSIONER

DR. NM MASIAPATO, PHD

DATE: 18 SEPTEMBER 2025



5. STRATEGIC OVERVIEW

5.1. Vision

A world class integrated border law enforcement authority partnering for a safe and prosperous South Africa.

5.2. Mission

To be a credible provider of highly efficient, integrated, well-coordinated and technology-driven border law enforcement services that contribute to national security and socio-economic development by inculcating an ethical culture that empowers teams for service excellence.

5.3. Values

The shared values to be enshrined in the Border Management Authority (BMA) are as follows:

Values	Operating Principles
Patriotism	To defend and uphold the Constitution and contribute to the Government's developmental
Innovation	To develop new ways to improve and ensure that BMA executes its border management mandate better.
Vigilance	To keep alert for dangers, risks or difficulties that can frustrate efficient border management
Integrity	To act honestly, fairly and with dependability
Excellence	To establish a culture of service excellence in the border environment
Professionalism	To promote a high standard of professional and ethical behaviour in the border environment that

5.4. BMA Mandate

The BMA, in terms of the BMA Act (Act No 2 of 2020), is mandated to carry out the following functions:

- facilitate and manage the legitimate movement of persons within the border law enforcement area and at ports of entry;
- facilitate and manage the legitimate movement of goods within the border law enforcement area and at ports of entry; and
- cooperate and coordinate its border law enforcement functions with other organs of state, border communities or any other persons.



Furthermore, the BMA must contribute to a multiplicity of objectives that are clustered around the following concepts:

- National security;
- Authorized migration and movement of persons;
- Trade facilitation and the authorised movement of goods;
- Biosecurity (authorised movement, protection and conservation of specified food, plants, animals and related products);
- Inclusive socio-economic development;
- Regional integration;
- Sustainable development and protection of environmental resources, and
- Global peace, justice and human solidarity.

While the BMA has to operate through coordination with organs of state to ensure efficiency in border management, 'the border law enforcement functions within the border law enforcement area and at ports of entry must be performed exclusively by the officers of the Authority' (BMA Act, Sec. 4(2)).

5.5. BMA Outcomes

The outcomes that direct the BMA strategic focus and deployment of resources and capabilities are as follows:

- Institutional excellence distinguished by good corporate governance and ethical leadership;
- Secure borders that protect national interests and enhance national security;
- Enhanced trade and socio-economic development; and,
- Strengthened coordination and cooperation amongst stakeholders within the border management environment.



6. LEGISLATIVE AND OTHER MANDATES

6.1. Constitutional Mandate

The BMA is an organ of state that has been established as a national public entity in terms of Schedule 3A of the Public Finance Management Act (PFMA), 1999, and derives its Constitutional mandate from numerous Sections of the Constitution of the Republic of South Africa. In particular, Section 11(1)(c) accords everyone the right to freedom of movement, the right to leave the Republic and the right to enter, to remain in and to reside anywhere in the Republic. Furthermore, in line with Section 10 of the Constitution, the BMA will execute its mandate of facilitating the legitimate movement of persons with due regard for everyone's inherent dignity and the right to have their dignity respected. In keeping with Section 41(1)(a) of the Constitution, the BMA will in the implementation of protocols signed with other organs of state, co-operate in mutual trust and good faith by (a) fostering friendly relations; (b) ensuring mutual support where necessary; (c) informing the other organs of state on matters of common interest; (c) adhering to agreed procedures; and (d) avoiding legal proceedings against other organs of state. In compliance with Section 21 of the Constitution, the BMA will ensure that all environment-related requirements are enforced in line with the applicable legislation to protect the environment in a sustainable manner. The BMA shall adhere to the democratic values and principles as required of public administration in Section 195(1)(a)(i) of the Constitution. In line with Section 198(a), South Africans are entitled to experience a sense of national security that must reflect in their living in peace and free from any fear.

6.2. The Border Management Authority Act No. 2 Of 2020

The BMA is established as an armed service in terms of Section 199(3) of the Constitution, a third in the country in addition to the South African National Defence Force (SANDF) and the South African Police Service (SAPS). The Border Management Authority Act No. 2 of 2020 (BMA Act), the Authority's founding legislation, mandates the BMA to:

- (a) facilitate and manage the legitimate movement of persons within the border law enforcement area and at ports of entry;
- (b) facilitate and manage the legitimate movement of goods within the border law enforcement area and at all ports of entry; and
- (c) co-operate and co-ordinate its border law enforcement functions with other organs of state, border communities or any other persons.





The Authority is mandated to perform these functions with a view to:

- Secure the borders of the Republic and protect national interest;
- Implement integrated and co-ordinated border management in accordance with the Constitution, international and domestic law;
- Contribute to the socio-economic development of the Republic; ensure effective and efficient border law enforcement functions at the ports of entry and vulnerable segments of the border line; contribute to the facilitation of legitimate trade and secure travel;
- Contribute to the prevention of smuggling and trafficking of human beings and goods;
- Prevent illegal cross-border movement; contribute to the protection of the Republic's environmental and natural resources;
- Protect the Republic from harmful and infectious diseases, pests, and substances; and
- Balance the facilitation of legitimate trade and travel with security and the constitutional responsibility of the South African National Defence Force to defend and protect the Republic, its territorial integrity, and its people.

6.3. Transfer of functions to the BMA through Presidential Proclamation and Ministerial Delegation

The BMA's mandate is implemented, following the transfer of functions in terms of Section 97 of the Constitution, through a Proclamation by the President of the Republic of South Africa dated 30th August 2022, and subsequent Ministerial delegation of selected functions from the Department of Agriculture, Land Reform and Rural Development (DALRRD); Department of Forestry, Fisheries and Environment (DFFE); Department of Health (DoH); and Department of Home Affairs (DHA).



7. ORGANISATIONAL TOP STRUCTURE



EXECUTIVE AUTHORITY
DR L.A. SCHREIBER, MP



ACCOUNTING AUTHORITY
DR N.M. MASIAPATO, PhD



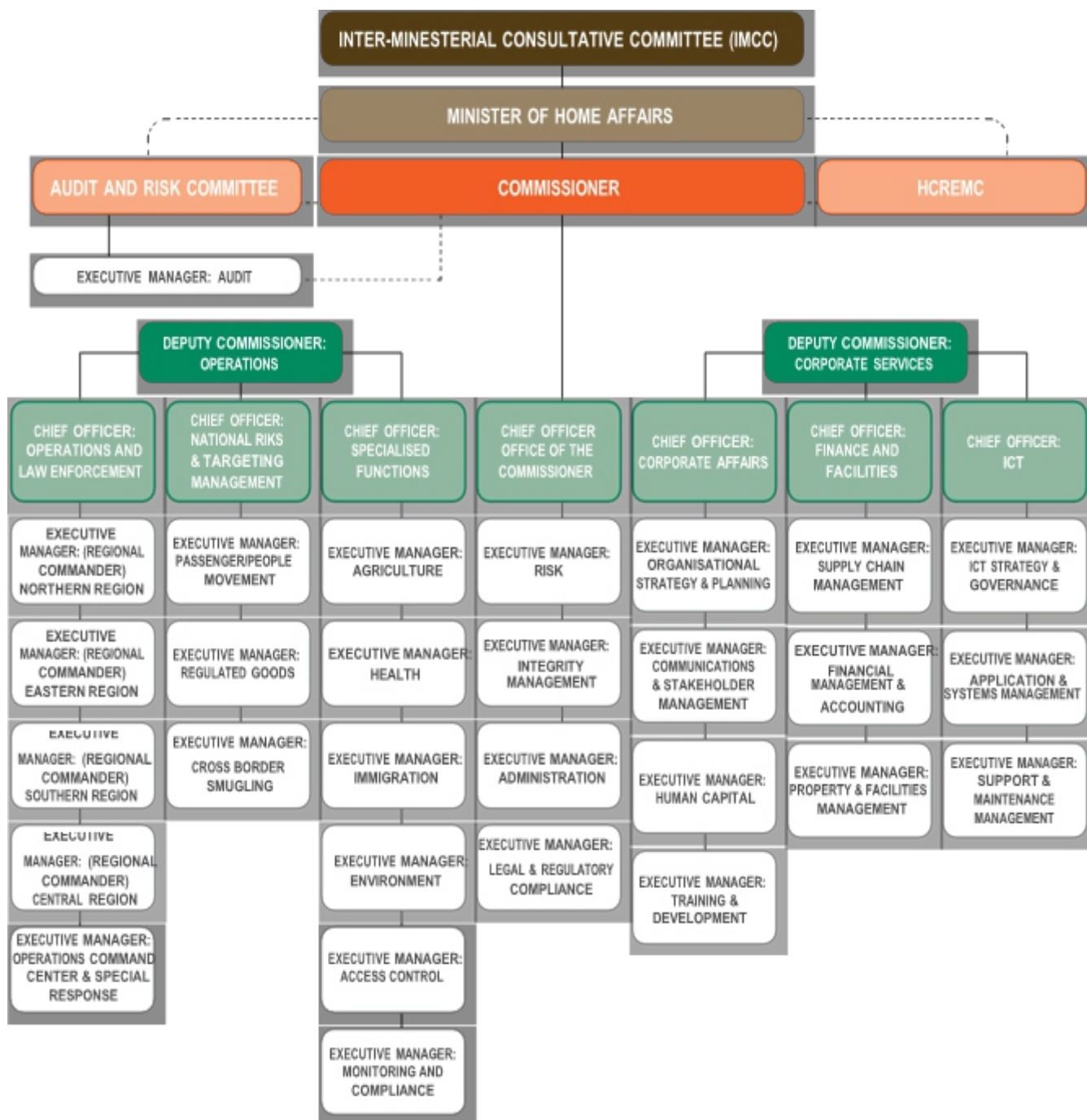
MAJ GEN DAVID CHILEMBE
DEPUTY COMMISSIONER: BMA
OPERATIONS



MS JANE THUPANA
DEPUTY COMMISSIONER:
CORPORATE SERVICES



8. ORGANISATIONAL MACRO STRUCTURE





PART B

PERFORMANCE INFORMATION



1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The Auditor General South Africa (AGSA) currently performs the necessary audit procedures on the performance information of the Border Management Authority (BMA) to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 74 of the Report of the Auditors, published as Part F: Financial Information.

2. OVERVIEW OF PERFORMANCE

2.1. Service Delivery Environment

Border Management and law enforcement in South Africa, which was previously exercised through multiple government departments and state agencies, has now evolved into a single service entity dealing with all stakeholders operating at ports of entry in the border law area with an exception to border police and customs.

In order for the BMA to operate efficiently and effectively, border control requires adequate resources. The biggest challenge the BMA has been faced with during the period under review has been inadequate budget allocation which had a negative impact on recruitment of critical human capital capacity and resources such as technological equipment, and systems that are necessary to enable the BMA to effectively manage border law enforcement.

The Office of the Commissioner operates within a dynamic service delivery environment that demands high levels of oversight, coordination and accountability. This environment is shaped by the need to effectively manage organisational and operational risks; safeguard institutional integrity; ensure strict compliance with legal and regulatory frameworks; and provide efficient and effective administrative and governance support services. As a maturing sub-programme, the division is not sufficiently capacitated at a technical level in the Risk Management, Integrity Management and Governance. Such capacity shortages have had an impact on the division being able to effectively fulfil its mandate. In addressing these shortages, whilst working with Corporate Services to capacitate the division, the Unit has assigned additional responsibilities to existing officials.

Despite all the faced challenges, notable progress has been made. With regards to the National Targeting Centre, progress includes the establishment of effective working relations with key stakeholders in border risk management and information sharing. The Border Security Risk and Information Committee provides a platform for members of this committee (SAPS, SANDF, SARS Customs, FIC, SSA, BMA NTC) to engage each other on how to improve Border Security through integrated risk management and information sharing to effectively support the various operational teams deployed in Ports of Entry and the border law enforcement area.

With regards to ICT progress, the BMA was unable to implement Wide Area Network (WAN) and Local Area Network (LAN) connectivity at 13 identified Ports of Entry. The reason for the underperformance relates to a shift in project scope to include requirements for biometric movement control systems, which extended beyond the initial plan that only focused on basic corporate networking (e.g., email and ERP via SAGE People 300). Nonetheless, the BMA achieved the following technological milestones:



Procurement of ICT Equipment:

- Acquired an additional 200 laptops to strengthen operational capacity at ports of entry.

Automation of Human Capital Systems:

- Enabled online functionalities for:
 - Leave applications
 - Claims submissions
 - Performance planning and review

Technology deployment for border law enforcement operations:

- Introduced body-worn cameras and drones to enhance operational efficiency and security at BMA sites.

2.2. Organisational environment

Through collaboration with key partners in risk management in the border law enforcement area, the NTC relies on the assistance provided by SAPS Crime Intelligence, SANDF Defence Intelligence, SARS Customs Risk and the SSA with information collection, information analysis and risk analysis to support the NTC's targeting function.

The lack of resources (Human, Financial and Technological) available to the National Targeting Centre limit the progress that can be achieved by the NTC in enabling targeted operational responses through information- and risk analysis for the illicit movement of people and goods across our borders in the air, land and sea modalities.

The Specialised Functions unit has managed to fill three key positions for Deputy Assistant Commissioners in Monitoring and Compliance and Environment, importantly an offer was made to a successful candidate for Immigration. As much as there are limited resources, the unit has divided its resources to address those areas that require assistance as and when the need arises. However, this practice places severe strain on the resources within most business units of the BMA as human capital is a common challenge. While the austerity measures enabled the diversion of resources to critical areas, optimal functioning of the various business units within the BMA is limited by lack of funding.

2.3. Key policy developments and legislative changes

There were no key policy developments and legislative changes in the environment that affected the operations of the Border Management Authority over the financial year.





2.4. Progress towards achievement of institutional Impacts and Outcomes

Outcomes	Five-year targets	End of term progress
1. Institutional excellence distinguished by good corporate governance and ethical leadership	Integrated good governance framework for the BMA established	The BMA is a labour-intensive organisation tasked with securing South Africa's borders and ensuring the legitimate movement of people and goods. Due to its extensive human resource deployment at ports of entry and border law enforcement areas, the BMA is inherently vulnerable to internal threats with the most prevalent being corruption. Recognising the critical impact of corruption on operational effectiveness; organisational culture; and public trust, the BMA capacitated the Integrity Management Unit with the appointment of an executive manager in the latter part of the 2024/25 financial year as part of its commitment to rooting out misconduct; fostering ethical conduct within the organisation; and enhancing public trust in its operations. The Unit has prioritised collaborations with relevant law enforcement entities to address integrity related matters within organisation, i.e., participation in the multi-departmental Border Management and Immigration Anti-
		Corruption Forum with the Special Investigating Unit (SIU). As with any organisation, the BMA is susceptible to various disasters such as natural events; health-related threats; ICT related threats; and infrastructure damages that can disrupt its operations. Such disruptions have the potential to compromise border security; delay trade facilitation; and hinder service delivery. To mitigate such risks, the Risk Management Unit prioritised the development and roll-out of Business Continuity Management Plans to 13 Ports of Entry during the 2024/25 financial year; and further updated the Disaster Management Plan to ensure the organisation is able to execute critical functions in the event of a disaster/s.





2. Secure borders that protect national interests and enhance national security	Intelligence and risk capability established and implemented.	The implementation of the Border Security Risk and Information Committee further contributes to the establishment of a risk and intelligence capability in the border environment through regular engagements between BMA NTC, SAPS Crime Intelligence, SANDF Defence Intelligence, State Security Agency and SARS Customs Risk Targeting Unit. The full establishment of the NTC will introduce technology to improve information and risk analysis capability supporting effective targeting of high risk persons, goods and conveyances in the border environment.
3. Enhanced trade and socio-economic development.	Land-sites made available to preferred bidders for the construction and redevelopment of six priority land ports of entry as secure trade and travel friendly one stop border posts (OSBP)	The project is still ongoing, with the selection of preferred bidders getting closer to completion.
4. Strengthened coordination and cooperation amongst stakeholders within the border law enforcement	11 agreements with stakeholders implemented	The BMA, through the NTC supported this outcome by establishing working relations with key stakeholders in the border environment and reaching agreements with to exchange information in support of integrated risk management in the border environment.



3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

3.1. Programme 1: Corporate Services



Deputy Commissioner: Corporate Services
Ms Jane Thupana



**Assistant Commissioner: Finance,
Facilities and SCM**
Ms Zamachonco Chonco



Assistant Commissioner: ICT
Mr Azwidohwi Managa



**Assistant Commissioner: Corporate
Affairs**
Mr Themba Dubazana



**Assistant Commissioner: Office of the
Commissioner**
Dr Nkhuliseni Luvhengo, PhD



Programme 1	Corporate Services
Programme Purpose	Provide strategic leadership, management and support services to the BMA. The Corporate Services programme covers all functions of the BMA that support its core business, such as policy development, integrity management, risk management, internal audit, governance, financial services, human resource (HR) management, training and development, labour relations and legal services. It is also responsible for the provision of information communication technology (ICT), facilities and infrastructure, communication and stakeholder management, as well as knowledge and information management.
Sub-Programme: Corporate Affairs	Institutional Outcome: Institutional excellence distinguished by good corporate governance and ethical leadership. The purpose of the sub-programme is to manage the corporate affair of the BMA through the following units: <i>Organisational Strategy and Planning:</i> Effectively and efficiently plan the operations of the BMA, monitor organisational performance and report thereon. <i>Human Capital Management:</i> Develop and manage the Human Capital Strategy and plan for the BMA, human resources management and labour relations <i>Training and Development:</i> Provide training and development services and manage the training institute. <i>Communication and Marketing:</i> Develop Marketing and Communication strategy and plan for the BMA.





Sub-Programme: Finance, Facilities and SCM	Institutional Outcome: Institutional excellence distinguished by good corporate governance and ethical leadership. The sub-programme ensures effective, efficient and economic utilisation of financial resources in line with financial prescripts through the development and effective implementation of financial system, policies, frameworks and procedures. This includes budget planning and expenditure monitoring, and management of procurement, acquisition, logistics, asset and financial transactions: <i>Finance:</i> The unit manages the finances of the BMA. <i>Facilities Management:</i> The unit manages all facilities, security and uniform activities of the BMA. <i>Supply Chain Management:</i> The sub-programme is responsible for managing the BMA's procurement system.
Sub-Programme: Office of the Commissioner	Institutional Outcome: Institutional excellence distinguished by good corporate governance and ethical leadership. <i>Legal and Compliance:</i> Develop legal and regulatory framework which includes litigation, drafting and contracting for the BMA. <i>Risk Management:</i> To identify, assess and mitigate potential risks that may impact the achievement of organisational objectives ensuring proactive planning and resilience in operations. <i>Integrity Management:</i> To promote ethical conduct, transparency and accountability within the organisation by implementing measures that prevent, detect and address misconduct and corruption.





Sub-Programme: Information and Communications Technology	Institutional Outcome: Institutional excellence distinguished by good corporate governance and ethical leadership. The purpose of the sub-program is to provide cutting-edge information and communication technologies to drive organizational innovation, operational efficiency, and institutional excellence. This sub-program aims to provide robust, scalable, and secure ICT infrastructure and services that support the BMA's strategic objectives, enhance competitive advantage, and enable digital transformation across all business functions. The ICT sub-programme comprises of the following units: <i>ICT Strategy and Governance:</i> is responsible for defining the strategic direction for ICT, establishing governance frameworks, and ensuring alignment with the organization's overall strategic objectives. This unit oversees the effective management of ICT resources, policies, and compliance with regulatory requirements. <i>Applications and Systems Management:</i> is responsible for the development, deployment, and maintenance of software applications and systems that drive the BMA's core business processes. This unit ensures that applications are aligned with business needs, are user-friendly, and deliver high performance and reliability. The unit is responsible for the project management of all ICT projects and bringing forth Business Intelligence and knowledge management of both tacit and explicit BMA knowledge. <i>ICT Infrastructure and Operations:</i> is responsible for designing, implementing, and managing a robust, reliable, and scalable IT infrastructure for the BMA. This unit ensures seamless and uninterrupted operation of the organization's technology systems, providing basic user support through ICT service charters, supporting business continuity and enabling operational efficiency.
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	<i>Administration:</i> To provide efficient and effective administrative and governance support services that ensure the smooth functioning of the organisation and governance committees. <i>Internal Audit:</i> To provide independent assurance with the aim of adding value and improve BMA's operations.
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Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

During the reporting period, the Office of the Commissioner was responsible for two targets aimed at instilling institutional excellence distinguished by good corporate governance and ethical leadership. In this regard, the two targets pertaining to disaster management planning and business continuity management were achieved. This achievement is critical in demonstrating the BMA's commitment to achieving institutional excellence by ensuring continued service delivery during periods of unexpected disruptions.

Further, the BMA prioritised the establishment of the Integrity Management Unit as a significant move towards fostering an ethical culture in the organisation. The Unit is in its infancy stages however, with the support of relevant law enforcement entities and stakeholders, various initiatives aimed at addressing personnel integrity matters have been initiated.

Lastly, the Office of the Commissioner provided valuable support to the Authority's governance committees, which play a critical role in ensuring the organisation operates within a sound corporate governance framework characterised by transparency, accountability and integrity, in line with their respective mandates.

With regards to ICT progress, the BMA was unable to implement Wide Area Network (WAN) and Local Area Network (LAN) connectivity at 13 identified Ports of Entry. The reason for the underperformance relates to a shift in project scope to include requirements for biometric movement control systems, which extended beyond the initial plan that only focused on basic corporate networking (e.g., email and ERP via SAGE People 300). Nonetheless, the BMA achieved the following technological milestones:

Procurement of ICT Equipment:

- Acquired an additional 200 laptops to strengthen operational capacity at ports of entry.

Automation of Human Capital Systems:

- Enabled online functionalities for:
 - Leave applications
 - Claims submissions
 - Performance planning and review

Technology Deployment at Operations:

- Introduced body-worn cameras and drones to enhance operational efficiency and security in the ports and border law enforcement areas.



Table 2.4.4.1:

Annual Performance Plan until date of re-tabling

Programme / Sub-programme: Corporate Services									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	*Actual Achievement 2024/2025 until date of re-tabling	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Institutional excellence distinguished by good corporate governance and ethical leadership	Standardised communications framework	1.1 BMA standardised communications framework implemented	New	New	1 BMA standardised communications framework implemented	The BMA Standardised Communications framework was developed and presented to the MANCO and EXCO of the BMA.	None	None	The phrasing of the annual target was revised to conform to the SMART principle of target development. The framework was to be implemented in line with its implementation plan, and this needed to be clarified.
	Disaster Management Plan	1.2 Updated Disaster Management Plan approved	New	Achieved Disaster management plan was approved	Updated Disaster Management Plan approved (and ready for implementation in case of a disaster)	The Disaster Management Plan was updated and presented to MANCO and EXCO for comments.	None	None	The target did not indicate the responsible official that must give final approval of the plan. This needed to be revised
	Roll-out of BMA Business Continuity Management Plan at PoE	1.3 Number of Ports of Entry with a rolled-out BMA Business Continuity Management plan	New	New	Roll-out of BMA Business Continuity Management Plan to Thirteen (13) Ports of Entry	Zero roll-out of Business Continuity Management Plans.	6	Delays in the appointment of a service provider.	No revision
Secure borders that secure national	Modernised ICT infrastructure and systems	1.4 Number of PoEs with newly installed	New	New	13 PoEs with newly installed and connected	Zero POEs with newly installed and connected	Service provider not procured	A revised TOR for the LAN and	No revision



interest and enhance national security	in all 71 PoE	and connected LAN and WAN			LAN and WAN	LAN and WAN. Assessment of POEs for LAN and WAN installation and connection conducted, but service provider not procured		WAN installation project needed to be revised and re-advertised, which led to delays in the appointment of a service provider.	
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*Actual achievement reported in relation to the performance information reflected in the originally tabled Annual Performance Plan until date of re-tabling.

Table 2.4.4.2:

Report against the re-tabled Annual Performance Plan

Programme / Sub-programme: Corporate Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	**Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Institutional excellence distinguished by good corporate governance and ethical leadership	Standardised communications framework	1.1 BMA standardised communications framework with implementation plan	New	New	BMA standardised communications framework with implementation plan implemented	Achieved BMA standardised communications framework with implementation plan implemented	None	None
	Disaster Management Plan	1.2. Updated Disaster Management Plan approved	New	Achieved Disaster management plan was approved	Updated Disaster Management Plan approved by Commissioner (and ready for implementation in case of a disaster)	Achieved Updated Disaster Management Plan approved by Commissioner (and ready for implementation in case of a disaster)	None	None
	Roll-out of BMA Business	1.3 Number of Ports of Entry with a	New	New	Roll-out of BMA Business	Achieved	None	None



	Continuity Management Plan at PoE	rolled-out BMA Business Continuity Management plan			Continuity Management Plan to Thirteen (13) Ports of Entry	13 BMA Business Continuity Management Plans rolled-out to 13 Ports of Entry		
Secure borders that protect national interest and enhance national security. Enhanced trade and socio-economic development	Modernised ICT infrastructure and systems in all 71 PoE	1.4 Number of Ports of Entry with newly installed and connected LAN and WAN	New	New	13 Ports of Entry with newly installed and connected LAN and WAN	Not Achieved Zero (0) Ports of Entry with newly installed and connected LAN and WAN	13	Received bids for the project were non-responsive, and the tender had to be re-advertised, thus causing delays.

**Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan.

Linking performance with budgets

In assessing the achievement of the outputs in comparison to the planned targets, the public entity must consider the linkages and the relation to the resources available to the public entity, in particular the financial resources. Therefore, the following financial information should be presented. The financial information must agree to the information in the annual financial statements.

Programme/activity/objective	2023/2024			2024/2025		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Employee related costs	96,379	107,227	(10,848)	121,287	128,501	(7,214)
Goods and services	18,872	16,476	2,396	10,394	15,918	(5,523)
Total	115,251	123,703	(8,452)	131,681	144,418	(12,738)

Strategy to overcome areas of under performance

Target	Performance	Strategy to overcome under-performance
13 Ports of Entry with newly installed and connected LAN and WAN	Not Achieved Zero (0) Ports of Entry with newly installed and connected LAN and WAN	Terms of Reference have been revised, and the procurement process will be expedited over the 2025/26 Financial Year.



3.2. Programme 2: BMA Operations



Deputy Commissioner: BMA Operations
Major General David Chilembe (rtd)



Assistant Commissioner: Specialised Services
Mr Murdok Ramathuba



Assistant Commissioner National Targeting Centre
Ms Lusane Fouche



Assistant Commissioner Operations and Law Enforcement
Mr Balene Mkhabela



Programme 2	BMA Operations
Programme Purpose	The purpose of the BMA Operations programme is to execute the core business functions of the BMA. The Operations programme covers all core business functions of the BMA such as Border Access control, Law Enforcement, Persons and Goods Movement, as well as National Targeting and Risk Management.
Sub-Programme: National Targeting Centre	Institutional Outcome: Secure borders that protect national interests and enhance national security. The sub-programme NTC executes the four core functions of risk management, business intelligence, exchange of information and targeting, focussing on people movement, regulated goods movement and cross-border smuggling. The sub-programme has the following units each responsible for the performing of all four core functions <i>Information and Risk Analysis: People Movement</i> <i>Information and Risk Analysis: Regulated Goods Movement</i> <i>Information and Risk Analysis: Cross Border Smuggling</i> Through these three units, the NTC, serves as the central risk management and intelligence hub for the border environment and assists in identifying and targeting high-risk persons, goods and conveyances passing through South Africa's borders.
Sub-Programme: Operations and Law Enforcement	Institutional Outcome: - Secure borders that protect national interests and enhance national security. - Strengthened coordination and cooperation amongst stakeholders within the border management environment. - Enhanced trade and socio-economic development The purpose & Objectives of the Operations & Law Enforcement sub-programme is: - Enforce the Immigration laws to facilitate and manage the legitimate movement of people in and out of the RSA - Enforce Health laws to facilitate and manage the legitimate movement of people and goods in and out of the RSA - Enforce Agriculture related laws to facilitate and manage the legitimate movement of goods in and out of the RSA - Enforce Environment related laws to facilitate and manage the legitimate movement of goods in and out of the RSA - Ensure that the borderline is guarded to deter and arrest people committing transnational crimes at vulnerable segments of the borderline





	Ensure that the border law enforcement area including the corridor is guarded to deter and arrest people committing various crimes The Law Enforcement activities spans across all the 9 provinces in the Points of Entry and is divided into four regions, which are: <i>Central Region:</i> Free State and Gauteng <i>Eastern Region:</i> Mpumalanga and KZN <i>Northern Region:</i> North West and Limpopo <i>Southern Regions:</i> Western Cape, Eastern Cape and Northern Cape The region's main purpose is to provide support and oversight in the Points of Entry and to ensure enhanced coordination, efficiency, and consistency in the execution of the BMA mandate
Sub-Programme: Specialised Functions	Institutional Outcome: • Secure borders that protect national interests and enhance national security. • Strengthened coordination and cooperation amongst stakeholders within the border management environment. • Enhanced trade and socio-economic development The purpose of the Specialised Functions sub-programme is: 1. To develop border law enforcement norms and standards. 2. To provide specialist technical expertise and advice relating to the application of people movement, international trade, customs and excise, goods movement, plant and animal products related obligations and agreements within the Border Law Enforcement Areas and Ports of Entry. 3. To monitor compliance to border law enforcement norms and standards. The sub-program has the following units: <i>Agricultural Specialised Functions:</i> The purpose of this function is to ensure compliance with agricultural legislations, risk management of agricultural products and ensure that animal quarantine and inspection services are conducted in line with local and international laws and standards. <i>Environment Specialised Functions:</i> To provide strategic direction and support for the implementation of Environmental legislation at Ports of entry and along the border law enforcement area. <i>Health Specialised Functions:</i> To protect public health by applying port health controls on conveyances, travellers and imported health-related products in accordance with relevant statutory provisions, rules and international health and trading standards.





	<i>Immigration Specialised Functions:</i> To exercise intelligence-led risk driven command and control Border Law Enforcement functions and frontline operations within a Port of Entry at a tactical level <i>Monitoring and Compliance unit:</i> To develop border law enforcement norms and standards. To also provide specialist technical expertise and advice relating to the application of human movement, international trade, customs and excise, goods movement, plant and animal products related obligations and agreements within the Border Law Enforcement Areas and Ports of Entry. Lastly to monitor compliance to border law enforcement norms and standards.
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Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

National Targeting Centre

Through agreements reached with 4 key stakeholders (CBRTA, SARS, SAPS, RTMC) to exchange information, the NTC can expand its current information pool, enabling better information sharing and risk analysis. This achievement has the potential to improve the analytical capacity of the NTC and enable the effective targeting of high-risk persons, goods and conveyances crossing our borders to enhance border security that protect national interests and enhance national security.

The implementation of the exchange of information function of the NTC provides a national contact point for stakeholders in border security to exchange information. This function does not only provide a tool to expand the NTC's information pool but also support integrated risk management and targeting in the border environment.



Specialised Functions

Establishment of Community Crossing Points

The process of engaging stakeholders and community leaders on the establishment of community crossing points (CCP) where communities residing along the borderlines are believed to have been divided by demarcation of borders between South Africa and neighbouring countries was initiated. South African borders that were demarcated, some villages were divided into two as is the case in the Northern villages of the Eastern Cape bordering Lesotho and in worse case scenarios, divided into three as is the case in the North Eastern Mpumalanga village of Mbuzini bordering with Mozambique and Eswatini. Some of these cross-border villages are subjects to one Chief in the South African side whereas some are intertwined with their neighbouring villages due to socio economic factors of interdependence to be defined as symbiotic relationships. South Africa therefore has an unknown number of people that are living along the borders co-existing with neighbouring countries with socio economic dependence on each other and affected by crimes in these cross-border communities and in some cases contributing to insecurity that is exacerbating the issue of porous borders. This is due to the absence of formal mechanisms and processes that would enable people to cross between these communities on either side of the border. The legacy of apartheid in South Africa and colonialism in the region has resulted in playing a significant role in creating generations of undocumented immigrants and desperation between communities that exist there, and have to visit their families on either side of the border on daily basis. The Border Management Authority is required, as part of its obligations, to secure the countries borderline. The sub unit Specialised Functions under the branch Operations was tasked to conduct site visits and engagements with community leaders such as local authorities, traditional councils (Chiefs/Indunas) at various identified villages along the SA borderline with Eswatini, Mozambique and Lesotho. Site inspections and community engagements were conducted at Mbuzini village neighbouring Eswatini and Mozambique in the Mpumalanga Province, Manguzi village neighbouring Mozambique in KwaZulu-Natal and Dillidilli/Zinxcondo villages bordering with Lesotho in the Eastern Cape Province for the purpose of understanding the need to formalise crossing points in those areas. After completion of the various stages, a submission was submitted for approval for ministers approval as per the target that was set.

Health Specialized Functions

Twenty-five (25) Ports of Entry (PoE) were assessed for compliance with the International Health Regulations (IHR) 2005 and all the assessed PoE were found to be compliant with IHR, 2005 requirements. Compliance of PoE with the IHR, 2005 ensures that services rendered at the South African PoE are rendered in line with IHR, 2005 requirements and also ensures that the PoE have necessary capacities in place to be able to early detect and response to public health event. Furthermore, Health Specialized Functions is responsible for monitoring of imported health-related products, conveyances and travellers to ensure compliance with the applicable health legislation. This has been achieved through monitoring of 263 309 imported health-related products which were detained for Port Health during the 2024/25 financial year. This achievement in line with the BMA mandate of facilitating and managing the legitimate movement of goods within the border law enforcement area and at ports of entry.

BMA successfully participated in the Joint External Evaluation (JEE) by the World Health Organization (WHO) in September 2024 on Ports of Entry. The country was assessed on core capacity requirements at all times for PoE (airports, ports and ground crossings), public health response at PoE and risk-based approach to international travel-related measures.





Specialized functions have finalized the BMA SOP with the aim of providing a uniform and standardized approach of rendering services at the PoE by BMA officials. Officials were further trained to ensure that they are capacitated on the implementation of the SOP.

The BMA was supported by NDoH through the appointment of 15 Environmental Health Practitioners on a 12-months contract and 20 Community Service Environmental Health Practitioners were appointed through the Global Fund initiative to strength human resource capacity in ports of entry during the transition period. The Department further trained BMA Health Specialized Functions Officials on all hazard approach to capacitate the officials on incorporating all hazards when responding to public health events. NDoH further facilitated the training of Officials by the Department of Forestry, Fisheries and the Environment (DFFE) on the use of handheld XRF analysers to enable effective enforcement of lead paint regulation at ports of entry. In addition the BMA Specialized Functions facilitated the appointed 20 Community Service Environmental Health Practitioners in support of youth employment.

Environment Specialised Function

Continuous engagements with DFFE on matters relating to Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), Alien and Invasive Species (AIS) and Transfrontier Conservation Areas (TFCA). To enable effective implementation of the 2022 signed protocols. Facilitates continuous stakeholder engagement with internal and external clients of the BMA. Facilitated training of officials on species identification and standard operating procedures. 100% of booked CITES consignments inspected for compliance at designated Ports of Entry

Agriculture Specialised Function

100% of imported controlled live animals processed for quarantine within the border law enforcement area and 100 % of regulated agricultural goods processed for importation and exportation at designated Ports of Entry and the Border Law Enforcement Area.



Table 2.4.4.3:*Annual Performance Plan until date of re-tabling*

Programme / Sub-programme: BMA Operations									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	*Actual Achievement 2024/2025 until date of re-tabling	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Secure borders that protect national interests and enhance national security	National Targeting Centre (NTC) operational with increased analytical capacity	2.1 Number of agreements signed with relevant institutions granting the BMA access to identified information/ data sources to increase the NTC's analytical capacity	New	New	4 signed agreements with relevant institutions granting the BMA access to identified information/ data sources to increase the NTC's analytical capacity.	2 signed agreements with relevant institutions granting the BMA access to identified information/ data sources to increase the NTC's analytical capacity	None	None	No revisions
	National Targeting Centre (NTC) operational with increased analytical capacity	2.2 Percentage implementation of the exchange of information function as per SOP	New	New	100% of all requests for the exchange of information received executed as per relevant SOPs	No target for Q1 and Q2	None	None	No revisions
	BMA rolled out at selected designated segments of the land border law enforcement area and Community Crossing Points (CCPs)	2.3 Number of additional CCPs recommended to the Minister of Home Affairs for the roll out of the BMA	New	Not Achieved 0 (Zero) additional CCP with BMA rolled out	One (1) additional CCP recommended to the Minister of Home Affairs for the roll-out of the BMA	An assessment of the identified CCPs was conducted in consultation with relevant stakeholders.	None	None	The indicator and annual target were not revised, only Q4 target was rephrased to align the output to the Annual Target.
	Strengthening of border security to	2.4 Number of Joint	New	New	40 Joint Law Enforcement	Zero (0) Joint Law Enforcement	20	20 Joint Law Enforcement	The indicator and



prevent illegal cross border movement of people, undocumented persons, illicit goods, as well as cross-border criminality on our international borderline on land, in the air, and the sea	Law Enforcement operations conducted within the Border Law Enforcement area (ports of entry and border/coastal line) in line with implementation protocols, including planned operations with neighbouring countries to ensure compliance with SA border law enforcement and related legislation.			operations per year conducted within the Border Law Enforcement area (ports of entry and border/coastal line) in line with implementation protocols, including planned operations with neighbouring countries to ensure compliance with SA border law enforcement and related legislation .	nt operations achieved within the Border Law Enforcement area.		ent operations had been conducted as at the end of Q2, however, submitted MOVs did not meet all the requirements stated on the TID, rendering them invalid.	annual target were not revised, however, the output indicator was too long and the required MOV on the TID was not aligned to the BMA act. This needed to be corrected.
Effective law enforcement at Ports of Entry and within the border law enforcement area to impede and respond to illicit cross-border traffic and to ensure complete operational control of border law enforcement	2.5 Percentage of illegal persons detected at Ports of Entry and within the border law enforcement area that are refused entry and are deported per year	New	Achieved 100% (7 773) detected Illegitimate persons at PoE were processed for deportation	100% of illegal persons detected at Ports of Entry and within the border law enforcement area, refused entry and deported per year	100% (16 830) of illegal persons detected at Ports of Entry and within the border law enforcement area, refused entry and deported	None	None	The indicator and annual target were not revised, however, the TID need to be revised to separate the required MOV from Source of data.
Efficient facilitation of the movement of legal persons at ports	2.6 Percentage of legal travellers at Ports of Entry processed within 5 minutes	New	New	100% of legal travellers at Ports of Entry processed within 5 minutes through the	Zero (0)	100%	Instability of the Movement Control System, as well as system downtime leading to	No revisions





	of entry	through the movement control system			movement control system			manual processing which hinders processing time measurement.	
	PoE rendering port health services compliant with International Health Regulations (2005)	2.7 Number of PoEs rendering port health services compliant with International Health Regulations (2005)	New	Achieved 30	20 PoEs rendering port health compliant with International Health Regulations (2005)	15 PoEs rendering port health compliant with International Health Regulations (2005)	5	The Department of Health target more ports of entry than the number that was target by the BMA.	The indicator and annual target were not revised, only the TID was revised to include the requirement of a Dept. of Health audit report as part of the MOV to ensure compliance.
	Legal importation of health-related consignments into the country	2.8 100% of imported health-related consignments monitored for compliance at PoE	New	New	100% of imported health-related consignments monitored for compliance at PoE	100% (122 721) of imported health-related consignments monitored for compliance at PoE	None	None	The indicator and annual target were not revised, however, the TID need to be revised to separate the required MOV from Source of data.
Enhanced trade and socio-economic development	Legal importation and exportation of Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) regulated	2.9 Percentage of booked CITES consignments inspected for compliance at designated Ports of Entry	New	Achieved 100% (5 561) of prebooked CITES consignments that go through the PoE, endorsed	100% of booked CITES consignments inspected for compliance at designated Ports of Entry	100% (3 523) of booked CITES consignments inspected for compliance at designated Ports of Entry	None	None	The indicator and annual target were not revised, however, the TID need to be revised to separate the





	through designated PoEs								required MOV from Source of data.
	Legal importation of specialised goods into the country	2.10 Percentage of imported controlled live animals processed for quarantine within the border law enforcement area	New	New	100% of imported controlled live animals processed for quarantine within the border law enforcement area	100% (248) of imported controlled live animals processed for quarantine within the border law enforcement area	None	None	The indicator and annual target were not revised, however, the TID need to be revised to separate the required MOV from Source of data.
	Legal importation and exportation of regulated agricultural goods	2.11 Percentage of regulated agricultural goods processed for importation and exportation at designated Ports of Entry and the Border Law Enforcement Area	New	New	100 % of regulated agricultural goods processed for importation and exportation at designated Ports of Entry and the Border Law Enforcement Area	100% (67 798) of regulated agricultural goods processed for importation and exportation at designated Ports of Entry and the Border Law Enforcement Area	None	None	The indicator and annual target were not revised, however, the TID need to be revised to separate the required MOV from Source of data.
	Six priority land Ports of Entry redeveloped as part of a public-private partnership (PPP)	2.12 Status of redevelopment of the six (6) land Ports of Entry	New	Not Achieved No bid adjudication was done or concluded	Bid adjudication for selection of the preferred bidders concluded	No target for Q1 and Q2	None	None	No revisions

*Actual achievement reported in relation to the performance information reflected in the originally tabled Annual Performance Plan until date of re-tabling.





Table 2.4.4.4:

Report against the re-tabled Annual Performance Plan

Programme / Sub-programme: BMA Operations								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	**Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Secure borders that protect national interests and enhance national security	National Targeting Centre (NTC) operational with increased analytical capacity	2.1 Number of agreements signed with relevant institutions granting the BMA access to identified information/data sources to increase the NTC's analytical capacity	New	New	4 signed agreements with relevant institutions granting the BMA access to identified information/data sources to increase the NTC's analytical capacity.	Achieved 4 agreements signed with: 1. C-BRTA 2. RTMC 3. SARS 4. SAPS granting the BMA access to identified information/data sources to increase the NTC's analytical capacity.	None	None
	National Targeting Centre (NTC) operational with increased analytical capacity	2.2 Percentage implementation of the exchange of information function as per Standard Operating Procedure (SOP).	New	New	100% of all requests for the exchange of information received executed as per relevant SOPs	Achieved 100% (24) of the requests for the exchange of information received were executed as per relevant SOPs	None	None
	BMA rolled out at selected designated segments of the land border law enforcement area and Community Crossing Points (CCPs)	2.3 Number of additional CCPs recommended to the Minister of Home Affairs for the roll out of the BMA	New	Not Achieved 0 (Zero) additional CCP with BMA rolled out	One (1) additional CCP recommended to the Minister of Home Affairs for the roll-out of the BMA	Over Achieved Three (3) CCPs were recommended to the Minister of Home Affairs for the roll-out of the BMA.	2	Assessment revealed that there are more vulnerable segments that require the establishment of CCPs and the roll-out of the BMA.
	Strengthening of border security to prevent illegal cross border movement	2.4 Number of Joint Law Enforcement operations conducted within the Border Law Enforcement area.	New	New	40 Joint Law Enforcement operations per year conducted within the Border Law Enforcement area.	Over Achieved 70 Joint Law Enforcement operations conducted within the Border Law	30	Increase in suspected criminal activity, smuggling and other border security issues necessitate





	of people and good.					Enforcement area.		d more frequent operations.
	Effective law enforcement at Ports of Entry and within the border law enforcement area to impede and respond to illicit cross-border traffic and to ensure complete operational control of border law enforcement	2.5 Percentage of illegal foreigners detected at Ports of Entry and within the border law enforcement area that are refused entry and area deported per year.	New	Achieved 100% (7 773) detected Illegitimate persons at PoE were processed for deportation	100% of Illegal foreigners detected at Ports of Entry and within the border law enforcement area, refused entry and deported per year.	Achieved 100% (24 299) of the illegal persons that were detected at Ports of Entry and within the border law enforcement area were refused entry and deported	None	None
	Efficient facilitation of the movement of legitimate persons at ports of entry	2.6 Percentage of legitimate travellers at Ports of Entry processed within 5 minutes through the movement control system	New	New	100% of legitimate travellers at Ports of Entry processed within 5 minutes through the movement control system	Not Achieved Zero (0)	100%	Instability of the Movement Control System, as well as system downtime leading to manual processing which hinders processing time measurement.
	PoE rendering port health services compliant with International Health Regulations (2005)	2.7 Number of PoEs rendering port health services compliant with International Health Regulations (2005)	New	Achieved 30	20 PoEs rendering port health compliant with International Health Regulations (2005)	Over Achieved 24 PoEs rendering port health compliant with International Health Regulations (2005).	4	The Department of Health targeted more ports of entry than the number that was target by the BMA.
	Legitimate importation of health-related consignments into the country	2.8 Percentage of imported health-related consignments monitored for compliance at PoE	New	New	100% of imported health-related consignments monitored for compliance at PoE	Achieved 100% (241 753) of imported health-related consignments monitored for compliance at PoE.	None	None





Enhanced trade and socio-economic development	Legitimate importation and exportation of Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) regulated through designated Ports of Entry	2.9 Percentage of booked CITES consignments inspected for compliance at designated Ports of Entry	New	Achieved 100% (5 561) of prebooked CITES consignments that go through the PoE, endorsed	100% of booked CITES consignments inspected for compliance at designated Ports of Entry	Achieved 100% (7 046) of booked CITES consignments inspected for compliance at designated Ports of Entry.	None	None
	Legitimate importation of specialised goods into the country	2.10 Percentage of imported controlled live animals processed for quarantine within the border law enforcement area	New	New	100% of imported controlled live animals processed for quarantine within the border law enforcement area	Achieved 100% (501) of imported controlled live animals processed for quarantine within the border law enforcement area.	None	None
	Legitimate importation and exportation of regulated agricultural goods	2.11 Percentage of regulated agricultural goods processed for importation and exportation at designated Ports of Entry and the Border Law Enforcement Area	New	New	100 % of regulated agricultural goods processed for importation and exportation at designated Ports of Entry and the Border Law Enforcement Area	Achieved 100% (158 327) of regulated agricultural goods processed for importation and exportation at designated Ports of Entry and the Border Law Enforcement Area	None	None
	Six priority land Ports of Entry redeveloped as part of a public-private partnership (PPP)	2.12 Status of the planning process for the redevelopment of the six (6) land Ports of Entry	New	Not Achieved No bid adjudication was done or concluded	Bid adjudication for selection of the preferred bidders concluded	Not Achieved Bid adjudication not concluded	Bid adjudication not concluded	The evaluation and adjudication of received bids could not be finalised due to capacity challenges.

**Actual achievement reported in relation to the performance information reflected in the re-tabled Annual Performance Plan.





Linking performance with budgets

In assessing the achievement of the outputs in comparison to the planned targets, the public entity must consider the linkages and the relation to the resources available to the public entity, in particular the financial resources. Therefore, the following financial information should be presented. The financial information must agree to the information in the annual financial statements.

	2023/2024			2024/2025		
Programme/activity/objective	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Employee related costs	867,410	965,042	(97,632)	1,091,579	1,156,507	(64,929)
Goods and services	358,564	313,041	45,523	197,493	302,433	(104,941)
Total	1,225,974	1,278,083	(52,109)	1,289,071	1,458,941	(169,870)

Strategy to overcome areas of under performance

Target	Performance	Strategy to overcome under-performance
100% of legitimate travellers at Ports of Entry processed within 5 minutes through the movement control system.	Not Achieved Accurate statistics were not available at the time of reporting.	The BMA will revert back to the use of the EMCS, which is a more stable and enhanced movement control system.
Bid adjudication for selection of the preferred bidders concluded.	Not Achieved Bid adjudication processes are still ongoing.	Finalise the evaluation and adjudication in Q1 of the 2025/26 financial year.





4. REVENUE COLLECTION

	2023/2024			2024/2025		
Sources of revenue	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
Service revenue	-	53 073	(53 073)	-	49 782	(49 782)
Unconditional grant	-	150 000	(150 000)	-	-	-
Government grant	1 341 225	1 341 225	-	1 407 692	1 407 692	-
Penalties and Fines	-	37 575	(37 575)	-	40 485	(40 485)
Total	1 341 225	1 581 873	(240 648)	1 407 692	1 497 959	(90 267)

5. CAPITAL INVESTMENT

BMA did not have any Capital Investment for the period under review.





PART C

GOVERNANCE

AUDIT AND RISK COMMITTEE



ARC Committee Chairperson
Mr Luyanda Manguku



ARC Committee Member
Mr Ameen Amod



ARC Committee Member
Mr Protas Phili



ARC Committee Member
Mr Suren Maharaj

HUMAN CAPITAL AND REMUNERATION COMMITTEE



HCREMC Committee Chairperson
Ms Nalini Maharaj



HCREMC Committee Member
Dr Jonty Tshipa



HCREMC Committee Member
Mr Sindile Faku





1. INTRODUCTION

Corporate governance embodies processes and systems by which public entities are directed, controlled and held to account. In addition to legislative requirements based on a public entity's enabling legislation, and the Companies Act, corporate governance with regard to public entities is applied through the precepts of the Public Finance Management Act (PFMA) and run in tandem with the principles contained in the King's Report on Corporate Governance.

Parliament, the Executive Authority and the Accounting Authority of the public entity are responsible for corporate governance.

2. PORTFOLIO COMMITTEES (if applicable)

Committee Meeting	Subject	Date
Portfolio Committee on Home Affairs	Briefing by the Department of Home Affairs (DHA), the Border Management Authority (BMA), the Independent Electoral Commission (IEC) and the Government Printing Works (GPW) on the Annual Performance Plans and budgets for the 2024 – 2025 financial year.	9 July 2024
Portfolio Committee on Home Affairs	Oversight Visit to Gauteng: Briefing on the updated situation and current plans of the BMA for the coming year; and engagement between the National Treasury (NT), the BMA and the Committee on funding challenges.	8 October 2024
Portfolio Committee on Home Affairs	Briefing by the Minister of Home Affairs and the Border Management Authority (BMA) on their plan for readiness for the festive season and the operational challenges at the Lebombo Port of Entry considering political instability in Mozambique.	26 November 2024
Portfolio Committee on Home Affairs	Briefing by the Border Management Authority (BMA) on the report on the festive season (December 2024 and January 2025) operations.	11 March 2025



Portfolio Committee on Home Affairs	Follow-up response in respect of the 2024/25 Festive Season operations report	18 March 2025
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3. RISK MANAGEMENT

The BMA has a risk management policy which indicates its commitment to a process of Risk Management that is aligned to the principles of good corporate governance as required by the Public Finance Management Act (PFMA), Act 1 of 1999 as amended. Furthermore, the BMA Enterprise Risk Management Strategy outlines the activities of the Risk Management to successfully implement the process of risk management across the organisation. This strategy supports the enterprise risk management policy statement of the organisation, and implementation of risk management structure in a coherent and systematic manner to ensure that:

- risk management is part of the planning and performance management processes;
- enables the organisation to deliver on its goals, objectives and targets;
- improves the quality of decisions and ensure compliance with applicable laws and regulations; and
- outlines and clearly defines the roles and responsibilities of management and staff in embedding risk management within the organisation.

The BMA conducts risk assessments by identifying risks emanating from the strategic choices made by the organisation specifically with regard to whether such choices weaken or strengthen the authority's ability to execute its mandate as well as identifying risks concerned with the organisation's operations. Strategic risks are formally reviewed concurrently with changes in the strategy to consider new and emerging risks.

The Commissioner has appointed the Audit and Risk Committee (ARC) chaired by an external independent chairperson. The ARC advises the BMA on risk management progress and maturity of the organisation, the effectiveness of risk management activities, the key risks facing the organisation, and the responses to address these key risks and the responsibility of management to reduce the risk exposure to acceptable levels.

BMA has made significant progress in managing their risk environment. However, there is room for improvement to ensure that the performance of the organisation is linked to how risks are managed by the BMA. The enhancements will include ensuring that performance agreements of executive managers incorporate risk management. This will ensure that risk management is embedded in performance as well as monitored on a regular basis.

4. INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of Internal Audit:

- The BMA Internal Audit Function is governed by the Public Finance Management Act (PFMA), Act No. 1 of 1999 as amended and its Treasury Regulations, as amended. The purposes of the Internal Audit Function is to provide independent, objective assurance and consulting services, within BMA, designed to add value and improve the organisation's operations. It helps the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.





- The work including activities and objectives of the Unit are explicitly detailed in its Charter; approved by the Audit and Risk Committee. In summary according to the Charter; the activities of the Internal Audit function include:
 - Consideration of the Organisations strategic risks, objectives and status of the control environment, with an objective of preparing a rolling three-year internal audit plan and flexible annual operational internal audit plan;
 - Implementation of the flexible annual operational internal audit plan, as approved by the Audit and Risk Committee, including, any special tasks or projects requested by management and/or the Oversight Committees;
 - Performing advisory/consulting services, beyond internal auditing's assurance services, to assist management in meeting organisation's objectives.

The following audits were conducted in the 24/25 financial year:

- Operational audits: Border Guard Deployment; and Port of Entry Compliance
- Information Technology Audits: SAGE 300 Applications Controls Audit
- Planning Governance, Compliance, Monitoring and Evaluation Audits: audits: Review of Performance Information; Corporate Governance and Compliance Audit.
- Finance and SCM Related audits: Revenue Management, Uniform Management; Procurement of Goods and Services; Asset Management, Interim and Annual Financial Statements Review.
- Human Resources Management and Development: Employee benefits; Leave Management; Recruitment Management.

Key activities and objectives of the Audit and Risk Committee:

Committee members met 10 times in the 24/25 financial year, of which 06 of the meetings were in accordance with the approved schedule of meetings and the remainder special. The meetings of the Audit and Risk Committee are attended by the Commissioner, the Deputy Commissioners, all Assistant Commissioners, Chief Risk Officer, Chief Audit Executive, external auditors and other relevant members of the management team as invited by the Commissioner. Below is a summary of members attendance of the Audit and Risk Committee meetings:



The table below discloses relevant information on the Audit and Risk Committee members:

ARC Member	Qualifications	Internal or external	Date appointed	No. of Meetings attended
Mr LM Mangquku - CA(SA) (Chairperson)	Bachelor of Accounting Sciences (Hon), Bachelor in Commerce (Hon) (Accounting), Master of Business Leadership, Advanced Company Law I&II; and Chartered Accountant (South Africa) - 2004	External	2023/01/23	10
Mr A Amod	BCom, MBA, Chartered Director, Certified Internal Auditor (CIA)-2012, Certified Risk Management Assurer (CRMA), and Auditing Professional Auditor (CGAP)	External	2023/01/23	10
Mr S Maharaj CA(SA)	Honours Bachelor of Accounting Science, Chartered Governance Finance Officer, and Chartered Accountant (South Africa) – 1998.	External	2023/01/23	10
Mr PT Phili CA(SA)	Bachelor of Commerce, Postgraduate Diploma in Accountancy, Master of Commerce and Chartered Accountant (South Africa) 2006	External	2023/01/23	10



5. AUDIT COMMITTEE REPORT

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

Audit Committee Responsibility

The Audit and Risk Committee reports that it has complied with its responsibilities arising from Section 51(1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit and Risk Committee also reports that it has adopted appropriate formal terms of reference as its Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the public entity revealed certain weaknesses, which were then raised with the public entity.

The following is some of the work completed by Internal Audit during the year under review:

- Port of Entry Compliance
- Revenue Management
- Procurement of Goods and Services
- Compliance with Prescripts and Policies
- Leave Management
- Border Guard Deployment
- Recruitment Management
- Follow up on Previous Findings

The following are some of the key findings raised by Internal Audit:

- Lack of documented policy and standard operating procedures for revenue management within BMA;
- Signed fines registers / certificate for completion not provided for audit purposes;
- Incomplete fines register;
- Long-outstanding debtors not followed up timeously;
- Assets could not be verified;
- Lack of border guard visibility at the vulnerable segment of the borderline (Inner and Outer perimeter areas);
- Lack of adequate deployment and monitoring systems;
- Lack of approved policies and procedure manuals relating to the border guard's deployment;
- High number of unfilled vacancies per the approved organogram;
- Leave taken without approval; and
- Employees approving their own leave.





During the year under review, the Audit and Risk Committee facilitated a session for management to develop an audit action plan to address external audit findings. Internal Audit findings were also tracked during the year and reported quarterly to the Audit and Risk Committee. Some gaps were identified as not all findings were resolved, rendering the public entity's action plan partially effective.

The resourcing of Internal Audit remains a major challenge due to overall funding constraints experienced by the public entity, operating with limited resources as the approved structure has not been fully implemented. As a result, the Internal audit function at the public entity is currently co-sourced, augmented by a pool of service providers who assist in the executing of the audit plan.

Due to management not implementing all key recommendations of internal audit, this somehow undermined the effectiveness of internal audit during the year.

The Audit and Risk commends Internal audit for conducting its work with diligence, professionalism, integrity and independence during the year under review.

In-Year Management and Monthly/ Quarterly Reports

The public entity submitted monthly and quarterly reports to the Executive Authority.

Evaluation of Financial Statements

We reviewed the annual financial statements prepared by the public entity.

Auditor's Report

We have reviewed the public entity's implementation plan for audit issues raised in the prior year and we are satisfied that matters have been adequately resolved except for the following which were in progress:

- Transfer of functions, specifically leave and assets; and
- Accruals.

The Audit and Risk Committee concurs and accepts the conclusions of the external auditor on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the auditor.

Mr. LM Mangquku CA(SA)
Chairperson of the Audit & Risk Committee
Border Management Authority
31 July, 2025





6. COMPLIANCE WITH LAWS AND REGULATIONS

In terms of section 51(1)(h) of the PFMA an Accounting Authority must comply and ensure compliance by the public entity with the Act and any other legislation applicable to the public entity. The Border Management Authority has developed a compliance universe which lists and details all key legislation that are relevant to the functions and performance of the entity and monitors compliance with the relevant legislation on quarterly basis through a compliance checklist.

7. FRAUD AND CORRUPTION

The BMA has an approved Fraud Prevention Policy and Fraud Prevention Plan providing guidelines in detecting, preventing and reporting unethical behaviour, fraudulent and corrupt activities within the BMA and across the 72 Ports of Entry. The aim of the policy and plan is to create a culture where all officials and stakeholders continuously behave ethically in their dealings with or on behalf of the Authority. The BMA continues to encourage officials and stakeholders to report fraud, corruption and any form of malfeasance using Tollfree number 0801 229 019 to ensure confidentiality. During 2024/2025 financial year, the BMA commenced with the process of capacitating the Integrity Management Unit which will be responsible for coordinating all initiatives that are aimed at prevention, detection, and investigation of unethical conduct, fraud, corruption and other criminal conduct committed against the BMA. In addition, the BMA continued to use services of the Department of Home Affairs Counter Corruption Unit to assist with investigations of reported fraud and corruption cases. All cases reported were investigated as outlined in the Fraud Prevention Policy. Disclosure of financial interests were conducted by Senior Managers of the BMA as required by the Public Service Regulations of 2016

8. MINIMISING CONFLICT OF INTEREST

The implementation of the Public Administration Management Act (PAMA), Public Service Act (PSA) and Public Service Regulations (PSR), and Public Finance Management Act (PFM) are implemented in the Entity. With PAMA stipulating that public servants are prohibited to conduct business with any Organ of State, awareness on ethics, fraud and corruption are conducted in the Entity to express issues of conflict of interest.

During the procurement processes, service providers were requested to complete the disclosure forms (SBD 4) and all procurement officials were requested to sign declaration of interest. In addition, the entity relies on the Central Supplier Database (CSD) to verify if Directors are Public Servants.

Cases of employees or service providers identified with conflicted interest will be reported for investigation and corrective actions will be applied. If the entity received reports of people that have been identified to have been conducting business with state organs will be investigated for corrective actions to be implemented.

- Declaration of interest form signed for every procurement process
- During Bid Committee seating, chairperson always asked members to declare any interest
- Verification through CSD
- SBD 4 disclosure





9. CODE OF CONDUCT

Ethics management provides for measures that should be put in place to manage any integrity breaches and unethical conduct that may arise in the operations of the BMA. These ethical and integrity breaches if not detected, prevented and investigated may result to misconduct, corruption and criminal conduct. During 2024/2025 financial year allegations of unethical behaviour emanating from breach of policies were resolved through the institution of internal disciplinary action where evidence exists that acts of misconduct were committed, criminal action where evidence of criminal conduct exists, and review of internal controls to reassess adequacy and effectiveness of internal controls with a view to improve them.

10. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

10.1. The Border Management Authority has been established as Schedule 3A Public Entity from the 1st of April 2023. This follows the President's assent of the BMA Act, 2020 in July 2020.

10.2. Subsequent to the above endorsement, the Authority became responsible for the execution of frontline border law enforcement functions related to, inter alia, port health; immigration control; access control; biosecurity; food safety and phytosanitary control; land border infrastructure development and maintenance; and the border information and risk management. All the above-mentioned functions were previously under the mandate of the four transferring departments namely: Department of Health; Department of Agriculture, Land Reform and Rural Development; Department of Home Affairs and Department of Forestry Fisheries and Environment.

10.2.1. The transferring departments transferred the functions together with the office accommodations which were currently in use and are still utilized by these BMA functions. The transferred facilities were not OHS compliant and are still at this noncompliant state.

10.2.2. The Border Management Authority since its inception had began the process of coordinating all these functions to be accommodated under one office accommodation. The process of securing the OHS compliant buildings with favourable working environment is at the advance stage of signing the leases with relevant stakeholders to promote good governance.

10.3. The Department of Public Works and Infrastructure (DPWI) is still the custodian of all BMA land ports of entry. At these various POEs DPWI appointed the contractors for a period of 36 months to conduct all the maintenance, repairs and cleaning services at the land ports. BMA has noted the following OHS noncompliant challenges:

- Standby generators not serviced resulting to negative functioning thereby negatively affecting the entity's service delivery.
- Cleaners not paid on time and embark on strike not to work resulting to the land port not hygienic or not offering a favourable work environment the BMA workforce thereby affecting the entity negatively.
- Poor maintenance of border line fence, and gates by DPWI contractors placing the entity at risk position of allowing unwelcomed immigrants with substances or environmental risk items.
- Poor maintenance of land border posts infrastructure facilities by DPWI resulting to building accommodation not compliant with OHS provisions and affect the entity negatively in terms of service delivery and exposes health hazards.
- To mitigate this risk is for BMA to be well capacitated and take custodianship of the land border posts in order to carry the full accountability responsibility.





Plan for the new financial year 2025/26

- BMA to develop and approve the Occupational Health and Safety (OHS) policy during first quarter (April – June 2025)
- Appoint Occupational Health and Safety Representatives to all PoE.
- BMA to establish the OHS committee represented by all four regions.
- BMA to train all appoint OHS representatives.
- To enforce OHS policy and conduct office space inspections.

11. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion <i>(include a discussion on your response and indicate what measures have been taken to comply)</i>
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	N/A
Developing and implementing a preferential procurement policy?	Yes	BMA have an approved Preferential procurement policy in line with PPPFA & PFMA which guides on implementation of preferential procurement specific goals
Determining qualification criteria for the sale of state-owned enterprises?	No	N/A
Developing criteria for entering into partnerships with the private sector?	No	In future BMA may consider PPP
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	N/A





PART D

HUMAN RESOURCES MANAGEMENT



1. INTRODUCTION

During the year under review, the Human Capital Management (HCM) Unit achieved significant progress against its strategic objectives. The unit evolved and adapted its service offerings and structure to meet ongoing business demands. The following is a summary of the most notable achievements.

1.1 OVERVIEW OF HR MATTERS AT THE PUBLIC ENTITY

- During the 1st Quarter of 2024/25 the BMA approved organizational structure had still not been fully implemented owing to the pending approval of the salary grading and remuneration framework and subsequent placement of staff on the new structure.
- The staff compliment of BMA stood at 2 138 as at end of March 2024 and increased to staff compliment of 2 598 at the end of March 2025. This is mainly due to the appointment of the new officials at various levels of the organisation in critical positions in both Corporate Services and Operation branches. Out of the total BMA staff compliment of 2, 598, 73 officials (3%) are part of the Corporate Service and Office of the Commissioner, providing support to the 2 525 Operation staff (97%). This Staff compliment as at the end of the 2024/25 financial year includes 2 573 permanent officials, 3 presidential appointments (BMA Commissioner and 2 Deputy Commissioners) on contract basis, one (1) PPP Project Manager, five (5) interns and 18 Community Service Health Practitioners on one-year contract.

1.2 SET HR PRIORITIES FOR THE YEAR UNDER REVIEW AND THE IMPACT OF THESE PRIORITIES

Employees with Disabilities

The organisation has ten (10) employees with disability, constituting 0.38% of the total staff compliment.

Talent Acquisition

A total of 476 internal and external appointments were effected over the financial year under review, while 18 Community Service Health Practitioners and two interns were appointed as well. The 476 internal and external appointments include 395 Junior Border Guards that were permanently absorbed and placed at various Ports of Entry across the country.





1.3 WORKFORCE PLANNING FRAMEWORK AND KEY STRATEGIES TO ATTRACT AND RECRUIT A SKILLED AND CAPABLE WORKFORCE

Key to the HCM Unit is sound employee relations with ongoing development and effectiveness strategies being implemented. This is supported by ongoing change management, which in turn supports the organisational business strategy and the transformation trajectory. The above is bolstered by an entrenched online Performance Management System ensuring alignment between individual and organisational performance goals and objectives. The overarching objective remains building capability for an effective management core and retaining people with scarce and critical skills.

1.4 EMPLOYEE PERFORMANCE MANAGEMENT FRAMEWORK

The BMA considers performance management a primary tool used to drive organisational performance through the alignment of individual objectives and organisational objectives and targets. The BMA has committed itself to a comprehensive and well-implemented Performance Management System, which ensures that everyone in the organisation works towards the attainment of the BMA's strategic objectives, as defined in the Strategic Plan and APP. The employees Performance Contracting process commenced immediately soon after the system was automated through the Employee Self Service (ESS) in April 2024 to ensure performance tracking and achievement of the APP and AOP targets. A total number of 2 521 which represents 98% of officials did complete their Performance Contracts online. 1 748 Mid-Term reviews submitted and 773 Mid -Term reviews not yet concluded. The latter includes mainly officials affected by inadequate ICT tools of trade, as well as those in service centres with poor network. The performance reviews were subsequently completed, which included the moderation of the performance ratings against departments, divisions and overall BMA performance.

1.5 EMPLOYEE WELLNESS PROGRAMMES (EWS)

EWS provides comprehensive health and wellness programmes and services to all BMA employees, with a mission to build and maintain a healthy workforce for increased productivity and excellent service delivery. During the year under review, EWS continued to focus on the implementation of various health and wellness interventions to prevent the escalation of COIDA incidents in the workplace. The EWS sub-unit, continue to conduct daily screening of employees, suppliers and stakeholders. Those presenting any symptoms were assisted in terms of the set down protocols, i.e. seeking medical attention.



Employee assistance programme

Employee wellness remained a top priority as employees continued to navigate the uncharted territory of remote work, coupled with significant changes in business operations and mental health issues, in partnership with Lyra PTY Ltd, provided employees with psychosocial support through individual counselling, group debriefing as well as through emotional impact sessions to address the negative impact of the health conditions. The top five employee wellness presenting problems, i.e. mental health, relationship issues, organisational and managerial issues, personal development and child and family care were noted.

1.6 POLICY DEVELOPMENT

The Border Management Authority (BMA) has approved 18 Human Capital Management (HCM) policies during the financial year under review. The organization is fully committed to the effective implementation of these policies. Policy information sessions will be conducted for officials in the second and third quarters of the 2025/26 financial year to ensure thorough understanding and alignment across the organization. The consistent use of policies and procedures in decision-making ensures that the BMA maintains fairness, transparency, and accountability in its operations. It also helps in standardizing responses to similar issues, thereby enhancing consistency and organizational integrity.

1.7 HIGHLIGHT ACHIEVEMENTS

i. Leadership development

The BMA is continuously engaged in ensuring that there is adequate talent pools in management by moving from reactive to proactive talent management, ensuring operational continuity and the sustainability of the organisation as well as having the right people with the right skills.

ii. Focused training interventions

Various interventions were developed and implemented to support the transformation of the operational environment in preparation for full implementation of the BMA's organisational structure. A number of these interventions were driven by the gaps as identified during the Skills Audit/Assessment process. Other interventions arose not only from the needs identified within the different programme deliverables emanating from the operational environment but also out of legislative requirements.

iii. Internship and learnership programme

This programme is in line with the National Skills Development (NSD) Plan in terms of which the BMA offers unemployed youth and graduates an opportunity to acquire workplace skills and experience.

In terms of these programmes, 5 Interns and 31 Learners were employed on an eighteen-month as at the end of the year under review.



iv. Bursary programme

The organisation coordinates and manages internal bursaries on an annual basis. During the period under review, 96 bursary applications were received and processed. Forty-four (44) bursaries were awarded and 52 were not awarded due to various reasons e.g. some applicants were still on probation, no supportive documents such as proof of registration.

v. Human capital systems automation

HCM is continually scanning the environment for new HCM innovations, such as automated HCM processes, performance management and reporting as well as enhancement of management information to ensure data accuracy and precise reporting. The ESS portal also provides employees with the opportunity to submit their leave of absence applications, overtime claims and S&T claims online - without the cost and inconvenience of the manual forms.

vi. Talent sourcing

A total of 81 appointments were made during the year, which were both internal and external. The staff turnover rate remains way below 10%, at 1.6 % of the 2 598.. The BMA is currently operating at 23% of its full complement of 11 500 posts on the approved structure. It is further pleasing to note that, in line with the BMA strategic objective to capacitate the corporate back office, twenty (20) of the reported 81 appointments were senior management appointments. The Skills Audit reported on in the 1st quarter, has enabled organisation to identify key future skills requirements. Planning in terms of future demand and supply of skills internally and externally is underway. HCM is constantly adapting to best HR practices to remain competitive and to be the Employer of Choice. The BMA's ability to attract and retain best talent is attributed to the implementation of its remuneration framework, supported by an enabling and conducive working environment to retain our most valued human resources.

1.8 CHALLENGES FACED BY THE PUBLIC ENTITY

BMA structure has not yet been implemented in full owing to financial constraints. The Authority is currently operation with only 23% of the total number of posts on the approved structure due to financial constraints.

1.9 FUTURE HR PLANS /GOALS

The following HCM priorities have been identified for the new financial year

- i. To conduct the assessment to ensure Workforce Planning and Skills Audit gaps alignment with Future Requirements of workforce and skills requirements.
- ii. To conduct organisational culture assessment to measure the current staff's attitude and conduct to determine the alignment with BMA organisational values.





The Organisational Structure of the BMA will be gradually implemented as the Authority receives increased annual budget allocation from National Treasury.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

2.1 Personnel related expenditure

Personnel Cost by programme/ activity/ objective

Programme/activity/objective	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp. (R'000)	No. of employees	Average personnel cost per employee (R'000)
PROGAMME 1	144 418	58 914	4%	73	807
PROGRAMME 2	1 458 941	1 226 094	83%	2 525	486
TOTAL	1 603 359	1 285 008	87%	2 598	495

Personnel cost by salary band

Level	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost (R'000)	No. of employees	Average personnel cost per employee (R'000)
Top Management	8 437	1%	3	2 812
Sen Management	49 535	4%	44	1 126
Professional	135 642	10%	156	870
Skilled	328 797	25%	525	626
Semi-skilled	701 471	55%	1 666	421
Unskilled	61 126	5%	204	300
TOTAL	1 285 008	100%	2 598	495



Performance Rewards

Programme//activity/objective	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost
Top Management	0	8 437	0%
Senior Management	0	49 535	0%
Professional qualified	0	135 642	0%
Skilled	0	328 797	0%
Semi-skilled	0	701 471	0%
Unskilled	0	61 126	0%
TOTAL	0	1 285 008	0%

Training Costs

Programme//activity/objective	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Avg training cost per employee
PROGAMME 1	58 914	308	0,5%	33	9,333
PROGRAMME 2	1 226 094	1 506	0,12%	268	5,619
TOTAL	1 285 008	1 814	0,14%	301	6,027

Employment and vacancies

Programme/activity/objective	2023/2024 No. of Employees	2024/2025 Approved Posts	2024/2025 No. of Employees	2024/2025 Vacancies	% of vacancies
PROGAMME 1	39	456	73	383	84%
PROGRAMME 2	2099	1 1044	2 525	8519	77%
TOTAL	2 138	11500	2 598	8902	77%

Programme/activity/objective	2023/204 No. of Employees	2024/2025 Approved Posts	2024/2025 No. of Employees	2024/2025 Vacancies	% of vacancies
Top Management	3	3	3	0	0%



Senior Management	13	86	44	42	49%
Professional qualified	35	632	156	476	75%
Skilled	115	3035	525	2510	83%
Semi-skilled	608	7216	1 666	5552	77%
Unskilled	1 364	529	204	325	61%
%TOTAL	2138	11500	2 598	8902	77%

The 2024 figures include the absorption of 395 Junior Border Guards Trainees into permanent BMA employment. The unskilled included employees on (B4 and B5) who have since been included in the semi-skilled category. The implementation of the BMA Remuneration Framework resulted in the changes in professionally qualified category wherein ten (10) employees moved from professional category to Senior Management and forty six (46) move from Skilled to Professionals.

Employment changes

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	3	0	0	3
Senior Management	13	21	1	44
Professional qualified	35	17	0	156
Skilled	115	41	15	525
Semi-skilled	608	423	20	1 666
Unskilled	1 364	0	6	204
Total	2 138	502	42	2 598

Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	12	28.5%
Resignation	5	12%
Dismissal	12	28.5%
Retirement	10	24%
Ill health	0	0%
Expiry of contract	0	0%
Other - Transfer	3	7%
Total	42	100%



Labour Relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written warning	3
Dismissal	12
Three months suspension without salary	2

Equity Target and Employment Equity Status

Levels	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	2	0	0	0	0	0	0	0
Senior Management	24	0	0	0	0	0	3	0
Professional qualified	61	0	3	0	2	0	1	0
Skilled	200	0	13	0	11	0	11	0
Semi-skilled	960	0	39	0	7	0	7	0
Unskilled	137	0	2	0	0	0	0	0
TOTAL	1 384	0	57	0	20	0	22	0

Levels	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	0	0	0	0	0	0	0
Senior Management	15	0	0	0	0	0	1	0
Professional qualified	68	0	5	0	1	0	7	0
Skilled	271	0	9	0	6	0	5	0
Semi-skilled	610	0	31	0	4	0	10	0



Unskilled	59	0	3	0	0	0	0	0
TOTAL	1 033	0	48	0	11	0	23	0

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	0	0	0	0
Skilled	1	0	1	0
Semi-skilled	3	0	1	0
Unskilled	4	0	0	0
TOTAL	8	0	2	0





PART E

PFMA COMPLIANCE REPORT

IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	10 213 526	-
Adjustment to opening balance	(7 447 620)	-
Opening balance as restated	2 765 906	-
Add: Irregular expenditure confirmed	3 222 739	10 213 526
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable ¹	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	5 988 645	10 213 526

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure that was under assessment	2 765 906	-
Irregular expenditure that relates to the prior year and identified in the current year	-	-
Irregular expenditure for the current year	3 222 739	2 765 906
Total	5 988 645	2 765 906

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

Description ²	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	3 222 739	2 765 906
Total	3 222 739	2 765 906

¹ Transfer to receivables

² Group similar items





c) Details of irregular expenditure condoned

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

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

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

e) Details of irregular expenditure recoverable

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

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

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

Additional disclosure relating to Inter-Institutional Arrangements

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

Description
N/A
Total





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

Description	2024/2025 ⁴	2023/2024
	R'000	R'000
	-	-
Total	-	-

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

Disciplinary steps taken
-

2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	702 650	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	3 177 354	702 650
Less: Fruitless and wasteful expenditure recoverable ⁵	-	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
Closing balance	3 880 004	702 650

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	702 650	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	3 177 354	702 650
Total	3 880 004	702 650

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

⁴ Amounts of irregular expenditure related to the current year must be disclosed in the annual financial statements.

⁵ Transfer to receivables



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

Description ⁶	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	3 177 354	702 650
Total	3 177 354	702 650

c) Details of fruitless and wasteful expenditure recoverable

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

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

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

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

Disciplinary steps taken
-

⁶ Group similar items





3. Additional disclosure relating to material losses in terms of PFMA Section 55(2)(b)(i) &(iii))⁷

a) Details of material losses through criminal conduct

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

b) Details of other material losses

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

c) Other material losses recoverable

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

d) Other material losses not recoverable and written off

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

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



4. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	3,484	249,783,960.79
Invoices paid within 30 days or agreed period	3,379	242,256,028.56
Invoices paid after 30 days or agreed period	105	7,527,932.23
Invoices older than 30 days or agreed period (<i>unpaid and without dispute</i>)	105	9,374,217.55
Invoices older than 30 days or agreed period (<i>unpaid and in dispute</i>)	-	-

5. SUPPLY CHAIN MANAGEMENT

5.1 Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Procurement Of Sage 300 Licenses Directly From The Original Equipment Manufacturer (OEM)	Sage South Africa	Deviation	H004L2509DEV00103	R1 049 614,20
Deviation from normal procurement processes to appoint Mondtes to assist with the payroll management for a period of six (6) months	Mondtes Holding	Deviation	DHA01-2022 (Deviation)	R2 040 000,00
Procurement of additional Microsoft licenses and Renewal of licenses for 2025/26 for Border Management Authority using the single source or sole provider procurement	Microsoft Ireland Operations Limited	Deviation	H004L2503PO00115	R26 167 073,95
Supply and Delivery of Security Stamps	Government Printing Works	Limited Bidding	H004L2511PO00053	R 5 776 139,50
Supply and delivery of the face value books	Government Printing Works	Limited Bidding	H400L2508POH00018	R1 410 762,50
Total				R30 667 450,65





5.2. Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Huawei Cloud - Hosting BMA Website	Brainet Consulting	Expansion of Scope	H004L2511PO00045	R5 829 084,00	R0,00	R815 500,00
Payroll processing	Mondtes Holdings	Variation	DHA01-2022 (Deviation)	R5 365 936.80	R70 380.00	R2 040 000.00
Appointment Of Law Firm To Represent BMA In A Court Matter	A Vilakazi and Associates	Variation	H004L2502PO00103	R220 000,00	R0,00	R126 000,00
Extension of the Huawei Cloud Services Contract	Brainet Consulting	Variation	H004L2502PO00113	R5 829 084,00	R815 500,00	R1 837 678,74
Office accommodation	GCIS	Variation	Deviation	R11 875 331,40	R.,00	R4 948 054,75
Financial Statement Contract	NsukuzaXhoko	Variation	H004L2403POH0004	R685 198,75	R0,00	R89 373,75
Total				R29 804 634,95	R885 880,00	R9 856 607,24





PART F

FINANCIAL INFORMATION

1. REPORT OF THE EXTERNAL AUDITOR

Report of the Auditor-General to Parliament on Border Management Authority

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Border Management Authority (BMA) set out on pages 86 to 50, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects and possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Border Management Authority as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the and the Public Finance Management Act 1 of 1999 (PFMA).

Basis for qualified opinion

Receivables from non-exchange transactions

3. I was unable to obtain sufficient appropriate audit evidence that the provision for impairment has been properly accounted for, due to assumptions applied that are not supported by sufficient and appropriate evidence. I was unable to confirm the provision for impairment by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the receivables from non-exchange transactions, as stated at R117 596 500 in the financial statements.

Accruals and other liabilities

4. Leave accruals were not measured in accordance with Standards of GRAP 25, *Employee Benefits*. The public entity did not consider all the leave transactions when measuring the 2023-24 leave liabilities. Consequently, the accruals and other liabilities corresponding figure disclosed in note 11 to the financial statements was understated by R35 100 725, while the employee-related costs corresponding figure was understated by R35 100 725 respectively. Additionally, there was an impact on the prior year adjustments in note 34, surplus for the period and on the accumulated surplus.

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 public entity in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matter

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

Restatement of corresponding figures

9. As disclosed in note 34 to the financial statements, the corresponding figures for 31 March 2024 were restated as a result of an error and GRAP 105 transfer of functions for entities under common control in the financial statements and of the public entity at, and for the year ended, 31 March 2025.

Responsibilities of the accounting authority for the financial statements

10. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the PFMA; and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

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

12. 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 it is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
13. 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 82, forms part of my auditor's report.



Report on the annual performance report

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof; I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

15. I selected the following material performance indicators related to BMA Operations presented in the annual performance report for the year ended 31 March 2025. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

- Number of agreements signed with relevant institutions granting the BMA access to identified information/data sources to increase the NTC's analytical capacity
- Percentage implementation of the exchange of information function as per Standard Operating Procedure (SOP).
- Number of additional CCPs recommended to the Minister of Home Affairs for the rollout of the BMA
- Number of Joint Law Enforcement operations conducted within the Border Law Enforcement area (ports of entry and border/coastal line) in line with implementation protocols, including planned operations with neighbouring countries to ensure compliance with SA border law enforcement and relate legislation.
- Percentage of illegal persons detected at Ports of Entry and within the border law enforcement area that are refused entry and area deported per year.
- Percentage of legal travellers at Ports of Entry processed within 5 minutes through the movement control system
- Number of Ports of Entry rendering port health services compliant with International Health Regulations (2005)
- 100% of imported health-related consignments monitored for compliance at PoE
- Percentage of booked CITES consignments inspected for compliance at designated Ports of Entry
- Percentage of imported controlled live animals processed for quarantine within the border law enforcement area
- Percentage of regulated agricultural goods processed for importation and exportation at designated Ports of Entry and the Border Law Enforcement Area
- Status of redevelopment of the six (6) land Ports of Entry

16. 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 public entity's planning and delivery of its mandate and objectives.

17. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets / measures taken to improve performance.

Percentage of legitimate travelers at Ports of Entry processed within 5 minutes through the movement control system

18. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

Various Indicators

19. The material findings on the reported performance information for the selected material indicators are as follows:

20. The approved planning documents included a commitment to report the percentage of legitimate travellers at Ports of Entry processed within 5 minutes through the movement control system. However, an achievement of "accurate statistics was not available at the time of reporting" was reported in the annual performance report. This discrepancy highlights a misalignment between approved plans and operations, while the incorrect reporting undermines transparency and accountability. Furthermore, the indicator was not clearly defined during the planning process. The systems necessary for reporting were not clearly established to enable reliable data collection. Consequently, the indicator is not useful for measuring and reporting on progress against planned objectives.



21. Adequate processes had not been established to consistently measure and reliably report on various indicators. Consequently, the public entity would have found it difficult to determine the correct achievements to be reported against the planned targets.
22. Furthermore, I could not determine if the reported achievements were correct, as adequate supporting evidence was not provided for auditing. Consequently, the reported achievements might have been more or less than reported and were not reliable for determining if the targets had been achieved.

Indicators	Target	Reported achievement
Percentage of illegal persons detected at Ports of Entry and within the border law enforcement area that are refused entry and are deported per year	100% of illegal persons detected at Ports of Entry and within the border law enforcement area, refused entry and deported per year.	100% (24 299) of the illegal persons that were detected at Ports of Entry and within the border law enforcement area were refused entry and deported
100% of imported health-related consignments monitored for compliance at PoE	100% of imported health-related consignments monitored for compliance at PoE.	100% (241 753) of imported health-related consignments monitored for compliance at PoE.
Percentage of booked CITES consignments inspected for compliance at designated Ports of Entry	100% of booked CITES consignments inspected for compliance at designated Ports of Entry	100% (7 046) of booked CITES consignments inspected for compliance at designated Ports of Entry.
Percentage of imported controlled live animals processed for quarantine within the border law enforcement area	100% of imported live animals processed for quarantine within the border law enforcement area.	100% (501) of imported controlled live animals processed for quarantine within the border law enforcement area.
Percentage of regulated agricultural goods processed for importation and exportation at designated Ports of Entry and the Border Law Enforcement Area	100% of regulated agricultural goods processed for importation and exportation at designated Ports of Entry and the Border Law Enforcement Area	100% (158 327) of regulated agricultural goods processed for importation and exportation at designated Ports of Entry and the Border Law Enforcement Area

Other matters

23. I draw attention to the matters below.

Achievement of planned targets

24. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under- achievements. This information should be considered in the context of the material findings on the reported performance information.
25. 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 43 to 45.



BMA Operations

Targets achieved: 83%		
Key indicators not achieved	Planned target	Reported achievement
Percentage of legal travellers at Ports of Entry processed within 5 minutes through the movement control system	100% of legitimate travellers at Ports of Entry are processed within 5 minutes through the movement control system	Not Achieved Accurate statistics were not available at the time of reporting.
Status of redevelopment of the six (6) land Ports of Entry	Bid adjudication for the selection of the preferred bidders concluded	Not Achieved Bid adjudication has not concluded

Material misstatements

26. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for BMA Operations. Management did not correct all of the misstatements, and I reported material findings in this regard.

Report on compliance with legislation

27. 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 authority is responsible for the public entity's compliance with legislation.
28. 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.
29. 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 public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
30. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements, performance and annual report

31. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 55(1) (a) and (b) of the PFMA.
32. Material misstatements of current assets, liabilities and 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.



Revenue management

33. Effective and appropriate steps were not taken to collect all revenue due, as required by section 51(1)(b)(i) of the PFMA.

Expenditure management

34. Effective steps were not taken to prevent fruitless and wasteful expenditure, as disclosed in note 27 to the annual financial statements, as required by section 51(1)(b)(ii) of the PFMA. The majority of the fruitless and wasteful expenditure was caused by penalties and interest due to underpayments to South African Revenue Service (Sars).

Other information in the annual report

35. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in the programme presented in the annual performance report that have been specifically reported on in this auditor's report.
36. 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.
37. 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.
38. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected, this will not be necessary.

Internal control deficiencies

39. 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.
40. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the findings on the selected material indicators included in the annual performance report and the material findings on compliance with legislation included in this report.
41. The accounting authority and senior management did not exercise adequate oversight responsibility regarding financial reporting, performance reporting and compliance with laws and regulations and related internal controls, resulting in unfavourable audit outcomes.





42. The senior management did not adequately prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.
43. The senior management did not implement adequate controls over daily and monthly processing and reconciling transactions, which has resulted in the financial statements being materially misstated.
44. The senior management did not adequately review and monitor compliance with applicable laws and regulations. As a result, there was material non-compliance.

Auditor-General

Pretoria

31 July 2025



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence



Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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



Communication with those charged with governance

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



Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	PFMA 55(1)(c)(i)
	PFMA 55(1)(b)
	PFMA 55(1)(a)
	PFMA 51(1)(b)(i)
	PFMA 53(4)
	PFMA 51(1)(b)(ii)
	PFMA 57(b)
	PFMA 66(3)(c)
	PFMA 66(5)
	PFMA 51(1)(e)(iii)
	PFMA 38(1)(b)
	PFMA 45(b)
	PFMA 57(b)
Treasury Regulations	TR 31.1.2(c)
	TR 32.1.1(a)
	TR 32.1.1(b)
	TR 32.1.1(c)
	TR 31.2.5
	TR 31.2.7(a)
	TR 30.2.1
	TR 33.1.3
	TR 33.1.1
	TR 16A9.1(b)(ii)
	TR 16A9.1(e)
	Treasury reg 16A9.1(d)
	TR 16A9.1(f)
	Treasury reg 16A6.1
	Treasury reg.16A8.4



Legislation	Sections or regulations
	Treasury reg 16A3.2(a)
	Treasury reg 16A6.4
	Treasury reg 16A6.5
	Treasury reg 16A6.3(c)
	Treasury reg 16A6.2(a) & (b)
	Treasury reg 16A8.3
	Treasury reg 16A8.4
	Treasury reg 16A3.2
Preferential Procurement (PPPFA Act)	PPPFA 2(1)(a)
	PPPFA 2(1)(f)
	2017 Preferential Procurement reg 6(8), 7(8), 10(1)&(2) & 11(1)
	2022 Preferential Procurement reg 4(4)
	Preferential Procurement reg {2017} 5(1) & 5(3)
	Preferential Procurement reg 2017 5(6)
	Preferential Procurement reg 2017 5(7)
	Preferential Procurement reg {2017} 4(1) & 4(2)
	Preferential Procurement reg {2017} 9(1)
	2017 Preferential Procurement reg 8(2)
	2017 Preferential Procurement reg 8(5)
CIDB	CIDB Act 18(1)
	CIDB reg. 17; CIDB reg. 25(7A)
	CIDB reg. 17





2. ANNUAL FINANCIAL STATEMENTS

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The Border Management Authority (BMA) is established as a Section 3A public entity in accordance with the Public Finance Management Act (PFMA), 1999, charged with the responsibility of; facilitating and managing the legitimate movement of persons within the border law enforcement area and at ports of entry; facilitating and managing the legitimate movement of goods within the border law enforcement area and at ports of entry; and co-operate and co-ordinate its border law enforcement function with other organ of state, border communities or any other persons. Section 4 (1) of the BMA Act, 2 of 2020, establishes BMA as a Public entity outside Public Service and assigned it as an armed service, in terms of Section 199(3) of the Constitution.
Accounting Authority	Commissioner: Dr NM Masiapato
Registered office	67 Koranna Avenue Doringkloof Centurion Gauteng 0157
Postal address	Private Bag X745 Tshedimosetso House Pretoria Gauteng 0001
Bankers	Absa Bank Limited
Auditors	The Auditor General of South Africa





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Abbreviations used:

GEHS	Government Employee Housing Scheme
GPSSBC	General Public Service sector Bargaining Council
GRAP	Generally Recognised Accounting Practice
DoH	Department of Health
NT	National Treasury
PSCBC	Public Service Co-Ordinating Bargaining Council
PFMA	Public Finance Management Act
BMA	Border Management Authority
SARS	South African Revenue Services
DALRRD	Department of Agriculture Land Reform and Rural Development
DHA	Department of Home Affairs



Accounting Authority's responsibilities and Approval

The Accounting Authority is required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the Accounting Authority to ensure that the annual financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

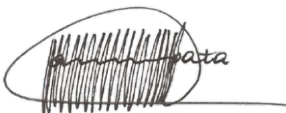
The Accounting Authority acknowledges that it is ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the Accounting Authority to meet these responsibilities, the Accounting Authority sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Accounting Authority is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The Accounting Authority has reviewed the entity's cash flow forecast for the period ended 31 March 2026 and, in the light of this review and the current financial position, he is satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The entity is wholly dependent on the fiscus for continued funding of operations. The annual financial statements are prepared on the basis that the entity is a going concern and that the entity has neither the intention nor the need to liquidate or curtail materially the scale of the entity.

The annual financial statements set out on page 91 to 150 which have been prepared on the going concern basis, were approved by the accounting authority and were signed on its behalf by:



Accounting Authority: Dr NM Masiapato
Designation: Commissioner





Accounting Authority's Report

The Accounting Authority submits its report for the period ended 31 March 2025.

1. Incorporation

The entity was incorporated on 01 April 2023 under the Border Management Authority Act 1 of 2020.

2. Review of activities

Main business and operations

The Authority is mandated to perform these functions with a view to:

- a) secure the borders of the Republic and protecting national interest;
- b) implement integrated and coordinated border management in accordance with the Constitution, international and domestic law in order to:
 - Contribute to the socio-economic development of the Republic;
 - Ensure effective and efficient border law enforcement functions at the ports of entry and vulnerable segments of the border line;
 - Contribute to the facilitation of legitimate trade and secure travel and contribute to the prevention of smuggling and trafficking of human beings and goods;
 - Prevent illegal cross-border movement; contribute to the protection of the Republic's environmental and natural resources;
 - Protect the Republic from harmful and infectious diseases, pests and substances; and
 - Balance the facilitation of legitimate trade and travel with security and the constitutional responsibility of the South African National Defence Force to defend and protect the Republic, its territorial integrity and its people.

Net deficit of the entity was (R90,485,114) as at 31 March 2025 and for prior year the net surplus was R198,463,049 (Restated).

3. Going concern

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

4. Accounting policies

The annual financial statements have been prepared in accordance with the prescribed Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board as the prescribed framework by National Treasury.

5. Corporate governance

General

The Accounting Authority is committed to business integrity, transparency and professionalism in all its activities. As part of this commitment, the Accounting Authority supports the highest standards of corporate governance and the ongoing development of best practice.





Audit and Risk Committee

The Audit and Risk Committee is chaired by Mr L Mangquku (Independent member) and comprises of three (3) independent members Mr A Amod, Mr S Maharaj and Mr T Phili as appointed by the Minister of Home Affairs in February 2023.

6. Executive Authority

The entity's Executive Authority is the Minister of Home Affairs.

7. Bankers

The entity's banker, approved by National Treasury is Absa Bank Limited.

8. Auditors

The Auditor General of South Africa is the appointed auditor for the current financial year.

Accounting Authority: Dr NM Masiapato
Designation: Commissioner





Statement of Financial Position

Figures in Rand	Note(s)	31 March 2025	31 March 2024 Restated*
Assets			
Non-Current Assets			
Property, plant and equipment	3	189 503 637	190 133 438
Living resources	4	154 630	192 930
		189 658 267	190 326 368
Current Assets			
Inventories	5	8 285 696	9 071 731
Receivables from exchange transactions	6	13 405 986	55 112 148
Receivables from non-exchange transactions	7	117 596 500	137 907 000
Prepayments	8	48 134 983	9 587 997
Cash and cash equivalents	9	117 759 936	231 759 388
		305 183 101	443 438 264
Total Assets		494 841 368	633 764 632
Liabilities			
Current Liabilities			
Payables from exchange transactions	10	89 790 506	166 175 104
Accruals and other liabilities	11	198 692 711	170 746 263
		288 483 217	336 921 367
Total Liabilities		288 483 217	336 921 367
Net Assets		206 358 151	296 843 265
Reserves			
Net gain through transfer of functions		98 380 216	98 380 216
Accumulated surplus		107 977 935	198 463 049
Total Net Assets		206 358 151	296 843 265





Statement of Financial Performance

Figures in Rand	Note(s)	31 March 2025	31 March 2024 Restated*
Revenue			
Revenue from exchange transactions			
Rendering of services	12	49 782 115	54 682 082
Interest received	12	14 914 296	12 876 689
Total revenue from exchange transactions		64 696 411	67 558 771
Revenue from non-exchange transactions			
Unconditional grant		-	150 000 000
Government grants & subsidies	12	1 407 692 580	1 341 225 000
Fines, Penalties and Forfeits	12	40 485 000	41 465 000
Total revenue from non-exchange transactions		1 448 177 580	1 532 690 000
Total revenue	12	1 512 873 991	1 600 248 771
Expenditure			
Employee related costs	13	(1 285 007 879)	(1 072 269 428)
Depreciation and amortisation	14	(32 223 101)	(25 504 720)
Impairments	33	(1 569 574)	-
Finance costs	15	(136 125)	(329 916)
Debt Impairment		(12 449 500)	-
Loss on assets write off	15	(29 606)	(2 941 657)
General Expenses	17	(271 943 320)	(300 740 001)
Total expenditure		(1 603 359 105)	(1 401 785 722)
(Deficit)/Surplus for the year		(90 485 114)	198 463 049



Statement of Changes in Net Assets

Figures in Rand	Transfer of functions	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	120 042 572	-	120 042 572
Adjustments			
Prior year adjustments 34	(21 662 356)	-	(21 662 356)
Balance at 01 April 2023 as restated*	98 380 216	-	98 380 216
Changes in net assets			
Surplus for the year	-	198 463 049	198 463 049
Total changes	-	198 463 049	198 463 049
Opening balance as previously reported	98 380 216	166 201 444	264 581 660
Adjustments			
Prior year adjustments 34	-	32 261 605	32 261 605
Balance at 01 April 2024	98 380 216	198 463 049	296 843 265
Changes in net assets			
Deficit for the year	-	(90 485 114)	(90 485 114)
Total changes	98 380 216	(90 485 114)	7 895 102
Balance at 31 March 2025	98 380 216	107 977 935	206 358 151





Cash Flow Statement

Figures in Rand	Note(s)	31 March 2025	31 March 2024 Restated*
Cash flows from operating activities			
Receipts			
Cash receipts		1 521 429 353	1 384 764 939
Interest Income		14 914 314	12 876 689
		<u>1 536 343 667</u>	<u>1 397 641 628</u>
Payments			
Cash paid to suppliers and employees		(1 617 052 814)	(1 118 449 849)
Finance costs		(136 125)	(329 916)
		<u>(1 617 188 939)</u>	<u>(1 118 779 765)</u>
Net cash flows from operating activities	19	<u>(80 845 272)</u>	<u>278 861 863</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(33 154 180)	(47 102 475)
Net cash flows from investing activities		<u>(33 154 180)</u>	<u>(47 102 475)</u>
Net increase/(decrease) in cash and cash equivalents		<u>(113 999 452)</u>	<u>231 759 388</u>
Cash and cash equivalents at the beginning of the year		231 759 388	-
Cash and cash equivalents at the end of the year	9	<u>117 759 936</u>	<u>231 759 388</u>





Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand

Statement of Financial Performance

Revenue

Revenue from exchange transactions

Rendering of services	-	-	-	49 782 115	49 782 115	
Interest received	13 060 000	-	13 060 000	14 914 296	1 854 296	
Total revenue from exchange transactions	13 060 000	-	13 060 000	64 696 411	51 636 411	

Revenue from non-exchange transactions

Transfer revenue

Government grants & subsidies	1 407 692 000	-	1 407 692 000	1 407 692 580	580	
Fines, Penalties and Forfeits	-	-	-	40 485 000	40 485 000	
Total revenue from non-exchange transactions	1 407 692 000	-	1 407 692 000	1 448 177 580	40 485 580	
Total revenue	1 420 752 000	-	1 420 752 000	1 512 873 991	92 121 991	

Expenditure

Personnel	(1 212 865 000)	-	(1 212 865 000)	(1 285 007 879)	(72 142 879)	
Contractors	(17 415 000)	-	(17 415 000)	-	17 415 000	
Minor assets	(1 159 000)	-	(1 159 000)	-	1 159 000	
Advertising	(7 609 000)	-	(7 609 000)	(1 264 134)	6 344 866	
Depreciation and amortisation	(8 589 000)	-	(8 589 000)	(32 223 101)	(23 634 101)	
Venues	(700 000)	-	(700 000)	-	700 000	
Consultants: Business and advisory services	(18 288 000)	-	(18 288 000)	(51 288 008)	(33 000 008)	
Fleet Services	(3 110 000)	-	(3 110 000)	(18 454 371)	(15 344 371)	
Telephone and fax	(7 609 000)	-	(7 609 000)	(3 813 398)	3 795 602	
Consumable supplies	(17 818 000)	-	(17 818 000)	(249 658)	17 568 342	
Consumables: Stationery, printing and office supplies	(1 160 000)	-	(1 160 000)	(6 765 461)	(5 605 461)	
Catering: Departmental activities	-	-	-	(173 209)	(173 209)	
Audit Costs	(10 500 000)	-	(10 500 000)	(11 451 817)	(951 817)	
Administration expenses	(1 963 000)	-	(1 963 000)	(2 076 946)	(113 946)	
Uniform	(14 077 777)	-	(14 077 777)	(13 930 720)	147 057	





Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual
Figures in Rand					
Operating lease	(15 026 000)	-	(15 026 000)	(33 713 369)	(18 687 369)
Entertainment	(235 000)	-	(235 000)	-	235 000
Computer services	(42 231 000)	-	(42 231 000)	(19 023 364)	23 207 636
Repairs and maintenance	(10 737 000)	-	(10 737 000)	(23 186 038)	(12 449 038)
Travel and accommodation	(11 130 000)	-	(11 130 000)	(48 774 435)	(37 644 435)
Bank charges	-	-	-	(488 725)	(488 725)
Training and Development	(6 704 000)	-	(6 704 000)	(12 652 397)	(5 948 397)
Property payments	(5 310 000)	-	(5 310 000)	(16 467 098)	(11 157 098)
Other General expenses	(6 516 223)	-	(6 516 223)	(22 325 371)	(15 809 148)
Total expenditure	(1 420 752 000)	-	(1 420 752 000)	(1 603 329 499)	(182 577 499)
Deficit	-	-	-	(90 455 508)	(90 455 508)
Loss on assets write-off	-	-	-	(29 606)	(29 606)
Deficit	-	-	-	(90 485 114)	(90 485 114)
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	-	-	-	(90 485 114)	(90 485 114)



Significant Accounting Policies

1. Presentation of Annual Financial Statements

1.1 Basis of preparation

The annual financial statements have been prepared on an accrual basis of accounting in line with Standards of Generally Recognised Accounting Practice (GRAP) and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below;

1.2 Presentation currency

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

1.3 Going concern assumption

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

1.4 Significant judgements and sources of estimation uncertainty

Useful lives and residual values of assets; depreciation, amortisation and impairment.

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

Other significant judgements, sources of estimation uncertainty and/or relating information, have been disclosed in the relating notes.

Trade receivables

The entity assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Impairment testing

The following factors were taken into account with the assessment of impairment of receivables.

BMA considered all factors disclosed in the accounting policy of the annual financial statements as at 31 March 2025 and use of available information. The application of judgement is inherent in the formation of estimates for impairment.



Significant Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

In determining whether the customer balance is to be impaired the BMA use the following criteria:

- Changes in general economic and market conditions that may affect the ability of a customer to meet its obligation.
- Whether there are actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customers ability to meet its obligation.
- Whether customer has a history of non-payment of debt or has arrears debt.
- Whether the customer has been placed under or applied for liquidation or sequestration.
- Whether the customer has been handed over to debt collectors or power of attorney.

Materiality

Applying materiality is pervasive to the preparation of financial statements. Materiality is a key consideration in deciding how to apply the Standards of GRAP when preparing the financial statements. Information is material if its omission or misstatement has the potential to influence the decisions of users or affect the discharge of accountability by the entity.

Applying materiality in the preparation of annual financial statements requires the entity to make key assessments and decisions. Key assessments and decisions made in considering materiality, are as follows:

- Identification of users and their information needs
- Assessing information based on nature and size, by developing qualitative considerations and quantitative thresholds
- Application of materiality in preparing the financial statements:
 - Developing accounting policies
 - Deciding what information to disclose
 - Deciding how to present information
 - Assessing omissions, misstatements and errors

The assessments and decisions are considered throughout the financial reporting cycle, and not only when annual financial statements are prepared.

1.5 Transfer of functions between entities under common control

Definitions

An acquirer is the entity that obtains control of the acquiree or transferor.

Carrying amount of an asset or liability is the amount at which an asset or liability is recognised in the statement of financial position.

Control is the power to govern the financial and operating policies of another entity so as to benefit from its activities.



Significant Accounting Policies

1.5 Transfer of functions between entities under common control (continued)

- Process: Any system, standard, protocol, convention or rule that when applied to an input or inputs, creates or has the ability to create outputs.
- Output: The result of inputs and processes applied to achieve and improve efficiency. This may be in the form of achieving service delivery objectives, or the delivery of goods and/or services.

A function is an integrated set of activities that is capable of being conducted and managed for purposes of achieving an entity's objectives, either by providing economic benefits or service potential.

A merger is the establishment of a new combined entity in which none of the former entities obtains control over any other and no acquirer can be identified.

Transfer date is the date on which the acquirer obtains control of the function and the transferor loses control of that function.

A transfer of functions is the reorganisation and/or the re-allocation of functions between entities by transferring functions between entities or into another entity.

A transferor is the entity that relinquishes control of a function.

Common control - for a transaction or event to occur between entities under common control, the transaction or event needs to be undertaken between entities within the same sphere of government or between entities that are part of the same economic entity. Entities that are ultimately controlled by the same entity before and after the transfer of functions are within the same economic entity.

A function is an integrated set of activities that is capable of being conducted and managed for purposes of achieving an entity's objectives, either by providing economic benefits or service potential. A function consists of inputs and processes applied to those inputs that have the ability to create outputs. A function can either be a part or a portion of an entity or can consist of the whole entity. Although functions may have outputs, outputs are not required to qualify as a function. The three elements of a function are defined as follows:

- Input: Any resource that creates, or has the ability to create, outputs when one or more processes are applied to it.

Identifying the acquirer and transferor

For each transfer of functions between entities under common control an acquirer and transferor are identified. All relevant facts and circumstances are considered in identifying the acquirer and transferor.

The terms and conditions of a transfer of functions undertaken between entities under common control are set out in a binding arrangement. The binding arrangement governing the terms and conditions of a transfer of functions may identify which entity to the transaction or event is the transferor(s) and which entity is the acquirer. Where the binding arrangement does not clearly identify the acquirer or the transferor, the behaviour or actions of the entities may indicate which entity is the acquirer and which entity is the transferor.

Determining the acquirer includes a consideration of, amongst other things, which of the entities involved in the transfer of functions initiated the transaction or event, the relative size of the entities, as well as whether the assets or revenue of one of the entities involved in the transaction or event significantly exceed those of the other entities. If no acquirer can be identified, the transaction or event is accounted for in terms of the Standard of GRAP on Mergers.



Significant Accounting Policies

1.5 Transfer of functions between entities under common control (continued)

Determining the transfer date

During the financial year under review as part of the establishment of the Border Management Authority, the transferring Departments, transferred functions into the entity. The transaction relating to the transfer has been accounted for in accordance with the applicable GRAP standards.

The acquirer and the transferor identify the transfer date, which is the date on which the acquirer obtains control and the transferor loses control of that function.

All relevant facts and circumstances are considered in identifying the transfer date.

Assets acquired [transferred] and liabilities assumed [relinquished]

The recognition of assets and liabilities, is subject to the following conditions:

The assets acquired and the liabilities assumed are part of what had been agreed in terms of the binding arrangement (if applicable), rather than the result of separate transactions.

Determining what is part of the transfer of functions transaction

Where the entity and the transferor have a pre-existing relationship before or when negotiations for a transfer of functions began, or where a binding arrangement is entered into during the negotiations that are separate from a transfer of functions, any amounts that are not part of what were transferred in a transfer of functions are identified. This policy only applies to the consideration transferred and the assets acquired and liabilities assumed in a transfer of functions as governed by the terms and conditions of the binding arrangement.

The following factors are considered, which are neither mutually exclusive nor individually conclusive, to determine whether a transaction is part of a transfer or function or whether the transaction is separate:

- the reasons for the transaction
- the timing of the transaction

Other criteria for the entity (as acquirer)

The assets acquired and liabilities assumed that qualify for recognition as set out in the binding arrangement meets the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements and the recognition criteria in the applicable Standards of GRAP at the transfer date.

Costs that the entity expects, but which it is not obliged to incur in the future to effect its plan to exit an activity of the transferor or to terminate the employment of, or relocate the transferor's employees, is not accounted for as part of the liabilities at the transfer date. The entity does not recognise those costs as part of a transfer of functions. Instead, the entity recognises these costs in its annual financial statements after the transfer has occurred, in accordance with the applicable Standards of GRAP.



Significant Accounting Policies

1.5 Transfer of functions between entities under common control (continued)

Accounting by the entity as acquirer

Initial recognition and measurement

As of the transfer date, the entity recognises the purchase consideration paid to the transferor and all the assets acquired and liabilities assumed in a transfer of functions. The assets acquired and liabilities assumed are measured at their carrying amounts.

If, prior to the transfer of functions, the transferor was not applying the accrual basis of accounting, the transferor changes its basis of accounting to the accrual basis of accounting prior to the transfer.

The consideration paid by the entity can be in the form of cash, cash equivalents or other assets. If the consideration paid is in the form of other assets, the entity de-recognises such assets on the transfer date at their carrying amounts.

The difference between the carrying amounts of the assets acquired, the liabilities assumed and the consideration paid to the transferor, is recognised in accumulated surplus or deficit.

Measurement period

If the initial accounting for a transfer of functions is incomplete by the end of the reporting period in which the transfer occurs, the entity reports in its annual financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the entity retrospectively adjusts the provisional amounts recognised at the transfer date to reflect new information obtained about facts and circumstances that existed as of the transfer date and, if known, would have affected the measurement of the amounts recognised as of that date. The measurement period ends as soon as the entity receives the information it was seeking about facts and circumstances that existed as of the transfer date or learns that more information is not obtainable. However, the measurement period does not exceed two years from the transfer date. The BMA has adopted the measurement period of two years in the recognition of property, plant and equipment in which it may adjust the provisional amount recognised for the transfer of functions.

The entity considers all relevant factors in determining whether information obtained after the transfer date should result in an adjustment to the provisional amounts recognised or whether that information results from events that occurred after the transfer date.

The entity recognises an increase (decrease) in the provisional amount recognised for an asset (liability) by means of decreasing (increasing) the excess of the purchase consideration paid over the carrying amount of the assets acquired and liabilities assumed previously recognised in accumulated surplus or deficit. However, new information obtained during the measurement period may sometimes result in an adjustment to the provisional amount of more than one asset or liability.

During the measurement period, the entity recognises adjustments to the provisional amounts as if the accounting for the transfer of functions had been completed at the transfer date. Thus, the entity revises comparative information for prior periods presented in annual financial statements as needed, including making any change in depreciation, amortisation or other income effects recognised in completing the initial accounting.

After the measurement period ends, the entity revises the accounting for a transfer of functions only to correct an error in accordance with the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.



Significant Accounting Policies

1.5 Transfer of functions between entities under common control (continued)

Subsequent measurement

The entity subsequently measures any assets acquired and any liabilities assumed in a transfer of functions in accordance with the applicable Standards of GRAP.

During the measurement period, transferring Departments (DHA, DFFE, DoH and DALRRD) transferred functions into the BMA.

At the transfer date, the entity classifies or designates the assets acquired and liabilities assumed as necessary to apply other Standards of GRAP subsequently. The entity makes those classifications or designations on the basis of the terms of the binding arrangement, economic conditions, its operating or accounting policies and other relevant conditions that exist at the transfer date. An exception is that the entity classifies the following contracts on the basis of the contractual terms and other factors at the inception of the contract (or, if the terms of the contract have been modified in a manner that would change its classification, at the date of that modification, which might be the transfer date):

- classification of a lease contract as either an operating lease or a finance lease in accordance with the Standard of GRAP on Leases.

1.6 Property, plant and equipment

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

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

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

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

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.



Significant Accounting Policies

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Machinery and Equipment	Straight-line	5 to 25 years
Motor vehicles	Straight-line	5 to 25 years
Furniture and fixtures	Straight-line	3 to 25 years
IT equipment	Straight-line	2 to 18 years
Generator	Straight-line	5 to 18 years
Buildings	Straight-line	15 to 25 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the entity. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.



Significant Accounting Policies

1.6 Property, plant and equipment (continued)

The entity assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

In line with GRAP 105 (Transfer of functions between entities under common control) BMA has adopted the measurement period of two years in the recognition of property, plant and equipment in which it may adjust the provisional amount recognised for the transfer of functions.

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements see note 3.

1.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).



Significant Accounting Policies

1.7 Financial instruments (continued)

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The entity's accrual amount represents goods and services that have been delivered, and an invoice has been received from the supplier but remain unpaid as at year-end.

BMA recognises an accrual when goods or services are received but not yet paid for, due to not having received an invoice.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- contingent consideration of an acquirer in a transfer of functions between entities not under common control to which the Standard of GRAP on Transfer of Functions Between Entities Not Under Common Control (GRAP 106) applies
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
 - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
 - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
 - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.



Significant Accounting Policies

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Financial Assets

Receivable from exchange transactions
Receivable from non-exchange transactions
Cash and cash equivalents

Category

Financial asset measured at amortised cost
Financial asset measured at amortised cost
Financial asset measured at fair value

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Liabilities

Payables from exchange transactions

Category

Financial liability measured at amortised cost

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets in the financial statements when risks and rewards are considered to be transferred.



Significant Accounting Policies

1.7 Financial instruments (continued)

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Gains and losses

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

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

Impairment and uncollectibility of financial assets

The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

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

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

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



Significant Accounting Policies

1.7 Financial instruments (continued)

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

1.8 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.9 Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

There are no restriction applicable on the cash balances disclosed.



Significant Accounting Policies

1.10 Employee benefits

Identification

Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service.

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Other long-term employee benefits are all employee benefits other than short-term employee benefits, post-employment benefits and termination benefits.

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either: (a) an entity's decision to terminate an employee's employment before the normal retirement date; or (b) an employee's decision to accept an offer of benefits in exchange for the termination of employment.

Short-term employee benefits

Recognition and measurement

All short-term employee benefits

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

(a) As a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

(b) As an expense, unless another Standard of GRAP requires or permits the inclusion of the benefits in the cost of an asset.

Short-term paid absences

The entity recognises the expected cost of short-term employee benefits in the form of paid absences as follows:

(a) in the case of accumulating paid absences, when the employees render service that increases their entitlement to future paid absences; and

(b) in the case of non-accumulating paid absences, when the absences occur.

The entity measures the expected cost of accumulating paid absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.



Significant Accounting Policies

1.10 Employee benefits (continued)

Post-employment benefits: Distinction between defined contribution plans and defined benefit plans

Defined benefit plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to industry managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the entity's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either the entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

Post-employment benefits mainly comprise of pension benefits arising from the entity and each employee's contributions to the Government Employees Pension Fund (GEPPF), a state plan established by legislation that operate as a multi-employer plan for government entities and operated by a national government agency created specifically for this purpose.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

The entity has no legal or constructive obligation to pay future benefits except for the payment of the contributions as they fall due. The entity therefore accounts for the state plan as a defined contribution plan.

The entity recognises the contributions payable to the state plan (which it accounts for as a defined contribution plan) when employees have rendered services to the entity during the reporting period:

- as a liability (accrued expense), after deducting any contribution already paid. If the contributions already paid exceed the contributions due for services rendered before the end of the reporting period, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to a reduction in future payments or a cash refund; and
- as an expense.

The liability and the related expense is measured as an undiscounted amount of the contributions to be paid to the GEPPF and when contributions are not expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service, the liability is discounted using the market yields at the end of the reporting period on government bonds.

Bonus, incentive and performance related payments

The entity recognises the expected cost of bonus, incentive and performance related payments when, and only when:

- (a) the entity has a present legal or constructive obligation to make such payments as a result of past events; and
- (b) a reliable estimate of the obligation can be made. A present obligation exists when, and only when, the entity has no realistic alternative but to make the payments.



Significant Accounting Policies

1.11 Contingent liabilities

A contingent liability is:

- a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised but a brief description of the nature of contingent liabilities at the reporting date, and, where practicable, an estimate of their financial effect is disclosed in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent liabilities are assessed continually to determine whether an outflow of resources embodying economic benefits or service potential has become probable. If it becomes probable that an outflow of future economic benefits or service potential will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs.

1.12 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments. Items are classified as commitments when the entity has irrevocably bound itself to future transactions that will normally result in the outflow of economic benefits or service potential in future reporting periods. This represents the contractual balance committed to the capital expenditure on reporting date that will be incurred in the period subsequent to the specific reporting date.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services).

1.13 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates. The amount of revenue arising on a transaction which is statutory (non-contractual) in nature is usually measured by reference to the relevant legislation, regulation or similar means. The fee structure, tariffs or calculation basis specified in legislation, regulation or similar means is used to determine the amount of revenue that should be recognised. This amount represents the fair value, on initial measurement, of the consideration received or receivable for revenue that arises from a statutory (non-contractual) arrangement (see the accounting policy on Statutory Receivables).

Revenue from exchange transactions include the following services revenue Port of Health, Agriculture inspection services and immigration services.



Significant Accounting Policies

1.14 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arises when the entity can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting entity.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity. When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

The main revenue from non-exchange transactions accruing to the entity relates to government allocation, fines and penalties and CARA Fund.



Significant Accounting Policies

1.14 Revenue from non-exchange transactions (continued)

Taxes

The entity is exempt from income tax in terms of section 10(1)(CA)(i) of the Income Tax Act, 1962 (Act No. 58 of 1962). The entity is registered as an employer in terms of the PAYE provisions of the Income Tax Act.

Transfers

Apart from Services in kind, which are not recognised, the entity recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The entity recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

Services in-kind

The entity recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the entity's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the entity disclose the nature and type of services in-kind received during the reporting period.

1.15 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.16 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the Statement of Financial Performance in the year the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.17 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including;



Significant Accounting Policies

(a) this Act; or

(b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act.

Irregular expenditure when incurred and confirmed is recorded in the annual financial statements disclosure. This relates to irregular expenditure incurred in the current financial year, with a one financial year for comparative analysis.

1.18 Budget information

Entity are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2024/04/01 to 2025/03/31.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

The Statement of comparative and actual information has been included in the annual financial statements as the recommended disclosure when the annual financial statements and the budget are on the same basis of accounting as determined by National Treasury.

1.19 Related parties

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

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

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

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

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

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



Significant Accounting Policies

1.19 Related parties (continued)

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

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

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

1.20 Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Statutory receivables for BMA relates to penalties and fines levied in accordance with the Immigration Act, revenue receivable from specialised Agriculture services rendered and monies receivable from the Criminal Assets and Recovery Account (CARA).

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

The entity recognises statutory receivables as follows:

- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or

Initial measurement

The entity initially measures statutory receivables at their transaction amount.

Subsequent measurement

The entity measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- impairment losses; and
- amounts derecognised.



Significant Accounting Policies

1.20 Statutory receivables (continued)

Impairment losses

The entity assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the entity considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the entity measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

Derecognition

The entity derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the entity, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognise the receivable; and
 - recognise separately any rights and obligations created or retained in the transfer.

1.21 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

The Border Management Authority inventory consists of staff uniform and ammunition. The nature of inventory is that it cannot be resold to the market. Therefore based on this knowledge the inventory is deemed to have no net realizable value.

The cost of inventories is assigned using the weighted average method, the same cost formula is used for all inventories having similar nature and use to the entity.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.



Significant Accounting Policies

1.22 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.

Judgements made by management in applying the criteria to designate assets as cash-generating assets or non-cash-generating assets, are as follows:

Designation

At initial recognition, the entity designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is made on the basis of an entity's objective of using the asset.

The entity designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

An asset used with the objective of generating a commercial return and service delivery, is designated either as a cash-generating asset or non-cash-generating asset based on whether the entity expects to use that asset to generate a commercial return. When it is not clear whether the objective is to use the asset to generate commercial return, the entity designates the asset as a non-cash-generating asset and applies the accounting policy on Impairment of Non-cash-generating assets, rather than this accounting policy.



Significant Accounting Policies

1.22 Impairment of cash-generating assets (continued)

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the entity estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the entity estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the entity applies the appropriate discount rate to those future cash flows.

Basis for estimates of future cash flows

In measuring value in use the entity:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

Composition of estimates of future cash flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.



Significant Accounting Policies

1.22 Impairment of cash-generating assets (continued)

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the entity expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the entity recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of impairment loss

The entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.



Significant Accounting Policies

1.22 Impairment of cash-generating assets (continued)

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.23 Accounting by principals and agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the entity is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether an entity is a principal or an agent requires the entity to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The entity assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Recognition

The entity, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.



Significant Accounting Policies

1.24 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.25 Unconditional grant(s)

Any funds received in advance of meeting conditions would be recorded as refundable advances. Absent any conditions, unconditional grants are recognized as revenues when the written unconditional promise to give is received (in most cases the allocation letter).

Unlike restricted grants, unconditional grants have no barriers or restrictions, allowing for immediate revenue recognition. Even if donor-imposed time or purpose restrictions exist, the recognition of revenue remains unchanged for unconditional grants.

1.26 Prepayments

Prepayments are payments made in advance for products and services that have not been delivered for which BMA expects the delivery in the next financial period. Prepayments are recognised as current assets and are not discounted as the discounting effect thereof is considered immaterial.



Notes to the Annual Financial Statements

2. New standards and interpretations

2.1 Standards and interpretations approved but not yet effective

At the date of authorisation of this annual financial statements, there are GRAP standards and interpretations which were amended but not yet effective for the financial year under review.

Standard/interpretations	Effective date: Years beginning on or after	Expected impact:
GRAP 1 (amended): Presentation of Financial Statements (Materiality)	None	The impact of the standard is not material
GRAP 103 (revised): Heritage assets	None	The impact of the standard is not material
GRAP 104 (revised): Financial Instruments	01 April 2025	The impact of the standard is not material
GRAP 105 (revised): Transfer of functions between entities under common control	None	The impact of the standard is not material
GRAP 106 (revised): Transfer of functions between entities not under common control	None	The impact of the standard is not material
GRAP 107 (revised): Mergers	None	The impact of the standard is not material

GRAP 1 (amended): Presentation of Financial Statements

The objective of this Standard is to prescribe the basis for presentation of general purpose financial statements, to ensure comparability both with the entity's financial statements of previous periods and with the financial statements of other entities. The amendments related to materiality is effective from 1 April 2023. No effective date for the amendments related to going concern has been determined by the Minister of Finance. The entity will assess the impact of both amendments to the standard on its financial statements..

GRAP 103 (revised): Heritage Assets

The objective of this Standard is to prescribe the accounting treatment for heritage assets and related disclosure requirements. The entity will assess the impact of the standard on its financial statements. Issued by the ASB in June 2022 and no effective date has been determined by the Minister of Finance.

GRAP 104 (revised): Financial Instruments

The objective of this Standard is to establish principles for recognising, measuring, presenting and disclosing financial instruments. This standard will replace the current GRAP 104. The entity will assess the impact of the standard on its financial statements. Issued by the ASB in April 2021 and the effective date is 1 April 2025.

GRAP 105 (revised): Transfer of functions between entities under common control

The objective of this Standard is to establish principles and requirements for the acquirer and transferor in a transfer of functions between entities under common control. The entity will assess the impact of the standard on its financial statements. Issued by the ASB in February 2024 and no effective date has been determined by the Minister of Finance.



Notes to the Annual Financial Statements

2. New standards and interpretations (continued)

GRAP 106 (revised): Transfer of functions between entities not under common control

The objective of this Standard is to establish principles and requirements for the acquirer and transferor in a transfer of functions between entities not under common control. The entity will assess the impact of the standard on its financial statements. Issued by the ASB in February 2024 and no effective date has been determined by the Minister of Finance.

GRAP 107 (revised): Mergers

The objective of this Standard is to establish principles and requirements for the combined entity and combining entities in a merger and its effects. The entity will assess the impact of the standard on its financial statements. Issued by the ASB in February 2024 and no effective date has been determined by the Minister of Finance.

2.2 Standards and interpretations effective and adopted in the current year

There are no new standards and interpretations effective and adopted in the current year.





Notes to the Annual Financial Statements

3. Property, plant and equipment

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Buildings	1 969 867	(402 088)	1 567 779	1 969 867	(190 347)	1 779 520
Machinery and Equipment	13 814 502	(3 353 910)	10 460 592	12 605 622	(1 665 069)	10 940 553
Furniture and fixtures	13 294 874	(4 079 845)	9 215 029	13 216 748	(1 987 593)	11 229 155
Motor vehicles	121 693 011	(22 665 248)	99 027 763	93 203 750	(8 278 747)	84 925 003
IT equipment	96 677 750	(27 995 157)	68 682 593	93 332 558	(12 767 648)	80 564 910
Generator	814 148	(264 267)	549 881	814 148	(119 851)	694 297
Total	248 264 152	(58 760 515)	189 503 637	215 142 693	(25 009 255)	190 133 438

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Buildings	1 779 520	-	-	(211 741)	-	1 567 779
Machinery and Equipment	10 940 553	1 208 880	-	(1 688 841)	-	10 460 592
Furniture and fixtures	11 229 155	78 126	-	(2 092 252)	-	9 215 029
Motor vehicles	84 925 003	28 489 261	-	(12 816 927)	(1 569 574)	99 027 763
IT equipment	80 564 910	3 377 913	(29 606)	(15 230 624)	-	68 682 593
Generator	694 297	-	-	(144 416)	-	549 881
Total	190 133 438	33 154 180	(29 606)	(32 184 801)	(1 569 574)	189 503 637



Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
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3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Transfers received	Depreciation	Total
Buildings	-	970 000	-	999 867	(190 347)	1 779 520
Machinery and Equipment	-	-	-	12 605 622	(1 665 069)	10 940 553
Furniture and fixtures	-	1 849 827	-	11 366 921	(1 987 593)	11 229 155
Motor vehicles	-	41 209 391	(2 941 657)	55 393 181	(8 735 912)	84 925 003
IT equipment	-	2 765 464	-	90 567 094	(12 767 648)	80 564 910
Generator	-	307 793	-	506 355	(119 851)	694 297
	-	47 102 475	(2 941 657)	171 439 040	(25 466 420)	190 133 438

Pledged as security

The entity does not have any property, plant and equipment pledged as security and guarantee for any liabilities or obligations as at 31 March 2025.

In line with GRAP 105 BMA has adopted the measurement period of two years in the recognition of property, plant and equipment in which it may adjust the provisional amount recognised for the transfer of functions.

Expenditure incurred to repair and maintain property, plant and equipment

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

Motor Vehicles	8 697 417	-
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Notes to the Annual Financial Statements

Figures in Rand 31 March 2025 31 March 2024

4. Living resources

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Canines	231 230	(76 600)	154 630	231 230	(38 300)	192 930

Reconciliation of living resources - 2025

	Opening balance	Depreciation	Total
Canines	192 930	(38 300)	154 630

Reconciliation of living resources - 2024

	Opening balance	Transfers received	Depreciation	Total
Canines	-	231 230	(38 300)	192 930

Pledged as security

The entity does not have any living resources or group of living resources pledged as security and guarantee for any liabilities or obligations as at 31 March 2025.

5. Inventories

Inventory	8 285 696	9 071 731
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Reconciliation of inventory

Opening balance	9 071 731	-
Purchases	14 181 607	31 638 614
Distribution	(14 967 642)	(21 364 663)
Inventory regarded as consumables	-	(1 202 220)
Closing balance	8 285 696	9 071 731





Notes to the Annual Financial Statements

The Border Management Authority inventory consists of staff uniform and ammunition. Given the nature of inventory it cannot be resold to the market, therefore the inventory does not have net realisable value. For the period under review, no inventories were pledged as security for liabilities.

6. Receivables from exchange transactions

Trade debtors	7 527 262	4 874 454
Departmental service revenue	4 227 967	49 798 648
Other receivables	1 523 634	-
Interest receivable	127 123	439 046
	13 405 986	55 112 148





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
6. Receivables from exchange transactions (continued)		
Statutory receivables included in receivables from exchange transactions above are as follows:		
Service revenue from Department of Agriculture, Land Reform and Rural Development	8 669 778	45 583 468
Receivables from exchange transactions age analysis		
Current	6 571 596	53 012 629
31 to 60 days	1 712 981	942 901
61 to 90 days	1 117 979	390 758
91 to 120 days	1 336 257	147 835
>120 days	1 143 539	618 025
	11 882 352	55 112 148

Statutory receivables general information

Transaction(s) arising from statute

Statutory receivables from exchange transactions relates to revenue receivable from specialised Agriculture services rendered by BMA.

Determination of transaction amount

The specialised Agriculture revenue is determined in terms of the gazetted tariff structure applicable to the services rendered by the BMA in accordance with the Animal Diseases Act and the Meat Safety Act.

Basis used to assess and test whether a statutory receivable is impaired

BMA considered all factors disclosed in the accounting policy of the financial statements as at 31 March 2025 and use of available information. The application of judgement is inherent in the formation of estimates for impairment.

The following factors were taken into account with the assessment of impairment of receivables.

BMA considered all factors disclosed in the accounting policy of the annual financial statements as at 31 March 2025 and use of available information

The application of judgement is inherent in the formation of estimates for impairment. In determining whether the customer balance is to be impaired the BMA use the following criteria:

- Changes in general economic and market conditions that may affect the ability of a customer to meet its obligation.
- Whether there are actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customers ability to meet its obligation.
- Whether customer has a history of non-payment of debt or has arrears debt.
- Whether the customer has been placed under or applied for liquidation or sequestration.
- Whether the customer has been handed over to debt collectors or power of attorney





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
7. Receivables from non-exchange transactions		
Fines and penalties	69 286 000	41 310 000
Unconditional grant CARA	60 760 000	96 597 000
Provision for impairment (Fines and penalties)	(12 449 500)	-
	117 596 500	137 907 000
Statutory receivables included in receivables from non-exchange transactions above are as follows:		
Fines	53 946 500	41 310 000
Unconditional grant CARA	63 650 000	96 597 000
Total receivables from non-exchange transactions	117 596 500	137 907 000

Statutory receivables general information

Transaction(s) arising from statute

Statutory receivables from non-exchange transactions relates to penalties and fines levied in accordance with the Immigration Act, and monies receivable from the Criminal Assets and Recovery Account (CARA).

Determination of transaction amount

Fines and penalties are determined in accordance with the Immigration Act 2013 of 2002. The CARA amount is based on the allocation as approved by the Department of Justice and Constitutional Development (DoJ & cd). In the 2024 financial year BMA was approved R150 million from the CARA funding.

Basis used to assess and test whether a statutory receivable is impaired

The following factors were taken into account with the assessment of impairment of receivables.

BMA considered all factors disclosed in the accounting policy of the annual financial statements as at 31 March 2025 and use of available information. The application of judgement is inherent in the formation of estimates for impairment.





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
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Receivables from non-exchange transactions age analysis

Receivables from non-exchange transactions which are less than 3 months past due are not considered to be impaired. At 31 March 2025, R53,711,500 were past due but not impaired.

The ageing of amounts are as follows:

Current	3 125 000	2 555 000
31 to 60 days	4 990 000	3 190 000
61 to 90 days	8 285 000	5 845 000
91 to 120 days	6 250 000	5 245 000
121 to 150 days	1 300 000	3 070 000
151 to 180 days	1 810 000	4 625 000
> 180 days	31 076 500	16 780 000

8. Prepayments

The amounts represents goods and services which were paid for in advance and were delivered or provided for after year-end respectively. In each and every instance, there was a requirement for payment to be made in advance and thus in compliance with Treasury Regulations.

Prepayments	48 134 983	9 587 997
	48 134 983	9 587 997

Prepayments relates to goods and services which had been paid for but not yet delivered or provided respectively, consisting mainly of fire arms not received, procurement of ammunition, tactical equipment through CARA funding, training cost and software licenses for resources of the entity. The license cost relate to Microsoft licenses.

9. Cash and cash equivalents

Cash and cash equivalents consist of:





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
9. Cash and cash equivalents (continued)		
Bank balances	117 759 936	231 759 388
There are no restrictions placed on cash balances.	-	-
Credit quality of cash at bank and short term deposits, excluding cash on hand		
The bank balances consisted of current accounts and call accounts		
The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:		
Credit rating		
Credit rating BB- (ABSA)	117 759 935	231 759 388
10. Payables from exchange transactions		
Trade payables	20 962 285	-
Trade payables - National Department	68 828 221	166 175 104
	89 790 506	166 175 104
11. Accruals and other liabilities		
Accruals and other liabilities		
Leave accruals	90 066 032	73 950 537
13th cheque	36 881 551	23 768 200
Other accruals	71 745 128	73 027 526
	198 692 711	170 746 263
12. Revenue		
Rendering of services	49 782 115	54 682 082
Interest received	14 914 296	12 876 689
Unconditional grant	-	150 000 000
Government grants & subsidies	1 407 692 580	1 341 225 000
Fines and Penalties	40 485 000	41 465 000
	1 512 873 991	1 600 248 771
The amount included in revenue arising from exchanges of goods or services are as follows:		
Rendering of services	49 782 115	54 682 082
Interest received	14 914 296	12 876 689
	64 696 411	67 558 771





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
The amount included in revenue arising from non-exchange transactions is as follows:		
Taxation revenue		
Unconditional grant	-	150 000 000
Transfer revenue		
Government grants & subsidies	1 407 692 580	1 341 225 000
Fines and Penalties	40 485 000	41 465 000
	1 448 177 580	1 532 690 000
13. Employee related costs		
Basic salaries	833 307 599	690 816 345
Medical aid contributions	89 706 416	68 319 941
Allowances	57 579 641	53 821 424
Leave expense	17 926 855	25 468 646
Pension fund contributions	105 180 657	84 513 477
Bargaining Council	300 169	240 871
Overtime payments	63 465 862	49 081 040
Long-service awards	1 441 201	130 788
13th Cheques	73 346 151	52 273 364
Housing benefits and allowances	42 753 328	38 745 387
DHA Employee expense	-	8 858 145
	1 285 007 879	1 072 269 428
14. Depreciation and amortisation		
Property, plant and equipment	32 184 801	25 466 420
Living resources	38 300	38 300
	32 223 101	25 504 720
15. Finance costs		
Interest paid	136 125	329 916
16. Operating (deficit) surplus		
Operating (deficit) surplus for the year is stated after accounting for the following:		
Loss on assets write off	29 606	2 941 657
Impairment on property, plant and equipment	1 569 574	-
Depreciation on property, plant and equipment	32 184 801	25 466 420
Depreciation on living resources	38 300	38 300
Employee costs	1 285 007 879	1 072 269 428





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
17. General expenses		
Advertising	1 264 134	7 501 271
Repairs and maintenance	23 186 038	27 580 942
Auditor's remuneration	11 451 817	893 011
Bank charges	488 725	252 747
Cleaning	146 731	265 480
Municipal rates and taxes	16 467 098	13 960 524
Computer expenses	19 023 364	21 272 337
Consulting and professional fees	51 288 008	24 109 257
Consumables	102 927	3 538 117
Operating expense - rentals	33 713 369	31 369 460
Catering: Departmental activities	173 209	222 303
Reallocation cost	76 281	18 172
Courier services	381 422	1 055
Stationery cost	6 750 971	2 075 100
Uniform	13 930 720	23 753 525
Security	706 251	225 518
Telephone and fax	3 813 898	1 251 474
Training	12 652 397	18 902 021
Travel and Accommodation	48 774 435	88 969 176
Fleet services	18 454 371	30 078 145
Operation support	1 900 523	584 531
Penalties	4 039 932	-
Governance committees	2 076 946	1 275 672
Medical Services	1 079 753	2 640 163
	271 943 320	300 740 001
18. Auditors' remuneration		
External Audit	3 569 399	-
Internal Audit	7 882 418	893 011
	11 451 817	893 011
19. Cash (used in) generated from operations		
(Deficit) surplus	(90 485 114)	198 463 049
Adjustments for:		
Depreciation and amortisation	32 223 101	25 504 720
Loss on assets write off	29 606	2 941 657
Impairment deficit	1 569 574	-
Debt impairment	12 449 500	-
Changes in working capital:		
Inventories	786 035	(9 071 731)
Receivables from exchange transactions	41 706 162	(55 112 148)
Other receivables from non-exchange transactions	7 861 000	(137 907 000)
Prepayments	(38 546 986)	(9 587 997)
Payables from exchange transactions	(76 384 598)	166 175 104
Accruals	27 946 448	97 456 209
	(80 845 272)	278 861 863





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
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20. Transfer of functions between entities under common control

Transfer of functions between entities under common control occurring during the current reporting period

In June 2013, Cabinet mandated the Department of Home Affairs (DHA) to lead the establishment of a Border Management Authority in South Africa, which will be responsible for the execution of border law enforcement function that was then performed by multiple stakeholders. The establishment of the BMA was to enable a legal framework that will allow authority to execute functions on behalf of a multiplicity of organs of state in the ports of entry and within the border law enforcement area. The BMA Act, No. 2 of 2020 was subsequently accented to law by Parliament in July 2020.

The Border Management Authority (BMA) was formally established as Schedule 3A Public Entity on 1 April 2023. This follows the President's Proclamation 89 of 2022, which transferred front-line ports of entry functions from four (4) government departments to the BMA, namely Departments of Health; Home Affairs; Forestry, Fisheries and Environment; and Agriculture, Land Reform and Rural Development. The entity was formally launched by the President of the Republic of South Africa, On 05 October 2023

To this effect the BMA is funded through the budget transfers from transferring Departments (DFFE; DALRRD; DHA and DoH) which had some of their staff members integrated into the BMA. The transferred budget comprised about 90% of employee cost with the remaining budget focusing on goods and services.

Functions transferred from the Respective Department(s) as per the Proclamations made by the President of the Republic of South Africa, in terms of section 97 of the Constitution of the Republic of South Africa that confirm the transfer of the administration and the powers or functions entrusted by legislation and all amendments to be exercised or performed within the Border Law Enforcement Area and at 71 ports of entry as defined in the Border Management Authority Act, 2020 (Act no.2 of 2020).

In addition to the functions transferred, assets and liabilities were transferred during the 2024 financial year through the application of Section 42 for the PFMA.

In line with GRAP 105 (Transfer of functions between entities under common control) BMA has adopted the measurement period of two years in the recognition of property, plant and equipment in which it may adjust the provisional amount recognised for the transfer of functions.

Value of the assets transferred

Assets transferred from Department of Home Affairs - Cost

Motor Vehicles	- 61 004 259
IT equipment	- 123 251 449
Furniture and fixtures	- 17 393 620
Generator	- 1 133 875
Machinery and equipment	- 446 644
	- 203 229 847





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
20. Transfer of functions between entities under common control (continued)		
Assets transferred from Department of Forestry, Fisheries and Environment - Cost		
Motor vehicles	-	692 550
Furniture and fixtures	-	83 053
IT equipment	-	491 758
Machinery and equipment	-	67 749
	-	1 335 110
Assets transferred from Department of Health - Cost		
IT equipment	-	3 053 741
Furniture and fixtures	-	3 126 892
Generator	-	4 500
Machinery and equipment	-	15 663 730
Buildings	-	207 555
	-	22 056 418
Assets transferred from Department of Agriculture Land Reform and Rural Development - Cost		
Motor vehicles	-	15 436 682
IT equipment	-	5 409 841
Furniture and fixtures	-	2 783 663
Machinery and equipment	-	3 126 416
Buildings	-	3 172 043
Living resources	-	383 000
	-	30 311 645
Assets transferred from Department of Home Affairs - Deemed costs		
Motor vehicles	-	44 891 478
IT equipment	-	85 751 179
Furniture and fixtures	-	8 533 627
Generator	-	503 857
Machinery and equipment	-	156 612
	-	139 836 753





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
20. Transfer of functions between entities under common control (continued)		
Assets transferred from Department of Forestry, Fisheries and Environment - Deemed costs		
Motor vehicles	-	578 882
Furniture and fixtures	-	36 189
IT equipment	-	339 068
Machinery and equipment	-	31 050
	-	985 189
Assets transferred from Department of Health - Deemed Cost		
Furniture and fixtures	-	1 803 782
IT equipment	-	1 550 641
Generator	-	2 498
Machinery and equipment	-	11 555 839
Building	-	124 476
	-	15 037 236
Assets transferred from Department of Agriculture, Land Reform and Rural Development - Deemed cost		
Motor vehicles	-	9 922 821
IT equipment	-	2 926 206
Furniture and fixtures	-	993 323
Machinery and equipment	-	862 122
Buildings	-	875 391
Living resources	-	231 230
	-	15 811 093
Service bonus liability		
Department of Home Affairs	-	15 486 040
Department of Agriculture, Land Reform and Rural Development	-	4 409 426
Department of Forestry, Fisheries and Environment	-	222 512
Department of Health	-	4 203 283
	-	24 321 261
Revenue and Expenditure attributable to a transfer of functions subsequent to its transfer		
Revenue	-	1 600 248 771
Expenditure	-	(1 475 075 776)
	-	125 172 995





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
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20. Transfer of functions between entities under common control (continued)

Leave Balances

Leave balances for transferred officials as at 01 April 2023 were as follows:

Leave liability:	-	-
Department of Home Affairs	-	24 528 737
Department of Agriculture, Land Reform and Rural Development	-	9 626 850
Department of Forestry Fishery and Environment	-	624 713
Department of Health	-	5 423 226
	-	-
Capped leave liability:	-	-
Department of Home Affairs	-	6 053 596
Department of Agriculture, Land Reform and Rural Development	-	1 551 732
Department of Health	-	1 159 938
	-	48 968 792





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
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21. Financial instruments disclosure

Categories of financial instruments

31 March 2025

Financial assets

	At fair value	At amortised cost	Total
Interest receivable and other receivables	-	1 650 757	1 650 757
Cash and cash equivalents	117 759 935	-	117 759 935
	117 759 935	1 650 757	119 410 692

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	89 790 506	89 790 506
Other accruals	71 745 128	71 745 128
	161 535 634	161 535 634

31 March 2024

Financial assets

	At fair value	At amortised cost	Total
Interest receivable and other receivables	-	439 046	439 046
Cash and cash equivalents	231 759 388	-	231 759 388
	231 759 388	439 046	232 198 434

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	166 175 104	166 175 104
Other accruals	73 027 526	73 027 526
	239 202 630	239 202 630

22. Risk management

Financial risk management

The entity's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
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22. Risk management (continued)

Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared to give an indication of periods during which liquidity problems are expected.

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

The entity manages liquidity by monitoring cash flows and ensuring that the necessary funds are available to meet any commitment which may arise.

At 31 March 2025

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	89 790 506	-	-	-
Other accruals	71 745 128	-	-	-
	161 535 634	-	-	-

Credit risk

Credit risk consists mainly of cash and cash equivalents and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates is Credit rating BB-.

Financial assets exposed to liquidity and credit risk at year end were as follows:

	2025	2024
Cash and cash equivalent	117 759 935	231 759 388





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
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23. Commitments

Authorised capital expenditure

Already contracted for but not provided for

• Existing contracts	11 853 041	12 146 548
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Total capital commitments

Already contracted for but not provided for	11 853 041	12 146 548
---	------------	------------

This committed expenditure relates to capital expenditure in future financial periods and will be financed by available retained surpluses, existing cash resources and funds internally generated.

Total commitments

Total commitments

Authorised capital expenditure	11 853 041	12 146 548
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Operating leases - as lessee (expense)

Minimum lease payments due

- within one year	11 518 867	13 901 580
- in second to fifth year inclusive	44 193 429	2 779 970
- later than five years	1 900 732	-
	57 613 028	16 681 550

Operating lease payments represent rentals payable by the entity for its printer rental and office space rental. No contingent rental payable.

24. Related parties

Relationships

Member

Refer to members' report note 25

Executive Authority

Minister of the Department of Home affairs

National Spheres of government under common control

Refer to note 20

Members of key management

Refer to management disclosure note

Border Management Authority is a Schedule 3A public entity in terms of the Public Finance Management Act (Act 1 of 1999, as amended). The BMA is related to all National spheres of government, including other public entities reporting to the Department of Home Affairs

The BMA Inter-Ministerial Consultative Committee (IMCC) is established by Section 24 of the BMA Act, 2020. The mandate of the Committee is to oversee the effective operation of the BMA, and make decisions regarding the execution of the Authority. The committee is chaired by the Minister of Home Affairs and comprises of the following members: Minister of Defence and Military Veterans, Minister of Department of Agriculture, Land Reform and Rural Development, Minister of Forestry, Fisheries and Environment, Minister of Finance, Minister of Health, Minister of South African Police Service, Minister of State Security, Minister of Transport, Minister of Trade, Industry and Competition.





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
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24. Related parties (continued)

The Border Technical Committee (BTC) is established by Section 25 of the BMA Act, 2020. The mandate of the Committee is to oversee the effective operation of the BMA. The Committee is both a decision making and oversight body and has the authority to make decisions regarding the execution of the Authority. The Committee is chaired by the Commissioner of the BMA and comprises of the following members: Director-General of Department of Agriculture, Land Reform and Rural Development, Director-General of Department of Forestry, Fisheries and Environment, Director-General of Department of Health, National Commissioner of the South African Police Service, Director-General of Department of Transport, Director-General of Department of Trade, Industry and Competition, Commissioner of the South African Revenue Service, Chief of the South African Defence Force, Minister of Trade, Industry and Competition, Director-General of Department of Home Affairs.

Related party balances

Trade and other receivables and (payables)

Department of Home Affairs (DHA)	(68 457 276)	(166 320 952)
Department of Home Affairs (DHA)	4 290 996	1 400 996
Department of Agriculture, Land Reform and Rural development (DALRRD)	-	(166 055)
Department of Agriculture, Land Reform and Rural development (DALRRD)	2 776 046	45 583 468
Department of Health (DoH)	(565 901)	(1 817 260)
Department of Health (DoH)	50 925	1 205 445
Government Printing Works (GPW)	(343 850)	-





24. Related parties (continued)

Remuneration of Management: Executive management

2025

Name	Basic salary	13th cheque	Other short-term employee benefits	Post-employment benefits	Leave discounting	Other long-term benefits	Other benefits received	Total
Commissioner - Dr NM Masiapato	1 891 525	-	907 835	234 087	115 910	120	18 000	3 167 477
Deputy Commissioner Corporate Services - Ms MJJ Thupana	1 722 677	148 508	484 094	208 027	66 808	120	10 500	2 640 734
Deputy Commissioner Operations - MG D Chilembe	1 723 676	148 508	471 718	208 027	-	120	13 500	2 565 549
Assistant Commissioner - Ms ZN Chonco	1 587 061	74 949	337 956	204 120	-	120	20 700	2 224 906
Acting Assistant Commissioner - Mr JS Van Neel (transferred to DHA in November 2024)	593 457	-	47 497	72 424	-	70	99 862	813 310
Assistant Commissioner - Mr MAM Ramathuba	1 235 385	104 772	146 388	154 733	-	120	120 385	1 761 783
Assistant Commissioner - Mr A Managa	1 252 359	96 688	93 598	158 001	-	120	205 225	1 805 991
Assistant Commissioner - Ms L Fouche	1 248 168	107 838	249 310	157 223	-	120	11 000	1 773 659
Assistant Commissioner - Mr TC Dubazana	1 289 328	100 154	269 880	163 001	-	120	9 000	1 831 483
Assistant Commissioner - Mr BA Mkhabela (Appointed August 2024)	814 582	-	175 329	112 152	-	80	9 100	1 111 243
Assistant Commissioner - Dr NE Luvhengo (Appointed October 2024)	787 500	-	169 500	102 375	-	60	7 800	1 067 235
	14 145 718	781 417	3 353 105	1 774 170	182 718	1 170	525 072	20 763 370



24. Related parties (continued)

2024

Name	Basic salary	13th cheque	Other short-term employee benefits	Post-employment benefits	Leave Discounting	Other long-term benefits	Other benefits received	Total
Commissioner - Dr NM Masiapato	1 510 801	179 878	663 557	196 404	-	119	-	2 550 759
Deputy Commissioner Corporate Services - Ms MUJ Thupana	1 164 507	138 632	248 951	151 386	108 475	119	-	1 812 070
Deputy Commissioner-Operations - MG D Chilembe	1 164 507	138 632	248 951	151 386	63 809	119	-	1 767 404
Assistant Commissioner - Ms ZN Chonco	629 572	-	135 508	81 844	-	50	-	846 974
Acting Assistant Commissioner - Mr JS Van Neel	878 890	-	81 424	114 256	-	128	292 912	1 367 610
Assistant Commissioner - Mr MAM Ramathuba	873 860	-	87 438	113 602	-	90	100 650	1 175 640
Assistant Commissioner - Mr A Managa	430 500	-	22 660	55 965	-	50	76 000	585 175
Assistant Commissioner - Ms L Fouche	846 857	21 345	190 906	110 091	-	90	18 577	1 187 866
Assistant Commissioner - Mr TC Dubazana	1 053 291	-	217 278	136 928	-	90	6 000	1 413 587
	8 552 785	478 487	1 896 673	1 111 862	172 284	855	494 139	12 707 085

Deputy Assistant Commissioner - Mr JS Van Neel acted as the Assistant Commissioner Operations and Law Enforcement from 01 April 2023 to 30 November 2024.

Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
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25. Members' and prescribed officers' remuneration and other benefits paid, payable or receivable

Non-executive

2025

	Committees fees	Total
Audit and Risk Committee:	-	-
Mr L Mangquku (Chairperson)	389 885	389 885
Mr A Amod (Member)	248 794	248 794
Mr S Maharaj (Member)	273 020	273 020
Mr T Phili (Member)	243 931	243 931
	-	-
Human Capital and Remuneration Committee:	-	-
Ms N Maharaj (Chairperson)	259 755	259 755
Mr S Faku (Member)	215 037	215 037
Mr J Tshipa (Member)	215 802	215 802
	1 846 224	1 846 224

2024

	Committees fees	Total
Mr L Mangquku (Chairperson)	348 509	348 509
Mr A Amod (Member)	198 009	198 009
Mr S Maharaj (Member)	196 552	196 552
Mr T Phili (Member)	196 270	196 270
	-	-
Human Capital and Remuneration Committee	-	-
Ms N Maharaj (Chairperson)	158 223	158 223
Mr S Faku (Member)	84 148	84 148
Mr J Tshipa (Member)	93 960	93 960
	1 275 671	1 275 671

26. Events after the reporting date

The following events occurred after the reporting date:.

BMA and the South African Police Service (SAPS) have initiated discussion for the transfer of border access control functions, which are currently being performed by SAPS, to the BMA. An estimate of the financial effect cannot be made at this stage.





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
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27. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure identified - current	3 177 354	702 650
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Disciplinary steps taken/criminal proceedings

Investigations for fruitless and wasteful expenditure has commenced in the 2024/25 financial year. The draft reports have been received from the service provider in relation to 2023/24 financial year, whilst the investigation for 2024/25 financial year is at an advanced stage. Management will compile the investigations report and will commence with consequence management and request write-off from accounting authority where applicable.

28. Irregular expenditure

Irregular Expenditure - current	3 222 739	2 765 906
---------------------------------	-----------	-----------

Irregular expenditure is presented inclusive of VAT.

Disciplinary steps taken/criminal proceedings

Investigations for irregular expenditure has commenced in the 2024/25 financial year. The draft reports have been received from the service provider in relation to 2023/24 financial year, whilst the investigation for 2024/25 financial year is at an advanced stage. Management will compile the investigation report and will commence with consequence management and request for condonement from National Treasury where applicable.

29. In-kind donations and assistance

During the year under review the entity utilised assets from DHA which as at year end were not transferred to the BMA. The assets being utilised relates to Guns and ICT systems.

30. Budget differences

Material differences between budget and actual amounts

Narratives for the material differences between budget vs actual is detailed in Appendix 1.

31. Accounting by principals and agents

The Border Management Authority is a party to a principal-agent arrangement. The arrangement is with DALRRD. The entity is the principal in this arrangement.

Details of the arrangement(s) is|are as follows:

DALRRD collects inspection fees from Ports of Entry on behalf of BMA.

There has been no changes to the terms and conditions during the reporting period.

The entity is the principal, as it directs the Department to undertake transactions (inspection fees) on its behalf. The risks associated with the arrangement is that revenue collected by Department is not paid over to the entity, or that revenue is not collected from the customers resulting in losses for the entity.





Notes to the Annual Financial Statements

Figures in Rand	31 March 2025	31 March 2024
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Entity as principal

Resources (including assets and liabilities) of the entity under the custodianship of the agent

Resources including assets and liabilities of the entity have been recognised by the agent in its financial statements.

Refer to note 5 for the amount receivable from the Department.

Fee paid

There were no fees paid as compensation to the collecting Department.

32. Contingent liabilities

A summons was issued against BMA to claim for unlawful arrest and detention to the value of R200,000. BMA is defending the matter and denies that the applicant was arrested and detained unlawfully.

Surrender of surpluses

The entity annually declares all surpluses or deficits to National Treasury, from the period 1 August - September of each year, using its audited annual financial statements as the basis for calculation of surpluses or deficits.

The entity submits requests to National Treasury to retain surpluses in terms Section 53(3) of the PFMA as and when appropriate. As at 31 March 2025 the entity reported a deficit.

33. Impairment loss

Impairments

Property, plant and equipment

During the period under review the entity has impaired motor vehicles, this is after the entity has assessed the conditions of the vehicles for possible impairment.

1 569 574

-

The main events and circumstances that led to the recognition of these impairment losses are as follows:

The impairment was due to vehicles being damaged in accidents and they are not economically viable to repair.

34. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

Presented below are those items contained in the statement of financial position and statement of financial performance that have been affected by prior year adjustment



Notes to the Annual Financial Statements

Figures in Rand			31 March 2025	31 March 2024
Statement of financial position	As previously stated	Correction	Reclassificati on	Restated
Property plant and equipment	143 114 515	47 018 923	-	190 133 438
Living resources	-	192 930	-	192 930
Receivable from exchange transactions	53 503 409	1 608 739	-	55 112 148
Receivables from non-exchange transactions	134 017 000	3 890 000	-	137 907 000
Payables from exchange transactions	(114 300 270)	(51 874 834)	-	(166 175 104)
Accrual and other liabilities	(180 509 754)	9 763 491	-	(170 746 263)
Gains from transfer of functions between entities under common control	(120 042 572)	21 662 356	-	(98 380 216)
Accumulated surplus	(166 201 444)	(32 261 605)	-	(198 463 049)
	(250 419 116)	-	-	(250 419 116)
Statement of financial performance	As previously stated	Correction	Reclassificati on	Restated
Rendering of services	(53 073 343)	(1 608 739)	-	(54 682 082)
Fines, penalties and forfeits	(37 575 000)	(3 890 000)	-	(41 465 000)
Depreciation and amortisation	18 044 465	7 460 255	-	25 504 720
Loss on assets write-off	2 914 650	27 007	-	2 941 657
General expenses	245 642 668	55 097 333	-	300 740 001
Employee related costs	1 161 616 889	(89 347 461)	-	1 072 269 428
	1 337 570 329	(32 261 605)	-	1 305 308 724

Nature of Prior Period Adjustments

Property, plant and equipment - The adjustments relates to transfer of additional assets from the Department of Health, Department of Forestry, Fisheries and Environment and the Department of Agriculture, Land Reform and Rural Development to the BMA in terms of GRAP 105.

Payables from exchange transactions - The corrections relates mainly to the correction of the DHA payables balance, following a reconciliation between DHA and the BMA, and the verification of expenditure incurred on the BMA's behalf. It also includes the reversal of a motor vehicle that was incorrectly capitalised as asset but was not received as at year end, this resulted in overstatement of the cost of assets and the accumulated depreciation and overstatement of the payables for the financial year 2023/24.

Accruals and other liabilities and General expenses - The correction of prior period error relates to expenses not accrued for in prior year, this relates to invoices received after finalisation of the previous year financial statements and receivable from non-exchange transaction.

Gain from transfer of functions between entities under common control - The adjustments relates to transfer of additional assets from the Department of Health, Department of Forestry, Fisheries and Environment and the Department of Agriculture, Land Reform and Rural Development to the BMA in terms of GRAP 105.





Nature of Prior Period Adjustment (continued)

Fines and penalties - The correction of prior period error relates to a formula error in the schedule as well as fines relating to transgressions in the prior year only issued in the current year.

Depreciation - The adjustments on depreciation relates to transfer of additional assets from the Department of Health, Department of Forestry, Fisheries and Environment and the Department of Agriculture, Land Reform and Rural Development to the BMA in terms of GRAP 105.

Employee related costs - The adjustments is due to the finalisation of the reconciliation of the amount owed to the Department of Home Affairs, it was established that certain amounts related to period prior to 1 April 2023.

Living resources - The adjustments relates to transfer of biological assets from the Department of Agriculture, Land Reform and Rural Development to the BMA in terms of GRAP 105.

Receivable from exchange transactions - The adjustments was due to invoices relating to the prior year.

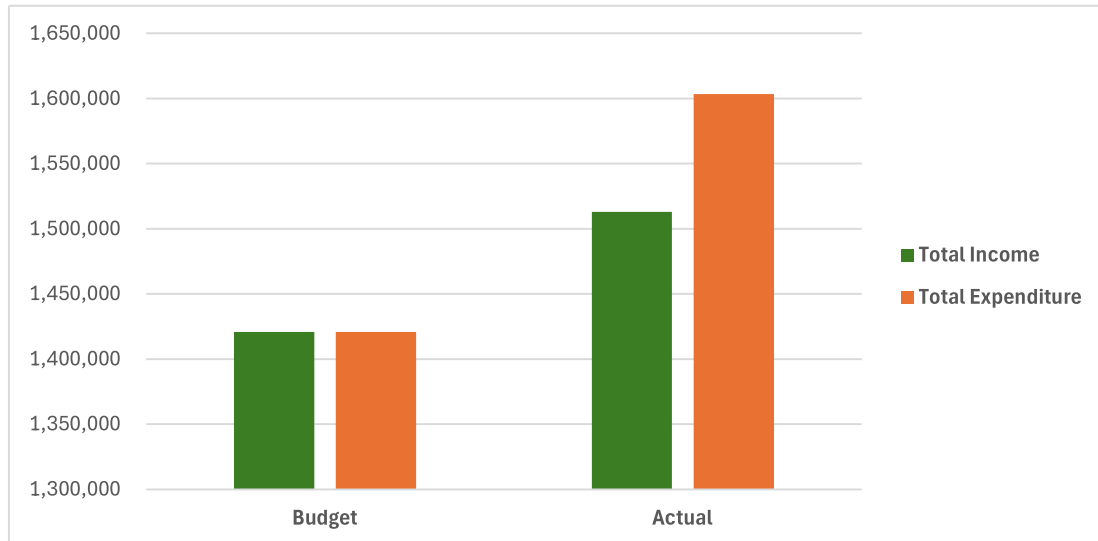


BUDGET VARIANCES – EXPLANATION FOR THE PERIOD ENDED 31 MARCH 2025

Appendix 1: BUDGET VARIANCE MARCH 2025

1. SUMMARY

	Budget R'000	Actual R'000	Variance R'000	Variance %
Total Income	1 420 752	1 512 874	92 122	6%
Total Expenditure	1 420 752	1 603 359	(182 607)	(13%)
Deficit	0	(90 485)	(90 485)	



2. Total Income

Total income of R1,513 billion was 6% above the budget. This is mainly due to the additional revenue received from the Special functions and Fines and Penalties.

The details for the variance in the revenue comparison are provided below:

2.1. Specialised function service revenue

The BMA earns revenue from inspection services performed by the Agriculture and Port Health specialised functions. The revenue relating to these functions was not budgeted for in the current year as this was only the second year of operation for the BMA and there is thus no adequate historic information as a base for determining the estimated revenue.





2.2. Fines and penalties

Fines and penalties relate to amounts charged under Section 50(3) and 50(4) of the Immigration Act, Act 13 of 2002. Fines and penalties are not budgeted for.

3. Total Expenditure

The total expenditure was R182.6 million (13%) higher than budget. There are a number of over- and under expenditure when compared to budget. This was due to limited historic information being available when the budget for the year under review was prepared. The entity also received late charges from the DHA relating to property leases and municipal charges. The main reasons for the variance are narrated below:

3.1. Personnel

The personnel costs were R72.1 million (6%) higher than budget mainly due to employee cost associated with the appointment of the 400 Border Guards and the festive operation cost.

3.2. Consultants

The higher cost relates to various consultants used for assistance with the operationalisation of the BMA, payroll support, increasing legal fees and the ICT related consultants.

3.3. Travel and accommodation

Included in travel and subsistence cost, and adding to the higher spend, is the Junior Border Guard (JBG) Pass out parade event in quarter one and accommodation provide to the JBG for a period of one month. The April and December festive operations required the movement of BMA border guards to venerable and under capacity Ports of Entry to assist with the busy season, which also increased this cost.

3.4. Fleet services

The cost includes vehicles required by the BMA to perform its mandate at the various ports of entry.

3.5. Operating lease

This cost includes leases from transferring Departments and related operating lease cost.

3.6. Repairs and maintenance

The poor status of the Port of Entry infrastructure is a risk for the BMA and its staff. During the year to ensure compliance with Occupational Health and Safety (OHS) Standards repairs and maintenance was performed in various Ports of Entry.

Signature
Designation: Commissioner: BMA
Date: 31 July 2025



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