inseta

INSURANCE SECTOR EDUCATION AND TRAINING AUTHORITY

ANNUAL REPORT 2024/2025

THE FUTURE OF INSURANCE

inseta

INSURANCE SECTOR EDUCATION AND TRAINING AUTHORITY

higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

EMPOWERED TO INFLUENCE AND INSPIRE

Buti Manamela
Minister of Higher Education

Dr Nomusa Dube-Ncube
Deputy Minister of Higher Education

Mimmy Gondwe
Deputy Minister of Higher Education

Gugu Mkhize
INSETA Chief Executive Officer

Honourable Minister, it is with pleasure that we present to you the annual report of the Insurance Sector Education and Training Authority (INSETA) for the period 1 April 2024 to 31 March 2025.

CONTENTS

A

GENERAL INFORMATION

1. PUBLIC ENTITY'S GENERAL INFORMATION

REGISTERED NAME:	Insurance Sector Education and Training Authority
REGISTRATION NUMBER:	
PHYSICAL ADDRESS:	18 Fricker road Illovo 2196
POSTAL ADDRESS:	PO Box 32035 Braamfontein 2017
TELEPHONE NUMBER/S:	+27 11 381 8900
EMAIL ADDRESS:	info@inseta.org.za
WEBSITE ADDRESS:	www.inseta.org.za
EXTERNAL AUDITORS:	Auditor-General South Africa
BANKERS:	First National Bank
COMPANY/ BOARD SECRETARY	IKB Company Secretaries (Pty) LTD
ISBN NUMBER:	RP174/2025
ISBN:	978-1-77997-871-4

2. LIST OF ABBREVIATIONS/ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor General of South Africa
BBBEE	Broad Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
INSETA	Insurance Sector Education and Training Authority
MEC	Member of Executive Council
NGO	Non-Government Organisation
NGP	National Growth Plan
NQF	National Qualifications Framework
NSA	National Skills Authority
NSDS	National Skills Development Strategy
NSF	National Skills Fund
NT	National Treasury
PFMA	Public Finance Management Act, Act 1 of 1999
PFMA	Public Funds Management Act
PIVOTAL	Professional, Vocational, Technical and Academic Learning
PWDs	People with Disabilities
QCTO	Quality Council for Trade and Occupations
RPL	Recognition of Prior Learning
SAQA	South African Qualifications Authority
SCM	Supply Chain Management
SDA	Skills Development Act
SDLA	Skills Development Levies Act
SDP	Skills Development Provider
SETA Authority	Sector Education and Training
SIC	Standard Industrial Classification
SME	Small and Micro Enterprises
SSP	Sector Skills Plan
TR	Treasury Regulations
TVET	Technical and Vocational Education and Training
WIL	Work Integrated Learning
WP-PSET	White Paper on Post School Education and Training
WSP	Workplace Skills Plan

3. ACCOUNTING AUTHORITY'S FOREWORD: 2024/25

" INSETA will remain a catalyst for transformation and growth, empowering learners, supporting industry, and contributing meaningfully to South Africa's economic future."

Introduction

During the reporting period, the INSETA Accounting Authority (AA) exercised its oversight role as prescribed in the governance framework. The Accounting Authority upheld its fiduciary responsibilities and provided strategic guidance across policy, compliance, and institutional performance. The five your Excellence journey and an industry convergence of such a pivotal period of change and uncertainty. More than seven hundred delegates attended and two thousand learners across Gauteng , which also showcased forty exhibitors all got a glimpse of the work we do.

High-level overview of the public entity's strategy and the performance of the public entity in its respective sector

During the 2024/25 financial year, the Accounting Authority remained committed to driving transformation, accountability, and inclusive growth within the insurance sector. Key flagship programmes—such as the Insurance Sector Student Fund (ISSF) and the Women in Insurance Leadership Programme—were prioritised to broaden rural access and advance gender diversity in leadership. INSETA continued to increase inclusivity and advance its annual performance trajectory from the previous financial year, and we remain proud of the 97% on organisational performance for the year under review.

The Accounting Authority upheld its commitment to ethical governance through rigorous financial oversight, integrated risk management, and timely compliance. Sustaining revenue, optimising expenditure, and leveraging strategic partnerships remained central to INSETA's ongoing impact and operational efficiency.

Strategic Relationships

Strategic collaboration remains at the heart of INSETA's impact. During the 2024/25 financial year, the Accounting Authority prioritised the strengthening of relationships across all spheres of government, particularly under the leadership of the Department of Higher Education and Training (DHET), whose policy direction continues to shape and support our mandate. These partnerships have enabled INSETA to respond effectively to the evolving national skills agenda and sectoral priorities.

We also deepened our engagements with public and private industry stakeholders, reinforcing the tripartite nature of the SETA model. These partnerships have been critical in co-designing responsive occupational qualifications, supporting work-based learning, and ensuring the alignment of our interventions with real labour market needs.

Our relationships with Universities, TVET colleges, and Community Education and Training (CET) institutions continued to yield significant value. Through collaborative research, bursary funding, leadership programmes and workplace integration programmes, INSETA has supported the seamless transition of learners from academic spaces into the world of work. These partnerships are key to building a future-ready, inclusive, and competitive workforce for the insurance and related services sectors.

Challenges

This year presented challenges related to regulatory shifts, stakeholder engagement, and SME development. The Accounting Authority responded by overseeing the strategic communications, enhancing programme flexibility, and fostering real-time responsiveness through improved monitoring and evaluation frameworks. This ensured agility in adapting to the labour market and policy changes.

Strategic Focus: Medium to Long Term

The Board's long-term vision is clear: to position INSETA as a driver of systemic change, skills innovation, and inclusive transformation. We will focus on embedding digital readiness, enabling public-private partnerships, and advancing responsive qualifications that prepare South Africans for the future world of work. The focus on impact and contributing to employability, should be a priority.

Acknowledgement/s or Appreciation

The Accounting Authority wishes to express its heartfelt gratitude to the CEO for her exemplary leadership and the outstanding organisational performance achieved under her stewardship. We also congratulate INSETA for the accolades received in recognition of its successful implementation of key strategic projects, an affirmation of the collective efforts and excellence of the INSETA team.

The Accounting Authority extends its sincere appreciation to the Department of Higher Education and Training, as well as to our valued stakeholders across the insurance and related services industry. This includes employer associations, labour representatives, professional bodies, regulators, and education and training institutions. Your ongoing collaboration and support remain critical to the success of our mandate.

Finally, to the dedicated INSETA staff—thank you for your unwavering commitment and service. It is through the strength of these partnerships that we can advance the national skills development agenda and foster a transformed, inclusive, and future-ready insurance sector.

Conclusion

In closing, the Accounting Authority reaffirms trajectory of guiding INSETA towards excellence, inclusivity, and sustained impact within the insurance sector. We are proud of the organisation's resilience and adaptability amid an ever-changing economic and skills development landscape. INSETA remains financially viable, with stable revenue inflows and adequate reserves, demonstrating strong resilience against economic fluctuations.

Looking ahead, we are confident that through continued strategic partnerships, robust governance, and an innovative approach to skills development, INSETA will remain a catalyst for transformation and growth, empowering learners, supporting industry, and contributing meaningfully to South Africa's economic future.

INSETA Accounting Authority
31 July 2025

Gugu Mkhize
Chief Executive Officer

4. CHIEF EXECUTIVE OFFICER'S FOREWORD: 2024/25

"Together, we are transforming the sector and creating pathways for youth, women, and marginalised communities."

Governance and Oversight

It is an absolute privilege for me to report that the organisation has upheld the highest standards of governance and excellent performance throughout the 2024/25 financial year. With unwavering support from the Accounting Authority and our Executive Management, we maintained strategic and operational efficiencies that is aligned with INSETA's vision, underpinned by the principles of transparency, compliance, and transformation.

Key Decisions in 2024/25

This year marked a pivotal moment for INSETA, with heightened focus on impact. We implemented several transformative initiatives, including the approval of the Annual Performance Plan (APP), a digital transformation roadmap, sector-specific qualifications, research agenda and alignment. This was informed by stakeholder feedback and evidence based planning and a commitment to relevance and impact. The inaugural Skills Indaba was a culmination of the work we have undertaken for several years, impacting youth, workers and businesses

Strategic Alignment

Our strategic direction was anchored by the national development imperatives, including the NSDP 2030 and the Medium-Term Development Plan (2024–2029). We ensured that the APP, Strategic Plan (SP), and Sector Skills Plan (SSP) were aligned and responsive to industry shifts. INSETA continues to be a thought leader in insurance skills intelligence, and Data management.

Risk Management Approach

The enterprise-wide risk management framework enabled oversight of programme delivery, financial management and organisational resilience. The recent assessment of risk maturity revealed a sufficient improvement at the entity from the previous periods. This confirms the strong focus of improvement in the controlled environment.

Leadership Performance Evaluation

I am pleased to announce that the overall performance stood at 100%. This is a significant achievement over the years. Or performance driven culture is strengthened through regular reviews, quality assessments. and continuous improvement mechanisms embedded across all of the organisation.

Organisational Priorities for the Year Ahead

In the year ahead, we will intensify focus on industry research, inclusive digitization access in rural access, occupational qualification delivery and targeted stakeholder partnerships. This information of insurance sector, requires skills and revolution to respond to the immediate future needs.

Stakeholder Engagement and Strategic Relationships

Our Stakeholders delivery partners and collaborators, are the cornerstone of our success in 2024/25. We strenghthened our engagements with employers, Organised Labour, education institutions, SETAs and government partners. The Insurance Skills Indaba stands out as a significant success, convening over seven hundred and fifty delegates and two thousand learners to co-create the future of the sector.

Notable Organisational Achievements

We proudly launched the Women in Insurance Leadership Programme and expanded the Insurance Sector Student Fund (ISSF), including outreach to under-served rural communities. These initiatives demonstrate our commitment to inclusive, transformational development and sector equity. One of our first flagship project was completed during the year under review was the INSETA DigiHub partnership with Coastal TVET college.

INSETA received various accolades and awards for the strategic programmes implemented. One of these awards was for the "Leading Skills Institution in Africa"

Transparency and Accountability

INSETA upheld financial integrity through disciplined expenditure, internal audits, and robust reporting. Our adherence to the PFMA and Treasury regulations reinforced confidence among our funders, stakeholders, and the broader public.

Message to Staff and Stakeholders

To team excellence, you are the engine behind our outstanding achievements. Your commitment, professionalism, and tireless work during this reporting period have been extraordinary. To our stakeholders, thank you for your endurance trust and collaboration. Together, we are transforming the sector and creating pathways for youth, women, marginalised communities, business and society at large.

Challenges and How We Addressed Them

We encountered several challenges, including policy shifts, stakeholder fatigue, and resource limitations. We augmented the resources by bringing additional capacity on board. We implemented a hybrid model and allowed some staff to work from home. We further used our wellness services to support the staff during the prescribed times.

Strategic Focus: Medium to Long Term

Looking ahead, INSETA is poised to lead the sector in digital inclusion, future-focused skills development, and cross-sector collaboration. We will be expanding our impact by investing analytic tools, green skills and investing in and on collaborate with key partners to deliver our mandate.

General Financial Review of the Public Entity

INSETA concluded the year with stable finances and good governance. Our financial practices reflected strong planning, disciplined execution, and accountability across all programmes.

Spending Trends of the Public Entity

We directed the bulk of expenditure towards high-impact programmes, bursaries, and capacity-building projects. A strategic increase in digital and rural programme funding reflected our inclusive transformation strategy.

Capacity Constraints and Challenges Facing the Public Entity

Despite significant strides, we continue to face constraints in specialised talent recruitment and digital systems integration. We address these issues through skills development, strategic hiring, and system upgrades. We further renewed the organizational structure to respond to the challenges.

Discontinued Key Activities or Activities to be Discontinued

We phased out Legacy qualifications, relevant skills programmes to redirect those resources to high priority sectoral programmes such as Artificial Intelligence (AI) skills.

New or Proposed Key Activities

New initiatives include the the implementation of the DigiHub nationally for digital and technical skills, a dedicated SMME support programme, and a research partnership network to enhance sector intelligence.

Request for Rollover of Funds

We have submitted a formal rollover request for committed but unspent funds, which are essential for completing multi-year projects, such as bursaries and infrastructure upgrades.

Supply Chain Management

Our SCM unit improved procurement efficiency and supplier accountability. We rolled out enhanced controls, digitised procurement workflows, and strengthened compliance.

All Concluded Unsolicited Bid Proposals

INSETA concluded that no unsolicited bids were received in the year under review. We continue to strengthen preventative controls and ensure that SCM processes remain transparent and competitive.

Audit Report Matters in the Previous Year

We successfully addressed prior audit findings related to performance data verification and asset management timelines. Enhanced controls and a dedicated audit action team ensured timely resolution.

Outlook/Plans for the Future to Address Financial Challenges

To mitigate future financial pressures, we are streamlining operational costs, leveraging co-funded models, and strengthening risk-adjusted forecasting and project costing.

Events After the Reporting Date

The CEO was appointed as the Accounting Authority of the SETA.

Economic Viability

INSETA remains fiscally sound, and fully compliant with financial governance standards. Stable revenue streams and strategic reserves support our long-term viability.

Acknowledgement/s or Appreciation

I wish to extend our sincere appreciation to the Department of Higher Education and Training, under whose leadership and guidance, INSETA continues to deliver on its mandate with purpose and impact.

To the INSETA Accountig Authority and its Committees, thank you for your unwavering strategic oversight and principled leadership throughout the year. Your direction has been instrumental in guiding the organisation through a complex and evolving skills development landscape.

I would also like to appreciate that Mr Vernon Makaleni was appointed as the Chairperson of the Risk Management Committee, effective 1 July 2021. Mr Makaleni served three terms, and his contract ended in March 2025.

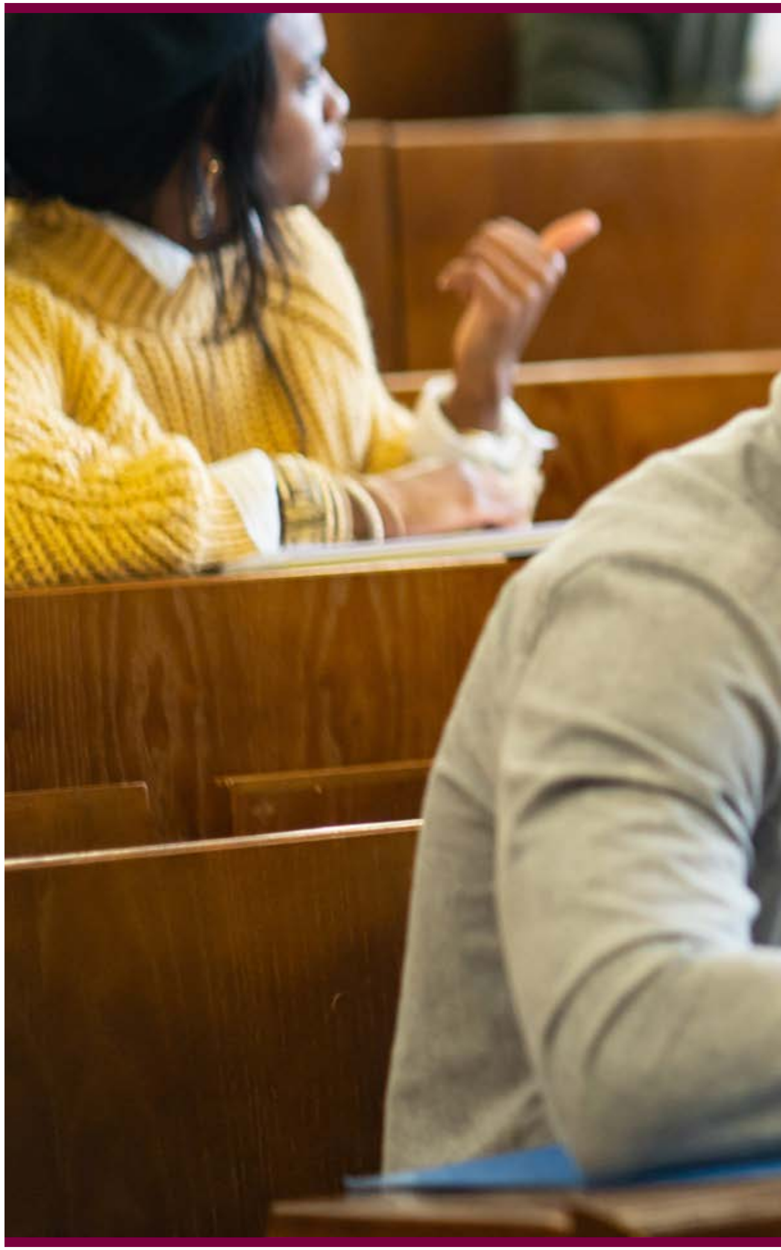
Mr Makaleni was instrumental in embedding sound Risk Management Principles and processes within the organisation. Mr Makaleni's advice, guidance, and insights assisted the organisation in achieving its current Risk Management Maturity level of 86%, which reflects that robust risk management practices are in place. This can be seen in the organisations performance and internal control environment.

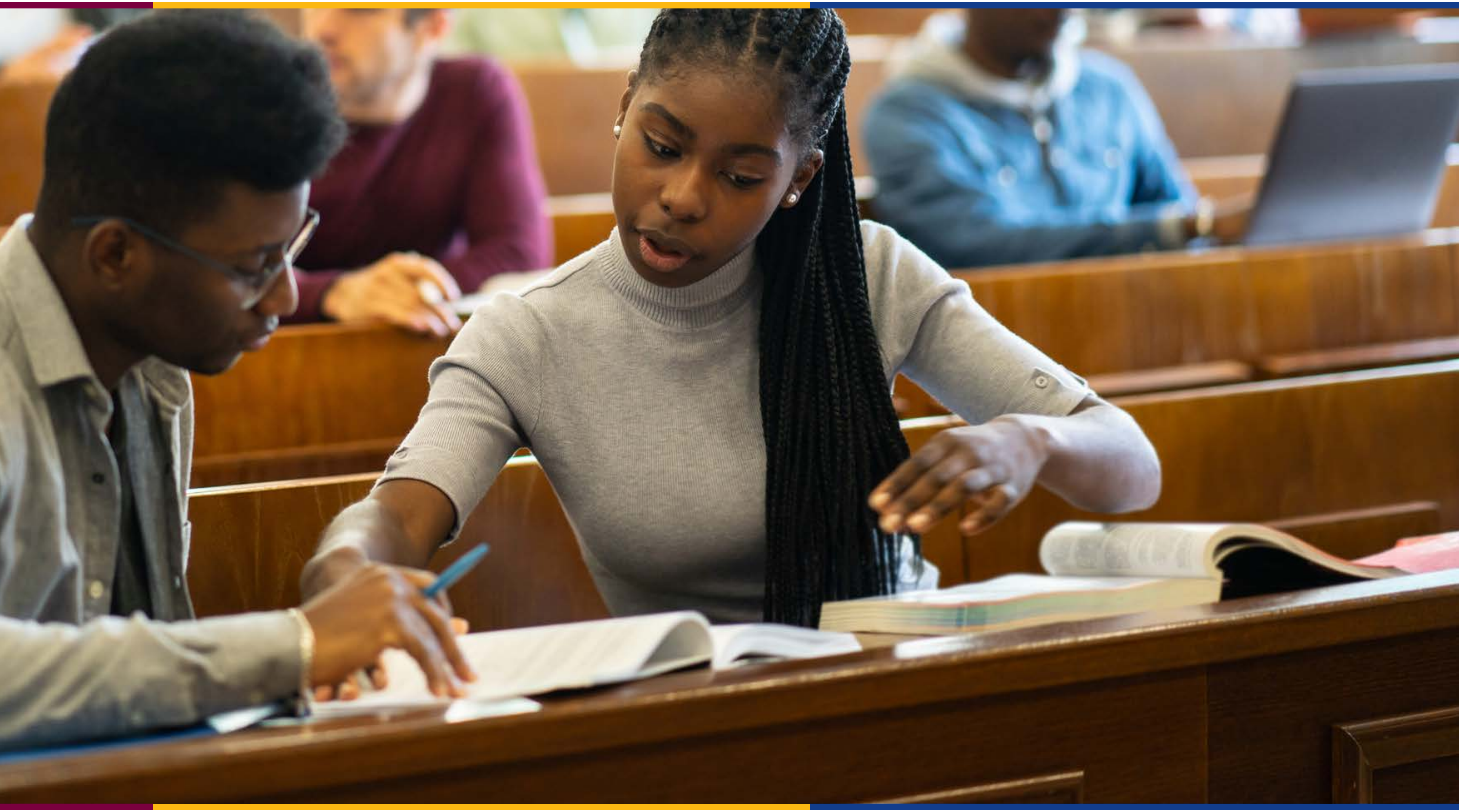
We were deeply saddened by the passing Ms Simphiwe Mathebula, one of our colleagues who was part of the support staff, may her soul rest in peace. Her contribution to INSETA was invaluable, and us; we will all profoundly feel her absence. Her legacy of dedication and excellence will remain with us always.

To the entire INSETA team—thank you for your passion, resilience, and steadfast commitment to excellence. Your efforts are the driving force behind the successes we celebrate.

To our partners across education, government, labour, and industry, your collaboration has been critical to advancing our shared vision. It is through your continued support that we are building a more inclusive, agile, and future-ready insurance sector that empowers South Africans for generations to come.

G Mkhize
Chief Executive Officer
INSETA
Date: 31 July 2025





5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:
All information and amounts disclosed in the annual report is consistent with the annual financial statements audited by Auditor General of 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 South African Standards of Generally Recognised Accounting Practice (SA GRAP), the requirements of the Public Finance Management Act of South Africa, 1999 (PFMA), and the Skills Development Act, 1998 (SDA).

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

Chief Executive Officer
G Mkhize
Date: 31 July 2025

Accounting Authority
Name
Date: 31 July 2025

6. STRATEGIC OVERVIEW

VISION

Empowered to influence and inspire.

MISSION

Harness technology and strategic partnership in pursuit of excellence to enable relevant, inclusive and impactful skills development; and be the bridge between education and the world of work by identifying skills in demand and providing agile and appropriate responses.

VALUES

Respect
Diversity, inclusivity and trust

Innovation
Agile and impactful solutions

Collaborative
Unity and partnerships

Accountability
Ethical conduct

Courageous leadership
Compassionate and empowering
"Empowered People Empower People"

Customer-centricity
Responsive and professional

Excellence
Agility & Impact

7. LEGISLATIVE AND OTHER MANDATES

As a public entity listed in Part A of Schedule 3 of the PFMA, INSETA is established in accordance with Section 9 of the SDA, having all powers granted to it in terms of this Act. INSETA's scope of coverage is the insurance and related sector as determined by Section 9 (2) of the SDA, read in conjunction with Government Gazette no.33756, RG 9417, No R1055 of 11 November 2010.

The SDA and SDLA provide the framework for INSETA to develop and implement national, sectoral and workplace strategies to enhance the skills of the workforce, which improves employability and productivity, and boost the competitiveness of the country.

The PFMA promotes sound financial management based on efficient and effective use of financial resources. The National Qualifications Framework (NQF) Act 2008, act 67 of 2008, provides for the regulation of qualifications and professional bodies, and establishes the quality councils with which the SETA interacts.

INSETA supports the goals and objectives of the Human Resources Department Strategy for South Africa, and also the medium-Term strategic Framework that indicates economic growth drivers, and the NSDP 2030.

Additional legislation key to enhancing and shaping INSETA's activities include the following Acts, incorporating the amendments thereafter:

- Basic Conditions of Employment Act 1997, Act 75 of 1997;
- Broad based Black Economic Empowerment Act 2003, Act 53 of 2003;
- Division of Revenue Acts 2022, Act 5 of 2022, as amended;
- Employment Equity Act 1998, Act 55 of 1998;
- Income Tax Act, Act 58 of 1962;
- Labour Relations Act 1995, Act 2008, Act 66 of 2008;
- National Qualifications Framework Act 2008, Act 67 of 2008'
- Preferred Procurement Policy Framework Act 2000, Act 5 of 2000;
- Public Audit Act 2004, Act 25 of 2004;
- Public Finance Management Act 1999, Act 1 of 1999; and
- Protection of Personal Information Act 2013, Act 4 of 2013.
- Insurance Legislation, FSCA
- Companies Act
- POPIA
- PAIA

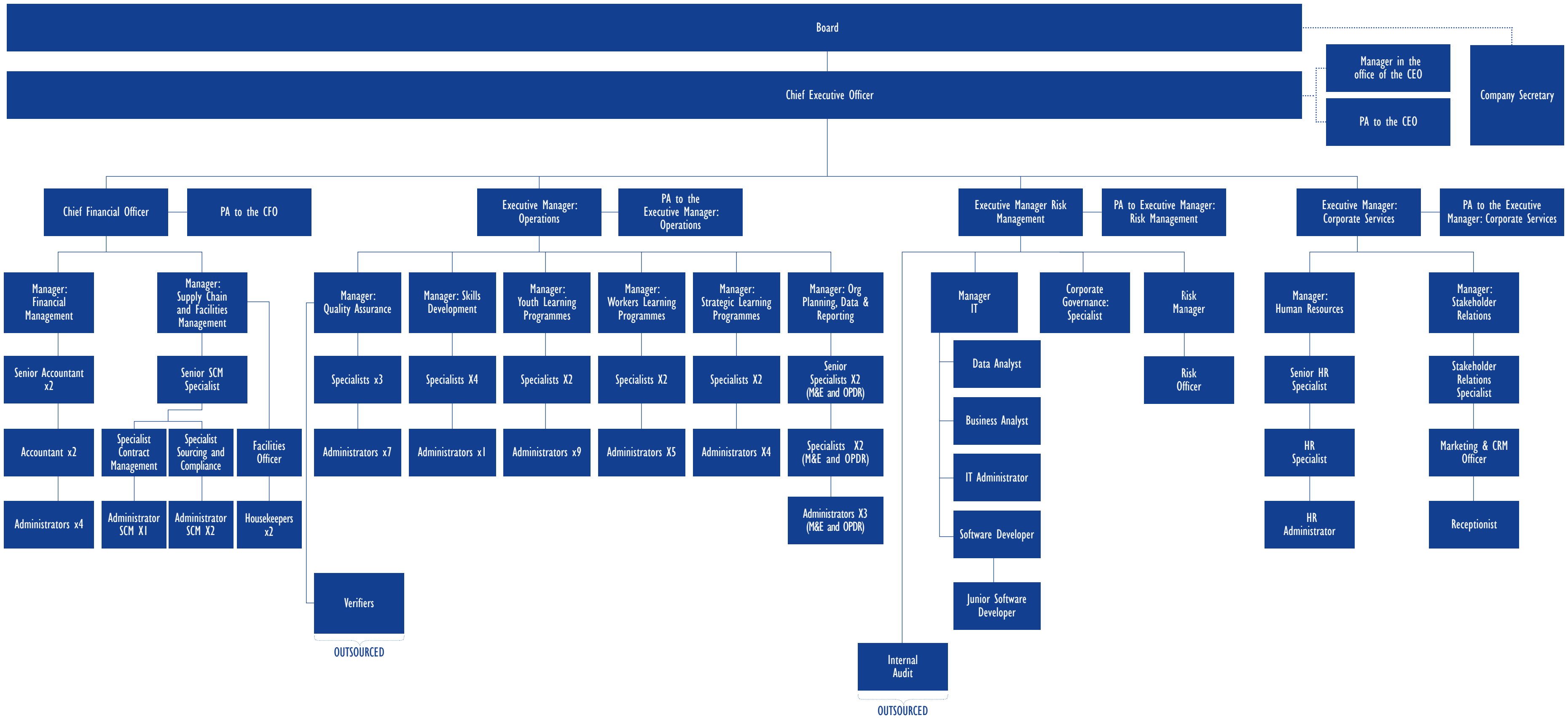
Policy mandates include the:

- White Paper for Post School ET (2014);
- The National Development Plan Vision 2030; and
- National Skills Development Plan (NSDP) Twenty Thirty (NSDP 2030).

Other documents include:

- Framework for Managing Performance Information; and
- Framework for SPs and Annual Performance Plans (APPs)
- Guidelines on the implementation of SETA Grant Regulations

8. ORGANISATIONAL STRUCTURE



B

PERFORMANCE INFORMATION

1. DRAFT AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The AGSA/auditor currently performs the necessary audit on the performance information to provide reasonable assurance on the Audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the management report, 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 92 - 97 of the Report of the Auditors Report, published as Part F: Financial Information.

2. OVERVIEW OF PERFORMANCE

2.1. Service Delivery Environment

INSETA: Two Decades of Advancing Skills and Transforming the Insurance Sector

For over 20 years, the Insurance Sector Education and Training Authority (INSETA) has remained at the forefront of skills development and educational innovation in South Africa's insurance and related sectors. Established to meet the evolving demands of a dynamic industry, INSETA has consistently delivered impactful programmes that enhance the sector's capabilities while championing equity, transformation, and inclusivity. We have shaped careers, changed lives and impacted communities.

INSETA is a critical bridge between education and industry, aligning learning opportunities with labour market needs. Through strategic partnerships with stakeholders across the value chain, INSETA ensures that individuals have the relevant skills and knowledge to thrive in an increasingly complex and competitive environment.

Driving Transformation and Industry Relevance

The South African insurance sector has historically reflected broader societal inequalities, with limited access and advancement opportunities along racial and gender lines. INSETA has played a transformative role in redressing these imbalances by reshaping access to occupational opportunities and driving targeted, inclusive interventions.

INSETA's approach is guided by a robust planning and research framework, which includes:

- Labour Market Intelligence: Continuous sector research enables INSETA to identify emerging trends, skills gaps, and future workforce needs. This intelligence forms the backbone of responsive and agile skills development strategies.
- Sector Skills Plan (SSP): The SSP comprehensively analyses skills supply and demand in the sector. It prioritises critical and scarce skills, informing the design of programmes that directly support industry growth and transformation.
- Strategic Plans (SPs): These long-term plans articulate INSETA's vision and set clear objectives for sectoral development. They align with national priorities and reflect INSETA's commitment to sustainable impact and inclusive economic participation.
- Annual Performance Plans (APPs): The APPs translate strategic objectives into measurable short-term targets. They enable INSETA to monitor implementation progress and continuously adapt to emerging needs and opportunities.

Evidence-Based Interventions for Real Impact

Through this structured and evidence-driven approach, INSETA delivers high-impact interventions tailored to the sector's specific needs. These include learnerships, bursaries, internships, skills programmes, and leadership development initiatives—all designed to build a competitive and future-ready workforce.

INSETA's contributions extend beyond individual career development; they are integral to the sector's broader growth, transformation, and resilience. By fostering a culture of learning, equity, and innovation, INSETA continues to empower the industry to meet current and future challenges.

2.2. Organisational environment

During the financial year under review, INSETA demonstrated strong organisational performance, underpinned by a dedicated and capable team. Remaining steadfast in its mission, INSETA continued to excel, guided by the implementation of its Excellence Model.

This model is anchored in four strategic pillars: Mandate, People, Systems, and Impact. Far from being a theoretical construct, it represents a living framework shaped by the collective expertise, collaboration, and commitment of the entire INSETA community. These pillars form the foundation of the organisation's journey towards sustained excellence.

In practice, the Excellence Model is strengthened by integrating clearly defined Excellence Performance Areas and Excellence Indicators. These components have been embedded within individual performance contracts, reinforcing accountability and ensuring that INSETA's pursuit of excellence is reflected across all operational dimensions. The model is aligned to organizational strategy.

2.3. Key policy developments and legislative changes

INSETA reviewed its policies and aligned these to best practice. There were no major changes to legislation which affected its mandate.

2.4. Progress towards achievement of institutional Impacts and Outcomes

INSETA PERFORMANCE INFORMATION

ANNUAL PERFORMANCE REPORT (1 APRIL 2024 to 31 MARCH 2025)

The table below represents a high-level summary of the programmes, outcomes, outputs, output indicators and performance achieved during the 2024/25 financial years.

IMPACT STATEMENT	PROGRAMME	OUTCOME	OUTPUT	OUTPUT INDICATORS	ACTUAL ACHIEVEMENT 2023/24	PLANNED ACHIEVEMENT 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATIONS FROM PLANNED TARGET	REASONS FOR DEVIATIONS
Prudent and compliant management of resources	Administration	Effective Corporate Governance	Effective Corporate Governance maintained	Audit Opinion	Qualified Audit opinion	Unqualified audit opinion with no material findings	Qualified Audit opinion	0	Target Not Achieved
				Number of significant SCM Audit findings raised	0	0	0	0	Target Achieved
				Number of materials misstatements to unaudited Annual Financial Statements	7	0	7	0	Target Not Achieved
				Vacancy rate for approved positions on the organisational structure within the financial year	5%	5%	5%	0	Target Achieved
				Number of quarterly good governance reports submitted	4	4	4	0	Target Achieved
				Percentage of Creditors invoices paid within 30 days.	100%	100%	95%	0	Target Not Achieved
				Development and Review of SSP, SP, APP and SLA	0	1	1	0	Target Achieved.

IMPACT STATEMENT	PROGRAMME	OUTCOME	OUTPUT	OUTPUT INDICATORS	ACTUAL ACHIEVEMENT 2023/24	PLANNED ACHIEVEMENT 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATIONS FROM PLANNED TARGET	REASONS FOR DEVIATIONS
Responsive Skills Planning System	Skills Planning	Occupations in high demand identified and their production increased	High-level skills developed through bursaries	Percentage of DG budget allocated at developing high-level skills	34%	34%	34%	0	Target Achieved
			Intermediate skills developed through learning programmes	Percentage of the DG budget allocated at developing intermediate skills	65%	65%	65%	0	Target Achieved
			Elementary skills developed through adult education	Percentage of the DG budget allocated at developing elementary skills	1%	1%	1%	0	Target Achieved
			SME WSPs and ATRs approved	Number of WSPs and ATRs approved for small firms	813	820	886	66	Target Exceeded due to the strategic deployment of sector skills facilitators (SSFs) whose proactive engagement significantly enhanced stakeholder outreach and collaboration
			Medium firms WSPs and ATRs approved	Number of WSPs and ATRs approved for medium firms	140	150	157	7	Target exceeded due to the strategic deployment of sector skills facilitators (SSFs) whose proactive engagement significantly enhanced stakeholder outreach and collaboration
			Large firms WSPs and ATRs approved	Number of WSPs and ATRs approved for large firms	258	230	233	3	Target exceeded due to the strategic deployment of sector skills facilitators (SSFs whose proactive engagement significantly enhanced stakeholder outreach and collaboration
			Skills Planning researched	Number of sector research conducted for CET's	1	1	1	0	Target achieved
			Skills Planning researched	Number of approved Research Agenda outputs produced	3	3	3	0	Target achieved
			Programmes impact assessment conducted	Conduct an impact assessment on learning programmes	1	1	1	0	Target achieved
			TVET curriculum development Research	Number of sector research agreements signed for TVET growth, occupationally directed programmes	1	1	1	0	Target achieved

IMPACT STATEMENT	PROGRAMME	OUTCOME	OUTPUT	OUTPUT INDICATORS	ACTUAL ACHIEVEMENT 2023/24	PLANNED ACHIEVEMENT 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATIONS FROM PLANNED TARGET	REASONS FOR DEVIATIONS
Responsive PSET System	Learning Programmes	Linked education and the workplace	TVET learners enrolled on WIL programmes	Number of TVET Students enrolled for WIL programmes to complete their qualifications	885	900	907	7	Target exceeded due to high interest shown by TVET colleges
			TVET learners completing WIL programmes	Number of TVET students completed their WIL programmes	500	500	502	2	Target exceeded due to close montiroring of programmes
			Learners enrolled for Internships	Number of unemployed learners enrolled internships.	994	900	987	87	Target exceeded due to the number of industry funded programmes that were implemented by the sector
			Learners completing internships	Number of unemployed learners completed internships	264	300	403	103	Target exceeded due to the timely completion of programmes by learners, which positively impacted the overall throughput rate and reflected the effectiveness of programme delivery and learner support mechanisms
			Learners enrolled for learnerships	Number of unemployed learners enrolled Learnerships programmes	1462	1250	1390	140	The target was exceeded as a result of incresed Employer participation in the industry-funded learnership programme
			Learners certified through learnerships	Number of unemployed learners completed Learnerships programmes	642	640	663	23	Target exceeded due to INSETA being proactive in initiating verification process that led to the number of certification been increased
			Learners for enrolled for skills programme	Number of unemployed learners enrolled Skills programmes	1696	1000	1341	341	Target exceeded due to Targeted approach was utilised which resulted in an increased number of learners.
			Learners completing skills programmes	Number of unemployed learners completed skills programmes	605	600	1180	580	Target exceeded due to strategic projects.
			Learners enrolled on the candidacy programme.	Number of unemployed learners enrolled on candidacy programmes	168	105	106	1	Target exceeded due to more learners showing interest in the programme.
			Learners completed the candidacy programme.	Number of unemployed learners completed candidacy programmes	64	50	50	0	Target achieved

** Industry funded Achievements   * Number of unemployed learners enrolled Learnership Programme - 400   * Number of unemployed learners completed Learnerships programmes- 55*

IMPACT STATEMENT	PROGRAMME	OUTCOME	OUTPUT	OUTPUT INDICATORS	ACTUAL ACHIEVEMENT 2023/24	PLANNED ACHIEVEMENT 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATIONS FROM PLANNED TARGET	REASONS FOR DEVIATIONS
Responsive PSET System	Learning Programmes	The level of skills in the South African workforce improved.	Workers enrolled are granted bursaries	Number of workers granted bursaries (new entries)	1191	1200	1238	38	Target exceeded due to strategic projects that contributed to additional numbers.
			Workers continuing to be granted bursaries	Number of workers granted bursaries (continuing)	235	60	99	39	Target exceeded due to the finalisation of the insurance legacy qualification due to the set expiry date.
			Workers granted bursaries completed studies	Number of workers granted bursaries who completed their studies	626	650	670	20	Target exceeded due to high percentage of learners successfully completing their qualifications.
			Workers enrolled for skills programmes	Number of workers enrolled in Skills programmes	2190	2150	2248	98	Target exceeded due to strategic projects that contributed to additional numbers.
			Workers completing skills programmes	Number of workers completed skills programmes	1988	1800	2218	418	Target was exceeded due to the short duration of the programme, which enabled timely completions from both current and prior-year enrolments, thereby contributing to higher overall completion rates.
			Workers enrolled learnership programmes	Number of workers enrolled learnership programmes	1069	950	1050	100	Target was exceeded due to increased employer participation in the industry - funded learnership programme.
			Workers certificated for learnerships programmes	Number of workers completed learnership programmes	605	630	633	3	Target Exceeded due to INSETA being proactive in initiating verification process that led to the number of certificates being increased.
			AET programmes enrolled	Number of workers enrolled for AET programmes	40	40	44	4	Target exceeded due to more learners showing interest in the programme.
			AET programmes completed	Number of workers who completed AET programmes	44	40	57	17	Target exceeded due to the short duration of the programme, which enabled timely completions from both current and prior-year enrolments, thereby contributing to higher overall completion rates

** Industry funded Achievements * Number of workers enrolled Learnership Programme - 295 * Number of workers completed learnership Programmes - 40*

IMPACT STATEMENT	PROGRAMME	OUTCOME	OUTPUT	OUTPUT INDICATORS	ACTUAL ACHIEVEMENT 2023/24	PLANNED ACHIEVEMENT 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATIONS FROM PLANNED TARGET	REASONS DEVIATIONS
Responsive PSET System	Learning Programmes	Access to occupationally directed programmes increased	Unemployed enrolled granted bursaries	Number of unemployed learners granted bursaries (new entries)	921	950	1170	220	Target exceeded due to the Seta receiving more enrolment applications than expected due to special projects
			Unemployed continuing students granted bursaries	Number of unemployed learners granted bursaries (continuing)	337	400	422	22	Target exceeded due to the Seta receiving more enrolment applications than expected due to special projects.
			Unemployed granted bursaries to complete studies	Number of unemployed learners granted bursaries who completed their studies	281	300	340	40	Target exceeded due to more learners successfully completing their full qualifications.
			Workers entered RPL	Number of workers enrolled for RPL / ARPL	177	165	169	4	Target exceeded due to SDPs not awarded the maximum applicable limit creating a positive balance to increase beneficiaries.
			Workers completed RPL	Number of workers completed RPL / ARPL	134	135	138	3	Target exceeded due to extra enrolments at the start of the project.
			TVETs partnerships established	Number of TVET partnerships established	5	5	8	3	Target exceeded due to more TVETs Colleges showing interest in partnering with INSETA.
			HET partnerships established	Number of HEI partnerships established	6	5	5	0	Target achieved
			CET partnerships established	Number of CET partnerships established	3	3	4	1	Target exceeded due to more CETs showing interest in partnering with INSETA.
			SETA Employer Partnerships	Number of SETA Employer Partnerships established	6	5	5	0	Target achieved
			Learners placed in employment	Number of learners who completed workplace-based learning programmes absorbed into employment or self-employment	425	450	463	13	Target exceeded due to close monitoring with the employer's enabled improvement on the achievement

IMPACT STATEMENT	PROGRAMME	OUTCOME	OUTPUT	OUTPUT INDICATORS	ACTUAL ACHIEVEMENT 2023/24	PLANNED ACHIEVEMENT 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATIONS FROM PLANNED TARGET	REASONS DEVIATIONS
Responsive PSET System	Learning Programmes	Access to occupationally directed programmes increased	Digital skills Centre	Number of beneficiaries accessing digital skills through simulated training	N/A	200	215	15	Target exceeded due to more learners showing interest in the programme
		Skills development for entrepreneurship and co-operative development supported	Co-operatives supported	Number of established or emergent Co-operatives trained on sector and nationally identified priority occupations or skills	78	15	20	5	Target exceeded due to more small businesses participating in interventions offered.
			SME supported	Number of small and emerging enterprises trained on sector and nationally identified priority occupations or skills.	383	380	422	42	Target exceeded due to strategic projects that contributed to additional numbers.
			Business Start-up supported	Number of people trained on entrepreneurship skills & supported to start their businesses	11	15	15	0	Target achieved
		Worker-initiated training supported	Union consultations held, and required skills implemented	Number of Federations/Trade Unions supported through relevant skills training interventions	2	1	1	0	Target achieved
		Career development services supported	Career Guidance for urban areas	Number of career development events in urban areas in high demand	12	12	13	1	Target exceeded due to more stakeholders showing interest in partnering with INSETA
			Career Guidance for rural areas	Number of career development events in rural areas in high demand	10	12	12	0	Target achieved
			Career development practitioners trained	Number of career development practitioners trained	15	17	20	3	The target was exceeded due to increased practitioner interest in exploring careers within the insurance sector and promoting opportunities to learners
			Capacity-building workshops on career development initiated	Number of capacity-building workshops on career development services initiated	N/A	2	2	0	Target achieved
			Initiated support through STEAME programmes	Number of initiatives supported through STEAME programme	N/A	2	2	0	Target is achieved
		Rural Development supported	Rural projects initiated	Number of rural development projects initiated	5	5	6	1	Target exceeded due to implementation of special projects in the rural areas.

IMPACT STATEMENT	PROGRAMME	OUTCOME	OUTPUT	OUTPUT INDICATORS	ACTUAL ACHIEVEMENT 2023/24	PLANNED ACHIEVEMENT 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATIONS FROM PLANNED TARGET	REASONS DEVIATIONS
Responsive PSET System	Quality Assurance	Access to occupationally directed programmes increased	Qualifications offered in line with occupations in high demand	Number of public TVET Colleges accredited to offer insurance learning programmes directed at addressing occupations in high demand	5	5	6	1	Target exceeded due to increased number of applications received for accreditation.
		Growth of the public college system supported	SETA TVET offices maintained	Number of SETA offices established or maintained in TVET colleges	2	2	3	1	Target exceeded due to more TVETs Colleges showing interest in availing space for INSETA satellite offices.
			TVET lecturers exposed to industry	Number of TVET lecturers exposed to the industry through skills programmes	22	25	25	0	Target achieved
			TVET lecturers awarded bursaries	Number of TVET colleges lecturers awarded bursaries	22	25	25	0	Target achieved
			CET Lecturers trained	Number of CET college lecturers awarded skills development programmes	18	20	25	5	The target was exceeded due to higher-than-expected uptake by lecturers seeking upskilling and reskilling opportunities

3. PERFORMANCE AGAINST INDICATORS

The following table depicts current achievement under the various programmes:

PROGRAMME	OUTCOMES	NUMBER OF INDICATORS PLANNED	ACTUAL ACHIEVEMENT 2024/25	ACHIEVEMENT
1 Administration	Effective Corporate Governance	7	4	Target Partially Achieved
2 Skills Planning	Occupations in high demand Identified and their production increased	10	10	Target Achieved
3 Learning Programme	Linking education and the workplace	10	10	Target Achieved
	The level of skills in the South African workforce improved.	9	9	Target Achieved
	Access to occupationally directed programmes increased	11	11	Target Achieved
	Skills development for entrepreneurship and cooperative development supported	3	3	Target Achieved
	Worker-initiated training supported	1	1	Target Achieved
	Career development services supported	5	5	Target Achieved
	Rural Development supported	1	1	Target Achieved
4 Quality Assurance	Access to occupationally directed programmes increased	1	1	Target Achieved
	Growth of the public college system supported	4	4	Target Achieved
TOTAL		**62**	**59**	**95%**

Skills Planning and Research

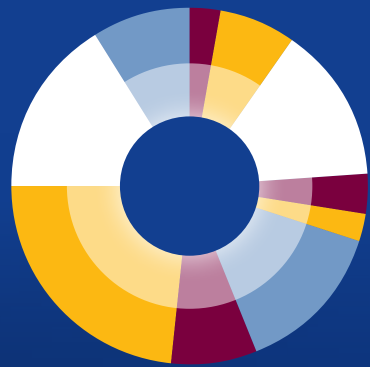
Introduction

This abstract looks at the most significant event of the period below, viz., the Government of National Unity. It confirms that Finance, insurance, real estate and business services play a key role in the South African economy. It indicates the number of workplace skills plan submissions up to the 31st May 2024. It highlights the top 10 sectoral priority occupations for the period 2025-2026. It emphasised that a major portion of the Skills Planning and Research Division's activities is occupied with the Workplace Skills Plan and issues surrounding it, as well as the development of the Sector Skills and related research activities, such as the conducting and completion of research projects.

The period under review, 1st April 2024 to 31st March 2025, ushered in the Government of National Unity (GNU), which will govern the country in the best interest of the citizens. With it came the advent of the Government's Medium-Term Development Plan (2024-2029). It will have implications for all economic sectors, including the insurance industry. We envisage that the GNU will effect a period of economic growth, employment and poverty alleviation. It also introduced the first iteration of the Sector Skills Plan (SSP), which will cover the period 2025-2030.

Insurance falls into the finance, insurance, real estate and business services major group and comprises a high percentage, 23.3% of national GDP.

KEY TRENDS IN THE ECONOMY



14,3%
MANUFACTURING

16,1%
COMMUNITY, SOCIAL & PERSONAL SERVICE

7,8%
TRANSPORT, STORAGE & COMMUNICATION

2,5%
CONSTRUCTION

2,9%
AGRICULTURE, FORESTRY & FISHING

23,3%
FINANCE, INSURANCE, REAL ESTATE & BUSINESS SERVICES

8,9%
GENERAL GOVERNMENT

7%
MINING & QUARRYING

14%
WHOLESALE, RETAIL TRADE, CATERING & ACCOMMODATION

3,4%
BECTRICITY, GAS & WATER

Figure 1 National GDP Share
Source: IDC, April 2024

No. of Workplace Skills Plan Submissions

A total of 1 298 employers submitted Workplace Skills Plans (WSPs) and Annual Training Reports (ATRs) by 31 May 2025 – 897 small, 158 medium, and 243 large employees.

Top 10 Sectoral Priority Occupations

The top ten Sectoral Priority Occupations for the period 2025-2026 are indicated in the table below.

1	Insurance Broker
2	Insurance Agent
3	Actuary
4	Financial Investment Advisor
5	Insurance Claims Administrator
6	Insurance Administrator
7	Finance Manager
8	Insurance Policy Administration Manager
9	Insurance Loss Adjuster
10	Sales and Marketing Manager

Completed Research Projects for 2024-2025

We had an eventful, meaningful and productive year during the period 2024-2025 in relation to the completion of research projects.

Sector research projects.

The Skills/Research Division successfully submitted the June and August 2024 Sector Skills Plan to the Seta Support Directorate at the Department of Higher Education and Training. This is a legislative requirement. The August 2024 Sector Skills Plan was recommended for approval to the Minister of Higher Education and Training. The research division also did a presentation to the Finance Cluster, which required answers to ten questions on the Sector Skills Plan. These questions ranged from the economic performance of the insurance sector concerning the labour market to the National Skills Development Plan (2030) outcomes that the Seta's strategic priorities are addressing.

The Skills/Research Division completed a report on Community Education and Training Colleges (CETs). This involved the conducting of a needs analysis based on desktop research of 9 CET Colleges where the purpose was to determine the gaps and most appropriate interventions where the INSETA could lend assistance. Also, the challenges faced by CETCs were investigated. The study looked at the skills offered by CET Colleges and identified diverse skills in the curriculum of these Colleges. This report was completed on the 11th of September 2024.

A research report was released on 30 November 2024 by the University of KwaZulu-Natal on 'Developing Critical and Scarce Skills in the Insurance Sector'.

Objectives of this Study:

The following objectives of this study were identified as follows :

- The objectives were to establish the documented skills that may be needed for SMEs in the insurance sector,
- assess the challenges and opportunities for transformation in the insurance industry that may have a bearing on the SMEs in the insurance sector,
- establish the extent to which the transformation in the insurance industry intended to transform the SMEs skills as well,
- investigate the potential drivers for transformation and development of SME critical and scarce skills for the insurance sector and establish challenges that may impeded. the development of SME critical and scarce skills for the insurance sector.

Conclusions:

Because of their size and nature, SMEs in the insurance sector are more vulnerable to the inherently established or identified challenges of lack of critical skills was established for example, that skills such as brokerage skills that are not obtained from classroom situation but can only be learnt on job are a challenge for SMEs in addition to underwriting skills and actuarial skills.

There is no doubt that as SMEs are part of the insurance industry, whatever transformation of the industry is happening, it does impact the insurance SMEs as well.

The Report also interrogates the potential drivers for transformation and critical and scarce skills development for the insurance sector, as well as the potential challenges that may impede the development of SME critical and scarce skills for the insurance sector.

The development of SMEs in as far as critical and scarce skills will go a long way towards changing people`s attitudes so that they begin to value insurance as a potential career of choice.

A research report was released on 30 November 2024 by the University of KwaZulu-Natal on 'Enhancing Skills Development for Insurance Professionals in the Face of Climate Change'.

Objectives of this Study:

The objectives were to:

- Determine the skills development needs of South African insurance professionals in the face of climate change.
- Identify barriers and challenges impeding those skills development efforts.
- Explore strategies for addressing the identified skills gaps and upskilling requirements.

Conclusions:

There are some insurance professionals who seem to be lacking certain core competencies - most critically, assessment of climate risk, advanced data analytics, and proficiency with digital risk-modelling technology to underwrite and manage climate exposures.

The dynamic nature of climate change and its effects on underwriting, claims, and risk transfer confirms that industry transformation is needed as it directly impacts insurance sector employees; however existing training curricula continue to be in discordance with these new requirements.

The key enabler to upskilling is technology adoption (e.g., geospatial analytics), curriculum reform by training institutions, and active board-level participation in policy development. Conversely, impediments such as the absence of digital infrastructure, poor management support, and cost and time pressures persist in hampering the process.

Addressing these gaps with targeted, cooperative training programmes will not only ensure the industry becomes more resilient to the effects of climate risk, but also reposition insurance as a stimulating, innovative profession.

A Research Report on the Impact Assessment of Learning Programmes was prepared by the University of the Witwatersrand and the Wits Real Centre and released on the 28 February 2025.

Objectives of this report::

- Evaluate Outcomes & Learner Satisfaction: Measure employment, absorption rates, career progression, and overall satisfaction of INSETA-funded learners, including challenges faced and whether interventions have positively changed their lives.
- Assess Learning Programmes & Impact: Collect beneficiary feedback to identify which accredited providers and INSETA programmes deliver the best uptake and absorption and understand the drivers behind their success.
- Drive Continuous Improvement & Future Evaluation: Pinpoint enhancements needed for INSETA qualifications and services and establish robust data-collection processes and standardized impact-study templates for the next three years.

Recommendations arising from this study were as follows:

- Simplify INSETA systems and strengthen communication channels.
- Consider restructuring learning programmes to improve outcomes.
- Harness the ability of mid-career professionals to support others finding employment.
- Provide support mechanisms for SMEs to successfully participate in learning programmes.

In conclusion, the INSETA learning programmes continue to offer great value to the sector and are appreciated by learners, employers and training providers alike.

A Research Partnership Memorandum of Understanding (MoU) was signed in 2024 between the Insurance Sector Education and Training Authority (INSETA) and Northlink College.

Objectives of this MoU:

The MoU aims to establish a strategic collaboration under which INSETA and Northlink College will:

- Pool resources and expertise to design and deliver learning, development and research programmes.
- Leverage shared infrastructure and jointly identify priority research areas to support occupationally-directed programmes.

Areas of Cooperation:

- Research & Capacitation – Partnering on research and capacity-building initiatives.
- Resource Sharing – Maximising use of sponsored/shared training infrastructure and communication platforms.
- Outreach & Advocacy – Stakeholder engagement to raise awareness and trust in sector skills development.

This partnership lays the groundwork for sustained, co-ordinated skills development and research support, strengthening the pipeline of qualified insurance professionals and enhancing the sector's capacity to meet evolving needs.

4. ORGANISATIONAL ENVIRONMENT

INSETA operates within an evolving skills development landscape, guided by its mandate to support the insurance and related sectors through targeted education and training initiatives. As a Schedule 3A public entity, INSETA aligns its strategic direction with national priorities and the broader skills development agenda outlined in the National Skills Development Plan (NSDP).

The following overview of our divisional departments reflects INSETA's commitment to operational excellence, collaborative leadership, and impact-driven performance.

Divisions within INSETA

4.1 Office of the Operations Executive

4.1.1 The Skills Planning and Research Unit is responsible for:

- Research is a key source document in compiling the INSETA Strategic Plan and Annual Performance Plan.
- Coordination of research centres of excellence.
- Registration and support of companies in submitting Workplace Skills Plans (WSPs) and Annual Training Reports (ATRs).
- Recommendation of payment of mandatory grants.
- Ensuring that INSETA-registered employers comply with the Skills Development Levies Act (SDLA) before being awarded discretionary grant funding.

4.1.2 The Learning Unit Youth Programmes is responsible for:

- Registration and management of learnerships.
- Management of the implementation of internships and
- bursaries for youth.
- Management of the implementation of TVET work-integrated
- learning (WIL) programmes.
- Management and implementation of the TVET strategy.
- Management and implementation of career guidance.

4.1.3 The Learning Unit Workers Programmes is responsible for:

- Management of the implementation of skills programmes and bursaries for workers.
- Management of implementation of candidacy learning programmes for workers.
- Management and implementation of the SMME strategy.
- Management and implementation of catalytic projects for workers.

4.1.4 Quality Assurance Unit is responsible for:

- Accreditation of SDPs.
- Registration of assessors and moderators.
- Monitoring of skills development providers (SDPs).
- Verification of learning.
- Certification of learners.
- Development, review and implementation of occupational qualifications.
- Implementation of external integrated summative Assessments.

Advocacy – Interventions to Increase Uptake of Occupational Qualifications:

WSP/ATR Engagement Workshops (12th – 26th Feb 2025)

Presentations were conducted in Cape Town, Johannesburg, Durban, and Gqeberha to encourage employers to include/increase occupational qualifications as a priority in their WSPS.

Occupational Qualifications: Accreditation Support

Various presentations, including accreditation site visits, were conducted to migrate SDPS from legacy qualifications to occupational qualifications. To date, approximately 121 SDPs and 57 Assessment Centres (national) have been accredited. Major cities Johannesburg, Cape Town, and Durban boast the largest number of SDPs and Assessment Centres that have been supported to achieve QCTO accreditation.

AQP Website

The revamped INSETA AQP Website (www.inseta.org.za – core business tab) was launched in June 2024. The site provides visitors with general information and useful communication & notices that help understand the QCTO environment.

Recognition of Best SDP Implementing Occupational Qualifications (2024)

During the INSETA Insurance Indaba 2024 (Gala Event), the following SDPs were recognised for being the best implementers of Occupational Qualifications:

ADJUCATION CRITERIA	Winner & Nominated
• Number of learners registered for Occupational Qualifications by SDP.	1. Felix Risk Training Consultants
• Candidates entered and successfully completed EISA examinations.	2. Invuya
• Number of Occupational Qualifications SDP is accredited for.	3. Octomate Education
• Compliance in implementing Occupational Qualifications	4. Trainsure Consultants

Below represents the list of Occupational Qualifications that were implemented in 2024. These were offered through both RPL and the standard training mode. Some helpful information that has recently been obtained from QCTO reports – 2024:

Total number registered for Occupational Qualifications for the year

1 120

(78% learners are still in the system awaiting EISA exams)

249

occupational certificates distributed in 2024

(popular qualifications being Insurance Underwriter & Claims Assessor).

Breakdown of Accreditations as at 31st March 2025

Below is a breakdown per INSETA registered Occupational Qualifications that have been accredited by QCTO as well as Assessment Centre for the 2024/2025 Financial Year.

QUALIFICATION TITLE	NQF LEVEL	SAQAID NUMBER	ACCREDITED SDPs	ACCREDITED ASCCENTRES
Occupational Certificate: Employee and Pension Fund Benefit Adviser	5	105025	42	19
Occupational Certificate: Financial Advisor	6	105026	77	27
Occupational Certificate: Health Care Benefits Advisor	5	105030	36	19
Occupational Certificate: Insurance Agent: Insurance Underwriter	5	91784	25	19
Occupational Certificate: Insurance Claims Administrator (Insurance Claims Assessor)	4	99668	63	22
Occupational Certificate: Insurance Underwriter	5	117329	44	15
Occupational Certificate: Organisational Risk Practitioner	6	94222	38	4
Occupational Certificate: Organisational Risk Manager	8	97387	12	2
Occupational Certificate: Investment Adviser	6	105021	50	18
Occupational Certificate: LongTerm Insurance Adviser	5	105022	56	19
Occupational Certificate: Professional Principal Executive Officer	7	93602	5	4
Occupational Certificate: Professional Principal Executive Officer (Retirement Fund Trustee)	5	99574	4	4
Total			425	172

NB: Highlighted RED = Occupational Qualification that has been successful reviewed and replaced by another.

4.1.5 Quality Assurance (QA) Unit

To ensure that INSETA played a key role in the External Integrated Summative assessments

Performance: External Integrated Summative Assessment (EISA Exams)

BREAKDOWN: IMPLEMENTATION OF EISA EXAMS - 2024				
Occupational Qualification Title	**Candidates**	**EISA Date 25/04/2024**	**EISA Date 26/11/2024**	**Comment**
Insurance Administration: Claims Assessor (99668)	Written	83	48	80% Pass – Written NYC candidates given 2nd attempt. Absenteeism due to inadequate planning.
	Passed	64	33	
	Failed	19	15	
	Absent	11	11	
Insurance Agent: Insurance Underwriter (91784)	Written	72	29	57% Pass – Written NYC candidates given 2nd attempt. Absenteeism due to inadequate planning.
	Passed	53	12	
	Failed	19	17	
	Absent	9	2	
Insurance Agent: Insurance Underwriter (117329)	Written	7	2	100% Pass-Written NYC candidates given 2nd attempt. Absenteeism due to inadequate planning.
	Passed	7	2	
	Failed	-	-	
	Absent	3	1	
Health Care Benefits Advisor (105030)	Written	7	2	67% Pass-Written NYC candidates given 2nd attempt. Absenteeism due to inadequate planning.
	Passed	4	2	
	Failed	3	-	
	Absent	3	-	
Investment Advisor (105021)	Written	1	-	100% Pass-Written
	Passed	1	-	
	Failed	-	-	
	Absent	2	-	
Long-Term Insurance Advisor (105022)	Written	1	-	100% Pass-Written
	Passed	1	-	
	Failed	-	-	
	Absent	-	-	

4.1.6 The Learning Division Strategic Projects is responsible for:

- Reporting on the implementation of Strategic projects. projects.

4.1.7 Organisational, Planning, Data and Reporting Unit is responsible for

- Submission of compliance reports on INSETA performance.
- Monitoring and evaluation.

Support Divisions

4.2 The Office of the Chief Financial Officer (CFO) is responsible for:

- Financial management.
- Financial compliance reporting
- Supply Chain Management (SCM) and Facilities Management

Finance is responsible for ensuring budgeting processes and costing of the annual performance plan, receiving and correcting accounting for levies in line with the Skills Development Levies Act 9,1999 and the Grants regulations. Finance is responsible for effective, efficient and transparent systems of financial and internal controls. Finance manages the working capital to ensure that the financial health of INSETA is under constant check and review, to ensure that INSETA is able to honour its obligations and pays its suppliers within 30 days, following up on money due and payable to INSETA and uses efficient cash management practices to earn interest from any idle funds.

The Finance Unit manages INSETA's assets by ensuring they are physically in existence and adequately insured. Finance process flows include, budgeting, monthly management reports that compare actual results with the budget and explanations of any variances. Quarterly reports to the National Treasury and the DHET and annual Financial Statements. The division manages INSETA expenditure. Finance oversees compliance with PFMA requirements and Generally Recognised Accounting Practices.

4.2.1 Supply Chain Management (SCM) and Facilities Management

Supply Chain Management (SCM) is accountable for procuring goods and services and works and enforces proper and successful procurement in line with the five pillars of procurement listed in Section 217 of the SETA constitution. These pillars ensure that procurement is fair, transparent, equitable, cost-effective, and competitive.

INSETA implemented strategic acquisitions against an approved procurement plan in compliance with effective demand management (using collaborative compliance processes such as bid specification, evaluation, and adjudication committees).

These acquisitions of goods and services

- finalised contracts for operational business efficiencies: Internal audit
- provision of insurance services, PABX cloud-based solution,
- document management solution and information technology licences.

4.2.2 Facilities Management

The Facilities Management Division is vital in supporting INSETA's operations by ensuring a well-maintained, secure, and efficient working environment. This unit is responsible for delivering delivering a wide range of essential services reporting directly to the SCM and Facilities Manager. These include building services, maintenance, renovations, facilities project management, and soft services such as occupational health and safety, security, fleet management, space planning, courier and postage services, catering and refreshments, inventory control, and printing services.

During the reporting period, INSETA implemented several critical facilities and security upgrades to enhance staff safety, operational efficiency, and work environment.

A comprehensive security assessment was conducted to identify potential risks and strengthen INSETA's physical security measures. Following the assessment, a state-of-the-art alarm and armed response system was activated to provide 24/7 monitoring and rapid emergency response. In addition, a secure safety fence was installed around the premises to further safeguard staff and assets.

Vehicles, establishing an internal fleet to support travel and stakeholder engagement activities nationwide. This initiative ensures greater flexibility and visibility during INSETA outreach and programme implementation.

4.3 Office of the Corporate Services Executive

The **Corporate Services Division** at INSETA is pivotal in enabling organisational performance and supporting the institution's strategic delivery. By fostering a work environment that is efficient and conducive to excellence, the Division ensures that INSETA's core operations are underpinned by sound governance, effective communication, and the seamless integration of support services.

Corporate Services provides essential support to all business units and is responsible for developing, implementing, and maintaining corporate strategies, policies, procedures, and systems that drive internal efficiency and service delivery. The Division's operations are grounded in the principle that adequate capacity—both in terms of skilled personnel and functional systems—is fundamental to achieving the organisation's mandate.

Key Functions and Strategic Objectives

During the 2024/2025 financial year, the Corporate Services Division focused on the following priority areas:

- **Delivering Human Resource functions** to ensure optimal talent management, staff development, and wellness.
- **Promoting effective communication** with all internal and external stakeholders through coordinated stakeholder engagement and information dissemination platforms.
- **Providing legal advisory and compliance services**, ensuring INSETA operates within the framework of applicable laws and policies.

Organisational Structure

The Corporate Services Division comprises three key Units:

- **Stakeholder Relations** – Responsible for stakeholder engagement, communication platforms, media relations, and managing the Customer Relationship Management (CRM) system.
- **Human Resources** – Manages employee life-cycle processes including recruitment, development, wellness, and organisational culture building.
- **Legal Services** – Provides legal advisory services, policy and contract reviews, and supports governance and compliance efforts. (Note: This department is currently vacant.)

4.3.1 Human Resources

The Human Resources (HR) Unit at INSETA plays a pivotal role in fostering a high-performance culture aligned with the organisation's strategic goals. With a team of four dedicated professionals, the HR Unit is entrusted with managing and administering all aspects of human capital development while reinforcing the principle that people are INSETA's most valuable asset.

Strategic Human Capital Management

INSETA continues to prioritise the development of an agile, skilled, and engaged workforce. The HR Department has implemented a fully integrated human capital strategy that supports a conducive working environment, enhances organisational performance, and promotes accountability. Through cross functional collaboration and a commitment to continuous improvement, the unit provided a full suite of HR functions to the organisation through short, medium and long term interventions.

Talent Acquisition and Development

During the 2024/2025 financial year, the HR Unit strongly focused on attracting, developing, and retaining talent. We continued to uphold fair, transparent, and competency-based recruitment practices to secure the best candidates for key roles.

Talent development remained a top priority, with staff given opportunities to enhance their capabilities through targeted training interventions, formal qualifications, and internal knowledge-sharing sessions. The Unit further facilitated access to external learning opportunities, ensuring alignment with individual career goals and INSETA's strategic imperatives.

Employee Wellness

INSETA remains committed to the holistic well-being of its employees. To this end, the HR Unit engaged a dedicated Wellness Provider to offer of support services, including psychological counselling, wellness workshops, and health-related resources. These services are designed to promote mental, emotional, and physical well-being, particularly during times of increased work-related stress.

Wellness campaigns and awareness sessions were hosted throughout the year, fostering a culture of self-care, resilience, and personal empowerment among staff.

Looking Ahead

In the future, the Human Resources Unit will continue to build on its successes by leveraging technology, strengthening leadership capacity, and embedding a values-driven organisational culture. Our focus remains on creating a workplace that motivates employees, supports innovation, and delivers value to our stakeholders through a capable and committed workforce.

4.3.2 Stakeholder Relations

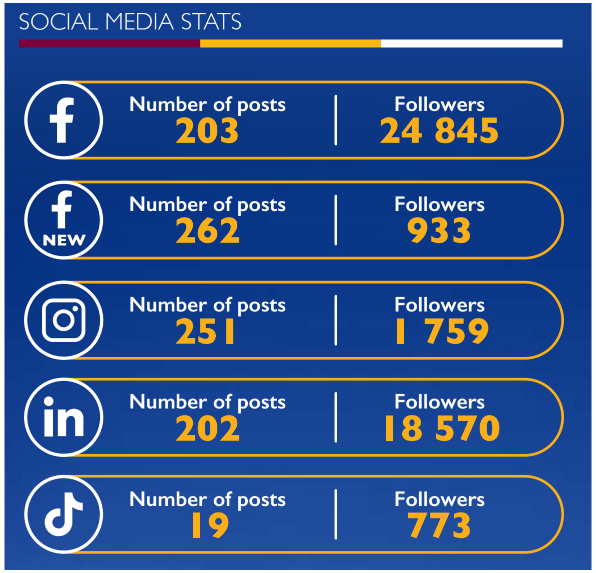
The Stakeholder Relations Department remains a strategic pillar within INSETA, playing a vital role in building, nurturing, and maintaining meaningful engagement with internal and external stakeholders.

Communication and Engagement

Over the reporting period, the organisation has enhanced our multi-channel communication approach, ensuring that stakeholder needs are addressed proactively and efficiently.

This has been achieved through:

- Social Media Platforms: Our social media presence has grown significantly, particularly on platforms like LinkedIn, where our Chief Executive Officer actively engages with the sector, sharing thought leadership and organisational updates. Similarly, our TikTok channel has gained traction, especially among younger audiences and learners, enhancing INSETA's visibility and relevance to emerging talent.
- Digital Content and Media: The INSETA YouTube Channel continues to serve as a valuable repository for multimedia content, showcasing our product offerings, programme successes, and strategic initiatives.
- Newsletters: Our internal and external newsletters remain key communication tools, offering stakeholders regular insights into organisational activities, policy changes, and upcoming opportunities.
- Website: As our primary digital information hub, the INSETA website has continued to provide stakeholders with up-to-date resources and user-friendly access to important documentation and updates.



Brand Management

INSETA's brand is a reflection of its purpose, values, and impact across the insurance sector and the broader skills development landscape. In the reporting period, strategic efforts were made to strengthen brand visibility, positioning INSETA as a responsive, trusted, and high-performing public entity. Through consistent and credible messaging, INSETA has reinforced its identity as a catalyst for change—supporting inclusive growth, youth employment, and sector transformation. Brand guidelines were applied rigorously across communication platforms to ensure uniformity, while content was tailored to reflect the evolving needs and aspirations of stakeholders.

INSETA's participation in key industry events, media campaigns, and strategic partnerships played a critical role in enhancing brand equity. Targeted stakeholder engagements and storytelling—particularly through social media, newsletters, and sector publications—helped humanise the brand and amplify the success stories of our beneficiaries. Moving forward, INSETA will continue to invest in brand management initiatives that promote transparency, strengthen stakeholder trust, and affirm the Authority's leadership in the insurance skills development ecosystem.

Enhancing Stakeholder Engagement Through Digital Innovation

A significant milestone in INSETA's stakeholder engagement strategy during the year under review was the successful launch of the Customer Relationship Management (CRM) system and the WhatsApp chatbot. The CRM platform enabled the registration and support of over 6,000 stakeholders, significantly improving query turnaround times and service efficiency. Just within the first year of the CRM tool we have been able to resolve 90% of all queries timeously. The WhatsApp chatbot in another stakeholder engagement tool which is a cost effective, accessible communication channel for learners, employers, and stakeholders to access real-time information on programmes and services. This innovation has been especially impactful for users in remote and underserved areas. Together, these platforms form a key part of INSETA's broader digital transformation journey, fostering a more connected, responsive, and service-oriented organisation.

4.4 Office of the Risk Management Executive

The Risk Division comprises of three key units:

- Risk Management & Governance
- Information Technology (IT) Division
- Internal Audit

4.4.1 Risk Management & Governance

The implementation of the policies outlined above is articulated in the Risk Management Implementation Plan to embed risk management within organisational processes. The implementation plans include activities such as education and awareness, ensuring that strategic, operational, project, fraud and compliance risk registers are in place to ensure that organisations' risk exposures are mitigated, ensuring that Business Continuity Plans are in place in the event of any disruptions to the operations of INSETA. Progress on implementing the activities is monitored monthly and reported to the relevant governance structures within the organisation.

- Efficient resource allocation (both financial and human resources)
- Improved corporate governance
- Improved resilience of the organisation (in cases of a disruption)
- Improved audit outcomes and
- Reduction in fraud and corruption

4.4.2 Internal Audit

The mission of the Internal Audit Function is to enhance and protect the organizational value by providing risk-based and objective assurance, advice and insight through evaluating the adequacy and effectiveness of controls in responding to risks within the entity`s governance, risk management and control processes regarding:

- Achievement of INSETA`s strategic objectives
- Reliability and integrity of financial and operational information
- Effectiveness and efficiency of operations and programs
- Safeguarding the organisation`s assets; and
- Compliance with laws, regulations and contracts.

The Internal Audit function operates in terms of Section 51(1)(a)(ii) of the Public Finance Management Act and Principle 15 of the King IV Code of Corporate Governance; and operates in terms of the internal audit charter.

4.4.3 Information Technology

During the year under review, INSETA undertook a phased digital transformation to enhance operational efficiency and improve service delivery. This included automating key processes, implementing digital workflows, adopting performance analytics, and developing a robust Data Governance Framework supported by staff training.

The organisation also introduced a scalable Target Enterprise Architecture and strengthened IT governance under a newly appointed Independent Chairperson, aligning with international standards such as COBIT and ISO/IEC 38500. A comprehensive change management and capacity-building programme, alongside enhanced cybersecurity measures, positioned INSETA to build a secure, agile, and innovation-driven IT environment prepared for future growth.

INSETA Highlights and Success Stories during the Reporting period.

Spotlight on Excellence: Brian Mutavhatsindi – A Shining Star from Venda

Tshimbiluni Brian Mutavhatsindi

INSETA is proud to celebrate Tshimbiluni Brian Mutavhatsindi, an outstanding young achiever from Mudinane Secondary School in Venda, Limpopo, who achieved an exceptional seven distinctions in his 2024 matric examinations. Discovered during the 2024 Insurance Sector Student Fund (ISSF) Rural and Township Drive, Brian's academic excellence is a powerful reflection of discipline, determination, and the transformative impact of targeted youth initiatives.

Brian's success story is a true embodiment of INSETA's commitment to nurturing talent in underserved communities. His perseverance and passion for learning echo the very values INSETA seeks to foster within the sector and beyond. In recognition of his achievements, the ISSF will award Brian a fully funded bursary for the 2025 academic year, covering tuition, accommodation, a laptop, and both book and living allowances, as he pursues a Bachelor of Law degree.

"I feel very excited because throughout the year I have always worked very hard and aimed to get seven distinctions," Brian shared.

INSETA extends heartfelt congratulations to Brian on this phenomenal accomplishment. His journey is a beacon of hope and inspiration for learners across South Africa.

From Intern to Leader: A Journey Empowered by INSETA

My journey with INSETA began as an intern—entering the insurance sector with curiosity and determination. That foundational experience instilled in me resilience, a spirit of collaboration, and the confidence to ask questions and seek growth.

Rorisang Matlawe

Today, as a participant in the Women in Leadership INSETA Programme and a candidate for the Advanced Diploma in Business Management, I feel empowered and transformed. The programme has nurtured my leadership potential, equipping me with the confidence to contribute meaningfully in executive spaces and to believe in the value I bring to the industry.

Now serving as a Legal Portfolio Manager, I am not only prepared for my current responsibilities but also inspired to mentor others and pay forward the support I've received. I look ahead with optimism, grateful for this life-changing opportunity, and committed to leading with purpose, inspiring others, and building a more inclusive and impactful future.

Empowering Leaders: INSETA Rolls Out Second Executive Development Cohort

INSETA successfully launched the second cohort of the prestigious International Executive Management Development Programme in partnership with the Henley Business School. The launch took place at Henley Business School, reaffirming INSETA's commitment to developing visionary leadership within the insurance sector.

This flagship initiative represented a significant investment in executive development, We have 120 leaders through the GIBS Executive Development programme enrolled in the 2024 cohort. The programme was designed to equip these leaders with advanced skills, global insights, and strategic tools necessary to drive innovation, overcome systemic barriers, and make meaningful contributions to the sector's transformation objectives.

Through this initiative, INSETA demonstrated its continued dedication to empowering leaders and advance inclusive growth and sustainability within the industry.

Henley Cohort of Leaders including the INSETA CEO, Ms Gugu Mkhize

Driving Inclusive Innovation: INSETA's Impact Through Strategic Partnerships

Pramod Penceliah

INSETA successfully partnered with the Technology Innovation Agency (TIA) to fund twenty entrepreneurs through the grassroots programme. This programme was intended to promote innovation and support entrepreneurs for a period of two years. This programme was a great success and one of the beneficiaries was Pramod Pencelia who through the programme has been able to open a thriving financial solutions company his company called Fair Score

Fair Score today stands as a symbol of inclusive innovation—restoring dignity, expanding access to finance, and empowering young people, entrepreneurs, and families across the country. This partnership highlights INSETA's commitment to creating opportunities where they are needed most, proving that with the right support, a fairer and more equitable future is within reach for all.

Take a Girl Child to Work Day

"Inspiring Her Future, One Step at a Time"

INSETA proudly hosted its inaugural Take a Girl Child to Work Day, marking a significant milestone in its efforts to empower and inspire the next generation of women leaders.

INSETA CEO, Ms. Gugu Mkhize, hosted 56 bright and ambitious young girls to the organisation's head office and spent a day with them sharing knowledge through various edutainment activities. The initiative offered these learners a valuable opportunity to gain firsthand exposure to the world of work, engage with professionals across various departments, and explore potential career paths within the insurance and skills development sectors.

Reflecting on the event, Ms. Mkhize said:

"It is our responsibility to nurture the dreams of young girls and provide them with the tools and inspiration to break barriers. Today's visit is just the beginning of their journey towards leadership and success."

The day was filled with inspiration, learning, and mentorship, reinforcing INSETA's commitment to shaping a future where young women are encouraged, supported, and equipped to lead with confidence and purpose.

Fifty Six young INSETAs

INTER- Seta Partnerships

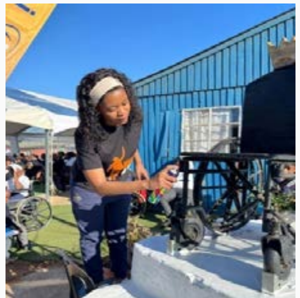
Empowering Every Learner: SETAs Unite for Mandela Day

In alignment with its commitment to inclusive skills development and social impact, INSETA joined forces with five other Sector Education and Training Authorities (SETAs) to uplift the lives of children living with disabilities in celebration of International Mandela Day.

The six SETAs collaborated on a community upliftment initiative at Mason Lincoln Special School in Umlazi, KwaZulu-Natal. The school provides specialised education for learners with physical and intellectual disabilities, accommodating students from Grades R to Grade 12.

As part of the day's activities, the Inter-SETA team spent meaningful time engaging with the learners and contributing to the improvement and beautification of the school environment. This included painting various parts of the school to create a more vibrant, inclusive, and welcoming space for the students.

The initiative reflected the SETAs' shared commitment to advancing inclusive education and giving back to communities in meaningful and lasting ways—honouring the legacy of Nelson Mandela through service, compassion, and collaborative action.



INSETA team hard at work

INSETA Excellence Model: A Strategic Launch Toward Operational Excellence

After nearly a year of rigorous development, collaboration, and refinement, INSETA reached a significant milestone with the official launch of the INSETA Excellence Model—a pioneering framework designed to embed a culture of high performance, accountability, and continuous improvement across the organisation.

Spearheaded by INSETA CEO, Ms. Gugu Mkhize, supported by the INSETA staff, the Excellence Model was unveiled as a transformative initiative—the first of its kind in the organisation's history. This historic launch symbolised a collective commitment to ensuring that excellence is not only a goal, but a standard that underpins every aspect of INSETA's operations and service delivery.

The Excellence Model is grounded in four foundational pillars:

1. **People** – Emphasising the value of INSETA's human capital, this pillar focuses on building a motivated, skilled, and empowered workforce that drives the organisation's mission forward. It reinforces the importance of leadership development, team cohesion, and a performance-driven culture.
2. **Mandate** – This pillar centres on INSETA's core purpose, ensuring that the organisation remains aligned with its strategic goals, legislative responsibilities, and stakeholder expectations. It calls for clarity, focus, and excellence in executing the SETA's mandate within the insurance and broader financial services sector.
3. **Systems** – Recognising the role of effective processes, technology, and governance, the Systems pillar seeks to optimise operational efficiency. It promotes innovation, integration, and the use of data-driven decision-making to enhance organisational responsiveness and agility.
4. **Impact** – At the heart of the model is the commitment to measurable and meaningful impact. This pillar ensures that all programmes, partnerships, and initiatives lead to tangible outcomes—transforming lives, supporting economic development, and advancing national skills priorities.

The launch of the INSETA Excellence Model marks the beginning of a new chapter in the organisation's journey—one that embraces intentional leadership, high quality standards, and continuous learning. It reflects INSETA's vision to lead by example and set a new benchmark for public sector performance and transformation.

INSETA Excutive: Operations , Mr Leslie Kwapeng and the CEO Ms Gugu Mkhize unveil the plaque of Excellence.

INSETA Executive Operations, Mr Leslie Kwapeng, Ms Gugu - CEO and Ms Farzana Safla - Executive Manager Risk

INSETA and GIBS Launch International Executive Development Programme: A New Milestone in Leadership Excellence

INSETA launched of the International Executive Development Programme (IEDP), in partnership with the Gordon Institute of Business Science (GIBS). This initiative reflects INSETA's continued commitment to fostering leadership excellence within the insurance sector. A particularly noteworthy aspect of this year's programme is its exclusive focus on women leaders in the insurance industry—a first for INSETA. The insurance sector, like many industries, continues to face challenges in addressing gender disparity, with women often underrepresented in executive management roles. By designing this programme specifically for women, INSETA is directly addressing the challenges and answering the call for greater transformation and gender equality challenges.. Women in the insurance sector frequently encounter barriers, including limited access to leadership opportunities, unconscious biases, and a lack of representation at senior professional levels. The programme aims to cultivate a generation of female leaders who will not only break through the glass ceiling but also inspire and support the next wave of women leaders.

INSETA staff and GIBS delegates and staff at the launch of the Executive Development Programme

Strategic High Impact Programmes: INSETA drives Rural Impact

On May 14, 2024, The Insurance SETA collaborated with Wholesale and Retail SETA Construction SETA and The Agriculture SETA in partnership with Bakgatla Ba Kgafela Investment Holdings (BBKIH) in Northwest hosted a pivotal event "Skills for Rural Impact and Career launch aimed at empowering individuals with the necessary tools to make a meaningful difference in rural communities while kickstarting their careers. The event provided invaluable insights into launching and advancing careers within rural contexts in navigating careerpathways effectively. Accessible education and training programs play a fundamental role in equipping rural youth with skills and knowledge needed to thrive in various fields. Investing in education infrastructure and vocational training bridging the skill gap and unlocking economic opportunities. It also highlighted the collaborative efforts of the public sector in driving positive changes in rural communities through strategic partnership and innovative initiatives. As the Rural Impact and Career Center embarks on its journey, it opens a new era of possibility for Northwest rural population with dedication and shared vision for inclusive growth. The centre promises to be a catalyst for transformative change, unlocking the full potential of rural communities and paving the way for a brighter future for all.

Former Minister Of Higher Education Dr Blade Nzimande and INSETA CEO Ms Gugu Mkhize together open the doors to the Bakgatla Ba Kgafela Rural Impact Career Centre together.

INSETA Celebrates Women's Month with a Heartwarming Outreach Programme

INSETA proudly concluded Women's Month with a meaningful Outreach Programme Launch at St. Mary's Children's Home on August 31, 2024. This special event highlighted the transformative power of collaboration and community engagement, leaving a lasting impact on the lives of 52 children.

A Collective Effort for Lasting Change

In partnership with FASSET, LGSETA, W&RSETA, ABSA, KitKat Cash and Carry, and the FoodBev Manufacturing SETA, INSETA led an initiative that brought joy, comfort, and hope to the children. The generosity and dedication of our partners were evident in:

- Meaningful donations, providing essential resources and bringing smiles to the children.
- The unveiling of a newly renovated cottage, creating a safe, nurturing home.
- Tree planting, symbolizing growth, resilience, and a brighter future.

A Commitment to Uplift and Inspire

This initiative reflects INSETA's unwavering commitment to community development and our dedication to making a tangible difference in the lives of those we serve. As we celebrate the spirit of Women's Month, we honor the resilience, strength, and compassion that unite and uplift our communities. Together, we continue to build a future filled with opportunity and hope.

INSETA in partnership with FASSET, LGSETA, W&RSETA, and FoodBev SETA concluded Womens Months at the St Marys Children's Home. in unveiling of a newly renovated cottage, creating a safe, nurturing home

CEOs Project Site Visits

Empowering Rural Youth Through INSETA and Old Mutual Insure's Strategic Partnership

Old Mutual iWYZE has been a committed participant in INSETA's Learnership Programmes, focusing on both employed workers and unemployed youth, primarily in urban areas like Gauteng. Recognising the need to extend their impact on rural areas, OMI iWYZE identified an opportunity to develop unemployed youth and retain these critical skills within their communities. This vision led to the launch of a groundbreaking rural business initiative in partnership with INSETA, despite OMI iWYZE not having an existing footprint in the Mpumalanga Province. With a Discretionary Grant funding of R867 360 awarded by INSETA, OMI iWYZE initiated a Contact Centre Learnership Programme (NQF Level 4) to empower 10 unemployed youth in Mpumalanga. The programme, running from 1 November 2023 to 31 October 2024, was designed to equip participants with vital skills to drive youth development within the region. The programme's goal was to broaden customer interaction platforms and contribute to the economic growth of Mpumalanga by building a sustainable pipeline of talent. The learnership programme, which is 100% female focused and entirely comprised of African youth from previously disadvantaged communities, stands out for its commitment to transformation and inclusion within the insurance sector. INSETA and OMI iWYZE's initiative specifically targets African females, a group disproportionately affected by poverty, inequality, and unemployment, and underrepresented in the insurance sector. The programme's design ensured these young women, with an average age of 26, receive a blend of theoretical training and practical workplace experience over 12 months, preparing them for a future in the insurance industry or beyond.

INSETA CEO Strengthens Skills Development Partnerships in Free State

Partnership with Cum Laude Research Institute

Cum Laude Institute, a leading provider of financial education, is proud to announce the remarkable progress of its learners in the Wealth Management Level 4 program. Among the 50 learners who have made significant strides in the program, a notable 26% are individuals living with disabilities. This achievement is a testament to Cum Llaude Institute's commitment to inclusive education and its dedication to empowering learners from all walks of life. The Wealth Management Level 4 programme is designed to equip learners with the knowledge and skills necessary to succeed in the financial industry. Cum Laude Institute's inclusive approach has ensured that learners with disabilities have equal access to this opportunity. "We are thrilled to see our learners with disabilities excel in the Wealth Management Level 4 programme," said Mr. Tsholo Mopedi, Director of Cum Laude Institute.

"Our institution is committed to providing an inclusive learning environment that supports the diverse needs of our learners. We believe that everyone deserves equal access to education and economic opportunities, and we are proud to be playing a role in making this a reality."

The success of Cum Lude Institute's learners with disabilities is a result of the institution's comprehensive approach to inclusive education. This includes providing accessible learning materials, adaptive technology, and personalised support to ensure that learners with disabilities have the resources they need to succeed.

Insurance Skills Indaba 2025: A Responsive Disruption Through Skills Innovation

In March 2025, INSETA proudly hosted the inaugural Insurance Skills Indaba (ISI2025)—a landmark event for the SETA and the insurance sector. Held under the theme ***"A Responsive Disruption Through Skills Innovation,"*** the Indaba was a powerful platform for engagement, knowledge exchange, and collective action toward shaping a future-ready workforce.

The event opened with a keynote address by the Premier of Gauteng, Mr. Panyaza Lesufi, who commended INSETA for leading a bold conversation on the future of work and the strategic role of skills development in the age of disruption.

Bringing together industry leaders, academics, policymakers, and professionals, the Indaba tackled critical topics shaping the future of the insurance sector in the context of the Fourth Industrial Revolution (4IR). Notable discussions included:

- **Artificial Intelligence and the Relevance of Formal Education**
- **Systems Thinking and Empathy in Leadership**
- **Drone Technology for Risk Management**
- **Agile Curriculum Development and Ethical AI**
- **Sustainability and Reinsurance**

The event concluded with the prestigious **Excellence Recognition Awards and Gala Dinner**, honouring individuals and organisations transforming the insurance sector through innovation, inclusion, and skills development.

Government Endorsement of Sector Innovation:

The Honourable Minister of Higher Education, Science and Innovation praised INSETA's leadership and highlighted the need to embrace disruption as a **driver of innovation, inclusion, and growth**. He emphasised the importance of transforming the post-school system through:

- **Embedding digital transformation across training models**
- **Strengthening public-private partnerships**
- **Developing demand-led curricula based on real-time labour data**
- **Promoting access and opportunity for youth, women, and persons with disabilities**
- **Expanding flexible learning pathways, including micro-credentials**
- **Tackling the digital divide through improved access to tools and connectivity**

Excellence Recognition & Inspiration:

The Indaba concluded with the **inaugural Excellence Recognition Awards and Gala Dinner**, which honoured individuals and organisations that are driving innovation in the insurance sector.

Youth Engagement Through Exhibition:

Learner & Industry Engagement: Igniting Aspirations, Shaping Futures

A central highlight of the Indaba was the **vibrant two-day exhibition**, which connected more than **2 000 high school and TVET college students** with professionals and leaders from across the insurance value chain. This was more than just a showcase—it was a **catalytic experience**, sparking awareness, interest, and excitement about careers in the insurance and broader financial services sectors.

For many learners, this was their **first direct encounter with the insurance industry**. It helped demystify the sector and illustrated its diversity, ranging from underwriting and risk analysis to IT, legal compliance, data science, and drone-assisted risk management.

The Ripple Effect: Beyond the Exhibition Hall

The impact of this engagement goes far beyond the event itself:

Career Guidance as a Strategic Investment

By equipping young people with accurate, up-to-date information about emerging career paths, the Indaba empowered them to make **informed, intentional decisions** about their futures. This is especially important in a rapidly changing world of work, where new roles and traditional ones are evolving.

Bridging the Information Gap

Many learners, especially those from under-resourced communities, have limited access to career guidance. This initiative served as a **bridge**, linking aspiration with information and opportunity.

Early Exposure Fuels Sector Growth

Early and meaningful exposure to the sector helps build a **pipeline of future talent**. Learners inspired at the Indaba may pursue qualifications and skills aligned to the industry's needs, ultimately strengthening the sector's human capital base.

Repositioning the Insurance Sector

The exhibition also critically rebranded **the insurance industry** as an exciting, socially relevant, and innovation-driven field. This helps attract a broader, more diverse pool of future professionals—especially young people, women, and persons with disabilities.

Closing the Equity Gap

By engaging directly with learners from various backgrounds, the Indaba contributed to **levelling the playing field**, promoting access, and supporting the national goal of inclusive economic participation.

In summary, this platform did not just **inspire careers**—it strategically aligned education and opportunity, sowing seeds of transformation that will benefit the youth and the insurance sector for years to come.

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**
Administration expenditure	80 061	107 454	(27 393)	116 913	128 235	(11 322)
Discretionary grants	1 016 697	457 512	559 185	1 098 983	739 317	359 666
Mandatory grants	137 247	155 636	(18 389)	166 802	170 768	(3 966)
Total	**1 234 005**	**720 602**	**513 403**	**1 382 698**	**1 038 320**	**344 378**

Strategy to overcome areas of under performance

The public entity must provide the strategies to address under performance.

1. REVENUE COLLECTION

	2023/2024			2024/25		
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**
Skills development Levy	721 305	692 003	29 302	742 937	762 972	(20 035)
Public contributions and donations	0	194	(194)	0	1 078	(1 078)
Interest Income	37 000	53 683	(16 683)	52 061	48 402	3 659
Other Income	0	3 886	(3 886)	2 734	8 498	(5 764)
Total	**758 305**	**749 766**	**8 539**	**797 732**	**820 950**	**(23 218)**

The public entity must describe in detail how they have delivered on the plans for revenue collection. Where there is under collection of revenue indicate the reasons for the under collection.

Indicate what measures were taken during the course of the year to keep on target. Indicate the impact the under collection of revenue has had on service delivery.

Where the target for revenue collection has been exceeded, the public entity should provide reasons for the better than anticipated performance. The public entity can also use this section to report on new measures instituted during the course of the year to raise additional revenue or to ensure more efficient/effective collection.

2. CAPITAL INVESTMENT

Provide commentary on the following:

- Progress made on implementing the capital, investment and asset management plan.
- Infrastructure projects which have been completed in the current year and the progress in comparison to what was planned at the beginning of the year. Provide reasons for material variances
- Infrastructure projects that are currently in progress (list projects) and when are they expected to be completed
- Plans to close down or down-grade any current facilities
- Progress made on the maintenance of infrastructure
- Developments relating to the above that are expected to impact on the public entity's current expenditure
- Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft
- Measures taken to ensure that the public entity's asset register remained up-to-date during the period under review
- The current state of the public entity's capital assets, for example what percentage is in good, fair or bad condition
- Major maintenance projects that have been undertaken during the period under review
- Progress made in addressing the maintenance backlog during the period under review, for example, has the backlog increased or become smaller? Is the rate of progress according to plan? If not why not, and what measures were taken to keep on track

	2023/2024			2024/2025		
Infrastructure projects	**Budget**	**Actual Expenditure**	**(Over)/Under Expenditure**	**Budget**	**Actual Expenditure**	**(Over)/Under Expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
	0	0	0	0	0	0
Total						

The INSETAs asset register remained up-to-date during the period under review, with bi-annual asset verifications conducted during the interim and financial year-end. The current state of the public entity's capital assets were reported to be in good condition. No major maintenance projects have been undertaken during the period under review

C

GOVERNANCE

1. INTRODUCTION

The Insurance Sector Education and Training Authority (INSETA) is a statutory body established in terms of Section 9(1) of the Skills Development Act (Act No.97 of 1998) (SDA) to enable its stakeholders to advance the national and global position of the insurance industry. The Act outlines the INSETA's powers, functions and Accounting Authority (AA) composition. In terms of the Public Finance Management Act (Act No.1 of 1999) (PFMA), INSETA is a Schedule 3A public entity with statutory obligations and responsibilities. In delivering its mandate, the SETA and its Accounting Authority (AA) are governed by the SDA, PFMA, the Skills Development Levies Act (Act no.9 of 1999) (SDLA), the Sector Education and Training Authority (SETA) Standard Constitution and other applicable legislation.

INSETA is governed and controlled by the AA, which is appointed by the Minister of Higher Education and Training in consultation with the National Skills Authority (NSA) in terms of Section 11 of the SDA. The AA is responsible for providing strategic direction to INSETA and ensuring that the organisation achieves its objectives and implements its mandate. It reports to Parliament through the Executive Authority regarding its performance in executing its mandate under the Act, in line with the Strategic Plan (SP), Annual Performance Plan (APP), and budgets as agreed upon with the Executive Authority and sanctioned by Parliament. Parliament, the Executive Authority and the INSETA's AA are responsible for corporate governance.

During the financial year under review, Management prepared and submitted relevant policies from various divisions for the AA's approval. The AA relies on the support of its established Board Committees, which include the Executive Committee (EXCO), Audit and Risk Committee (ARC), including the Risk Management Committee as a subcommittee under the ARC, Finance Committee (FINCO) and the Human Resources and Remuneration Committee (HRRC). As the AA members are non-executive directors and do not have operational responsibilities, the Chief Executive Officer (CEO), in terms of Section 56 of the PFMA, is delegated by the AA to manage the day-to-day operations, including the supervision of staff and the management of resources within the organisation.

Good Corporate Governance is fundamental to the operations of INSETA and is clearly demonstrated by INSETA's commitment to a sound ethical culture, transparency, and accountability.

2. PORTFOLIO COMMITTEE

The Portfolio Committee on Higher Education, and Parliament exercises its role by evaluating the performance of the entity and reviews the financial and non-financial information contained in the annual reports of the public entity. For the period under review, INSETA has been invited to appear before the Higher Education and Training Parliamentary Portfolio Committee, as well as the National Skills Authority, to account for the Entity's financial and operational performance in support of the INSETA mandate.

3. EXECUTIVE AUTHORITY

The Executive Authority of INSETA is the Minister of Higher Education and Training. During the period under review, INSETA complied with all PFMA and other compliance requirements and submitted all required documentation timeosly including:

- Quarterly reporting of both financial and non-financial information
- The Annual Budget and Strategic Plan
- The Annual Performance Plan
- The Annual Sector Skills Plan

4. THE ACCOUNTING AUTHORITY / BOARD

The AA or INSETA Board is the highest decision-making structure that provides leadership and upholds the principles of good corporate governance within the organisation. The Board governs and performs oversight of the affairs of INSETA, including retaining complete and effective oversight of INSETA under relevant legislation. It is responsible for formulating and reviewing the strategic direction of INSETA, ensuring that INSETA delivers on the requirements of the SDA and adheres to the PFMA.

The role of the Board is as follows:

- Govern and manage the SETA under the PFMA, SDA and any other applicable legislation
- Set a strategic direction for the SETA
- Provide effective leadership and ensure that the SETA implements the outcomes of the National Skills Development Plan (NSDP) 2030 and the Performance Agreement with the Minister
- Liaise at the leadership level with stakeholders
- Ensures that the SETA achieves its predetermined objectives and other targets including targets in the NSDP
- Manage institutional and reputational risk
- Monitor the performance of the SETA
- Ensure that the SETA complies with relevant statutory requirements
- Perform its functions as required by the SDA
- Adherence to the requirements of the PFMA and Treasury Regulations

Board Training

During October 2024, a two-day board training course on Policy Development for Effective Oversight was held for the INSETA Board members. The purpose of the training was to familiarise board members with the various phases in the policy life cycle including various normative and empirical considerations that may strengthen or weaken the design, implementation and evaluation of policies. On completion of the course, board members were able to identify various considerations and propose criteria for effective policy making and effective oversight throughout the policy development, implementation and evaluation process.

Board Evaluation

The King Report on Corporate Governance (King IV), under Principle 9, provides that the Board should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness. Continuous performance assessments provide the Board with an opportunity to review and improve its performance. The board and board committee evaluation was conducted during quarter 4 for the period under review and was facilitated by the company secretary. The evaluation covered the following areas: board composition, board culture, board roles and responsibilities, the performance of the chair of the board, board committees and board role players. The evaluation findings reflected that the Board Performance overall was good, and recommendations were provided to enhance Board effectiveness.

Accounting Authority composition

The INSETA AA (Board) is appointed in line with Section 11(1) and (2) of the SDA. The current serving Board was appointed by the Minister of Higher Education and Training, effective 1 April 2020 – 31 March 2025.

The composition of the INSETA Board is as follows:

- One (1) independent chairperson
- Six (6) organised employer representatives
- Six (6) organised labour representatives and
- Two (2) professional bodies/community representatives

Composition of the Board

Board composition and Board meeting attandance								
Name	**Designation (in terms of the Public Entity Board structure)**	**Date appointed**	**Date resigned**	**Qualifications**	**Area of Expertise**	**Board Directorships (List the entities)**	**Other Committees or Task Teams (e.g.: Audit committee / Ministerial task team)**	**No. of Meetings attended**
JS Ngubane	Chairperson	1 April 2020	25 Jun 2024	National Diploma in Information Technology	Information Technology Project Management	Metropolitan Trading Company (MTC), Johannesburg Metro, Tshwane North TVET College	EXCO	4
RG Govender	Organised Employer	1 April 2020	28 April 2024	BCom (Accounting) MCom (Taxation) Advanced PG Diploma in Financial Planning Hold the designations: Professional Accountant (SA) CFP Professional Chartered Director (SA)	Accounting, Taxation, Financial Planning and Corporate Governance	Chairman: SAIPA Chairman PPS Investments Trustee PPS and Coronation Retirement Funds	Independent Audit chair: Ombud for Short-term Insurance	2
L van der Merwe	Organised Employer	1 April 2020	N/A	Post Graduate Diploma in Management Practice	Strategic leadership, stakeholder relations management, and sales management	Financial Sector Transformation Council (FSTC) / INSETA / Ex officio member of the Financial Intermediaries Association of Southern Africa (FIA)	FSTC HR Committee Chairperson, Executive Member of the World Federation of Insurance Intermediaries, Business Unity South Africa (BUSA) Economic Policy Standing Committee	27

Board composition and Board meeting attandance

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit committee / Ministerial task team)	No. of Meetings attended
V Pearson	Organised Employer	1 April 2020	31 March 2025	BA Honours Degree in Political Science and Journalism	Communications Strategy Governance and Regulatory Compliance Industry Initiatives and Consumer Education	South African Insurance Association NPC (SAIA) Financial Sector Transformation Council NPC (FSTC) The Ombudsman for Short-term Insurance NPC (OSTI) National Financial Ombud Scheme of South Africa NPC (NFO) Centre of Excellence in Financial Services NPC (COEFS)	FINCO BOARD Joint FINCO and ARC	22
K Sungay	Organised Employer	30 November 2022	15 November 2024	Baccalaurus Iurisprudentiae (Law)	Law, Financial Services	Parowvalley Islamic Association (PVIA)	Rylands High Alumni	13
Z Motsa	Organised Employer	1 April 2020	N/A	Master of Business Administration (MBA) B-tech Information Technology	Business Management (Strategy and Operational), Information & Technology Management, Leadership, IT Governance	INSETA Imbali Visual Literacy Project	Previously HRRC Chairperson and ARC member (2020 - 2023)	18
F Mabaso	Professional Bodies	1 April 2020	N/A	Bachelor of Commerce	Governance and Regulatory	INSETA FSCA	HRRC	15
MS Mpuru	Professional Bodies	1 April 2020	N/A	BComm, MBA	Insurance: Life, Investments, Short Term, Funeral, Pensions and Provident Funds, Tax, SMME Consulting	BIAC, INSETA	FINCO	23
CB Botha	Organised Labour	March/April 2020	N/A	Ba (Law & Pol Sci) LLB	Labour and Business Law	INSETA	ARC and FINCO	30
SA Anders	Organised Labour	March 2020	NA	Degree	Human resource	INSETA	HRRC	18
M Soobramoney	Organised Labour	1 April 2020	N/A	NQF Level 8 Certificate in Advanced Labour Law	Employee Relations	NONE	Chairperson of the HRRC	26
ST Dinyake	Organised Labour	1 April 2020	N/A	Bachelor of Administration	Learning and Development Trainer / Facilitator	INSETA	EXCO	0
NB Jonas	Organised Labour	1 April 2020	N/A	MDP Certificate in Banking Secretarial Diploma	Banking Customer Services	INSETA	HRRC FINCO	23
JJM Mabena	Organised Labour	1 April 2020	N/A	MMDP	Financial Advisor	INSETA	EXCO	20

BOARD MEMBERS

JS Ngubane
Chairperson

RG Govender
Organised Employer

L van der Merwe
Organised Employer

V Pearson
Organised Employer

K Sungay
Organised Employer

Z Motsa
Organised Employer

F Mabaso
Professional Bodies

MS Mpuru
Professional Bodies

CB Botha
Organised Labour

SA Anders
Organised Labour

M Soobramoney
Organised Labour

ST Dinyake
Organised Labour

NB Jonas
Organised Labour

JJM Mabena
Organised Labour

AUDIT AND RISK COMMITTEE

G Mnguni
Audit And Risk Committee Chairperson

Y Pamla-Dhludhlu
AuditAndRiskCommitteeMember

A Nchoe
Audit And Risk Committee Member

INDEPENDENT RISK MANAGEMENT COMMITTEE CHAIRPERSON

V Makaleni
Independent Risk Management Committee Chairperson

Committees

The INSETA constitution provides that the AA has powers and responsibilities to establish committees to enable it to discharge its responsibilities effectively and efficiently.

The AA established the following.

Committee	No. of meetings held	No. of members	Name of members
(i) Executive Committee	8	5	JS Ngubane – Chairperson resigned in June 2024 L vd Merwe K Sungay – resigned November in 2024 JJM Mabena Z Motsa
(ii) Audit & Risk Committee	4	5	G Mnguni A Nchoe Y Pamla-Dhludhlu CB Botha K Sungay resigned in November 2024
(iii) Finance Committee	3	5	RG Govender – Chairperson resigned in April 2024 V Pearson - Chairperson MS Mpuru CB Botha NB Jonas
(iv) Human Resources & Remuneration Committee	4	4	M Soobramoney – Chairperson NB Jonas F Mabaso SA Anders

Renumeration of the Accounting Authority (AA)

The AA members are non-executive directors and not INSETA staff members. Fees are paid to the AA members for their attendance and contributions to official meetings and responsibilities as members (in line with the Board Remuneration Policy). Board members are remunerated at a daily rate aligned with Category S rates, as prescribed by the National Treasury guidelines and published from time to time. AA members are reimbursed for out-of-pocket expenses when attending official INSETA business.

Name	Remuneration	Other allowance	Other reimbursements	Total
JS Ngubane	R4 284	0	0	R4 284
RG Govender	R1 826	0	0	R1 826
L van der Merwe	R149 660	0	0	R149 660
V Pearson	R114 366	0	0	R114 366
K Sungay	R87 812	0	0	R87 812
Z Motsa	0	0	0	0
F Mabaso	0	0	0	0
MS Mpuru	R158 714	0	0	R158 714
CB Botha	R168 720	0	0	R168 720
SA Anders	R101 748	0	0	R101 748
M Soobramoney	R119 285	0	0	R119 285
ST Dinyake	0	0	0	0
NB Jonas	R140 197	0	0	R140 197
JJM Mabena	R152 994	0	0	R152 994

5. RISK MANAGEMENT

INSETA is compliant with Section 51 of the PFMA, which mandates the Accounting Authority to ensure that effective, efficient, and transparent systems of risk management and internal control are in place. The system of risk management is underpinned by the Risk Management Policy, which was also reviewed to articulate the organisational thresholds of risk appetite and tolerance, which will need to be balanced in the pursuit of organisational excellence. The strategy and implementation plan, which details the various activities to inculcate risk management within organisational processes, was also in place and implemented during the year under review.

The effectiveness of the risk management process has been evaluated through a risk maturity assessment developed by Internal Audit, where INSETA has achieved an 86% maturity rating. This assessment was further supplemented by the National Treasury maturity assessment, which resulted in a level 5 maturity rating. This means that the INSETA has robust risk management processes in place.

INSETA undertakes risk assessments to ensure that the risks which may impede the delivery of its mandate are identified and mitigated to increase the probability of achieving its mandate. During the year under review, strategic, operational and fraud risk registers were in place. Oversight of the risk management within INSETA is provided by the Risk Management Committee (RMC), a subcommittee of the Audit and Risk Committee (ARC). The RMC submits quarterly reports to the ARC and advises the ARC on the identified risks and the progress made in implementing controls to mitigate such risks. The RMC is governed by approved Terms of Reference, which are reviewed annually to ensure continued relevance, and is chaired by an independent external chairperson.

Key achievements during the year under review include:

- Alignment of the Risk Management Policy, Framework and Procedure to the ISO31000 and IRMSA Guidelines.
- The review of the Business Continuity Management Policy and development of the Business Continuity Plan.
- The review of the Fraud Prevention Policy and Procedure, as well as the Whistleblowing Policy.
- Robust employee education and awareness, including a fraud prevention campaign during the Fraud Awareness Week.
- Improved risk management maturity rating.
- 89% implementation of strategic risk action plans.

The RMC expressed its satisfaction and indicated that risk management processes were adequately and consistently implemented during the 2024/25 financial year.

6. INTERNAL CONTROL

Internal controls are the policies, procedures, and processes established by an organisation to safeguard its assets, promote compliance, prevent fraud, ensure accountability and effective operations, and maintain the integrity of financial and performance information. INSETA has a policy register that is monitored monthly to ensure that it's policies, procedures, frameworks and strategies are reviewed timeously. INSETA has reviewed and approved sixteen (16) policies during the year under review.

Internal control deficiencies reported through Internal Audit reports, as well as highlighted in the various risk registers are addressed through mitigation action plans. These plans aimed at improving internal controls are implemented on a quarterly basis and reported at the different governance structures.

7. AUDIT AND RISK COMMITTEE (ARC)

The INSETA has an independent ARC that was appointed in line with the requirements of Section 51(1) of the PFMA and National Treasury Regulation 27.1. It is a sub-committee of the INSETA AA. The ARC operates within the parameters of the ARC Terms of Reference, which were approved by the AA that guides it in fulfilling its oversight responsibilities. These oversight responsibilities include the financial reporting process, the system of internal control, risk management, corporate governance, IT Governance, performance information, the audit process and the organisation's process for monitoring compliance with laws and regulations.

The ARC has an independent role to oversee and make recommendations to the INSETA Board for its consideration and final approval.

The role of the committee is to provide independent assurance and assistance to the Board on:

- Control, governance and risk management;
- Oversight on ethics and professional conduct; and
- Prompt and constructive reports on its findings, especially when issues are identified that could present a material risk to the INSETA.

INSETA has a robust Insurance mechanism which supports the business objectives.

INSETA has an outsourced Internal Audit Function. The primary objective of the Internal Audit function is to provide a comprehensive service, ensuring that adequate measures and procedures are in place for sound economic, effective, and efficient management, as required by the Public Finance and Management Act and the King IV Code on Corporate Governance.

The Internal Audit process provides oversight to obtain reasonable assurance regarding management's assertions that objectives are achieved, ensuring the effectiveness and efficiency of operations, the reliability of financial information, and compliance with laws and regulations.

The scope of Internal Audit is in line with the Treasury Regulations (limited to the fact that only samples of transactions are selected) is to determine whether the INSETA's risk management, control and governance processes, as designed and presented by management, are adequate and functioning in a manner to determine whether management processes exist to ensure that:

- Risks are appropriately identified and managed;
- Interaction with the various governance groups occurs as needed;
- Significant financial, managerial and operating information is accurate, reliable and timely;
- Employees' actions comply with policies, standards, procedures and applicable laws and regulations;
- Resources are acquired economically, used efficiently and adequately protected;
- Programmes, plans and objectives are achieved;
- Quality and continuous improvements are fostered in the organisation's control process;
- Significant legislative or regulatory issues impacting the organisation are recognised and addressed appropriately;
- Objectives and values are established and communicated, and Accountability is ensured.
- Assistance concerning special services such as litigation and forensic matters, computer implementations, taxation, and general accounting assistance is provided when requested.

The rolling three-year strategic plan, as well as the annual operation plan were developed following a risk-based approach. The following reviews were conducted as per the approved 2024/2025 Internal Audit Operational Plan:

- Unaudited annual performance information;
- Unaudited financial statements compliance review;
- Information Technology – Follow up review of Security controls and ITGCR;
- Human Resource Management;
- Skills Plan Implementation;
- Quality Assurance (ETQA);
- Review of Annual Performance Plan;
- Internal Financial Control;
- Commitments and Contract Management
- Interim Financial Statements;
- Performance Information
- Follow up on Auditor General of South Africa (AGSA) findings;
- Governance and Compliance;
- SCM Probity Review.

The table below discloses relevant information on the audit committee members

Name	Qualifications	Internal or external	Date appointed	Date Resigned	No. of Meetings attended
CB Botha	BA (Law & Pol Sci), LLB	External	1 April 2020	N/A	4
KAA Sungay	Baccalaurus Lurisprudentiae (Law)	External	30 November 2022	15 November 2024	2
Gloria Mnguni	B.Com Accounting CA (SA)	External	1 November 2023	N/A	4
Yongama Pamla-Dhludhlu	BCom Accounting CA (SA) Postgraduate Diploma in Management (Financial Accounting Postgraduate Diploma in Accounting	External	1 November 2023	N/A	4
A Nchoe	CA (SA) BCom (Accounting Sciences) (Honours)	External	1 November 2023	N/A	4

8. COMPLIANCE WITH LAWS AND REGULATIONS

INSETA complies with the reporting requirements as prescribed by the National Treasury and the Department of Higher Education and Training (DHET). It submitted its Strategic Plan, Annual Performance Plan, Sector Skills Plan and the SETA quarterly financial and performance reports within the regulated timeframes. Policies and procedures were developed to guide Financial, Human Resources Management, Information Technology, Governance and the implementation of operational activities. The policies and procedures are developed and reviewed in line with the organisation's policy and procedure development framework.

INSETA reviews its regulatory environment regularly and developed and approved a Compliance Regulatory Universe for all applicable laws and regulations. Compliance Risk Management Plans have been developed and are monitored quarterly.

9. MINIMISING CONFLICT OF INTEREST

INSETA board members, board committee members and employees are required to declare a conflict of interest on appointment and annually thereafter. The declaration of interest is a standing agenda item for all INSETA governance structure committees, including all bid committee meetings, with members completing the declaration of financial and other business interests at every meeting. Formal declarations of interest are noted, and records are kept following Board and committee meeting requirements as well as for the supply chain management activities to ensure that conflicts of interest are minimised.

INSETA also procured a conflict of interest tool to support the organisation in its efforts to address conflicts of interest.
No incidents of conflict of interest were reported for the year under review.

10. CODE OF CONDUCT

INSETA is committed to upholding the highest standards of ethics, professionalism, and accountability in all areas of its operations. The INSETA Code of Conduct serves as a guiding framework for promoting a culture of integrity, honesty, and ethical behaviour within the organisation. It outlines the values and principles that govern the conduct of all INSETA stakeholders, including Board members, board committee members, and employees.

All individuals associated with INSETA are required to subscribe to and uphold the Code of Conduct, which reinforces the organisation's commitment to transparent and responsible governance. By embedding these values into its daily operations and stakeholder engagements, INSETA ensures that ethical conduct remains a cornerstone of its organisational culture and public service mandate.

11. FRAUD AND CORRUPTION

INSETA adopted a zero-tolerance policy towards fraud, corruption, and maladministration. A stance has also been articulated within the Fraud Prevention Policy. In line with this policy and its related procedure, read in conjunction with the Risk Management Policy and Procedure, INSETA maintains a fraud risk register, which also informs the Fraud Prevention Plan. Both the register and plan are monitored, and progress is reported to the relevant governance structures.

In addition to the Fraud Prevention Policy, as a further commitment to fraud prevention, INSETA has a Whistleblowing Policy in place. The Whistle Blowing Policy provides a channel for reporting (hotline) of allegations of suspected fraud and corruption. The hotline is promoted to staff and members of the public through the various communication mediums, including as part of the email signature for all staff.

An independent service provider hosts the hotline, and reports are shared directly with the Chairpersons of the Board and Audit and Risk Committee. The reports are assessed, investigated where necessary and where applicable action taken is informed by the outcome of the investigation report.

12. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

INSETA has appointed trained Health and Safety Representatives in accordance with applicable occupational health and safety legislation. A comprehensive risk assessment has been conducted to identify potential health and safety hazards within the working environment. These risks are monitored and managed through regular monthly inspections and compliance audits to ensure the ongoing safety and well-being of employees and visitors.

The nature of health, safety, and environmental (HSE) issues within INSETA primarily relates to maintaining a safe and hazard-free office environment, ensuring compliance with fire safety standards, and implementing protocols for emergency preparedness. While INSETA's operations present minimal environmental impact due to its administrative nature, efforts are made to promote energy efficiency, responsible waste disposal, and environmental awareness. Effective management of HSE matters not only ensures regulatory compliance but also fosters a culture of accountability and care, thereby enhancing employee morale and safeguarding the public reputation of the entity.

13. COMPANY SECRETARY

The Company Secretary is an outsourced function that resides within the office of the Executive Manager for Risk Management, with functional reporting to the AA through the AA Chairperson. The Company Secretary plays a key role in ensuring that board procedures are followed and regularly reviewed. As part of their key responsibilities, the Company Secretary provides board and committee members with guidance on their fiduciary duties and responsibilities. Governance compliance reports are submitted quarterly to the DHET, and minutes of all Board and committee meetings are recorded by the Company Secretary as per required governance prescripts.

The role of the Company Secretary includes, but is not limited to:

- Assist the AA in the conduct of the affairs of INSETA
- Maintain statutory records
- All necessary steps are taken to ensure that meetings are held as scheduled
- Preparation and distribution of Board and Board committee meeting packs
- Compilation of the annual calendar for Board and Board committee meetings
- Managing conflicts of interest for the Board and Board committee members
- All Board decisions and resolutions are properly recorded to track and monitor implementation and follow through as resolved in the meeting

14. SOCIAL RESPONSIBILITY

Although INSETA had limited social responsibility initiatives during the reporting period, the organisation remained committed to making a positive social impact where possible. As part of this commitment, INSETA staff participated in a heartfelt outreach event at Saint Mary's Children's Home in Johannesburg. The initiative aimed to bring joy and support to vulnerable children through the donation of essential items, including clothing, toiletries, and school supplies, along with time spent engaging with the children through games and activities.

This initiative, though modest in scale, reflects INSETA's values of compassion, social inclusion, and active citizenship. It also underscores the organisation's dedication to creating meaningful connections with communities in need, even during periods of limited formal social investment. INSETA remains committed to expanding its corporate social responsibility footprint in future reporting periods, with a focus on sustainable and high-impact initiatives.

15. AUDIT AND RISK COMMITTEE REPORT

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

Audit and Risk Committee Responsibility

The establishment of the Audit and Risk Committee is part of the INSETA control environment that is required under PFMA and is viewed as part of the corporate governance mechanism that exists within the organisation.

The Committee has an independent role to oversee and make recommendations to the INSETA Accounting Authority for its consideration and final approval. The Committee provides independent assurance and oversight on the internal control environment, governance and risk management.

The Audit and Risk Committee reports that it has complied with its responsibilities arising from Section 51(1)(a)(iii) and section 77 of the Public Finance Management Act and Treasury Regulation 27.1.8 and 27.1.10. The Audit and Risk Committee also reports that it has adopted appropriate formal terms of reference and has regulated its affairs in compliance with its terms of reference and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

The PFMA requires the Accounting Authority to ensure that the entity has and maintains effective, efficient, and transparent systems of financial, risk management and internal control, whilst it is the Committee's role to review the effectiveness of the systems of financial, risk management and internal controls.

INSETA has outsourced the Internal Audit function which functionally reports to the Audit and Risk Committee. The Internal Audit functions are carried out in accordance with the Internal Audit Charter and its activities guided by a risk-based three- year rolling Audit Plan as well as an annual plan. The Internal Audit Charter and Audit Plans were reviewed and approved by the Audit and Risk Committee.

Our review of the findings of the Internal Audit work, which was based on the key risks identified by the public entity revealed control weaknesses, which were then raised with the public entity.

Through the Committee's analysis of the internal audit reports, the Audit and Risk Committee concludes that the internal control environment of INSETA needs improvement through management interventions that address the underlying roots causes.

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

- Unaudited annual performance information;
- Unaudited financial statements compliance review;
- Information Technology – Follow up review Security controls and ITGCR;
- Human Resource Management;
- Skills Plan Implementation;
- Quality Assurance (ETQA);
- Review of Annual Performance Plan;
- Internal Financial Control;
- Commitments and Contract Management
- Interim Financial Statements;
- Performance Information;
- Follow up on Auditor General of South Africa (AGSA) Findings;
- Governance and Compliance; and
- SCM Probity Review.

The following were areas of concern:

- Skills Plan Implementation;
- Internal Financial Controls;
- Performance Information; and
- Commitments and contract management.

Capacity within the Finance Department

The position of the Manager: Finance became vacant during the financial year. Although management implemented measures to address the capacity gap, it is proposed that capacity within the finance department be enhanced both from a structural as well as competency perspective. This will be monitored in the ensuing financial year.

In-Year Management Quarterly Reports

The Audit and Risk Committee reviewed the quarterly reports submitted by Management during the year under review and provided the requisite assurance to the Accounting Authority in relation to these reports as per the approved Charter. The Audit and Risk Committee has satisfied itself that the public entity has submitted quarterly reports to the Executive Authority.

Fraud and Corruption

The committee has overseen the review and approval of the Fraud Prevention Policy as well as the Whistleblowing policy. A whistleblowing hotline is in place hosted by an independent service provider which provides various channels for reporting of fraudulent activities. All matters relating to the whistle blowing hotline are sent directly to the Chairperson of the Audit and Risk Committee and Chairperson of the Board. The Committee has satisfied itself that arrangements are in place to allow for proportionate and independent investigation of any fraudulent activities and that there is appropriate follow up action.

Evaluation of Financial Statements

We have reviewed the annual financial statements prepared by the public entity before and after the audit. The Committee is concerned about the adequacy and effectiveness of internal controls and the completeness and accuracy of the of supporting information submitted during the audit.

Evaluation of AGSA Auditor Report and Management Report

The Auditors' Report and Management Report issued by the Auditor-General were presented to the Audit and Risk Committee. The Committee is also satisfied with the Management commitment to develop action plans to address the control deficiencies identified by the Auditor-General in relation to the Financial Statements and Performance information and will monitor the implementation of these action plans in the ensuing financial year.

The Audit and Risk Committee has noted the findings of the AGSA in respect of the adequacy of the audit action plans and the implementation thereof and will strive to ensure that the internal control deficiencies are addressed including the adequate and effective implementation of the audit action plans.

Although the committee has noted the qualified audit opinion, significant improvements were noted in the record management, document management and matters that caused the limitation of scope in the previous year.

GP Mnguni

Ms. Gloria Mnguni
Chairperson of the Audit and Risk Committee Insurance Sector Education and Training Authority

16. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

CRITERIA	RESPONSE YES/NO	DISCUSSION
Determining qualification criteria for the issuing of licenses, concessions or other authorizations in respect of economic activity in terms of any law?	N/A	
Developing and implementing a preferential procurement policy?	YES	As per National Treasury Guidelines
Determining qualification criteria for the sale of state-owned enterprises?	N/A	
Developing criteria for entering into partnerships with the private sector?	YES	This is done through the Discretionary Grants and Special Projects Policies
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	YES	This is done through the Discretionary and Special Projects Policies Annual

"Building a motivated, skilled, and empowered workforce that drives the organisation's mission forward"

D
HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The 2024/25 financial year marked a pivotal period for INSETA's Human Resources Department as it fully aligned its operations with the Excellence Model, a framework through which a culture of Excellence is being built across the organisation. The Excellence Model, anchored on four key pillars — People, Mandate, Systems, and Impact — focuses on creating value for all stakeholders by embedding continuous improvement, innovation, and a results-driven culture. By prioritising people, the Human Resource Management made significant strides towards promoting an inclusive and progressive culture for all its stakeholders. Through a series of targeted initiatives, ranging from capacity building and employee wellness and engagement sessions, INSETA ensures that employees are empowered, heard, and well-equipped to deliver an outstanding service to all stakeholders.

We fully automated the Performance Contracting Electronic Performance Management System. Through the electron contract completion rate, was 100% of employees signed performance agreements by the end of Quarter 1, was a key highlight for the period.

We fully automated the Performance Management System, with a completion rate of 100% on the performance contracting process, where all employees managed to sign their agreements electronically. The full utilization was a key highlight for Q1, as it demonstrated the organisation's commitment to using digital systems to improve business support.

The approval of the Organizational structure with two key units being established was another milestone namely the Legal Unit and the Internal audit unit.

Overview of HR matters at the public entity

- Launch of Excellence Model
- Employee Wellness
- Talent Management
- Compensation, Reward and Payroll Administration
- Integrated Performance Management
- Formulate and Implement an HR Strategy
- Organisational Culture
- HR Risk Register
- HR Audit and Governance
- Timely Review of Policies and Procedures in line with legislative requirements
- Continuous Employee Capacitation
- Sound Labour Relations

HR priorities for the year under review and the impact of these priorities

- HR unqualified Audit outcome with no material finding
- Mantaining a vacancy rate of below 5% for approved key positions on the organisational structure within the financial year
- Enhance Employee Wellness Initiatives
- HR Governance
- Enhanced Integrated Performance Management
- Capacity Building on all Organisational Policies for all Staff.
- Sound Labour Relations.
- Mentoring and Coaching for Executives and Management
- Management of HR Risk Register Action Plan
- Achieve B-BBEE Compliance.

Employee Wellness Programmes

The continuous provision of employee wellness services through an independent service provider to render support such as counselling related to stress, financial advice, relationship matters, substance abuse, work-life balance, trauma, HIV/AIDS, legal advice, family matters, etc. to INSETA employees and extended families. The following interventions were undertaken to provide a conducive and supportive working environment for the benefit of all employees.

- The introduction of an Employee Wellness Centre available to employees and an Employee Wellness Day. The initiative demonstrated INSETA's efforts towards a healthy and productive workforce through wellness support interventions.
- A Financial Literacy Workshop was facilitated by the appointed Employee Wellness service provider, focusing on "Getting Healthy, Wealthy, and Wise" for all employees. The purpose of the workshop was to encourage financial accountability, planning and management.
- The provision of services by the South African Revenue Services (SARS) to assist employees with tax administration matters at INSETA offices. This initiative demonstrated efficiency for employees and encouraged legislative compliance.

Highlight achievements

- HR unqualified audit outcome.
- Achieved the vacancy rate of 100% below the target of 5% in line with APP targets (5% Vacancy rate for approved key positions on the organisational structure within the financial year)
- Retention of key strategic resources
- Consistent application of approved HR policies and procedures.
- The Training and Development Plan was implemented with 90% attainment
- Enhanced utilisation of employee wellness initiatives through the independent service provider
- Developed HR Business continuity plan
- Launched the INSETA excellence model

Challenges

- Shortage of IT professionals in the market
- Financial constraints
- Slight improvement on BBBEE compliance
- Delayed implementation of the change management process.
- Limited HR capacity

Future HR Plans/Goals

- Conducting an organisational climate survey
- Review of the HR Strategy
- Workforce planning
- Leadership Development
- Succession Planning
- Mentoring and Coaching
- Digital capacity building
- Continued employee wellness initiatives
- Capacitation of the unit

2. HUMAN RESOURCE OVERSIGHT STATISTICS

The public entity must provide the following key information on human resources. All the financial amounts must agree with the amounts disclosed in the annual financial statements. Where considered appropriate, provide reasons for variances.

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)
Admin	128 235	45 329	35%	66	686
Projects	910 085	33 975	4%	114	298
TOTAL	**1 038 320**	**79 304**		**180**	**984**

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	10 548	23%	5	2 109
Management	9 450	21%	7	1 350
Professional qualified	4 346	10%	4	1 086
Skilled	12 739	28%	25	509
Semi-skilled	7 715	17%	21	367
Unskilled	531	1%	4	132
TOTAL	**45 329**	**100%**	**66**	**5 553**

Performance Rewards

Programme//activity/objective	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	771	10 548	7%
Senior Management	1 024	9 450	11%
Professional qualified	269	4 346	6%
Skilled	1 443	12 739	11%
Semi-skilled	1 005	7 715	13%
Unskilled	15	531	3%
TOTAL	**4 527**	**45 329**	**10%**

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
All	**45 329**	**1 056**	**2%**	**37**	**28**

Employment and vacancies

Programme/activity/ objective	2023/2024 No. of Employees	2024/2025 Approved Posts	2024/2025 No. of Employes	2024/2025 Vacancies	% of vacancies
	89	**99**	**96**	**3**	**3%**

Programme/activity/ objective	2023/2024 No. of Employees	2024/2025 Approved Posts	2024/2025 No. of Employes	2024/2025 Vacancies	% of vacancies
Top Management	4	5	5	0	0
Senior Management	12	13	12	1	33.33%
Professional qualified	4	5	4	1	33.33%
Skilled	29	34	33	1	33.33%
Semi-skilled	38	40	40	0	0
Unskilled	2	2	2	0	0
TOTAL	**89**	**99**	**96**	**3**	**100**

INSETAs remuneration is prescribed in its Remuneration Policy, Performance and Rewards policy and Procedures and these are aligned to market benchmarks, which are conducted periodically to ensure fair remuneration practices. In 2024/25 a remuneration benchmark and organizational structure review was undertaken to build capacity in some key areas such as finance, operations and audit and legal. These enhancements are intended to improve operational efficiency and strengthen our control environment.

Employment changes

Provide information on changes in employment over the financial year. Turnover rates indicate trends in the employment profile of the public entity.

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	4	1	0	5
Management	12	1	1	12
Professional qualified	4	1	0	5
Skilled	29	4	1	32
Semi-skilled	38	4	2	40
Unskilled	2	1	1	2
Total	**89**	**12**	**5**	**96**

Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	1	20%
Resignation	3	60%
Dismissal	1	20%
Retirement	0	0
Ill health	0	0
Expiry of contract	0	0
Other	0	0
Total	**5**	**100%**

Labour Relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning	4
Written Warning	0
Final Written warning	0
Dismissal	1

Equity Target and Employment Equity Status

The following attempts are in place to address the variances in Employment Equity targets:

Strategies to address over-representation:

- No unfair discrimination practices will be conducted against any person by dismissing/retrenching a person based on race and/or gender.
- In the event of a termination of employment, for any reason, the replacement of employees from over-represented groups will be made by appointing employees within the under-represented designated groups, provided that the candidate is suitably qualified.
- No recruitment of over-represented groups provided that they fall within the Scarce and Critical Skills categories as per the Department of Home Affairs list.

Strategies to address under-representation:

- The prioritisation of appointing under-represented groups through recruitment processes, provided that they are suitably qualified and meet the minimum requirements for the position.
- The provision of training opportunities to candidates identified who are suitable for development in higher roles in line with the Succession Planning Policy.
- The development and implementation of policies and practices that foster an inclusive environment, such as diversity and inclusion.

Attempts are in place to address the variances in Employment Equity targets.

Racial Representation Gender (Males)

Over representation of certain designated groups as they surpassed the demographic EAP. Limited pool of suitably qualified candidates from the designated groups, .However,it is therefore observed that there is an interest demonstrated through recruitment processes from the candidates from designated groups through responses received.

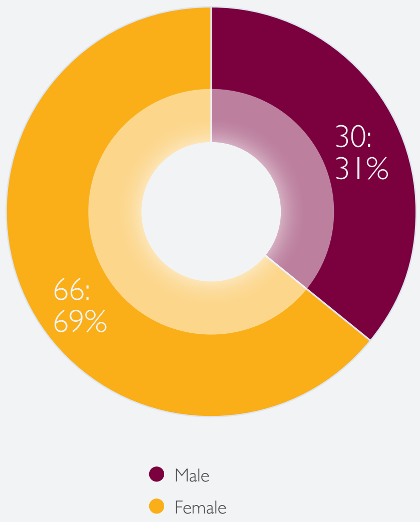
Disability

The inability to attract suitably qualified candidates from persons living with disabilities nonetheless, platforms used to share INSETA's career opportunities hence the recent introduction of sharing adverts on social media.

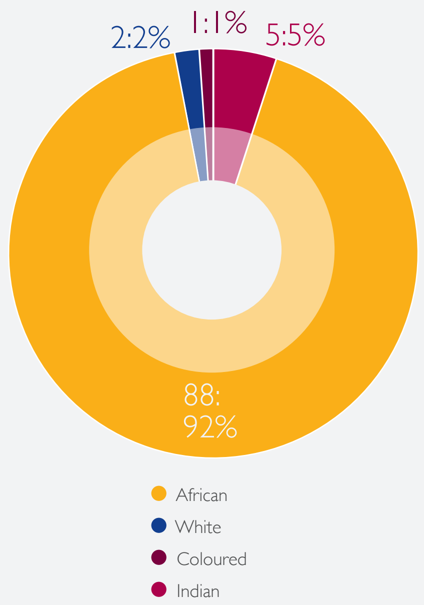
	MALE							
	African		Coloured		Indian		White	
Levels	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	2	0	0	0	0	0	0
Senior Management	7	5	0	1	0	1	0	0
Professional qualified	1	2	0	1	0	0	0	0
Skilled	9	14	0	2	1	1	1	1
Semi-skilled	10	15	0	3	0	1	0	2
Unskilled	0	1	0	0	0	0	0	0
TOTAL	**28**	**39**	**0**	**7**	**1**	**3**	**1**	**3**

	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
Levels	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	3	1	0	1	1	1	0	0
Senior Management	5	4	0	1	1	1	0	0
Professional qualified	4	2	0	1	0	0	0	0
Skilled	17	11	1	2	2	0	1	2
Semi-skilled	30	14	0	2	0	1	0	2
Unskilled	1	1	0	0	0	0	0	0
TOTAL	**60**	**33**	**1**	**7**	**4**	**3**	**1**	**4**

GENDER PROFILE



RACIAL PROFILE



The INSETA has an opportunity to improve representation at various levels, such as males, in line with Employment Equity targets, as the organisation is noticeably over 51% female. There is a fair distribution of males and females in management positions.

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

INSETA STAFF MEMBERS

EXECUTIVE

Gugu Mkhize
Chief Executive Officer

Leslie Kwapeng
Executive Manager Operations

Zanele Malaza
Chief Fanancial Officer

Farzana Safla
Executive Manager Risk Management

Jacoline Lerato Mabitsela
Executive Manager Corporate Services

EXECUTIVE PERSONAL ASSISTANTS

Maria Nkomo
Executive Personal Assistant Operations

Matimba Baloyi
Executive Personal Assistant Finance

Nomusa Zungu
Executive Personal Assistant Risk Management

MANAGERS

Akhona Wotshela
Learning Division Youth Programmes Manager

Bongi Mthombeni
Learning Division Strategic Programmes Manager

Clement Makhari
Supply Chain Manager

Kgothatso Modise
Learning Programmes Workers Manager

Lynn Mafeking
Manager CEO's Office

Norman Maphala
Human Resource Manager

Osborne Mkhize
Skills Planning and Reasearch Manager

Salome Machaka
Risk Manager

Saloshnee Govender
Stakeholder Relations Manager

Serurubele Mutinhima
Organasational Planning, Data & Reporting Manager

Sibusiso Zulu
Education And Training Quality Assurance Manager

Tshembani Maluleke
Information Technology Manager

SENIOR SPECIALISTS


Khongisa Mngoma
Senior Specialist Organasational Planning, Data & Reporting


Monica Marumo
Senior Specialist Supply Chain Management


Nokuthula Mokase
Senior Accountant Finance


Pfarelo Netshikulwe
Senior Accountant Finance


Portia Molatlhegi
Senior Human Resource Specialist


Stanley Matende
ETQA Monitoring Specialist

SPECIALISTS


Bayathandwa Shembe
Business Analyst


Challot Bodibe
Marketing And Customer Relation Officer


Ernest Kaplan
Skills Development Research Specialist


Judith Moyana
Human Resource Specialist


Kgomotso Makgaleng
Learning Specialist Youth Programmes


Khazwinake Mphephu
Supply Chain Management Specialist


Lindiwe Phakathi
Learning Programmes Strategic Project Specialist


London Malinga
Skills Development Specialist


Lusani Netshitavhadulu
IT Developer

SPECIALISTS

Mogao Mashala
Risk Officer Risk Management

Nelisiwe Bophela
Business Analyst IT

Nerissa Sheopershad
Corporate Governance Specialist

Nkosinathi Gabuza
Project Specialist Learning Programmes Strategic

Nyiko Maholobela
ETQA Specialist

Phumelele Sithole
Learning Specialist Learning Programmes Youth

Phuti Seanego
Project Accountant Finance

Portia Nonyane
Financial Accountant Finance

Siphiwe Yende
Learning Division Specialist

Thabani Mlala
Facility Officer

Thembisile Mahlangu
Learning Division Specialist Learning Programmes Workers

Tsakani Maluleke
Specialist Supply Chain Management

Tshepo Mabika
Specialist Stakeholder Relations

Zanele Mashiane
Specialist Organasational Planning, Data & Reporting

ADMINISTRATORS


Aluwani Mamafha
Finance Administrator


Asavela Pumelo
Learning Programmes Youth Administrator


Athi Nomavila
Learnership Administrator


Aubrey Manganyi
Skills Facilitator Administrator


Comfort Mokou
Finance Administrator


Glenda Ngobeni
Learning Administrator Learning Programmes Workers


Halalisani Ngwenya
Finance Administrator


Ivy Chan
ETQA Administrator


Jacob Mabotja
Learning Administrator Learning Programmes Workers


Jean-Michel Kandolo
Project Administrator ETQA


Kamogelo Sengakana
Learning Administrator Strategic Programmes


Katlego Siko
Intership Administrator Learning Programmes Youth


Kgomotso Makwe
ETQA Administrator


Lebogang Mmola
Learning Programmes Youth Administrator


Lebohang Mashego
Learning Administrator Learning Programmes Workers

ADMINISTRATORS


Lebohang Tshabalala
Learning Administrator
Learning Programmes Workers


Mancha Koko
IT Administrator


Margaret Janfeke
Receptionist


Mathoto Mokasane
Learning Programmes
Workers Administrator


Mikateko Massango
Organasational Planning, Data
& Reporting Administrator


Miranda Mthethwa
ETQA Administrator


Mmakadikwa Mashishi
Project Administrator
Learning Programmes Strategic


Nelisiwe Xaba
Learning Programmes Youth
Administrator


Nokulunga Mokubung
Learning Programmes Youth
Administrator


Nokuthula Mgidi
Organasational Planning, Data
& Reporting Administrator


Nomsa Maghena
Learning Administrator


Nozizwe Mathole
PR & Marketing Coordinator


Ntebelleng Pakkies
Learning Administrator
Strategic Programmes


Nthabiseng Kekana
ETQA Administrator


Nthabiseng Mazibhuko
Learning Programmes
Workers Administrator

ADMINISTRATORS


Oscar Nkudla
Learning Administrator
Learning Programmes Workers


Primrose Moyo
HR Administrato


Remofilwe Mogapi
Learning Programmes Youth Administrator


Ronny Baloyi
Learning Administrator
Strategic Programmes


Rudzani Nekhumbe
Organasational Planning, Data & Reporting Administrator


Sabelo Mabasa
Junior IT Administrator


Sabelo Madonsela
Finance Administrator


Sakhile Mashi
Junior IT Administrator


Sandile Mchunu
Learning Administrator
Strategic Programmes


Sello Baloyi
Finance Administrator


Senzo Mhlongo
Supply Chain Management Administrator


Sizakele Mdlalose
Organasational Planning, Data & Reporting Administrator


Zimasa Mduduma
Learning Programmes Youth Administrator

INTERNS

Amanda Mona
HR intern

Annastacia Sekgoele
LP Workers Intern

Boipelo Mooketsi
Strategic Projects Intern

Busisiwe Gamede
Skills Planning and Reasearch Intern

Charles Khosa
Finance Intern

Hellen Ramasobane
Learning Programmes Workers Intern

Katlego Kekana
Learning Programmes Youth Intern

Lebogang Ngobeni
Stakeholder Relations Intern

Makhadzi Nefurenyele
Learning Programmes Workers Intern

Mihlali Papa
Strategic Projects Intern

Mosehlana Molokomme
Learning Strategic Programme Intern

Mpho Seletswane
ETQA Intern

Mukhethwa Netshipale
Workers Programmes Intern

Mushoni Ramavhoya
Stakeholder Relations Intern

Naume Maenetja
Learning Programmes Youth Intern

INTERNS

Nkhangweni Mahada
Skills Intern

Sheron Chauke
Learning Strategic Programme Intern

Talenta Machebe
Learning Programmes Workers Intern

Tryphina Maja
Learning Programmes Youth Intern

FACILITIES

Amelia Radebe
HouseKeeper Facilities

Dimakatso Richard
Housekeeper Facilities

Ndumiso Sempe
HouseKeeper Facilities

Tshepo Sikele
HouseKeeper Facilities

E

PFMA COMPLIANCE REPORT

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

1.1. Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2024/25	2023/24
	R'000	R'000
Opening balance	23 161	22 886
Adjustment to opening balance	0	0
Opening balance as restated	0	0
Add: Irregular expenditure confirmed	4	683
Less: Irregular expenditure condoned	0	0
Less: Irregular expenditure recoverable[1]	(4)	(408)
Less: Irregular expenditure recoverable	0	0
Less: Irregular expenditure not recoverable and written off	0	0
Closing balance	**23 161**	**23 161**

Reconciling notes

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure that was under assessment	0	0
Irregular expenditure that relates to the prior year and identified in the current year	0	0
Irregular expenditure for the current year	4	683
Total	**4**	**683**

1 Transfer to receivables

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

Description[2]	2024/25 R'000	2023/24 R'000
Irregular expenditure under assessment	0	0
Irregular expenditure under determination	0	0
Irregular expenditure under investigation	275	5 052
Total	**275**	**5 052**

The investigations of the irregular expenditures incurred during the previous financial year were concluded and remedial measures to mitigate the re-occurrence of the expenditure were employed. The irregular expenditure incurred as a result of exceeding the 7.5% Project Administration Cost for the 2022 financial year was concluded during April 2025 and a report will be tabled before the Accounting Authority. Internal Control measures are being implemented to monitor the spending of the Project Administration to be within the legislated threshold through monthly management reports which are tabled at Executive Committee and other Governance Structures.

c) Details of irregular expenditure condoned

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure condoned	0	0
Total	**0**	**0**

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

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure NOT condoned and removed	4	408
Total	**4**	**408**

The Board has, at its meeting held 29 May 2023 resolved under the resolution No. BRD038/2023 included with the Annual Financial Statements Report to approve the removal of the Irregular Expenditure incurred due to the Board appointment made by the Department of Higher Education prior conducting the necessary vetting legislative requirement. The Board resolved that the expenditure incurred as well as any future expenditure to be incurred in that regard be removed from the annual financial statements in line with the recommendations from DHET.

2 Group similar items

e) Details of irregular expenditure recoverable

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure recoverable	0	0
Total	**0**	**0**

f) Details of irregular expenditure written off (irrecoverable)

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure written off	0	0
Total	**0**	**0**

Additional disclosure relating to Inter-Institutional Arrangements

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

Description
Total

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

Description	2024/25 R'000	2023/24 R'000
Total	**0**	**0**

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

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

Incident/Detail of Irregular Expenditure	Disciplinary Steps Taken/ criminal proceedings	2024/2025	2023/2024
		R'000	R'000
Board fees of the Accounting Authority members whose appointment were not made in line with the Skills Development Act, no 97 of 1998 (SDA) as amended	DHET has effected remedial action as the vetting of Accounting Authority members lies under DHET's responsibility. The expenditure has been removed from the notes to the Annual Financial Statements.	4	408
Payments exceeding approved quotation/ contract	The investigation and subsequent remedial action will be concluded during the 2025/2026 financial year.	0	275
Total		**4**	**683**

1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/25	2023/24
	R'000	R'000
Opening balance	768	768
Adjustment to opening balance	0	0
Opening balance as restated	768	768
Add: Fruitless and wasteful expenditure confirmed	0	0
Less: Fruitless and wasteful expenditure recoverable[4]	0	0
Less: Fruitless and wasteful expenditure not recoverable and written off	0	0
Closing balance	**768**	**768**

The expenditure incurred during 2021/2022 financial year relates to payments which were made to a fictitious company under Discretionary Project Grants. Investigation was concluded and consequence management enforced, and disciplinary processes implemented.

Reconciling notes

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	0	0
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	0	0
Fruitless and wasteful expenditure for the current year	0	0
Total	**0**	**0**

4 Transfer to receivables

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

Description[5]	2024/25 R'000	2023/24 R'000
Fruitless and wasteful expenditure under assessment	0	0
Fruitless and wasteful expenditure under determination	0	0
Fruitless and wasteful expenditure under investigation	0	0
Total	**0**	**0**

c) Details of fruitless and wasteful expenditure recoverable

Description	2024/25 R'000	2023/24 R'000
Fruitless and wasteful expenditure recoverable	0	0
Total	**0**	**0**

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

Description	2024/25 R'000	2023/24 R'000
Fruitless and wasteful expenditure written off	0	0
Total	**0**	**0**

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

Disciplinary steps taken
Total

5 Group similar items

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

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2024/2025 R'000	2023/2024 R'000
Theft	0	0
Other material losses	0	0
Less: Recoverable	0	0
Less: Not recoverable and written off	0	0
Total	**0**	**0**

b) Details of other material losses

Nature of other material losses	2024/2025 R'000	2023/2024 R'000
Not Applicable	0	0
Total	**0**	**0**

c) Other material losses recoverable

Nature of losses	2024/2025 R'000	2023/2024 R'000
Not Applicable	0	0
Total	**0**	**0**

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

d) Other material losses not recoverable and written off

Not Applicable	2024/2025	2023/2024
	R'000	R'000
Not Applicable	0	0
Total	**0**	**0**

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	4091	723 817 794
Invoices paid within 30 days or agreed period	3852	687 402 089
Invoices paid after 30 days or agreed period	239	36 415 706
Invoices older than 30 days or agreed period (unpaid and without dispute)		
Invoices older than 30 days or agreed period (unpaid and in dispute)		

The delays on the payment of invoices were mainly attributable to the review of the payment deliverables in line with the contracts as well as due to other procedural inefficiencies identified. The inefficiencies are being addressed to ensure timeous payment of invoices.

3. SUPPLY CHAIN MANAGEMENT

3.1. Procurement by other means

Project Description	Name of Supplier	Contract Number	Type of procurement by other means	Value of contract
INSETA profiling for INSETA brand awareness and promotion on International Global Brands Magazine	Global Magazine	N/A	Single Source	R360,000
Deviation for the urgent fixing of leaking toilets and sewer spillage on the floor causing health hazards and smell in the offices.	Shudus Plumbing	N/A	Single Source	R84,870
Request for urgent procurement for diagnosis and fault finding on sudden faulty air-conditioning in the ICT server room as well as corrective repairs or replacement project.	RT Aircons and Projects	N/A	Single Source	R198,023
INSETA registration and participation to the TOPCO awards where INSETA is nominated and is part of the finalisirs in the award category	TopCo Media	N/A	Single Source	R62,790
INSETA registration and participating in the Empowawomen Leadership Summit 2024	Empowaworx	N/A	Single Source	R575 000
Urgent plumbing services required due to blocked drainage system and geyser burst causing water supply loss and electrical trip in the building	Shudus Plumbing	N/A	Single Source	R69,670
Deviation to procure/lease mobile VIP toilets for a period of 5 days during unplanned water-outage.	Twinlight Trading Enterprise	N/A	Single Source	R116,200
Procurement of script marker for INSETA EISA exams	Pachedu Skills Solutions	N/A	Single Source	R1,000,000
Procurement of data management and filing training services on EDRMS tool from Grandwell Pty Ltd	Grandwell Pty Ltd	N/A	Single Source	R101,775
Annual subscription for/to Hellopeter platform to provide a customer feedback platform that will enhance INSETA's engagement with stakeholders, improve service delivery and support the organisation's overall strategic goals.	Hello Peter	N/A	Single Source	R5,786
Caseware Training for the Finance Staff on Caseware implementation for the AFS preparation	Adapt IT	N/A	Sole Source	R35,179
Advertising for the call for nominations of the Accounting Authority (AA) to be advertised in national newspapers being Sunday Times, City Press and Business Day.	Basadzi Media	N/A	Single Source	R150,000
INSETA Registration and participation at the annual women in insurance conference	Spectecular	N/A	Single Source	R68,425
Total				**R2 827 719**

3.2. Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
Contract variation for the provision and management of an existing contract with INSETA's website developer for services of developing an Assessment Quality Partner (AQP Website) to comply with the INSETA/QCTO Services Level Agreement (SLA).	Pace Online	Variation	N/A	R359 720.00	R0.00	R248 400,00
Contract expansion for BBKIH Project Launch (catering and décor) due to the increased number of attendees.	Khumo Leruo Pty Ltd	Expansion	N/A	R133 100.00	R0.00	R75 650,00
Contract expansion for additional licenses on the ERP due to the increase on the number of staff members currently working on the Finance and E-Recruitment modules.	QI Solutions	Expansion	N/A	R14 465 088.28	R2 219 250.48	R233 467.60
Approval for the variation amount of not more than two (2) service providers for Events Management as and when required for a period of six (6) months.	Rivoni Catering and Décor	Expansion	N/A	R1 000 000.00	R0.00	R1 000 000.00
Approval for the variation amount for Panel of Catering services on a as and when required basis appointed for a period of 24 months.	Rivoni Catering and Décor Vuka Nozuko Catering	Expansion	N/A	R1 000 000.00	R0.00	R100 000.00
Request for the variation to provide additional promotional items for the INSETA AGM.	MUK Engineering (Pty) Ltd	Variation	N/A	R56 120.00	R0.00	R56 120.00
Request for approval to extend the appointment of Mondial Consultants to include the facilitation of the strategic risk workshop for Management.	Mondial Consultants	Expansion	N/A	R90 800.00	R0.00	R21 620.00
Scope Variation for board meeting and board evaluations	IKB Secretaries	Variation	N/A	R2 293 200.00	R0.00	R850 000.00
Variation of scope to provide additional licenses.	Grandwell	Variation	N/A	R5 155 756.66	R2 696 138.99	R3 642 544.50
Approval for the variation amount for Insurances services due to the addition of assets to be insured.	Maksure	Variation	N/A	R3 556 550.46	R0.00	R1 000 000.00
Approval of the variation amount of videography and photography services.	Juniper Tree	Variation	N/A	R1 000 000.00	R0.00	R200 000.00
Approval for the variation amount for Panel of Catering services on a as and when required basis appointed for a period of 24 months.	Rivoni Catering and Décor Vuka Nozuko Catering	Expansion	N/A	R1 000 000.00	R0.00	R100 000.00
Total						**R7 527 802,11**

F

FINANCIAL INFORMATION

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Legal form of entity	Public Entity (PFMA) Schedule 3A Public entity
Nature of business and principal activities	The entity is legislatively mandated to promote, facilitate and monitor education and skills development provision in the insurance and related services sector.
Board Members	Mr. J S Ngubane - Resigned on 25 June 2024 Ms. V Pearson Ms. L van der Merwe Ms. R G Govender - Resigned on 28 April 2024 Ms. Z Motsa Mr. M Soobramoney Mr. J J M Mabena Ms. S A Anders Mr. C B Botha Ms. S T Dinyake Ms. F Mabaso Mr. S.M Mpuru Mr. K Sungay - Resigned on 15 November 2024 Ms. N Jonas
Independent Audit and Risk Committee Members	Ms. G Mnguni - Chairperson Mr. A Nchoe Ms. Y Pamla-Dhludhlu
Registered office	18 Fricker Road Illovo Sandton Gauteng 2196
Postal address	P.O. Box 32035 Braamfontein Johannesburg Gauteng 2017
Bankers	First National Bank
Auditors	Auditor General of South Africa
Secretary	IKB Company Secretaries
Website	www.inseta.org.za
Telephone	011-381-8900

CONTENTS

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

LIST OF ABBREVIATIONS/ACRONYMS

Abbreviations used:

ARC	Audit and Risk Committee
ATR	Annual Training Report
COIDA	Compensation for Occupational Injuries and Diseases Act
CPD	Corporation for Public Deposits
DHET	Department of Higher Education and Training
EXCO	Executive Committee
FINCO	Finance Committee
GRAP	Generally Recognised Accounting Practice National Skills Fund
HRRC	Human Resources and Remuneration Committee
INSETA	Insurance Sector Education and Training Authority
ISSF	Insurance Sector Student Fund
NSA	National Skills Authority
NSF	National Skills Fund
NSFAS	National Student Financial Aid Scheme
PAYE	Pay As Your Earn
PFMA	Public Finance Management Act
QCTO	Quality Council for Trades and Occupations
R	Rand
SARS	South African Revenue Services
SAQA	South African Qualifications Authority
SDA	Skills Development Act
SDL	Skills Development Levy
SDLA	Skills Development Levies Act
SETA	Sector Education and Training Authority
TVET	Technical Vocational Education and Training
UIF	Unemployment Insurance Fund
WIP	Work-in-Progress
WSP	Workplace Skills Plan

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE INSURANCE SECTOR EDUCATION AND TRAINING AUTHORITY

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Insurance Sector Education and Training Authority set out on pages 99 to 157, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, the cash flow statement and statement of comparison of budget and actual amounts for the year then ended 31 March 2025, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, except for the effects of the matters described in the basis of qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Insurance Sector Education and Training 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 (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Skills Development Act 97 of 1998 (SDA).

Basis for qualified opinion

Discretionary grants

3. Project expenditure was not accounted for in accordance with the requirements of GRAP 1 – *Presentation of Financial Statements*, as transactions were recorded in the incorrect financial period. Consequently, the project expenditure disclosed in note 21 to the financial statements was overstated by R24 408 000 (2023-24: R83 729 000) and the payables from non-exchange transactions were also overstated by the same amounts in the respective periods. This also had an impact on the surplus for the period and on the accumulated surplus.

4. In addition, I was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding figures for discretionary grants and payables from non-exchange transactions. As described in note 29 to the financial statements, the restatement was made to rectify a prior year misstatement. However, the supporting schedule did not agree to the amounts disclosed as correction of errors. I was unable to confirm the restatement by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the corresponding figures of the discretionary grants and payables from non-exchange transactions stated at R457 512 000 and R243 413 000, respectively, in the financial statements.

Context for opinion

5. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

6. I am independent of the 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.

Responsibilities of the accounting authority for the financial statements

8. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the PFMA and SDA 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.

9. 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

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 96, forms part of my auditor's report.

Report on the audit of the annual performance report

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

13. I selected the following programmes presented in the annual performance report for the year ended 31 March 2025 for auditing. I selected programmes that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

Programmes	Page numbers	Purpose
Programme 2 – skills planning	18	To promote the relevance of the support provided by the Insurance Sector Education and Training Authority through the implementation of innovative and impactful programmes
Programme 3 – learning programmes	19-22	To contribute to the achievement of the National Skills Development Plan five-year implementation plan

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

15. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the 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 and is comparable and understandable
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets / measures taken to improve performance.

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

17. The material findings on the reported performance information for the selected programmes are as follows:

Programme 3 – learning programmes

Various indicators

18. Overachievements were reported against the related planned targets, together with the reasons for this. However, adequate supporting evidence was not provided for auditing. Consequently, I could not confirm the reliability of the reported reasons.

Indicator	Target	Reported achievement	Reported reason
Number of unemployed learners enrolled for internships	900	987	Target exceeded due to several industry-funded programmes that were implemented by the sector, as well as structured stakeholder engagements.
Number of workers enrolled in learnership programmes	950	1 050	Target exceeded due to increased employer participation in the industry-funded learnership programme.

Various Indicators

19. I could not determine the accuracy of various reported achievements, as the indicators were not well defined and I could not verify the methods and processes used to measure the achievements. Consequently, the reported achievements might be more or less than reported and were not reliable for determining if the targets have been achieved.

Indicator	Target	Reported achievement
Number of unemployed learners completed learnerships programmes	640	663
Number of workers completed learnerships programmes	630	633

Number of unemployed learners completed candidacy programmes

20. The indicator was not clearly defined during the planning process. There is an inconsistency between the indicator's name and its description—the name refers to learners completing candidacy programmes, whereas the definition and calculation method pertain to unemployed youth completing skills programmes. Consequently, the indicator is not useful for measuring and reporting progress against the planned objectives.

Missing indicators

21. The SDA defines the legislative mandate of the public entity. However, various indicators to measure performance on the mandate were omitted from the approved planning documents. Consequently, the achievement of these key mandates was not planned or accounted for, which is likely to result in it not being delivered and undermines transparency and accountability for delivery on the mandated responsibilities.

Indicator	Reasons provided by accounting authority for non-inclusion
Number of universities of technology students requiring WIL provided with workplaces	The indicator from the National Skills Development Plan (NSDP) should have been included in the Service Level Agreement (SLA) before included in the approved planning document. The responsibility for ensuring that relevant indicators are incorporated into the SLA rests with the Department of Higher Education and Training (DHET).
Number of technical and vocational education and training lecturers exposed to workplaces	The indicator from NSDP should have been included in the SLA before included in the approved planning document. The responsibility for ensuring that relevant indicators are incorporated into the SLA rests with the DHET.
Number of small businesses funded for skills that enhance growth and development	The indicator was not included in the Annual Performance Plan due to an oversight during the planning and review process.

Other matter

22. I draw attention to the matters below.

Achievement of planned targets

23. The annual performance report includes information on reported achievements against planned targets and provides explanations for over achievements. This information should be considered in the context of the material findings on the reported performance information.

Material misstatements

24. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for programme 3 – learning programmes. Management did not correct all of the misstatements and I reported material findings in this regard.

Report on compliance with legislation

25. 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.

26. 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.

27. 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.

28. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual Financial Statements

29. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 55(1) (b) of the PFMA.

30. Material misstatements of the statement of cash flows, contingent liabilities and discretionary projects identified by the auditors in the submitted financial statements were corrected and the supporting records were provided, but the uncorrected material misstatements resulted in the financial statements receiving a qualified opinion.

Other information in the annual report

31. The accounting authority is responsible for the other information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.

32. My opinion on the financial statements and my report 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.

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

34. 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

35. 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.

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

37. The accounting authority did not implement adequate oversight over financial and performance information, compliance with legislation and related internal controls, as misstatements were identified on the financial statement and the annual performance report.

38. Management did not ensure that the financial statements were adequately reviewed and supported by complete and accurate supporting schedules, resulting in material misstatements being identified during the audit.

Auditor-General

Pretoria
09 August 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 International Standards on Auditing, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the 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 the 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, paragraphs or regulations
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii) Section 53(4) Section 54(2)(c); 54(2)(d) Section 55(1)(a); 55(1)(b); 55(1)(c)(i) Section 56 Section 57(b) Section 66(3)(c); 66(5)
Treasury Regulations, 2005	Regulation 16A3.2; 16A3.2(a) Regulation 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6 Regulation 16A.7.1; 16A.7.3; 16A.7.6 Regulation 16A8.3; 16A8.4 Regulation 16A9.1(b)(ii); 16A 9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii) Regulation 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1 Regulation 31.1.2(c); 31.2.1; 31.2.5; 31.2.7(a); 31.3.3 Regulation 32.1.1(a); 32.1.1(b); 32.1.1(c) Regulation 33.1.1; 33.1.3

Legislation	Sections, paragraphs or regulations
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17 Regulation25(7A)
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9 Paragraph 5.3
Second Amendment National Treasury Instruction No. 5 of 2020/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 2020/21	Paragraph 2
)National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury Supply Chain Management (SCM) Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 3 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17 Paragraph 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1 Section 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4 Regulation 5.1; 5.2; 5.3; 5.4

Legislation	Sections, paragraphs or regulations
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2 Regulation 5.1; 5.3; 5.6; 5.7 Regulation 6.1; 6.2; 6.3; 6.6; 6.8 Regulation 7.1; 7.2; 7.3; 7.6; 7.8 Regulation 8.2; 8.5 Regulation 9.1 Regulation 10.1; 10.2 Regulation 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

ACCOUNTING AUTHORITY'S RESPONSIBILITIES AND APPROVAL

The members are required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and are responsible for the contents and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the members 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 year ended 31 March 2025.

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 judgments and estimates.

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong internal control environment. To enable the members to meet these responsibilities, the members set 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 that 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 risks 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 members are 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 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 pages 5-68, which have been prepared on the going concern basis, were approved by the Chief Executive Officer, as the appointed Accounting Authority on 31 May 2025 and signed by:

Ms. Gugu Mkhize

Accounting Authority

STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2025

	Note(s)	2025 R '000	2024 Restated* R '000
Assets			
Current Assets			
Operating lease asset	5	704	267
Receivables from exchange transactions	8	9 274	6 796
Receivables from non-exchange transactions	9	2 049	3 626
Cash and cash equivalents	10	554 214	673 240
		566 241	**683 929**
Non-Current Assets			
Property, plant and equipment	3	34 732	35 087
Intangible assets	4	526	1 011
		35 258	**36 098**
Total Assets		**601 499**	**720 027**
Liabilities			
Current Liabilities			
Payables from exchange transactions	6	7 534	8 138
Payables from non-exchange transactions	7	341 350	243 413
Provisions	11	9 789	8 280
		358 673	**259 831**
Total Liabilities		**358 673**	**259 831**
Net Assets		**242 826**	**460 196**
Reserves			
Administration reserve		35 258	36 098
Employer grant reserve		-	176
Discretionary reserve		207 568	423 922
Total Net Assets		**242 826**	**460 196**

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2025

	Note(s)	2025 R '000	2024 Restated* R '000
Revenue			
Revenue from exchange transactions			
Other income from exchange transactions	13	5 482	349
Interest income	15	48 402	53 683
Total revenue from exchange transactions		**53 884**	**54 032**
Revenue from non-exchange transactions			
Transfer revenue			
Skills Development Levy income	17	758 368	689 162
Other income from non-exchange transactions	14	3 016	3 780
Skills Development Levy: penalties and interest	12	4 604	2 649
Public contributions and donations	12	1 078	194
Total revenue from non-exchange transactions		**767 066**	**695 785**
Total revenue	12	**820 950**	**749 817**
Expenditure			
Employee related costs	18	(51 629)	(47 430)
Depreciation and amortisation	19	(10 278)	(4 667)
Employer grants	20	(170 768)	(155 636)
Discretionary grants	21	(739 317)	(457 512)
Loss on derecognised property, plant and equipment		(670)	(478)
Administration expenses	22	(65 658)	(54 879)
Total expenditure		**(1 038 320)**	**(720 602)**
Surplus /(Deficit) for the year		**(217 370)**	**29 215**

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2025

	Administration reserve grant	Employer reserve grant	Discretionary reserve	Total reserves	Unappropriated surplus / deficit	Total net assets
	R '000	R '000	R '000	R '000	R '000	R '000
Reported balance as at 31 March 2023	**18 583**	**1 896**	**579 632**	**600 111**	**-**	**600 111**
						-
Prior period accounting error adjustment*	13	-	(169 143)	(169 130)	-	(169 130)
Balance at 1 April 2023 as restated	18 596	1 896	410 489	430 981	-	430 981
Restated surplus for the year	-	-	-	-	29 215	29 215
Allocation of unappropriated surplus	1 346	17 092	10 777	29 215	(29 215)	-
Transfer of excess to discretionary reserve	16 156	(18 812)	2 656	-	-	-
Balance as at 31 March 2024 as restated	**36 098**	**176**	**423 922**	**460 196**	**-**	**460 196**
						-
Deficit for the year	-	-	-	-	(217 370)	(217 370)
Allocation of unappropriated surplus	(2 473)	18 930	(233 827)	(217 370)	217 370	-
Transfer of excess to discretionary reserve	1 633	(19 106)	17 473	-	-	-
Total changes	(840)	(176)	(216 354)	(217 370)	-	(217 370)
Balance as at 31 March 2025	**35 258**	**-**	**207 568**	**242 826**	**-**	**242 826**

* Refer to note 29 for the prior period accounting error disclosure note.

Transfer of excess to discretionary reserve:

Administration reserve:

Excess funds were transferred to discretionary reserve from the administration reserve, as administration reserve are disclosed at the carrying amount of property, plant and equipment as well as the intangible assets. Management subsequently transferred an amount of R1 633 000 (2024: R16 156 000) to administration reserve from mandatory grant reserve. The amount of R35 258 000 (2024: R36 098 000) retained in administration reserve is equivalent to the carrying amount of property, plant and equipment and intangible assets.

Employer grant reserve:

Excess reserves amounting to R19 106 000 (2024: R18 812 000) were transferred into administration grant reserve to cover the shortfall realised and also transferred into discretionary grant reserve in line with the SETA Grant Regulations. The balance retained in the employer grant reserve is limited to the estimated amount of mandatory grants payable to newly registered employers, who have up to six months to submit their applications for mandatory grants. For the year ended 31 March 2025, no balance was retained in the employer grants reserve due, to newly registered employers having passed the six months window period. Refer to contingent liabilities disclosed in note 26 to these annual financial statements.

CASH FLOW STATEMENT

for the year ended 31 March 2025

	Note(s)	2025 R '000	2024 Restated* R '000
Cash flows from operating activities			
Receipts			
Levies, interest and penalties		764 550	691 926
Interest on investment income		48 402	53 683
Other receipts		7 918	4 382
		820 870	749 991
Payments			
Employee related costs		(49 263)	(45 270)
Suppliers		(68 278)	(66 086)
Employer grants and project expenses		(812 272)	(633 963)
		(929 813)	(745 319)
Net cash flows from operating activities	23	**(108 943)**	**4 672**
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(7 847)	(7 692)
Leasehold improvement		(2 236)	(14 949)
Net cash flows from investing activities		**(10 083)**	**(22 641)**
Cash flows from financing activities			
Net increase/(decrease) in cash and cash equivalents		**(119 026)**	**(17 969)**
Cash and cash equivalents at the beginning of the year		673 240	691 209
Cash and cash equivalents at the end of the year	10	**554 214**	**673 240**

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

for the year ended 31 March 2025

Budget on Accrual Basis	Original Approved budget	Adjustments	Final Approved Budget	Actual amounts on comparable basis	Difference between final budget and actual	Percentage Variance
	R '000	R'000	R '000	R '000	R '000	
Statement of Financial Performance						
Revenue						
Revenue from exchangetransactions						
Other income	-	-	-	5 482	5 482	100%
Interest income	21 152	30 909	52 061	48 402	(3 659)	-7%
Total revenue from exchange transactions	**21 152**	**30 909**	**52 061**	**53 884**	**1 823**	
Revenue from non-exchange transactions						
Transfer revenue						
Skills development levy income	658 787	81 878	740 665	758 368	17 703	2%
Other income from non-exchange transactions	-	2 734	2 734	3 016	282	10%
Skills development levy:	12 223	(9 951)	2 272	4 604	2 332	103%
Penalties and interest						
Public contributions and donations	-	-	-	1 078	1 078	100%
Total revenue from non- exchange transactions	**671 010**	**74 661**	**745 671**	**767 066**	**21 395**	
Total revenue	**692 162**	**105 570**	**797 732**	**820 950**	**23 218**	
Expenditure						
Employee related costs	(42 125)	(9 113)	(51 238)	(51 629)	(391)	0.8%
Depreciation and amortisation	(4 000)	-	(4 000)	(10 278)	(6 278)	157%
Employer grants	(164 697)	(2 105)	(166 802)	(170 768)	(3 966)	1%
Discretionary grants	(440 366)	(658 617)	(1 098 983)	(739 317)	359 666	-33%
Administration expenses	(40 974)	(20 701)	(61 675)	(65 656)	(3 981)	6%
Total expenditure	**(692 162)**	**(690 536)**	**(1 382 698)**	**(1 037 648)**	**345 050**	
Operating deficit	**-**	**(584 966)**	**(584 966)**	**(216 698)**	**368 268**	
Loss on derecognised property, plant and equipment	-	-	-	(670)	(670)	100%
Surplus for the year	**-**	**(584 966)**	**(584 966)**	**(217 368)**	**367 598**	
Deficit for the year fromcontinuing operations	**-**	**(584 966)**	**(584 966)**	**(217 368)**	**367 598**	
Prior year approved surplus	**-**	**584 966**	**584 966**	**-**	**(584 966)**	100%
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	**-**	**-**	**-**	**(217 368)**	**(217 368)**	

Refer to note 35 for detailed explanations of significant variances above 10% between the final approved budget and the actual amounts.

National Treasury approved the application to retain the cash surplus for 23/24 financial year amounting R585 000 000. This has increased the revised DG budget amount to R1.1 billion which funded the total expenditure amount incurred during the reporting period. The deficit realised also is a result of the spending against the approved cash surplus

1. Significant accounting policies

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

1.1 Basis of preparation

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

Assets, liabilities, revenue and expenses were not offsetting is either required or permitted buy a Standard of GRAP

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

These accounting policies are consistent with the previous reported period.

1.2 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of entity.The figures have been rounded off to the nearest thousand (R'000).

1.3 Going concern assumption

These 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 Materiality

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances.The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.5 Significant judgements and key sources of estimation uncertainty

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 judgment 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. Significant judgments include:

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Provisions

Provisions are recognised at the best estimate of cash outflows required to settle the related obligations. Provisions were recognised using the best estimate of available information.

Impairment allowance for doubtful debts

An impairment loss on doubtful debts is recognised in surplus or deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the receivables carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, determined at initial recognition.

Useful lives of Property, Plant and Equipment

INSETA determines the estimated useful lives of property, plant and equipment as well as intangible assets which are subsequently reviewed at the end of each annual reporting period.

Receivables from exchange transactions

Receivables from exchange transactions are assessed for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, judgements are made as to whether there is observable data indicating measurable decrease in the estimated future cash flows from the receivables.

The impairment is measured as the difference between the receivables carrying amount and the present value of the estimated future cashflows.

Reserves

Amounts retained in the employer grant reserve are based on an estimate of employer grants that may be approved after the reporting date, in relation to newly registered companies that have up to six months to submit applications for mandatory grants in terms of the Skills Development Act. This estimate calculated at twenty percent (20%) relating to employer grants is also disclosed as a contingent liability.

Receivables from non-exchange transactions

The accounting policy for the recognition and measurement of Skills Development Levy income is based on the Skills Development Act, Act No 97 of 1998, as amended and the Skills Development Levies Act, Act No 9 of 1999, as amended In terms of section 3(1) and 3(4) of the Skills Development Levies Act (the Levies Act), 1999 (Act No 9 of 1999) as amende d, wherein registered member companies of INSETA pay a skills development levy of 1% of their total payroll cost to SARS, which collects the levies on behalf of the DHET.

INSETA refunds amounts to employers in the form of grants based on information from SARS. Where SARS retrospectively amends the information on levies collected this may result in grants that may have been paid to affected employers being in excess of the amount INSETA would have granted to those employers had all information been available at the time of paying those grants. A receivable relating to overpayments made in earlier periods is recognised at the amount of the grant over payment, net of impairment allowance for irrecoverable amounts.

1.6 Property, plant and equipment

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

Initial recognition and measurement

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, it's deemed cost is the carrying amount of the asset(s) given up.

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

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

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

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

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

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives.

Subsequent measurement

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives. The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Office furniture	Straight-line	10-25 years
Motor vehicles	Straight-line	5-8 years
Office equipment	Straight-line	5-22 years
IT equipment	Straight-line	3-20 years
Other fixtures	Straight-line	5 years
Leasehold improvements	Straight-line	Lease term

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

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

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

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

The depreciation charge for each period is recognised in surplus or deficit.

Leasehold Improvements

Leasehold improvements refer to enhancements or modifications made to leased property by the lessee (tenant) during the lease term. These improvements are typically intended to enhance the property's functionality, aesthetics, or value.

Examples of leasehold improvements include renovating office spaces, installing fixtures, or upgrading infrastructure within a leased building. Leasehold improvements made by the lessee are typically considered assets and are amortised over the shorter of the lease term or the useful life of the improvement.

Any incentives received from the lessor (e.g. rent-free periods, reduced rent or tenant installation) shall be recognized over the lease term.

Derecognition

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 the 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.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is included in surplus or deficit when the compensation becomes receivable.

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 Intangible assets

Initial recognition and measurement

An intangible asset is an identifiable non-monetary asset without physical substance.

An asset is identifiable if it either:
- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:
- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Intangible assets are initially measured at cost

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

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

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:
- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Subsequent measurement

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result, the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software	Straight-line	2- 5 years / limited to license period

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 4).

Derecognition

Intangible assets are derecognised:
- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.8 Financial instruments

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

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

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

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

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

A financial asset is:

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

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

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

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

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

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

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

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

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

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

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

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

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

Initial recognition

INSETA recognises a financial asset or a financial liability in its statement of financial position when, and only when, it becomes a party to the contractual provisions of the instrument. Financial assets are recognised through the application of the trade date accounting.

Upon initial recognition, INSETA classifies the instrument, or its component parts, as a financial liability, a financial asset or residual interest in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and a residual interest.

Initial measurement of financial assets and financial liabilities

When a financial asset or financial liability is recognised initially, INSETA measures it at its fair value plus, in the case of a financial asset or a financial liability not subsequently measured at fair value, 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

INSETA subsequently measures financial assets and financial liabilities at fair value, amortised cost or cost. INSETA assesses which instruments should subsequently be measured at fair value, amortised cost or cost, based on the definitions of "financial instruments at fair value", "financial instruments at amortised cost" or "financial instruments at cost".

Impairment and collectability of financial assets

INSETA 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 (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through the use of an allowance account. The amount of the loss shall be 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 (such as an improvement in the debtor's credit rating), the previously recognised impairment loss shall be reversed either directly or by adjusting an allowance account. The reversal shall 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 shall be 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.

Derecognition

Derecognition of financial assets

INSETA derecognises financial assets using trade date accounting. INSETA derecognises a financial asset only when:

(a) the contractual rights to the cash flows from the financial asset expire, are settled or waived;

(b) the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or

(c) the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, INSETA therefore:

  (i) derecognises the asset;

  (ii) recognises separately, any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset shall be allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations shall be measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised in accordance with this paragraph shall be recognised in surplus or deficit in the period of the transfer.

Derecognition of financial liabilities

INSETA removes a financial liability (or a part of a financial liability) from its statement of financial position when, and only when, it is extinguished, primarily when the obligation specified in the contract is discharged, cancelled, expires or waived.

Presentation

Interest, dividends or similar distributions, losses and gains relating to a financial instrument or a component that is a financial liability shall be recognised as revenue or expense in surplus or deficit. Distributions to holders of residual interests shall be recognised by the entity directly in net assets. Transaction costs incurred on residual interests shall be accounted for as a deduction from net assets.

Offsetting a financial asset and a financial liability

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, INSETA:

(a) currently has a legally enforceable right to set off the recognised amounts; and

(b) 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.

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:

Class	Category
Cash and cash equivalents	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost
Receivables from non-exchange transactions	Financial asset measured at amortised cost

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:

Class	Category
Payables from exchange transactions	Financial liability measured at amortised cost
Payables from non-exchange transactions	Financial liability measured at amortised cost

1.9 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.

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.

1.10 Impairment of non-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.

Non-cash-generating assets are assets other than cash-generating assets.

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.

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

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

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

Reversal of an impairment loss

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

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service 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 non-cash-generating asset is recognised immediately in surplus or deficit.

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

1.11 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees. Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Short-term employee benefits

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

Short-term employee benefits include items such a wages, salaries and social security contributions;

- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

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:

- 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; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

1.12 Provisions and contingencies

A provision is a liability of uncertain timing or amount. The liability may be a legal obligation or a constructive obligation. A constructive obligation arises from the entity's actions, through which it has indicated to others that it will accept certain responsibilities, and as a result has created an expectation that it will discharge those responsibilities.

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating deficits.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of an activity/ operating unit concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for services being terminated;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A contingent liability is a possible obligation 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.

The entity does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is disclosed where an inflow of economic benefits is probable.

1.13 Commitments

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

Operating Commitments

Operating commitments are disclosed in a note to the financial statements in respect of unrecognised contractual commitments.

Disclosures are required in respect of unrecognised contractual commitments.

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

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer services, building maintenance services...); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

Discretionary grant commitments

Notice No. 35940 of 2012 of the Grant Regulations defines a commitment as a contractual obligation (an agreement (written) with specific terms between the SETA and a third party whereby the third party undertakes to perform something in relation to a discretionary grant funded project for which a SETA will be obliged to make a payment against the discretionary grant.) that will obligate the SETA to make a payment in the ensuing year.

Discretionary grant commitments are recorded when the grant application has been approved and contracted through a signed contract by the employer/ stakeholder and the SETA. Commitments are included in the disclosure note to the financial statements.

Commitments are removed from the commitment register when:

- The contract has reached its end date (expired) with no approval of an extension of time.
- Both the SETA and the employer/ stakeholder have signed the closure letter to close the contract.

Expired discretionary grants commitments

Expired contracts are removed from the commitment register. However, should employer companies provide proof that their learning programme was completed within the agreed time frames, the SETA will honour the request for payment by reinstating the commitment register.

1.14 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.

Recognition

Revenue transactions are initially recognised at fair value of the amount received on the date of the transaction.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Interest income

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and
- The amount of the revenue can be measured reliably.

Interest is recognised using the effective interest rate method for financial instruments, and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

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).

1.15 Revenue from non-exchange transactions

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

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

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.

When INSETA receives resources as a result of a non-exchange transaction, it recognises an asset and revenue in the period that the arrangement becomes binding and when it is probable that INSETA will receive economic benefits or service potential and a reliable estimate of resources transferred can be made. Where the resources transferred to INSETA are subject to the fulfillment of specific conditions, an asset and a corresponding liability are recognised. As and when the conditions are fulfilled, the liability is reduced and revenue is recognised. The asset and the corresponding revenue are measured at fair value on initial recognition. Non-exchange revenue transactions include the receipt of levy income from DHET.

Skills development levy: Income

The accounting policy for the recognition and measurement of skills development levy income is based on the amended SDA and SDLA.

In terms of Section 3(1) and 3(4) of the SDLA, 1999 (Act No 9 of 1999) as amended, registered member companies (employers) of INSETA pay a Skills Development Levy of 1% of their total payroll cost to SARS, which collects the levies on behalf of DHET. Companies with an annual payroll cost of less than R500 000 are exempted in accordance with section4(b) of the SDLA as amended, effective 1 August 2005.

80% of Skills Development Levies are paid to INSETA from SARS through DHET (net of the 20% contribution to the National Skills Fund (NSF). Revenue is adjusted for transfers of employers between SETAs. Such adjustments are separately disclosed as inter-SETA transfers. The amount of the interSETA adjustment is calculated according to the most recent standard operating procedure issued by DHET.

Skills development levy transfers are recognised when it is probable that future economic benefits or service potential will flow to INSETA and these benefits can be measured reliably. This occurs when DHET makes an allocation or a payment whichever comes first to INSETA, as required by Section 8 of the SDLA as amended.

When a new employer transfers to INSETA, levies received from the former SETA are recognised as revenue and allocated to the respective category to maintain original identity.

Skills development levy: Penalties and interest

Interest and penalties are levied by SARS in terms of the SDLA as amended. Penalties and interest are recognised as revenue when they become receivable and an allocation has been made by SARS.

Revenue from non-exchange transactions is measured at the consideration received or receivable, which approximates fair value.

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.

1.16 Employer grants, discretionary grants and administrative expenditure

Expenditure and related liabilities are accounted for on an accrual basis. Using this basis, transactions are recorded and disclosed when they occur and not when cash is paid to ensure that transactions are recorded in the periods to which they relate.

Mandatory grants

A registered employer may recover a maximum of 20% of its total levy payment as a mandatory employer grant (excluding interest and penalties) by complying with the criteria in accordance with the SDA, as amended, and the SETA Grant Regulations regarding monies received and related matters (the SETA Grant Regulations)

Mandatory grants and mandatory grant liabilities are equivalent to 20% of the total levies contributed by employers during the corresponding financial period. Liabilities are recognised when INSETA has an obligation to pay grants and the amount can be measured reliably.

Discretionary grants and project expenses

The funding for discretionary grants and projects comprises 49.5% of the total levies paid by the employers, mandatory grants that are not claimed by employers, the surplus of administration levies not utilised, interest income, and other income generated by the SETA.

INSETA may, out of any surplus monies and in accordance with criteria as defined in the SETA Grant Regulations, allocate funds to employers, and other associations or organisations when the conditions have been met. The criteria for allocating funds are approved by the INSETA Board. Where necessary, interested employers, associations or organisations may be required to complete and submit a funding application for consideration and approval by the SETA.

.

Project expenses comprise of:

- costs that relate directly to the specific contract;
- costs that are attributable to contract activity in general and can be allocated to the project; and
- other costs as are specifically chargeable to INSETA under the terms of the contract.

The 49.5% above includes up to a maximum of 7.5% which may be used for project-related administration costs including but not limited to salaries, travel and accommodation, project related monitoring and evaluation, verification of learning activities or any other project related administration costs.

Costs are allocated using methods that are systematic and rational and are applied consistently to all costs of a similar nature. Discretionary grants and project expenses are recognised in the period in which they are incurred.

Revenue adjustments by SARS

INSETA refunds amounts to employers in the form of grants, based on information from SARS. Where SARS retrospectively amends the information on levies collected, this may result in grants that have been paid to affected employers being in excess of the amount INSETA would have granted to those employers had all information been available at the time of paying those grants.

A receivable relating to overpayments made in earlier periods is recognised at the amount of the grant overpayment, net of allowance for impairment of irrecoverable amounts.

1.17 Change in accounting policy, accounting estimates and correction of error

A change in accounting policies are applied retrospectively in accordance with the requirements of the Generally Recognised Practice (GRAP 3),except to the extent that it is impractical to determine the period specific effects or the cumulative effect or the cumulative effect of the change in accounting policy. In such instances the entity shall restate the opening balances of assets, liabilities and net assets for the earliest period for which the retrospective restatement is practical. Prospective application of recognising the effect of a change in an accounting estimate, respectively, is recognising the effect of the change in the accounting estimate in the current and future periods affected by the change.

Change in accounting estimate is an adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities. Changes in accounting estimates result from new information or new developments and, accordingly, are not corrections of errors.

Correction of errors is applied retrospectively in the period to which the error occurred accordance with the requirements of the Generally Recognised Practice (GRAP 3), except to the extent that it is impractical to determine the period specific effects or the cumulative effect or the cumulative effect of the error. In such instances the entity shall restate the opening balances of assets, liabilities and net assets for the earliest period for which the retrospective restatement is practical.

1.18 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation of the twelve months reporting period. When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. When it is impracticable to reclassify comparative amounts, the reason for not reclassifying the amounts as well as the nature of the adjustments that would have been made if the amounts had been reclassified is disclosed.

Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. If a change in accounting policy results from initial application of a standard of GRAP that has specific transitional provisions, the entity accounts for the change in accordance with the specific transitional provisions of that accounting standard.

Reclassifications of certain accounts are made to ensure consistency, relevance, and faithful representation.

1.19 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 as expenditure in the statement of financial performance when incurred and when recovered, it is subsequently accounted for as revenue in the statement of financial performance. The expenditure for fruitless and wasteful expenditure for the reporting period shall be disclosed in the notes to the annual financial statements and a detailed reconciliation shall be disclosed in the annual report.

Any fruitless expenditure movement such as condonement, write-off, removal, etc will be disclosed in the annual report in accordance with the fruitless and wasteful expenditure framework.

1.20 Irregular expenditure

Irregular expenditure is expenditure incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including:
(a) the PFMA as amended;
(b) the SDA as amended.

Irregular expenditure is recognised and disclosed as expenditure in the statement of financial performance when incurred and when recovered, it is subsequently accounted for as revenue in the statement of financial performance.

Any irregular expenditure movement such as condonement, write-off, removal, etc will be disclosed in the annual report in accordance with the irregular expenditure framework.

1.21 Budget information

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

The annual budget figures have been presented in accordance with the GRAP reporting framework. A separate statement of comparison of budget and actual amounts, which forms part of the annual financial statements has been prepared. The comparison of budget and actual amount will be presented on the same accounting and classification basis and period as for the approved budget.

Material differences in terms of the basis, timing or entity have been disclosed in the notes to the annual financial statements. The most recent approved budget by the Board is the final budget for the purpose of comparison with the actual amounts.

The approved budget covers the financial period from 1 April 2024 to 31 March 2025.

1.22 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 ventures).

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

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

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.

1.23 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.

1.24 Inter-SETA transfers - Receivables/Payables

Inter-SETA payables arise due to employer(s) requesting a transfer from INSETA to another SETA. The recognition criteria for inter-SETA transfers are aligned to the Standard Operating Procedure issued by DHET.

Inter-SETA receivables

a) SARS has affected the transfer and DHET portal confirms the transfer.
b) INSETA submitting a claim to the previous SETA (requesting transfer of current year levies)
c) The previous SETA has not yet made a payment but confirms their obligation to transfer to INSETA; and
d) The previous SETA has approved a WSP for the past scheme year and sent the confirmation to INSETA In instances where any one of the criteria above is not met, the amount will be disclosed as a contingent asset as the transaction meets the definition.

Inter-SETA payables

a) SARS has affected the transfer and DHET portal confirming the transfer;
b) Submission of claim to INSETA by another SETA;
c) INSETA has not yet made a payment but confirms their obligation to transfer to another SETA; and
d) INSETA has approved a WSP in relation to 2024/2025

In the instance when any one of the above criteria is not met, then the amount will be disclosed as a contingent liability as it meets the definition of a contingent liability.

1.25 Reserves

Net assets are classified based on the restrictions placed on the distribution of monies received in accordance with the regulations issued in terms of the Skills Development Act, 1998 (Act 97 of 1998) as amended as follows:

- Administration reserve
- Employer grant reserve
- Discretionary reserve
- Unappropriated surplus/deficit

Surplus funds in the administration reserve and unallocated funds in the employer grant reserve are transferred to the discretionary reserve.The amount retained in the administration reserve is equivalent to the carrying amount of property, plant and equipment and intangible assets. Provision is made in the mandatory grant reserve for newly registered companies participating after the legislative cut-off date.

Employer levy payments are set aside in terms of the Skills Development Act as amended and the regulations issued in terms of the Act, for the purpose of:

- Administration costs of INSETA
- Employer grant fund levy
- Discretionary grants and projects

In addition, contributions received from public service employers in the national or provincial spheres of government may be used to fund INSETA's administration costs. Interest and penalties received from SARS as well as interest received on investments are utilised for discretionary grant projects.

2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2025 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	Not yet determined	Unlikely there will be a material impact
• iGRAP 22 Foreign Currency Transactions and Advance Consideration	01 April 2025	Unlikely there will be a material impact
• GRAP 104 (as revised): Financial Instruments	01 April 2025	Unlikely there will be a material impact

3. Property, plant and equipment

	2025			2024		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Office furniture	7 569	(672)	6 897	6 172	(158)	6 014
Motor vehicles	3 008	(394)	2 614	292	(234)	58
Office equipment	2 206	(230)	1 976	652	(49)	603
IT equipment	6 136	(1 608)	4 528	5 104	(1 113)	3 991
Leasehold improvements	30 336	(11 619)	18 717	28 099	(3 678)	24 421
Total	**49 255**	**(14 523)**	**34 732**	**40 319**	**(5 232)**	**35 087**

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Office furniture	6 014	1 397	-	(514)	6 897
Motor vehicles	58	2 716	-	(160)	2 614
Office equipment	603	1 592	(19)	(200)	1 976
IT equipment	3 991	2 165	(651)	(977)	4 528
Leasehold improvements**	24 421	2 237	-	(7 941)	18 717
	35 087	**10 107**	**(670)**	**(9 792)**	**34 732**

** *The leasehold improvements relate to the renovation costs incurred by INSETA for the office lease accommodation. The capitalised additions represents the work completed and used/occupied as intended by management. The depreciation was charged over the lease term.*

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	WIP transfers out	Depreciation	Total
Office furniture	18	6 142	(2)	-	(144)	6 014
Motor vehicles	117	-	-	-	(59)	58
Office equipment	135	504	(21)	-	(15)	603
IT equipment	3 685	1 047	(455)	-	(286)	3 991
Leasehold improvements**	13 150	28 098	-	(13 150)	(3 677)	24 421
	17 105	**35 791**	**(478)**	**(13 150)**	**(4 181)**	**35 087**

** *The leasehold improvements relate to the costs incurred by the INSETA for the corporate office. The costs above represent the portion of the work completed to date. Management applied a ratio of occupancy against the total office space and the completed office fit-out works currently being used as intended to determine the depreciable amount.*

Pledged as security

No property, plant and equipment was pledged as security or collateral for liabilities.

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

	2025 R '000	2024 R '000
Repairs and maintenance	698	304

A register containing the information required by section 38 of the Public Finance Management Act is available for inspection at the registered office of the entity.

4. Intangible assets

	2025			2024		
	Cost	Accumulated amortisation and accumulated impairment	Carrying value	Cost	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	2 426	(1 900)	526	2 426	(1 415)	1 011

Reconciliation of intangible assets - 2025

	Opening balance	Amortisation	Total
Computer software	1 011	(485)	526

Reconciliation of intangible assets - 2024

	Opening balance	Amortisation	Total
Computer software	1 496	(485)	1 011

Pledged as security

No intangible assets were pledged as security or collateral for liabilities.

A register containing the information required by the Public Finance Management Act is available for inspection at the registered office of the entity. The intangible assets have a zero residual value.

No impairment neither impairment reversals were recognised in the current financial year.

5. Operating lease asset

	2025 R '000	2024 R '000
Current assets	704	267

Operating lease liability represents rentals payable by the entity for its office lease accommodation. The office lease agreement is escalated at 5% per annum over a five year lease period. The building will only be used for the purposes of conducting INSETA business as specified in the lease agreement and no any other business will be conducted without the landlord's approval. The operating lease expenses are smoothed on the straightline basis over the lease term. Any over or under payment, as a result of the smoothing is recognised in the statement of financial position as an asset/(liability), until the time that payments in the future, reverses the smoothing to zero by the end of the lease term.

6. Payables from exchange transactions

	2025 R '000	2024 R '000
Trade payables	3 808	5 131
Accrued leave pay	3 201	2 465
Accrued administration expenses	525	542
	7 534	**8 138**

The effect of discounting where applicable, was considered and found to be immaterial given the short-term nature of these payables. The carrying amount approximates the fair value for each class of payables and to correct the prior year's accounting error, the reported trade payables have been restated according to GRAP 3.

7. Payables from non-exchange transactions

	2025 R '000	2024 R '000
Employee related payables	732	561
Unspent ISSF co-funding	334	1 412
Project creditors accrual	216 255	165 404
Employer grants	27 981	35 415
Project creditors	96 048	40 621
	341 350	**243 413**

The effect of discounting, where applicable, was considered and found to be immaterial given the short-term nature of these payables. The carrying amount approximates the fair value for each class of payable.

8. Receivables from exchange transactions

	2025 R '000	2024 R '000
Advance and other amounts receivable from employees	26	53
Deposits	490	490
Prepayments	7 003	6 158
Sundry receivables	1 755	95
	9 274	**6 796**

Advance and other amounts receivable from employees

Advance and other amounts receivable from employees mainly consist of travel advances paid to employees for project related events which takes place during the fourth quarter periods of the financial year.

Deposits

The deposit includes a contractually agreed amount as per the signed lease agreement.

Prepayments

Prepayments comprise of annual computer licences and insurance premiums which are recognised as expenses systematically at each month.

Sundry receivables

Sundry receivables consist mainly of warranty receivables. No allowance for impairment has been recognised for receivables from exchange transactions. Refer to note 30 for the receivables disclosed as financial instruments.

The effect of discounting where applicable, was considered and found to be immaterial given the short-term nature of all receivables. The carrying amount approximates the fair value for each class of receivables. No receivables were pledged as security for liabilities.

9. Receivables from non-exchange transactions

	2025 R '000	2024 R '000
Employer receivables	467	2 290
Discretionary receivables	1 582	1 336
	2 049	**3 626**
Employer receivables included in receivables from non-exchange transactions above are as follows:		
Employer receivables	4 207	4 210
Allowance for impairment	(3 741)	(1 920)
	466	**2 290**
Discretionary receivables included in receivables from non-exchange transactions above are as follows:		
Discretionary receivables	7 727	7 480
Allowance for impairment	(6 145)	(6 145)
	1 582	**1 335**
Total receivables from non-exchange transactions	1 582	1 335

An amount of R4 207 000 (2024: R4 210 000) was recognised as a receivable relating to employer grant over payments to levy-paying employers as a result of levy income adjustments done by SARS after employer grants had been paid. An amount of R 3 741 000 (2024: R1 920 000) was provided for an impairment allowance.

Discretionary receivables

The allowance for impairment for discretionary receivables was provided for from 2022/23 to 2024/25 financial year.

Refer to note 29 for the receivables disclosed as financial instruments. There are no restrictions on receivables from non-exchange transactions and no receivables have been pledged as security for liabilities.

10. Cash and cash equivalents

Cash and cash equivalents consist of:

	2025 R '000	2024 R '000
Cash on hand	5	3
Short-term deposits	498 870	557 009
Other cash and cash equivalents	55 339	116 228
	554 214	**673 240**

All bank accounts were approved by National Treasury in terms of National Treasury Regulation 31.2. The weighted average interest rate on short-term deposits was 7.99% (2024: 8.25%) as at the reporting date. Surplus funds were invested in line with the SETA's investment policy as required by National Treasury Regulation 31.3.5. Short-term deposits refer to funds invested with the Corporation for Public Deposits (CPD).

All cash and cash equivalents were available for use as at the reporting date and no balances were pledged as security for liabilities.

11. Provisions

Reconciliation of provisions - 31 March 2025

	Opening Balance	Additions	Utilised during the year	Reversal during the year	Total
Provision for levies received from exempt employers	3 435	686	-	(637)	3 484
Bonus provision	4 845	6 305	(4 527)	(318)	6 305
	8 280	**6 991**	**(4 527)**	**(955)**	**9 789**

Reconciliation of provisions - 31 March 2024

	Opening Balance	Additions	Utilised During the Year	Reversal during the year	Total
Provision for levies received from exempt employers	3 336	716	-	(617)	3 435
Bonus provision	3 832	4 845	(3 487)	(345)	4 845
	7 168	**5 561**	**(3 487)**	**(962)**	**8 280**

Performance Bonuses

INSETA implemented a performance bonus management system. Employees conclude performance contracts as part of their conditions of service at the beginning of each financial year. Employees are assessed through the performance rating and review process on an annual basis. The amount is dependent on the outcome of the individual performance ratings, as well as the attaining the overall organisational performance of 80% and above.

Provision for levies received from exempt employers

The balance of the exempt employer's provision relates to amounts to be repaid to all employers exempted from SDL (below threshold of R500 000 payroll per annum) who have however contributed the levies.

In terms of Skills Development Circular No. 09/2013, issued by the DHET on 25 August 2013, SETAs are able to utilise exempted amounts contributed after expiry date of 5 years as stipulated in terms of Section 190 (4) of Tax Administration Act. These amounts are being transferred to discretionary funds in line with the aforementioned Circular.

An amount of R3 484 000 (2024: R3 435 000) relates to levies received from employers who are exempted from contributing to the SDL in terms of legislative changes that came into effect from 1 August 2005.

12. Revenue

	2025 R '000	2024 R '000
Other income from exchange transactions	5 482	349
Interest income	48 402	53 683
Other income from non-exchange transactions	3 016	3 780
Skills development levies: Income	758 368	689 162
Skills development levies: Penalties and interest	4 604	2 649
Public contributions and donations	1 078	194
	820 950	**749 817**

The amount included in revenue arising from exchanges of goods or services are as follows:

	2025 R '000	2024 R '000
Other income from exchange transactions	5 482	349
Interest income	48 402	53 683
	53 884	**54 032**

The amount included in revenue arising from non-exchange transactions is as follows:

	2025 R '000	2024 R '000
Transfer revenue		
Skills development levies: Income	758 368	689 162
Skills development levies: Penalties and interest	4 604	2 649
Public contributions and donations	1 078	194
	764 050	**692 005**

13. Other income from exchange transactions

	2025 R '000	2024 R '000
Other income from exchange transactions	5 482	349

Other income from exchange transactions mainly consists of the contributions made by stakeholders for marketing and career guidance exhibitions at the Insurance Indaba hosted by INSETA.

14. Other income from non-exchange transaction

	2025 R '000	2024 R '000
Other income from non-exchange transactions	3 016	3 780

The other income from non-exchange transactions consists of refunds received from stakeholders as a result of learner terminations during implementations of the discretionary grants programmes.

15. Interest income

	2025 R '000	2024 R '000
Interest revenue		
Interest income	48 402	53 683

The amount included in interest income arises primarily, from interest earned on positive bank balance held with the Corporation for Public Deposits.

The total interest income amount, which is calculated using the effective interest rate on financial instruments not at fair value through surplus or deficit was 7.99% (2024: 8.25%).

16. Allocations of surpluses

	Administration reserve	Employer grants reserve	Discretionary grants reserve	Total
Allocation of surplus to reserves - 31 March 2025				
Skills development levy: Administration income	99 502	-	-	99 502
Skills development levy: Employer grants income	-	189 698	-	189 698
Skills development levy: Discretionary grants income	-	-	469 168	469 168
Skills development levy: Penalties income	-	-	1 590	1 590
Skills development levy: Interest income	-	-	3 014	3 014
Interest income	19 700	-	28 702	48 402
Other income	6 560	-	3 016	9 576
	125 762	189 698	505 490	820 950
Administration expenses	(128 236)	-	-	(128 236)
Employer grants expenses	-	(170 768)	-	(170 768)
Discretionary grant expenses	-	-	(739 317)	(739 317)
	(2 474)	**18 930**	**(233 827)**	**(217 371)**
Allocation of surplus to reserves - 31 March 2024				
Skills development levy: Administration income	90 376	-	-	90 376
Skills development levy: Employer grants income	-	172 728	-	172 728
Skills development levy: Discretionary grants income	-	-	426 058	426 058
Skills development levy: Penalties income	-	-	1 400	1 400
Skills development levy: Interest income	-	-	1 249	1 249
Interest income	17 881	-	35 802	53 683
Other income	543	-	3 780	4 323
	108 800	172 728	468 289	749 817
Administration expenses	(107 454)	-	-	(107 454)
Employer grants expenses	-	(155 636)	-	(155 636)
Discretionary grant expenses	-	-	(457 512)	(457 512)
	1 346	**17 092**	**10 777**	**29 215**

The administration expenditure includes non-cash items.

17. Skills development levy: Income

	2025 R '000	2024 R '000
Administration levy income	99 502	90 376
Discretionary levy income	469 168	426 058
Employer levy income	189 698	172 728
	758 368	**689 162**

18. Employee related costs

	2025 R '000	2024 R '000
Basic remuneration	39 857	35 365
Performance bonus	3 395	2 934
Medical aid - company contributions	868	675
UIF	108	106
COIDA	111	99
SDL contributions	434	398
Leave pay provision charge	559	492
Acting allowance	104	938
Cellphone allowance	266	246
Overtime	780	1 690
Long term benefits	2 912	2 657
Temporary staff	540	846
Employee wellness	1 695	984
	51 629	**47 430**

19. Depreciation and amortisation

	2025 R '000	2024 R '000
Property, plant and equipment	9 793	4 182
Intangible assets	485	485
	10 278	**4 667**

20. Employer grants

	2025 R '000	2024 R '000
Employer grants	170 768	155 636

The expenditure disclosed above represents grants eligible to be refunded back to qualifying employers. Employers in their respective sectors are legislatively mandated to contribute 1% of their payroll bill exceeding R500 000 to SARS. SARS subsequently allocates the SDL funds received from employers to the relevant SETA. Qualifying employers are eligible to claim back 20% of the overall SDL contributions made by submitting their WSP's and ATR's to the relevant SETA.

21. Discretionary grants

	2025 R '000	2024 R '000
Project Expenditure	525 289	400 959
Discretionary Project Administration	56 338	37 282
ISSF Project Expenditure	157 690	19 270
	739 317	**457 511**

The SETA Grant Regulation 6.9 (iii) stipulates that a maximum of 7.5% of the project grant costs can be used for administration or project administration purposes in various grant and project categories. The project administration expenses were 7.27% of the total project costs, which is within the 7.5% regulated threshold, after excluding non-cash transactions in accordance with the SETA Grant Regulations.

22. Administration expenses

	2025 R '000	2024 R '000
Advertising	4 457	1 838
Audit and Risk Committee fees	1 377	833
Audit fees	4 813	3 224
Bank charges	56	40
Board and subcommittee fees	1 897	2 197
Cleaning	1 924	993
Consulting and professional fees	5 192	5 625
Consumables	2 391	913
Delivery expenses	-	16
Donations and sponsorship	-	154
Fraud Hotline	35	42
Gifts	-	5
IT expenses	2 556	4 453
Insurance	1 080	1 146
Internal auditors	1 200	786
Legal Fees	5 766	5 423
Licenses	5 481	2 135
Motor vehicle expenses	31	6
Offsite storage	121	100
Other board expenditure	1 131	736
Other rental expenditure	42	-
Postage and courier services	6	50
Printing and stationery	717	243
QCTO	4 711	4 294
Recruitment fees	88	182
Rental head office	5 455	5 346
Rentals equipment	1 256	633
Repairs and maintenance	698	5
Security services	996	-
Small assets	309	424
Strategic planning costs	1 436	1 311
Subscriptions and membership fees	87	86
Telephone and data lines	1 012	1 130
Training	1 154	1 770
Travel and subsistence	2 987	4 409
Utilities	5 175	4 298
Warranty expenses	20	33
	65 657	**54 879**

The increase in administration expenses is attributable to a number of factors being an increase in the implementation of the stakeholder communication strategy, license fees, equipment rentals, utilities, audit fees and other operational costs. The decrease of other administrative expenditures such as IT expenses, travel costs and othe costs have also contributed to the overall increase.

Included above, is an expenditure amount relating to quality assurance functions by QCTO equivalent to 0.5% of the total levy paid by the employer in accordance with the SETA Grant Regulations.

	2025 R '000	2024 R '000
Quality Council for Trades and Occupations	4 711	4 294

23. Cash (used in) generated from operations

	2025 R '000	2024 R '000
(Deficit)/surplus	(217 370)	29 215
Adjustments for:		
Depreciation and amortisation	10 278	4 666
Loss on derecognised property, plant and equipment	670	478
Movements in operating lease assets/liability	(437)	(218)
Movements in provisions	1 509	1 107
Replaced assets received	(24)	-
Changes in working capital:		
Receivables from exchange transactions	(1 634)	(574)
Receivables from non-exchange transactions	1 577	750
Movements in prepayments	(844)	(3 244)
Payables from exchange transactions	(605)	(7 155)
Payables from non-exchange transactions	**97 937**	**(20 353)**
	(108 943)	**4 672**

24. Operating surplus/(deficit)

Operating surplus/(deficit) for the year is reported after accounting for the following administrative related expenditure:

	2025 R '000	2024 R '000
Amortisation on intangible assets	485	485
Depreciation on property, plant and equipment	9 792	4 181
Employee related costs	51 629	47 430
Loss on derecognised property, plant and equipment	670	478

25. Commitments

Operating leases

	2025 R '000	2024 R '000
Minimum lease payments due		
- within one year	4 559	4 929
- in second to fifth year inclusive	7 578	13 738

Operating lease payments represent rentals payable by the entity for its office lease accommodation. Leases are negotiated for an average term of 5 years. No contingent rent is payable. Included in the minimum lease payments due are lease incentives that were netted off against operating lease payments. The office lease agreement is escalated at 5% per annum.

Also included in the minimum lease payments are rentals payable by the entity for office printers. The lease average term is 3 years, with no escalation clause attached for the duration of the lease.

	2025 R '000	2024 R '000
Other operational commitments		
Minimum payments due	3 094	2 658

Other operational commitments are contractual obligations for various services, including but not limited to the supply and installation of network points, delivery of IT equipment, as well as training interventions for employees. The closing balance for the reporting period ended 31 March 2025 was disclosed as R3 094 000.

The closing balance for the commitments for the year ended 31 March 2024 has been restated to an amount of R2 658 000 previously disclosed as R2 497 000.

Discretionary projects

The commitment balance amounting to R600 205 480 (2024: R352 928 724), as detailed in Annexure A, represents the sum of contractual agreements associated with different skills programmes of INSETA.

* *The closing balance regarding commitments for the year ended 31 March 2024 has been restated to an amount of R352 928 724 previously disclosed as R514 239 240.*

26. Contingencies

Contingent liabilities

Contingent surplus fund

In terms of section 53 (3) of the PFMA, public entities listed in Schedule 3A and 3C to the PFMA may not retain cash surpluses that were realized in the previous financial year without obtaining the prior written approval of National Treasury. During September 2020, National Treasury Issued Instruction No. 12 of 2020/21 which gave more details to the surplus definition. According to this Instruction, the calculation of surplus funds should be in terms of Paragraph 3.2 of the National Treasury Instruction.

	2025 R '000	2024 R '000
Calculation of surplus		
Cash and cash equivalents	554 214	673 240
Add: receivables	11 323	10 422
Less: current liabilities	(358 673)	(259 831)
	206 864	**423 831**

Notwithstanding the accumulated surplus above, INSETA has period end commitments in the form of contracts with various service providers as indicated in note 25, the below reflects the accumulated surplus after taking into account the impact of these commitments:

	2025 R '000	2024 R '000
Committed Amount		
Amount per surplus calculation above	206 864	423 831
Operational commitments	(3 094)	(2 658)
Project commitments	(600 205)	(352 929)
Accumulated surplus/deficit net off commitments	(396 435)	68 244
	-	-

Uncommitted surpluses

The cash surplus of R206 864 000 (2024: R423 831 000) does not take into account contractual commitments of R600 205 480 (2024: R352 928 724) for discretionary commitments which existed as at the reporting date. Refer to note 25 and supplementary schedule to these financial statements. If these commitments are considered, there is no uncommitted surplus as at 31 March 2025.

First-time employer registrations

The Skills Development Act allows an employer registering for the first time, a six months period to submit an application for mandatory grant. In terms of SETA Grant Regulations, SETAs must allocate mandatory grants to a levy- paying employer who has registered for the first time in terms of Section 5 of the Skills Development Levies Act, who applied for a mandatory grant within six months of registration. Due to this requirement, INSETA has a contingent liability to set aside funds for all employers that registered from 1 April 2024 to 30 January 2025. Consequently, the total potential mandatory grant payout is R0 (2024: R175 955).

Minister of Higher Education and Training vs Business Unity South Africa (BUSA) matter

During December 2012, the Minister of Higher Education and Training (DHET) repealed the 2005 Grant Regulations and promulgated the 2012 Grant Regulations. Regulation 4(4) of the 2012 Grant Regulations reduced the mandatory grant that an employer could claim back from 50% to 20% of the total levies paid by the employer. The promulgation of the Grant Regulations resulted in a litigation which was instituted by BUSA (Business Unity South Africa) with the Labour Court. The Labour Court declared the 2012 Grant Regulations invalid and consequently set aside, with the suspension of the order until March 2016.

Prior to the order coming into effect, the regulation was re-promulgated in January 2016, to which BUSA launched a review application in the Labour Court to set the 2016 re-promulgated Regulations aside. The Labour Court dismissed the review application and BUSA decided to appeal the decision through the Labour Appeal Court (LAC). During October 2019, the LAC ruled that the decision to re-promulgate Regulation 4(4) was 'irrational and lacking in any legal justification'. The regulation as re-promulgated in 2016 was consequently set aside.

Despite the said regulation being set aside, the LAC ruling is silent on both the percentage quantum that can be claimed back by employers and on the effective date of the order. The effect of the ruling is that the Minister, in consultation with employers and BUSA, would have to decide on the percentage for mandatory grants in consultation with the sector, and this accordingly published in the Government Gazette. To date, there has been no communication regarding the approved mandatory grant percentage that can be claimed back by employers. These circumstances create uncertainty as to the percentage of mandatory grants that can be paid and/or accrued by the SETA during the year under review.

Post the ruling, DHET continues to split the mandatory grant levy income portion at a rate of 20% in the monthly levy file. Consequently, the SETA has continued to pay and accrue mandatory grants at 20% during the 2024/2025 financial year, which is also aligned to the approved annual performance plan. Considering the outcome of the judgment, there is a possible liability due to additional grant payments over and above those that have been paid in the current year based on a payment rate of 20%, however, due to this uncertainty on when the SETA should start paying additional mandatory grants and the percentage rate not yet determined, the amount of the possible liability cannot be reliably estimated.

Office lease accommodation contract

The office lease accommodation contract, which was concluded in March 2020, was cancelled by INSETA with an effective termination date of 30 November 2022 after serving a one-year notice to the landlord on 1 December 2021. The cancellation was due to declared irregular expenditure emanating from the procurement processes. The investigation conducted confirmed irregularity on the procurement processes. These outcomes concluded that the lease contract had to be terminated. As part of consequence management, INSETA implemented the recommendations of the investigation and legal opinion sought.

A claim against INSETA amounting to R17 777 000 (2024: R15 806 522) was instituted through legal interdictory relief on the cancellation of the office lease accommodation contract. The case is defended through appointed legal representatives. INSETA submitted all required documentation as per the discovery affidavit and no further correspondence was received from the plaintiff's attorneys since May 2024. The legal representatives for INSETA have been awaiting for the plaintiff's attorneys to schedule a pre-trial conference to be followed by the application for a trial date. The matter has been dormant since then.

De-accreditation of Skills Development Provider

A legal court matter on the de-accreditation of Graduate Institute of Financial Sciences (GIFS), which is one of the Skills Development Providers (SDP) accredited for the legacy skills programmes, has been finalised and removed from the Court processes. Both legal counsels for the parties have provided for engagements outside the court processes.

27. Related parties

INSETA is controlled by the Department of Higher Education and Training. The Department is controlled by the Minister of Higher Education and Training. The accounting authority of the entity being the board of directors and the executive management are also defined as those who have authority and responsibility for planning, directing and controlling the activities of INSETA.

Levies that were received from the DHET are disclosed in Note 17

Relationships

Members	Refer to members' report note
Controlled entities	Department of Higher Education and Training by virtue of INSETA being a national public entity controlled by the DHET, it is considered to be related to other SETA's, QCTO, NSF and entities within the sphere of national government
Executive Management	Ms. G I Mkhize (Chief Executive Officer)
	Ms. Z P Malaza (Chief Financial Officer)
	Mr. L Kwapeng (Executive Manager: Operations)
	Ms. F Safla (Executive Manager: Risk Management)
	Ms. J L Mabitsela (Executive Manager: Corporate Services)
Other related parties	Organisations considered to be related to Board members:
	Insurance Institute of South Africa
	Mosswick Investments (Pty) Ltd
	Randsure Insurance and Financial Solutions
	The Association for Savings and Investment South Africa
	South African Insurance Association
	Public Higher Education Institutions
	SASBO Finance Union
	Hollard Life Assurance

Related party balances

	2025 R '000	2024 R '000
Amounts included in receivable (payable) regarding related parties		
Services SETA	-	(198)
Health and Wealth SETA	-	(77)
Financial & Accounting Sector Education and Training	(6)	61
Media, Information and Communication Technologies SETA	-	59
Unallocated Employers (registrations not finalised)	-	6
Old Mutual	(4 425)	-
Absa Bank	(1 145)	-
SASBO finance union	(711)	-
Tshwane North TVET College	(753)	-
Discretionary grants payable to Public Higher Education Institutions	(105 230)	(14 879)

Amounts included in the commitment balances

Included in commitments is an amount of R167 119 848 (*2024: R162 011 937) in respect of contractual commitments to Public Higher Education Institutions, R519 814 (2024: R1 203 976) in respect of contractual commitments to other public entities, and R14 856 367 (*2024: R15 095 397) in respect of organisations considered to be related to Board members as follows:

Organisations considered to be related to Board members are as follows:

Organisations	Board member	2025	2024
Holland Life Assurance*	P. Mendes	-	842
Financial Planning Institute of Southern Africa	R.G Govender	756	2 584
South African Insurance Association	V. pearson	-	1 963
SASBO Finance Union*	C.B Botha**	719	1 643
Old Mutual*	J.J.M Mabena	11 470	5 863
Tshwane North TVET College*	J.S Ngubane	517	990
Absa Bank*	N.B Jonas	1 395	1 209
		14 857	**15 094**

The above liabilities are payable in monetary terms, are not secured, and no guarantees have been given.

* *The above amounts relating to 2024 financial year have been restated.*

** *S.A Anders, M Soobramoney, S.T Dinyake, N.B Jonas.*

Related party transactions

Remuneration of board members of INSETA

Class	Description	Number
Non-executive board members	Oversight	11
Executive management	Day to day management	05

2025	Remuneration of board members	Total
Name		
Mr J S Ngubane - Resigned on 25 June 2024	4	4
Ms L v/d Merwe	149	149
Ms R G Govender - Resigned on 28 April 2024	2	2
Ms Z Motsa*	-	-
Ms F Mabaso*	-	-
Mr M Soobramoney (Chairperson - HRR Committee)	119	119
Ms ST Dinyake	-	-
Ms S Anders	102	102
Mr C B Botha	169	169
Ms N B Jonas	140	140
Mr S M Mpuru	159	159
Mr J M Mabena	153	153
Mr K Sungay - Resigned on 15 November 2024	88	88
Ms V Pearson (Chairperson - Finance Committee)	114	114
	1 199	**1 199**

* *No remuneration paid to directors that are members or employees of other government institutions.*

2024	Remuneration of board members	Total
Name		
Mr J S Ngubane (Chairperson - Board and Executive Committee)	408	408
Ms L van der Merwe	116	116
Ms R G Govender (Chairperson - Finance Committee)	85	85
Ms A P Mendes - Resigned on 09 February 2024	49	49
Ms S T Dinyake	20	20
Mr M Soobramoney (Chairperson-HRR Committee)	84	84
Ms S Anders	83	83
Mr C B Botha	122	122
Ms N B Jonas	94	94
Mr S M Mpuru	90	90
Ms Z Motsa*	-	-
Ms F Mabaso*	-	-
Mr J M Mabena	138	138
Mr K Sungay	158	158
Ms V Pearson	67	67
	1 514	**1 514**

**No remuneration paid to directors that are members or employees of other government institutions.*

The above represents fees paid or accrued to Board members for all committees on which they serve. This disclosure note excludes the remuneration of independent audit committee members. Independent audit committee members do not have authority and responsibility for planning, directing and controlling the activities of INSETA and are therefore not considered to be related parties. No other short-term or long-term benefits were paid to Board members.

Management class: Executive management

2025	Basic salary	Other short-term employeebenefits	Bonuses	Total
Name				
Ms G I Mkhize - Chief Executive Officer	2 648	11	239	2 898
Ms Z P Malaza - Chief Financial Officer	2 099	11	181	2 291
Mr L Kwapeng - Executive Manager : Operations	2 041	11	180	2 232
Ms F Safla - Executive Manager : Risk Management	1 959	11	171	2 141
Ms J L Mabitsela- Executive Manager: Corporate Services*	1 680	11	-	1 691
	10 427	**55**	**771**	**11 253**

**Executive Manager: Corporate Services was appointed with effect from 01 April 2024.*

2024	Basic salary	Other short-term employee benefits*	Bonuses	Total
Name				
Ms G I Mkhize - Chief Executive Officer	2 464	11	220	2 695
Ms Z P Malaza - Chief Financial Officer	1 962	11	96	2 069
Mr L Kwapeng - Executive Manager : Operations	1 907	11	95	2 013
Ms F Safla - Executive Manager : Risk Management	1 831	11	77	1 919
	8 164	**44**	**488**	**8 696**

**Other short term employee benefits for executive management have been restated due to UIF and SDL incorrectly disclosed as benefits.*

28. Change in accounting estimate

Property, plant and equipment

Property, plant and equipment- IT equipment

INSETA revised the estimated useful lives of its IT equipment from 20 years to 3-20 years in various IT asset categories with effect from 1 April 2024. The adjustment in the estimated useful lives of the assets was made to align with the guidelines issued by National Treasury, which mandate a more stringent evaluation of asset lifespan. This revision has been accounted for as a change in accounting estimate and has been applied prospectively.

The impact of this change is as follows: Depreciation expense for the year ended 31 March 2025 has increased significantly compared to previous periods by an amount of R447 000, The carrying amounts of the affected assets have been adjusted to reflect the revised useful lives. Future financial periods will also witness an altered depreciation expense amounting to R4 528 000.

Property, plant and equipment- Office furniture

INSETA revised the estimated useful lives of the office furniture from 25 years to 10-25 years on various office equipment with effect from 1 April 2024. The adjustment in the estimated useful lives of the assets was made in order to align with the guidelines issued by National Treasury on asset management, which gives guidelines on a more stringent evaluation of asset lifespan. This revision has been accounted for as a change in accounting estimate and has been applied prospectively.

The impact of this change is as follows: Depreciation expense for the year ended 31 March 2025 has increased significantly compared to previous periods by an amount of R201 000, The carrying amounts of the affected assets have been adjusted to reflect the revised useful lives. Future financial periods will also witness an altered depreciation expense amounting to R6 897 000.

Property, plant and equipment- Office equipment

INSETA revised the estimated useful lives of the Office equipment from 25 years to 5-22 years on various office equipment with effect from 1 April 2024. The adjustment in the estimated useful lives of the assets was made in order to align with the guidelines issued by National Treasury on asset management, which gives guidelines on a more stringent evaluation of asset lifespan. This revision has been accounted for as a change in accounting estimate and has been applied prospectively.

The impact of this change is as follows: Depreciation expense for the year ended 31 March 2025 has increased significantly compared to previous periods by an amount of R57 000, The carrying amounts of the affected assets have been adjusted to reflect the revised useful lives. Future financial periods will also witness an altered depreciation expense amounting to R1 977 000.

29. Prior period accounting errors

Presented below are those items contained in the statement of financial position, statement of financial performance and cashflow statements that have been affected by prior period accounting errors:

Statement of Financial Position

2024	As previously reported	Correction of error	Restated
Receivables from exchange transactions	6 851	(55)	6 796
Receivables from non-exchange transactions	1 703	1 923	3 626
Payables from exchange transactions	(8 267)	129	(8 138)
Payables from non-exchange transactions	(80 324)	(163 089)	(243 413)
Provisions	(8 237)	(43)	(8 280)
Net effect of the adjustments	**(88 274)**	**(161 135)**	**(249 409)**

Statement of Financial Performance

2024	As previously reported	Correction of error	Reclassification	Restated
Income from exchange transactions	160	189	-	349
Skills development levy income	689 317	(155)	-	689 162
Income from non-exchange transactions	3 726	54	-	3 780
Employee related costs	(47 841)	-	411	(47 430)
Depreciation and amortisation	(4 649)	(17)	-	(4 666)
Employer grants	(154 242)	(1 394)	-	(155 636)
Discretionary grants	(466 573)	9 472	(411)	(457 512)
Skills development levy: penalties and interest	2 687	(38)	-	2 649
Administration expenses	(54 763)	(115)	-	(54 878)
Net effect of the adjustments	**(32 178)**	**7 996**	**-**	**(24 182)**

Reconciliation of prior year accounting errors:

2024	R '000
Net effect of the Statement of Financial Position	
Decrease in receivables from exchange transactions	(55)
Increase in receivables from non- exchange transactions	1 923
Decrease in payables from exchange transactions	129
Increase in payables from non- exchange transactions	(163 089)
Increase in provisions	(43)
	(161 135)
The 2023/2024 reported surplus has been adjusted by the following accounting errors	
Increase in other income from exchange transactions	189
Decrease in skills development levy income	(155)
Decrease in skills development levy: penalties and interest	(38)
Increase in other income from non-exchange transactions	54
Decrease in employee related costs	411
Increase in depreciation and amortisation	(17)
Increase in employer grants	(1 394)
Decrease in discretionary grants expenditure	9 061
Increase in administration expenses	(115)
	7 996
The reported opening net assets balance has been adjusted by the following accounting errors	
Decrease in receivables from exchange transactions	(36)
Increase in receivables from non-exchange transactions	1 718
Decrease in property, plant and equipment	12
Increase in payables from non-exchange transactions	(170 856)
Decrease in payables from exchange transactions	32
	(169 130)
Reconciliation of net assets balance as at 1 April 2023	
Reported balance 2023	600 111
Prior period accounting errors	(169 130)
	430 981
Reconciliation of net assets balance as at 1 April 2024	
Reported balance 2024	621 330
Prior period accounting errors	(161 135)
	460 195

2024	As previously reported	Correction of error	Restated
Cash flow from operating activities			
Levies, interest and penalties	692 038	(112)	691 926
Other receipts	318	4 064	4 382
Employee related costs	(47 245)	1 975	(45 270)
Payment to suppliers	(62 401)	(3 685)	(66 086)
Employer grants and project expenses	**(631 721)**	**(2 242)**	**(633 963)**
	(49 011)	-	(49 011)
Cash flow from investing activities			
Purchase of property, plant and equipment	(7 694)	2	(7 692)
Leasehold improvements	(14 947)	(2)	(14 949)
	(22 641)	**-**	**(22 641)**

Prior Period Accounting Errors

The following prior period accounting errors were corrected:

a) Receivables from exchange transactions

During the reporting period, management identified expenditures which were incorrectly recognised as receivables from exchange transactions. The impact resulted in overstatement of receivables from exchange transactions and an understatement of the related expenditures. To correct the accounting error and achieve fair presentation, the receivables from exchange transactions and the related expenditure accounts were restated accordingly.

b) Receivables from non-exchange transactions

Management erroneously accounted for transactions relating to receivables from non-exchange as employer grant expenditure during the 2023/2024 financial year. The impact resulted in an understatement of receivables from non- exchange transactions and an overstatement of employer grant expenditure. To achieve fair presentation, the comparative figures were restated accordingly.

c) Payables from exchange transactions

During the previous financial year, management identified discretionary grant refunds, which were incorrectly accounted for as payables from exchange transactions. The accounting error resulted in an understatement of revenue from non- exchange transactions and an overstatement of the payables from exchange transactions. To achieve fair presentation, the revenue from non-exchange transactions and the payables from exchange transactions were restated accordingly.

d) Payables from non-exchange transactions

During the financial year, management identified an accounting error relating to discretionary grants expenditure which was accounted for in an incorrect reporting period thus understating the payables from non-exchange transactions as well as the project expenditure for that reporting period. In order to achieve fair presentation, the discretionary grants expenditure together with the payables from non-exchange transactions were restated accordingly with the same amount.

e) Provisions

For the year ended 31 March 2024, management incorrectly recognised the provision for exempt employers amounting to which subsequently resulted in an understatement of revenue from non-exchange transactions and a related overstatement of provision in the statement of financial position. To achieve fair presentation, the accounting error was corrected and comparative figures were restated accordingly.

f) I ncome from exchange transactions

During the reporting period, management identified an accounting error relating to revenue from exchange transactions, which was erroneously recognised as payables from exchange transactions. The accounting error resulted in an understatement of revenue from exchange transactions as well as an overstatement of payables from exchange transactions with the same amount. To achieve fair presentation, the revenue from exchange transactions and the payables from exchange transactions were restated accordingly.

g) Income from non-exchange transactions

Management incorrectly accounted for refunds relating to project stakeholders/ employers as payables from exchange transactions during the 2023/2024 financial year. The income from non-exchange transactions was understated and the payables from exchange transactions were overstated. In order to achieve fair presentation, the payables from exchange transactions as well as the income from non-exchange transactions were restated accordingly.

h) Skills development levy

During the reporting period ended 31 March 2024, management incorrectly accounted for the provision for exempt employers which resulted in a decrease of revenue from non-exchange transactions. To achieve fair presentation, the provision and the payables from non-exchange transactions were restated accordingly.

i) Depreciation

During the reporting period, management identified an accounting error relating to the overstatement of the accumulated depreciation and an understatement of property, plant and equipment. To achieve fair presentation, the depreciation expense was restated accordingly.

j) Employer grants

Management identified an accounting error with regards to an overstatement of the employer grant receivables. In order to achieve fair presentation, a correction of an error was made to the employer grant expenditure and the receivables from non-exchange transactions with the said amount.

k) Discretionary grants

During the reporting period, management identified discretionary grant expenditure which was accounted for in the incorrect financial year. To achieve fair presentation, the discretionary grant expenditure and the related payable from non-exchange transactions were restated with the said amount to the correct reporting period.

l) Administrative Expenses

During the financial year, management identified administration expenditure, which were accounted for in an incorrect financial year. In order to achieve fair presentation, the administration expenditure and the related payable from exchange transactions were restated accordingly with the same amount.

Reclassification

a) Employee related costs.

Management incorrectly classified leave expenditure relating to discretionary grants as employee related costs. In order to achieve fair presentations, management reclassified the said amount to the correct annual financial statements line item.

30. Financial instruments disclosure

Categories of financial instruments

Financial assets

	2025 R '000	2024 R '000
Receivables from exchange transactions at amortised cost	2 245	585
Receivables from non-exchange transactions at amortised cost	1 582	1 336
Cash and cash equivalents at amortised cost	554 214	673 240
	558 041	**675 161**

Financial liabilities

	2025 R '000	2024 R '000
Payables from exchange transactions at amortised cost	(4 333)	(5 673)
Payables from non-exchange transactions at amortised cost	(312 637)	(207 437)
	(316 970)	**(213 110)**

Financial instruments in the Statement of Financial Performance

	2025 R '000	2024 R '000
Interest income at amortised cost	48 402	53 683

31. 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.

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, capital expenditure, expenditure against budgets and forecasts, maintenance of reserves, and through its cash management policy, which requires the maintenance of adequate cash and cash equivalents to meet obligations.

	Carrying amount	Contractual cash flows	Less than 1 year	1-2 years	More than 2 years
At 31 March 2025					
Payables from exchange transactions	(4 333)	(4 333)	(4 333)	-	-
Payables from non-exchange transactions	(312 637)	(312 637)	(312 637)	-	-
	(316 970)	**(316 970)**	**(316 970)**	**-**	**-**
At 31 March 2024					
Payables from exchange transactions	(5 673)	(5 673)	(5 673)	-	-
Payables from non-exchange transactions	(207 437)	(207 437)	(207 437)	-	-
	(213 110)	**(213 110)**	**(213 110)**	**-**	**-**

Credit risk

Financial assets that potentially expose INSETA to the risk of non-performance by counterparties, i.e. credit risk, consist mainly of cash and cash equivalents deposited with financial institutions and receivables from exchange and non-exchange transactions. INSETA's credit risk is limited by investing funds only with the Corporation for Public Deposits (CPD) as approved by National Treasury in terms of Treasury Regulation (TR 28). INSETA's exposure is continuously monitored by the relevant governance structure.

Credit risk with respect to levy-paying employers is limited due to the nature of the income received. INSETA does not have any material credit risk, this is managed on a group basis. INSETA's concentration of credit risk is limited to the industry in which it operates. No events occurred in the industry during the year under review that may have a significant impact on accounts receivable that have not been provided for. Receivables are presented net of allowance for impairment.

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

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

	2025 R '000	2024 R '000
Financial Instruments		
Receivables from exchange transactions	2 245	585
Receivables from non-exchange transactions	1 582	1 336
Cash and cash equivalents (excludes cash on hand)	554 214	673 240
	558 041	**675 161**

	Current	30-60 days	61-90 days	91-120 days	More than 120 days	Carrying amount
31 March 2025 Age Analysis						
Receivables from exchange transactions	2 245	-	-	-	-	2 245
Receivables from non-exchange transactions	1 582	-	-	-	-	1 582
Cash and cash equivalents (excludes cash on hand)	554 214	-	-	-	-	554 214
	558 041	**-**	**-**	**-**	**-**	**558 041**
31 March 2024 Age Analysis						
Receivables from exchange transactions	585	-	-	-	-	585
Receivables from non-exchange transactions	1 336	-	-	-	-	1 336
Cash and cash equivalents (excludes cash on hand)	673 240	-	-	-	-	673 240
	675 161	**-**	**-**	**-**	**-**	**675 161**

Interest rate risk

Cash flow interest rate risk

	Interest bearing amount	Effective interest rate	Non-interest bearing amount	Total
31 March 2025				
Cash and cash equivalents	554 214	7.99 %	-	554 214
Receivables from exchange transactions	-	- %	2 245	2 245
Receivables from non-exchange transactions	-	- %	1 582	1 582
Payables from exchange transactions	-	- %	(4 333)	(4 333)
Payables from non-exchange transactions	-	- %	(312 637)	(312 637)
	554 214	**7.99 %**	**(313 143)**	**241 071**
31 March 2024				
Cash and cash equivalents	673 240	8.25 %	-	673 240
Receivables from exchange transactions	-	- %	585	585
Receivables from non-exchange transactions	-	- %	1 336	1 336
Payables from exchange transactions	-	- %	(5 673)	(5 673)
Payables from non-exchange transactions	-	- %	(207 437)	(207 437)
	673 240	**8.25 %**	**(211 189)**	**462 051**

Fair value interest rate risk

INSETA's financial instruments consist mainly of cash and cash equivalents, receivables from exchange and non-exchange transactions and payables from exchange as well as non-exchange transactions. No financial instruments were carried at an amount in excess of their fair values. The carrying amount of each class of financial instruments approximates their fair value due to the relatively short-term maturity of these financial instruments.

32. Going concern

INSETA has been managing its working capital requirement and liquidity management objectives which confirms its financial sustainability. A going concern assessment was undertaken as at 31 March 2025 which indicated the financially healthy position of INSETA.

Management has noted the existence of the deficit of R217 370 000 for the financial year however did not consider the deficit to cast a significant doubt regarding the going concern assumption made on the preparations of annual financial statements.The deficit relates to the project expenditure funded from the approved previous year's cash surplus.

For the reporting period ended 31 March 2025, a deficit amount of R217 370 000 was realised with a net assets balance of R242 826 000.The current ratio measured at 1.58:1, primarily as a result of cash and cash equivalents balance which had an amount of R554 214 000.

There are no known instances that cast doubt on INSETA's ability to continue as a going concern.

33. Events after the reporting date

Management considered events that occurred after the reporting date and a non-adjusting event being the appointment of the Chief Executive Officer of INSETA to assume the duties of the Accounting Authority as appointed by the Minister of Higher Education from 22 May 2025 for a period of 3 months or until the Accounting Authority is appointed. The appointment was done in line with section 49 of PFMA.

34. Irregular, Fruitless and Wasteful Expenditure

	2025 R '000	2024 R '000
Irregular expenditure	4	683

The Board has, at its meeting held 29 May 2023 resolved under the resolution No. BRD038/2023 to approve the removal of the irregular expenditure incurred due to the Board appointment made by the Department of Higher Education prior to conducting the necessary vetting requirements in accordance with the applicable legislation.The Board resolved that the expenditure incurred as well as any other future expenditure to be incurred in that regard, be removed from the annual financial statements in line with the recommendations from DHET.

Fruitless and wasteful expenditure

There was no fruitless and wasteful expenditure incurred during the reporting period.

35. Budget differences

Material differences between budget and actual amounts

The percentage spent against the annual approved budget which is outside the 10% have been explained as they are considered material.

Other income from exchange transactions	100%	The variance primarily relates to the contributions made by stakeholders for marketing and career guidance exhibitions at the Insurance Indaba hosted by INSETA.
Public contributions and donations	100%	The variance is due to the revenue recognized on the contributions made by the stakeholders, equivalent to the 50 percent of the implementation costs towards the Insurance Sector Student Fund (ISSF) program.
Skills development levy: Penalties and interest	103%	The variance in levy penalties and interest is attributable to the overall economic recovery which is evidenced through the improved macro-economic outlook and the positive financial position for the employers in the sector which subsequently resulted in timeous payments for Skills Development Levy to SARS.
Depreciation and amortisation	157%	The variance relates to the procurement of new items of property, plant and equipment as well as the full-year usage and related depreciation of the office leasehold improvement based on the remaining lease term. The completion of the office leasehold improvement project was on different timing intervals from September 2022 which impacted on the depreciation expense for the reporting periods.
Discretionary grants	-33%	The variance on discretionary grant expenditure is attributable to various programs contracted within the financial year which intersect into financial years. The unspent budget relates to funds committed and not yet spent and is disclosed as part of the commitments in the notes to the financial statements.
Loss on derecognised property, plant and equipment	100%	The variance is due to the items of property, plant and equipment which were derecognized as no future economic benefits or service potential were expected from its use.
Prior year approved surplus	100%	The application to retain an amount of R584 966 000 relating to the 2023/2024 cash surplus was approved by National Treasury on the letter dated 26 October 2024. The approved surplus amount was incorporated into the expenditure budget fo various DG programme implementation.

* *See Note*

The supplementary information presented does not form part of the annual financial statements and is unaudited

Insurance Sector Training Authority (INSETA)
Annual Financial Statements for the period ended 31 March 2025

Annexure A

Project	Programme	Reported Opening balance	Restated Opening balance	New Contracts	Addendums	Current year total Expenditure	Closure letters	Final Adjustments	YTD Balance
INPROJ000161	Establishment of INSETA Research Chair Centre 2019/20	3,831,340	1,776,410	-	-	-666,400	-	-1,110,010	-
INPROJ000196	Catalytic Youth Programme 2019/20	7,719,200	7,719,200	-	-	-7,719,200	-	-	-
INPROJ000212	Skills Programme for Youth 2021/22	390,000	390,000	-	-	-360,305	-	-	29,695
INPROJ000214	Work Integrated Learning Programme 2021/22	3,119,824	2,602,908	-	-	-1,279,600	-	-545,188	778,120
INPROJ000215	Learnership for TVET colleges 2021/22	231,887	12,333	-	-	-	-	-12,333	-
INPROJ000217	Bursary for Workers 2021/2022	454,000	394,000	-	-	-254,000	-30,000	-110,000	-
INPROJ000229	Project Automations	345,000	63,000	-	-	-41,923	-	-	21,077
INPROJ000230	Special Projects 2021/22	3,232,935	3,571,835	-	-	-1,295,566	-635,990	-137,879	1,502,400
INPROJ000240	Internships 2022/23	24,633,600	13,951,307	-	-	-3,974,338	-733,500	-9,243,469	-
INPROJ000242	Learnership for Youth 2022/23	23,668,341	15,065,918	-	-	-871,199	-641,424	-13,553,295	0
INPROJ000243	Learnership for Workers 2022/23	2,860,333	1,530,667	-	-	-148,667	-622,334	-759,666	-0
INPROJ000247	Sector Priority Research Studies 2022/23	825,000	825,000	-	-	-825,000	-	-	-
INPROJ000251	Skills Programme for Youth 2022/23	986,700	986,700	-	-	-97,500	-	-214,500	674,700
INPROJ000252	Skills Programme for Workers 2022/23	876,375	736,400	-	-	-513,375	-	-223,025	-
INPROJ000254	Work Integrated Learning Programme 2022/23	13,346,519	12,448,002	-	-	-5,828,387	-529,364	-5,863,418	226,833
INPROJ000256	Bursary for Workers 2022/23	13,485,098	9,781,643	-	-	-1,006,851	-1,385,195	-6,947,098	442,500
INPROJ000259	Candidacy programme 2022/23	7,310	7,310	-	-	-	-	-7,310	-
INPROJ000263	RPL recognition	-	40,500	-	-	-40,500	-	-	-
INPROJ000283	Promotion of Insurance 2022/23	123,829	-5,000	-	-	5,000	-	-	-
INPROJ000285	TVET Placement Project 2022/23	4,170,815	2,662,815	-	-	-	-	-2,662,815	-
INPROJ000289	Special Projects 2022/23	12,569,527	8,067,174	-	-	-6,386,269	-226,582	-217,884	1,236,439

Project	Programme	Reported Opening balance	Restated Opening balance	New Contracts	Addendums	Current year total Expenditure	Closure letters	Final Adjustments	YTD Balance
INPROJ000292	Internships 2023/24	57,854,694	25,234,394	1,374,997	-	-17,647,676	-	-705,472	8,256,243
INPROJ000294	Learnership for Youth 2023/24	49,204,696	23,482,630	-	-	-10,805,842	-	-2,154,430	10,522,358
INPROJ000295	Learnership for Workers 2023/24	12,867,667	5,520,667	-	-	-3,052,665	-	-317,000	2,151,001
INPROJ000296	Learnership for Youth	422,500	370,500	520,000	-	-685,550	-	-	204,950
INPROJ000297	Sector Research 2023/24	3,601,054	2,806,692	-	-	-1,180,602	-	-	1,626,090
INPROJ000299	Impact Studies for INSETA Programs	207,000	207,000	-	-	-194,354	-	-	12,646
INPROJ000302	Bursary for Youth 2023/24	18,676,332	18,296,332	-	-	-	-2,962,990	-15,333,342	-0
INPROJ000303	Bursary for Workers 2023/24	30,005,164	19,462,009	-	-	-11,160,998	-475,238	-104,730	7,721,043
INPROJ000305	Skills Programme for Workers 2023/24	14,009,655	8,167,483	-	-	-4,345,065	-3,373,214	-445,454	3,750
INPROJ000307	Work Integrated Learning for 2023/24	37,742,740	31,608,420	-	724,500	-16,592,170	-	-	15,740,750
INPROJ000309	AET 2023/24	292,500	146,250	-	-	-146,250	-	-	-
INPROJ000311	Skills Programme for Youth 2023/24	1,262,300	1,117,400	-	-	-855,950	-133,400	-89,050	39,000
INPROJ000314	Qualification and Assessment Development 2023/24	3,469,682	3,319,682	-	-	-1,615,166	-	-1,188,434	516,082
INPROJ000316	Recognition of Prior Learning (RPL) 2023/24	162,500	162,500	-	-	-162,500	-	-	-
INPROJ000326	Special Projects 2023/24	91,915,821	89,804,747	90,067,363	10,055,125	-136,451,706	-1,683,772	-3,310,755	48,481,003
INPROJ000333	ISSF Project 2023/24	1,802,765	1,802,765	-	-63,070	-1,739,695	-	-	-
INPROJ000335	Cooperatives Supported 2023/24	910,000	910,000	-	-	-910,000	-	-	-
INPROJ000337	Small businesses supported	3,488,333	4,516,097	-	-	-4,093,857	-	-422,240	-
INPROJ000341	OPDR 2023/2024	201,250	-	-	-	-	-	-	-
INPROJ000342	Candidacy for Youth	7,302,954	2,190,886	-	-	-	-	-	2,190,886
INPROJ000345	Work Integrated learning 2024/2025	-	-264,908	64,935,000	-	-35,775,723	-	-1,786,050	27,108,319
INPROJ000347	Internship Programme 2024/2025	-	-688,800	63,486,000	-	-44,301,126	-	-	18,496,074
INPROJ000349	Learnership for Youth 2024/2025	-	-14,000	63,255,000	-	-38,303,366	-	-	24,937,634
INPROJ000350	Bursary for Youth 2023/24	57,802,000	27,981,855	43,881,000	-7,365,000	-27,916,329	-	-	36,581,526
INPROJ000351	Skills Programme for Youth 2024/2025	-	-	747,500	-	-422,704	-	-	324,796
INPROJ000352	Skills Programme for Youth - Admin 2024/2025	-	-	5,427,500	-	-4,356,950	-7,800	-	1,062,750

Project	Programme	Reported Opening balance	Restated Opening balance	New Contracts	Addendums	Current year total Expenditure	Closure letters	Final Adjustments	YTD Balance
INPROJ000353	Bursaries for Workers 2024/2025	-	-	26,291,657	4,254,468	-10,526,441	-	-	20,019,684
INPROJ000355	Skills Programme for Workers 2024/2025	-	-	9,768,274	224,700	-6,210,369	-15,803	-	3,766,802
INPROJ000357	Learnership for Workers 2024/2025	-	-	15,580,000	-	-11,873,000	-	-	3,707,000
INPROJ000359	Adults Education & Training Funding Agreement 2024/25	-	-	330,000	-	-165,000	-	-	165,000
INPROJ000361	Bursary for 2024/2025	-	-	82,012,950	4,027,638	-44,798,926	-	-	41,241,662
INPROJ000363	Recognition of Prior Learning 2024/2025	-	-	3,401,000	298,872	-2,622,073	-	-	1,077,800
INPROJ000364	Recognition of Prior Learning Admin 2024/2025	-	-	341,500	-	-341,500	-	-	-
INPROJ000365	TVET Lecturer Development 2024/2025	-	-	604,481	-82,590	-390,191	-	-	131,700
INPROJ000367	CET Lecturer Development 2024/2025	-	-	190,500	-	-190,500	-	-	-
INPROJ000369	ISSF Project 2024/25	-	-	442,783,502	-626,144	-158,719,495	-76,512	-	283,361,352
INPROJ000382	Qualification and Assessment Development 2024/25		-	722,583	-	-722,583	-	-	-
INPROJ000386	Special Projects 2024/2025	4,160,000	4,160,000	-	2,350,000	-4,510,000	-	-	2,000,000
INPROJ000390	Promotion of Insurance 2024/25	-	-	19,016,433	-	-19,016,433	-	-	-0
INPROJ000398	Impact Studies 2024/2025	-	-	5,492,250	-	-1,230,309	-	-	4,261,941
INPROJ000400	QCTO Transition Project 2024/2025	-	-	7,839,779	-	-4,131,829	-	-	3,707,950
INPROJ000410	Steamer Projects 2024/2025	-	-	7,966,970	-	-4,738,552	-	-	3,228,418
INPROJ000416	Strategic projects 2024/2025	-	-	15,984,125	-896,324	-4,702,132	-2,905,734	-	7,479,935
INPROJ000417	Skills programme for 2024/25	-	-	12,024,104	1,293,667	-7,010,943	-	-	6,306,827
INPROJ000418	Candidacy Programme 2024/2025	-	-	7,749,150	-	-5,424,405	-	-	2,324,745
INPROJ000420	Chinese Culture Scholarship Programme 2024/2025	-	-	8,170,000	-	-1,634,000	-	-	6,536,000
		514,239,240	352,928,724	999,963,616	14,195,842	-682,979,002	-16,438,852	- 67,464,849	600,205,480