

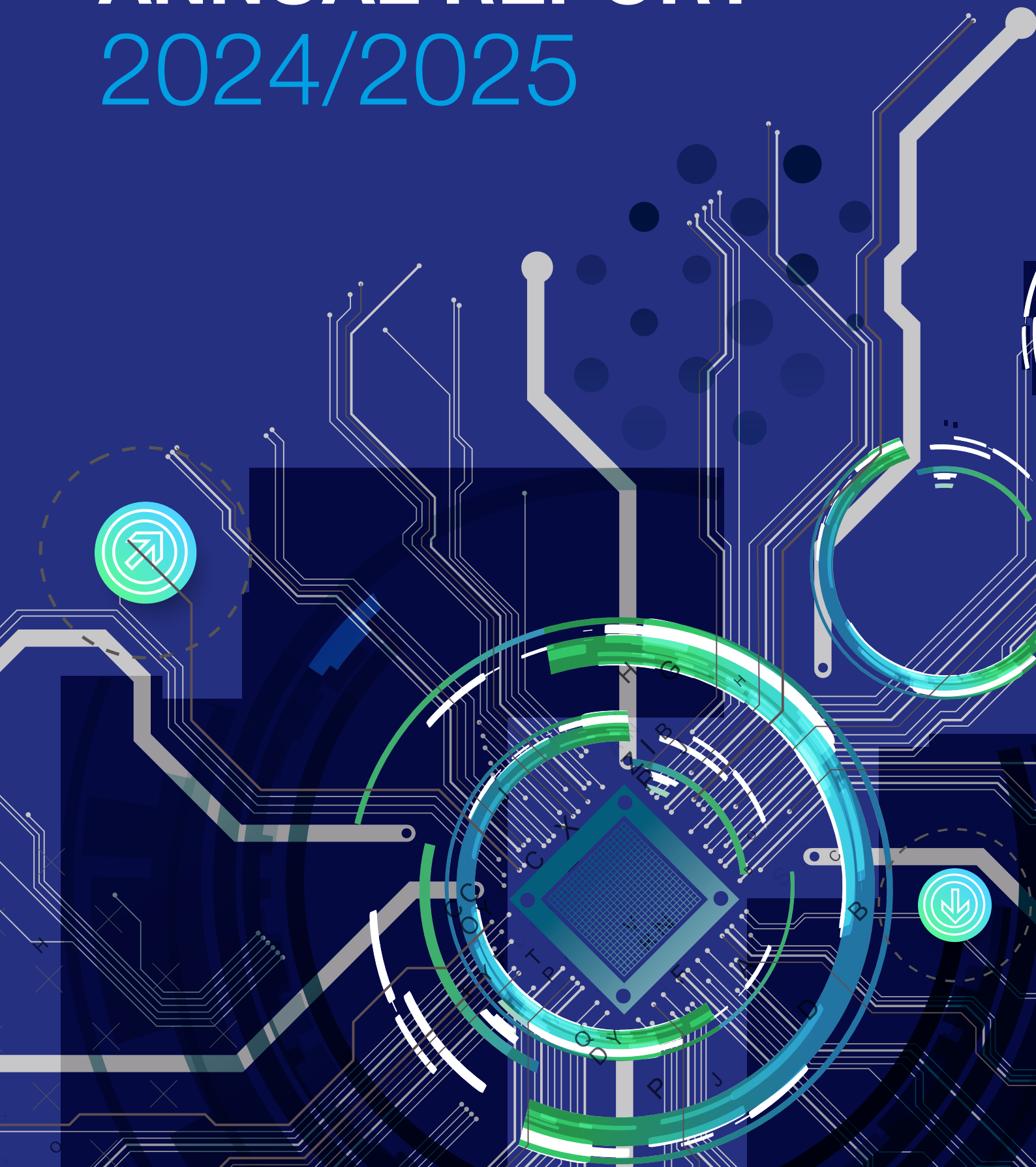
ANNUAL REPORT

2024/2025



ANNUAL REPORT

2024/2025



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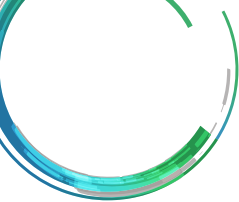
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PART A

GENERAL INFORMATION





1.1 PUBLIC ENTITY'S GENERAL INFORMATION

Table 1: General Information

Registered name of the public entity	NATIONAL HOME BUILDERS REGISTRATION COUNCIL
Registration numbers	N/A
Registered office address	27 Leeuwkop Road, Sandton, Sunninghill, Johannesburg, 2157
Postal address	PO Box 461, Randburg, 2125
Contact telephone numbers	(011) 317 0000
Email address	thenhbrc@nhbrc.org.za
Website address	www.nhbrc.org.za
External Auditor's information – External Auditor's name and address	Auditor-General of South Africa 4 Davenry Street Lynnwood Bridge Office Park, Lynnwood Manor, Pretoria, 0081
Banker's information – Name of bank and address of bank	First National Bank – 4 First Place, 3rd floor, Bank City, Johannesburg
Company Secretary	Ms Neo Muhlwa

1.2 LIST OF ACRONYMS

APP	Annual Performance Plan
ARCO	Audit and Risk Committee
BEE	Black Economic Empowerment
CEO	Chief Executive Officer
CPI	Consumer Price Index
ERM	Enterprise Resource Management
ESG	Environmental, Social and Governance
EXCO	Executive Committee
FAFC	Fund Advisory and Finance Committee
GDP	Gross Domestic Product
GRAP	Standards of Generally Recognised Accounting Practice
HCREMCO	Human Capital and Remuneration Committee
IA	Internal Audit
IAC	Industry Advisory Committee
MTEF	Medium-term Expenditure Framework
MTSF	Medium-term Strategic Framework
NHBRC	National Home Builders Registration Council
OHS	Occupational Health and Safety
PFMA	Public Finance Management Act
RMSC	Risk Management Steering Committee
SACPCMP	South African Council for the Project and Construction Management Profession
SACQSP	South African Council for the Quantity Surveying Profession
SETC	Social Ethics and Transformation Committee
SHE	Safety, Health and Environment
SHRA	Social Housing Regulatory Authority



1.3 FOREWORD BY MINISTER

It is my privilege to present the Annual Report of the National Home Builders Registration Council (NHBRC) for the 2024/25 financial year. This report reflects both the progress we have made in ensuring safer and more resilient human settlements, as well as the work that still lies ahead in strengthening the built environment sector.

This year, the tragic collapse of the building in George reminded us in the most painful way of the real human consequences when standards are compromised. While the loss of lives can never be undone, the collective efforts of government, the NHBRC, and other partners in responding to this tragedy have been critical in rebuilding confidence and ensuring accountability. I wish to acknowledge the NHBRC's role in supporting investigations, offering technical expertise, and advancing measures to ensure that such a tragedy is not repeated.

At the heart of this mandate lies the importance of credible, professional, and independent inspection services. Homeowners, developers, and communities must be able to trust that every structure built under the NHBRC's oversight is safe, compliant, and of enduring quality. This Annual Report demonstrates the need for the Council to strengthen inspections and enforcement – a cornerstone of our vision for dignified housing and sustainable settlements.

As we move forward, the implementation of the new Housing Consumer Protection Act remains a priority. The signing of this Act marked a historic step in transforming our legislative framework. However, legislation alone does not deliver change – it is through the timely finalisation of regulations, and their effective application on the ground, that we will give real meaning to this milestone. I therefore urge that the process of concluding the regulations be expedited, so that the NHBRC and all stakeholders can operate with clarity, certainty, and renewed energy.

The NHBRC's work is central to our nation's human settlements agenda. I wish to commend the Council's leadership, management, and staff for their commitment during this reporting year. Together, we must continue to build a future where every South African has access to a safe home, and where quality construction is the standard, never the exception.

Ms Thembi Simelane

Minister of Human Settlements



1.4 FOREWORD BY THE CHAIRPERSON

It gives me great pleasure to present the National Home Builders Registration Council's (NHBRC) Annual Report for the 2024/2025 financial year. This report not only reflects our performance against strategic objectives but also reaffirms our unwavering commitment to protecting the housing consumers and improving the quality of homes built in South Africa.

The past year has seen the NHBRC navigate a complex and evolving landscape shaped by economic uncertainties, shifting policy environments, and a growing demand for sustainable housing solutions. Despite these challenges, we have remained focused on our mandate to regulate the home building industry and to ensure the delivery of quality homes that meet prescribed standards.

Key milestones this year include the continued implementation of our strategic turnaround plan, enhanced oversight of compliance, enforcement mechanisms, and significant strides in capacitating emerging home builders through training and development initiatives. The successful rollout of digital inspection and registration platforms also marked an important step toward modernising our operations for greater efficiency and accessibility.

Importantly, we have deepened our engagement with key stakeholders – including government entities, the private sector, and civil society – to strengthen regulatory frameworks and support the transformation of the housing sector. Through collaborative efforts, we aim to build a more inclusive and resilient built environment, that supports socio-economic development and addresses the housing needs of all South Africans.

I wish to express my sincere appreciation to the NHBRC Council, executive management, and staff for their dedication and integrity in carrying out their responsibilities. Your collective efforts have contributed immensely to the achievements recorded during this reporting period. I also extend our gratitude to the Minister of Human Settlements for her continued guidance and support.

As we look ahead, the NHBRC remains steadfast in its vision of driving excellence in the home building environment. We are committed to embracing innovation, enhancing compliance and ensuring that every South African has access to a safe, decent, and structurally sound home.

Ms Noxolo Kiviet
Chairperson



1.5 ACTING CHIEF EXECUTIVE OFFICER'S OVERVIEW

During the 2024/2025 financial year, the NHBRC continued to strengthen its regulatory mandate by significantly improving compliance across the homebuilding industry. A total of 4 499 new homebuilders were registered, substantially exceeding the annual target and signalling growing confidence in the sector's formal structures. This increase was largely the result of intensified outreach, awareness campaigns, and registration drives. However, while new registrations surpassed expectations, renewals fell slightly short of the planned target. This deviation was attributed to a trend where our campaigns attracted more first-time registrants than returning members. This highlighted the need to strengthen retention strategies for existing builders.

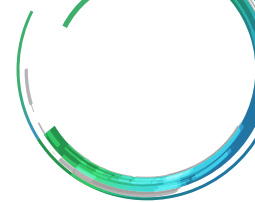
Inspection coverage, both in the subsidy and non subsidy housing segments, also improved markedly. For non subsidy housing, 31 712 homes were inspected, exceeding the annual target and ensuring that construction in the private sector adhered to quality and safety standards. In the subsidy market, inspections rose significantly, reaching 27 149 – well above expectations. This reinforced our commitment to protecting government investments in housing while safeguarding the dignity of vulnerable communities. Furthermore, the NHBRC maintained a 100% performance rate in the suspension of non compliant builders, timely disciplinary hearings, and dispute resolution processes. These consistent outcomes reflect the Council's operational maturity and a robust enforcement framework that continues to instil accountability across the value chain.

Equally important was the Council's focus on developing competent homebuilders and technical professionals. During the reporting year, 2 582 homebuilders were trained – an achievement that not only met but surpassed our transformation objectives. The NHBRC also made deliberate progress in promoting inclusivity, as reflected in the number of women trained, which rose to 2 352, and youth trainees, who totalled 2 008. Military veterans received increased support, with 258 trained, which contributed meaningfully to skills development among previously marginalised groups. Notably, 927 artisans were developed during the year – well above the target – which helped address the national shortage of skilled tradespeople and strengthened local economic development.

Despite these successes, minor deviations were observed in training for people with disabilities and technical professionals. In the former, some planned training could not proceed due to an insufficient number of learners per session, a logistical requirement necessary for cost-effective delivery. In the latter, compliance concerns linked to the POPI Act led to a shortfall in the number of technical professionals trained. Professionals were reluctant to submit personal identity information, prompting a change in our verification system from identity numbers to employee numbers in future training cycles.

Taken together, these outcomes under Programme 2 underscore the NHBRC's continued evolution as a performance-driven and transformation-focused regulator. Through improved compliance, greater inspection coverage, and targeted capacity building, we are laying the groundwork for a more resilient, inclusive, and professionally regulated homebuilding environment in South Africa.

MS Tamlyn Bouwer
Acting Chief Executive Officer



1.6 STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF THE ANNUAL REPORT

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

- All information and amounts disclosed in the Annual Report is consistent with the annual financial statements audited by the Auditor General.
- 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 E) have been prepared in accordance with the South African Standards of

Generally Recognised Accounting Practice (SA Standards of GRAP) applicable to the entity.

The accounting authority is responsible for the preparation of the annual financial statements and for the judgements made therein.

The accounting authority is also responsible for establishing and implementing a system of internal control designed to provide reasonable assurance regarding the integrity and reliability of performance information, 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 entity for the financial year ended 31 March 2025.

Yours faithfully

Ms Tamlyn Bouwer
Acting Chief Executive Officer

Ms Noxolo Kiviet
Chairperson of Council

1.7 STRATEGIC OVERVIEW

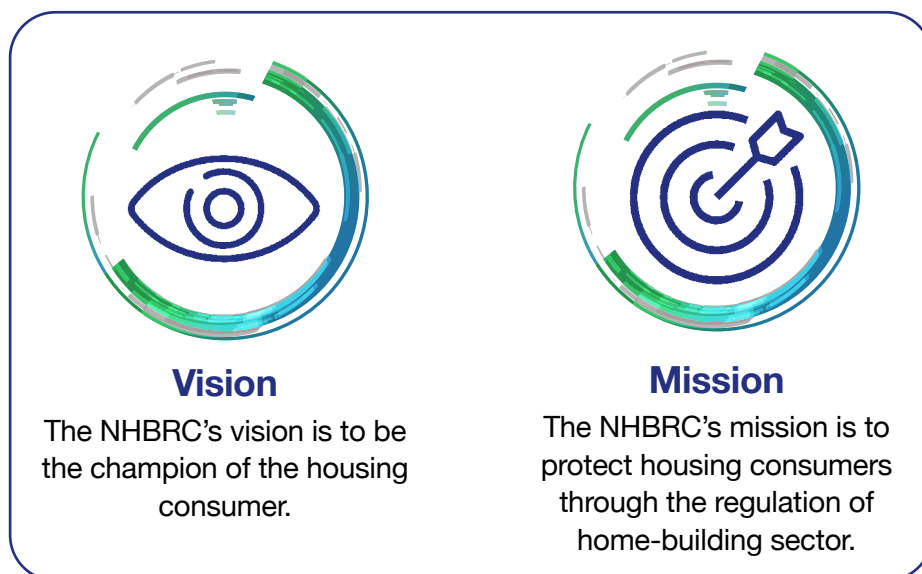


Table 2: Values

Values	Meaning
Excellence and integrity	To be the best and deliver the best honestly
Commitment and accessibility	To do work diligently and reach out to our stakeholders
Transparency and accountability	To be fair and open in delivering our functions responsibly

1.8 LEGISLATIVE AND OTHER MANDATES

The National Home Builders Registration Council (NHBRC) operates under a statutory framework rooted in the Housing Consumers Protection Measures Act No. 95 of 1998 (as amended) and subsequent amendments and regulations, including the Amendment Act No. 17 of 2007, the Housing Act No. 107 of 1997, and the NHBRC's Rules, disciplinary regulations, and Code of Conduct. This legislative foundation is supported by the Constitution of the Republic of South Africa, 1996, particularly Section 26, which enshrines the right of access to adequate housing and requires the state to take reasonable measures within its resources to progressively realize that right. Complementing this constitutional mandate, the White Paper for Human Settlements provides a comprehensive policy framework to support integrated, inclusive, and sustainable human settlements development; it emphasizes the enabling role of government in creating spatial justice, affordability, and administrative efficiency, guiding future housing legislation and strategic implementation. Most recently, the new Housing Consumer Protection Act No. 25 of 2024 replaces the 1998 Act, significantly expanding NHBRC responsibilities by making registration mandatory for all homebuilders—including those building or renovating their own homes—and requiring enrolment of homes before construction begins; it also introduces a broader scope for the Home Warranty Fund, updated consumer protections, enhanced dispute-resolution mechanisms, and explicit contractual warranties and obligations.

ORGANISATIONAL STRUCTURE

The organisational arrangements of the NHBRC are reflected in the organogram below:

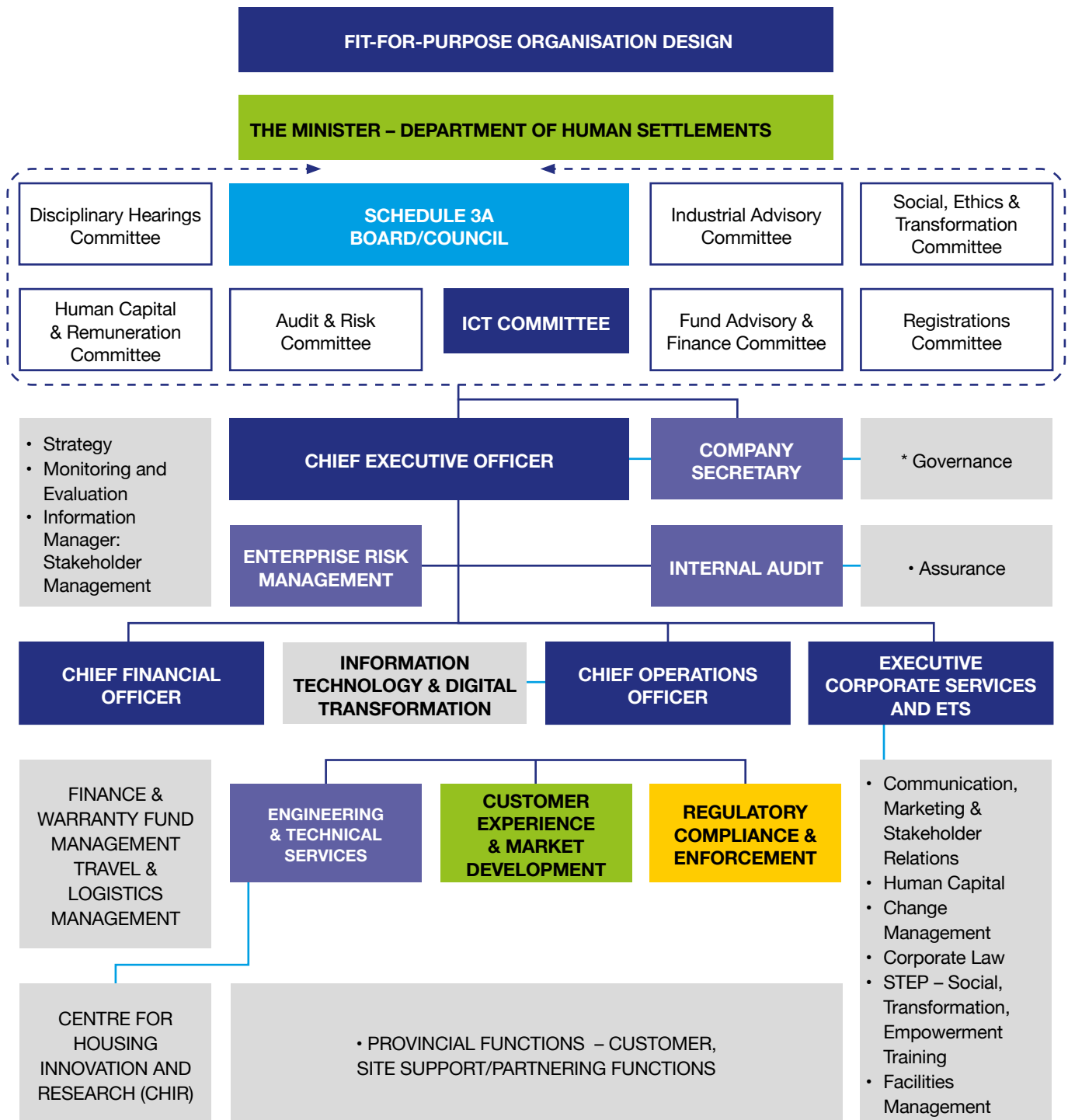
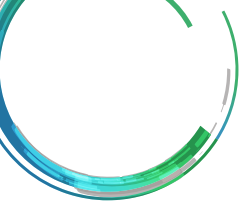


Figure 1: Organisational Structure



EXECUTIVE COMMITTEE

Table 3 : Executive Committee

	Mr Songezo Boo Chief Executive Officer (Suspended November of 2024)	• BCom, BCom (Hons), CA(SA) • N Dip Accounting
	Dr. Siphumeze Mndze Interim Chief Operations Officer (from October 2024)	• PhD Town and Regional Planning • MSc Development Planning • MM Public and Development Management • Bachelor of Arts • Dip Public Relations • Advanced Management Development Programme (AMDP)
	Ms Tamlyn Bouwer Chief Financial Officer (Acting Chief Executive Officer from March 2025)	• BCompt, BCom (Hons), CA(SA)



Ms. Sibongile Ngwenya

Executive Manager: Corporate Services

- Postgraduate Diploma: Labour Law
- Postgraduate Diploma: Business Management
- National Diploma: Law
- Diploma: Human Resource Management
- Management Advancement Program
- Bachelor of Social Sciences Degree



Mr Craig Makapela

Executive Manager: Engineering and Technical Services

- BSc Civil Engineering
- BEng (Hons) (Geotech Eng)
- MEng (Systems Engineering Management)
- Pr. Eng, PrCPM



Ms. Millicent Kabwe

Executive Manager: Customer Experience and Market Development and Enforcement

- MBA
- Postgraduate Diploma in Management Practice,
- Degree in Journalism
- N Dip Journalism



Ms. Nontuthuko Chilivane

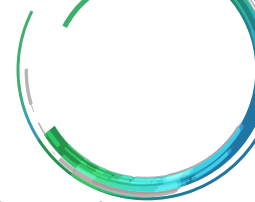
Acting Chief Executive Officer from Nov 2024 – 6 Jan 2025

- BSc: Quantity Surveying
- BSC:(Hons) Property Development
- Diploma Project Management
- Master of Science in Real Estate

PART B

PERFORMANCE INFORMATION





The NHBRC has adopted the triangulation methodology to improve and support reliability and validity of reported information. The individuals responsible for reporting are the organisation's first line of defence, followed by the monitoring and evaluation function that also validates reported information as the custodian of organisational strategy and managing the performance of the strategy. Lastly internal audit will audit the quarterly performance report and provide an audit report before the performance information report is submitted to EXCO, Committees of Council and Council.

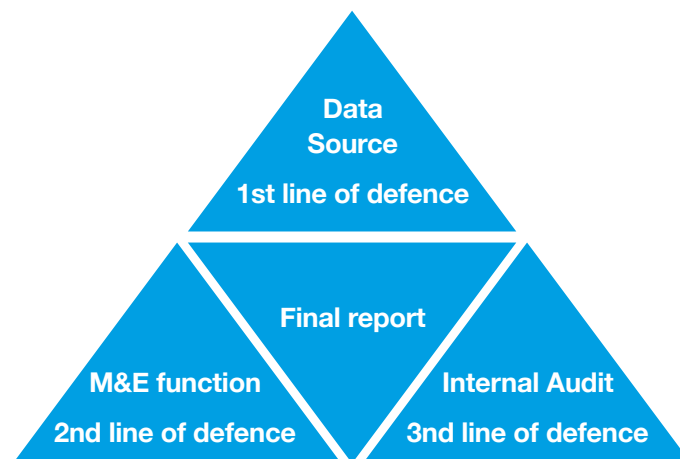


Figure 2: The NHBRC Validity Model

The model depicted above has proved to be an effective model for the NHBRC, it has assisted in promoting the usefulness of reported information in the decision-making process of the organisation. It has also assisted in ensuring that the reported information is trustworthy through our quarterly reporting process throughout the financial year.

The Auditor General of South Africa is the ultimate provider of validity through their auditing process of the Annual Report, provision of an audit opinion thus promoting public confidence in the reported information.

2.1 AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to the Auditor General's report on the audit of the annual performance report (page 68 to 73) published as Part F of the annual report

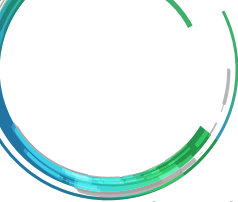
2.2 OVERVIEW OF THE NHBRC PERFORMANCE

Service deliver environment

During the 2024/2025 financial year, Programme 2: Regulation made significant strides in promoting improved regulatory compliance and enhancing the competence of homebuilders and technical professionals. Overall, the programme demonstrated robust performance, with many targets being met or exceeded, although a few areas experienced marginal shortfalls.

2.2.1 Improved Regulatory Compliance

The programme successfully registered 4 499 new homebuilders, surpassing the annual target of 3 502, reflecting increased participation in the formal housing sector. However, the number of renewed registrations slightly fell short of the target (15 869 achieved vs 15 950 planned). This deviation is attributed to a strategic focus on attracting new entrants during registration drives, which inadvertently resulted in a lower-than-expected renewal rate.



Inspection of homes also performed above expectations. The number of non subsidy homes inspected totaled 27 149, exceeding the target of 25 200. Similarly, inspections for subsidy homes reached 31 712, significantly higher than the planned 26 000, indicating heightened oversight and compliance in the subsidised housing sector.

The programme maintained its commitment to regulatory enforcement. It achieved 100% performance in suspending all prosecutable matters within the stipulated 10 working days and 100% compliance in setting down disciplinary hearings within 30 days. Furthermore, 100% of disputes were resolved, reflecting the programme's efficiency in legal and compliance processes.

2.2.2 Competent Homebuilders and Technical Professionals

The programme achieved notable success in the training and development of industry professionals. The number of homebuilders trained stood at 2 582, exceeding the target of 2,500. Similarly, training efforts among youth (2 008), women (2,352), and military veterans (258) all surpassed expectations, showcasing the programme's commitment to inclusivity and skills development across demographic groups.

However, the number of people with disabilities trained slightly missed the target (276 vs 280). This shortfall resulted from insufficient demand, as training sessions require a minimum of 20 participants. Despite active engagement, enrolment numbers fell below this threshold in certain regions.

Training of technical professionals also fell short, with 737 individuals trained against a target of 800. The underachievement was primarily due to data privacy concerns related to the Protection of Personal Information (POPI) Act, which made participants hesitant to share identity numbers for verification. To address this, future sessions will use employee numbers as a means of verification, facilitating broader participation while ensuring compliance.

On a more positive note, 927 artisans were developed, well above the target of 700, reflecting expanded investment in trade skills and technical capacity building.

While Programme 2 delivered strong performance across most indicators, several challenges emerged that impacted the full realisation of planned targets and highlighted areas for operational improvement.

2.2.3 Retention of Registered Homebuilders

One of the notable challenges was the slight shortfall in the number of homebuilders who renewed their registrations. Despite active registration and renewal campaigns, many existing homebuilders opted not to renew. This suggests potential issues with retention, possibly due to:

- Market exit by small scale builders facing economic pressure; or
- Shifts in the construction sector landscape, perceived administrative burden or costs associated with renewals.

The focus on attracting new entrants may have inadvertently deprioritised targeted retention efforts, contributing to the gap.

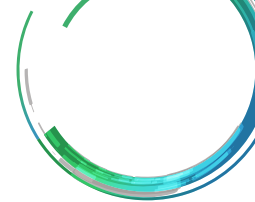
2.2.4 Limited Participation in Training for People with Disabilities

The programme experienced a lower than expected participation from people with disabilities, with actual training numbers falling just below the minimum threshold required to initiate sessions. This points to a challenge in:

- Reaching and mobilising learners within this demographic;
- Possibly limited access to communication or transportation; and
- A need for more inclusive outreach and support strategies.

2.2.5 Data Privacy Concerns Impacting Technical Training

Another key challenge arose during the training of technical professionals, where participants showed reluctance to provide identity numbers due to concerns under the Protection of Personal Information (POPI) Act. This privacy issue created barriers in attendance verification and discouraged some professionals from participating, ultimately leading to an underachievement in this area. The programme has since resolved to switch to employee number verification going forward.



2.2.6 Resource and Demand Coordination in Training

Some training programmes rely on minimum enrolment numbers to be cost effective and viable. In certain cases, demand in specific groups or regions may not have met these requirements, leading to session cancellations or consolidation. This presents a logistical challenge in balancing capacity with fluctuating interest.

2.2.7 Sector-Specific Constraints

Although not explicitly detailed in the report, the broader construction and housing sector may have faced challenges such as:

- Delays in project implementation or funding cycles;
- Economic pressures impacting builder activity; and
- Regional disparities in infrastructure development.

These systemic issues can indirectly influence registration rates, training participation, and inspection workloads.

2.2.7.1 Organisational environment

During the 2024/2025 financial year, the National Home Builders Registration Council (NHBRC) faced significant challenges following the tragic collapse of the Neo Victoria residential building in George on 6 May 2024, which resulted in 34 fatalities and numerous injuries. An investigation revealed systemic failures, including fraudulent certification by the construction company, irregular project enrolment, inspection lapses, and occupational health and safety violations. These findings highlighted significant shortcomings within the NHBRC's processes and oversight mechanisms.

The fallout from the investigation led to notable leadership changes within the NHBRC. The term of the previous board concluded 25 November 2024, and in January 2025, a new council was appointed. Additionally, the CEO was suspended in November 2024. An acting CEO was appointed in March 2025. These leadership transitions impacted the NHBRC's ability to perform certain duties, affecting overall performance.

President Cyril Ramaphosa signed the Housing Consumer Protection Act into law, modernising the regulation of the home-building sector and introducing significant penalties. The legislation introduces personal liability for home-builder directors and up to R1.5 million in administrative fines or 10 years' imprisonment for violations. It establishes mandatory registration and grading of homebuilders and inspectors and creates provisions for whistle-blowing and stricter enforcement of OHS regulations.

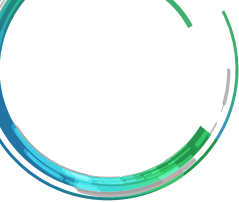
The NHBRC has committed to implementing the recommendations from the investigation to prevent future occurrences and restore public trust. These include clear certification limitations based on project scale, peer review teams for high risk projects, mandatory skills audits, vetting of inspectors and technical managers, and onsite presence of qualified technical managers during critical stages of construction.

As the NHBRC moves forward under new leadership, the focus remains on strengthening regulatory frameworks, enhancing oversight, and ensuring accountability to safeguard the interests of housing consumers in South Africa.

2.2.7.2. Key policy developments and legislative changes

The National Home Builders Registration Council (NHBRC) has undergone several key policy and legislative developments to strengthen housing consumer protection and improve construction standards in South Africa. Central to its mandate is the Housing Consumers Protection Measures Act (No. 95 of 1998), which established the NHBRC and requires all home builders to register, ensuring accountability and quality assurance in the residential sector. Over time, proposed amendments – such as the 2019 Draft Bill – have aimed to expand the NHBRC's enforcement powers, introduce stricter penalties for non compliance, and enhance consumer recourse mechanisms.

The NHBRC has also focused on technical regulation, with the implementation of the Home Building Manual and alignment with national building standards (e.g., SANS 10400) to ensure structural integrity and safety. Additionally, the Council has introduced transformation initiatives, promoting skills development and economic inclusion for youth and women in the construction industry. In recent years, the NHBRC's policies have begun to emphasise green building practices and sustainability, aligning its operations with broader national goals for environmental responsibility and energy efficiency in housing.



2.3 PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

For this Medium term Strategic Framework (MTSF) period, the NHBRC strategic outcomes are aligned with our three operational programmes, namely, Administration, Regulation, and Consumer Protection.

2.3.1 Alignment of strategic outcomes

Table 4: Strategic outcomes

Programme	Strategic outcomes
Administration	Functional, efficient, and integrated governance
Financially sustainable organisation to promote economic inclusion	
Regulation	Adequate housing and improved living environment
Competent homebuilders and technical professionals	
Consumer Protection	Adequate housing and improved living environment

The NHBRC impact statement for the MTSF is to ensure consumers and builders are informed of their rights and responsibilities within a compliant industry. In this regard, we structured our budget into three programmes, as explained above.

The first, Administration, was aligned with MTSF Priority 1: Economic transformation and job creation; Priority 2: Education, skills and health; and we intended three outcomes for this programme:

2.3.1.1 Functional, efficient, and integrated government

The NHBRC aims to achieve an unqualified audit opinion with no material finding in the next financial year.

In ensuring that issues identified by Auditor-General are addressed, the NHBRC put in place an Internal Audit (IA) Plan, including the action plan to address issues raised.

The NHBRC has zero tolerance for fraud and corruption. All allegations of fraud and corruption identified within the organisation are properly investigated and reported to the Audit and Risk Committee.

An annual Risk Management Plan is developed to identify, evaluate, and plan for possible risks that may arise within the organisation so that proactive measures are taken to minimise the impact.

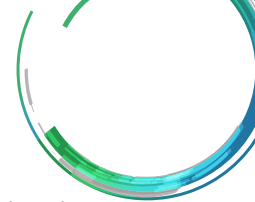
2.3.1.2 Improved accessibility and visibility of the NHBRC products and services

For this outcome, we ensure that our housing consumers know their rights and responsibilities. As at the end of the 2025 financial year, through consumer awareness campaigns and an increased social media presence, the NHBRC fulfilled its objective of improving visibility and accessibility. For the 2024/2025 financial year, the NHBRC successfully implemented 100% of its communication plan.”

2.3.1.3 Financially sustainable organisation promoting economic inclusion.

For this outcome, we advocate for accelerating economic growth and empowering women, youth, and people with disabilities. For the financial year under review, the NHBRC procured products and services from these designated groups as follows: 44% women-owned businesses, 26% youth-owned businesses, people with disabilities owned businesses and businesses owned by military veterans.

The second programme, Regulation, enforces compliance with residential building standards and aligns with MTSF Priority 4: Spatial integration, human settlements and local government, and has two outcomes:



Adequate housing and improved living environment. For this outcome, the NHBRC planned to ensure builder registrations and renewals, as well as home inspections. The NHBRC aims to suspend all defaulting homebuilders within 10 working days and ensure 100% of prosecutable matters are set down for hearing before the Disciplinary Committee within 120 working days from the date of approval to prosecute.

With regards to complaints lodged by homeowners against structural or maintenance defects, the target is to resolve 100% of disputes within 90 days.

2.3.1.4 Competent homebuilders and technical professionals

The NHBRC planned to train homebuilders, women, youth, persons with disabilities and military veterans.

The NHBRC is also committed to supporting technical professional with continuous professional development training. To support the country in developing artisans, the NHBRC has trained 927 artisans in the 2024/2025 FY.

The last programme, Consumer Protection, also aligned with MTSF Priority 4: Spatial integration, human settlements and local government, has two outcomes: Adequate housing and improved living environment

To achieve this outcome, the NHBRC aims to enrol all qualifying homes subsidy and non subsidy enrolments. Over the past four years, the NHBRC has managed to enrol all housing projects that are compliant with the enrolment requirements.

2.3.1.5 Greenhouse gas emission reduction

The NHBRC's five year plan is to promote greenhouse gas emission reduction. The evaluation and performance monitoring of the constructed home took place during the 2023/24 financial years. The green net zero energy house was launched in the first quarter of the 2024/25 financial year.

2.4 INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

During the year under review, the NHBRC's performance was based on three key programmes: Administration, Regulation, and Consumer Protection. The NHBRC achieved 100% of the targets under Administration, 79% under Regulation, and 75% under Consumer Protection. Overall, 85% of the set targets for 2024/25 were achieved, which is higher than the performance achieved in the 2023/24 financial year.

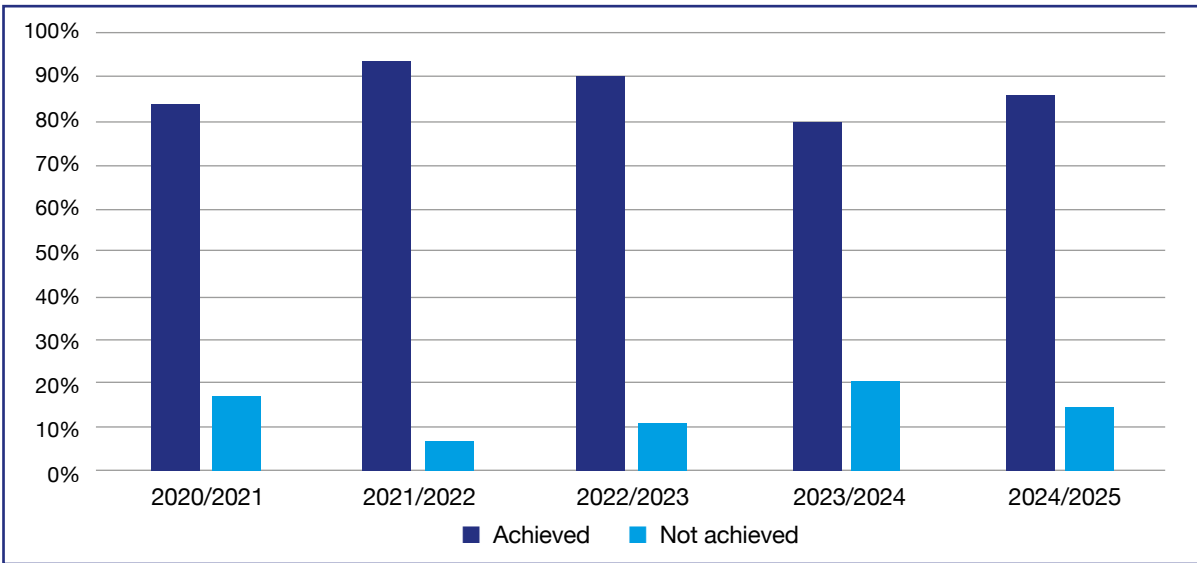
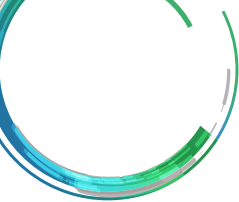


Figure 3: Institutional Programme Performance Information



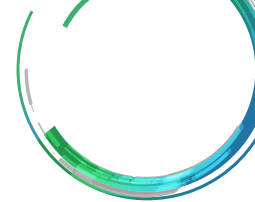
2024/25 ANNUAL PERFORMANCE INFORMATION (APP)

Programme 1: Administration

The purpose of this programme is to provide functional and efficient support services to the organisation by ensuring financial sustainability and improved access and visibility of the NHBRC's products and services.

Table 5: Programme 1 performance

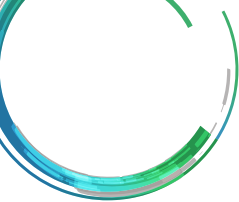
Outcome	Output	Output indicator	Actual Audited performance 2022/2023	Planned Annual Target 2024/2025	Actual Audited Performance 2023/2024	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviation
Functional, efficient and integrated governance	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	Target met	Not applicable
	Internal Audit Report	Percentage execution of approved annual internal audit plan	100% implementation of the approved Internal Audit Plan	100% implementation of the approved Internal Audit Plan	100% implementation of the approved Internal Audit Plan	100% implementation of the approved Internal Audit Plan	Target met	Not applicable
	Anti Fraud and Corruption Report	Percentage implementation of the approved Anti Fraud and Corruption plan	100% implementation of the approved Anti Fraud and Corruption Plan	100% implementation of the approved Anti Fraud and Corruption Plan	100% implementation of the approved Anti Fraud and Corruption Plan	100% implementation of the approved Anti Fraud and Corruption Plan	Target met	Not applicable
	Risk Management Report	Percentage implementation of the risk management plan	100% implementation of the approved Risk Management Plan	100% implementation of the approved Risk Management Plan	100% implementation of the approved Risk Management Plan	100% implementation of the approved Risk Management Plan	Target met	Not applicable
Improved Accessibility and Visibility	Communication Plan	Percentage implementation of Communication Plan	100% implementation of the Communication Plan achieved	88% implementation of the Communication Plan achieved	100% implementation of Communication Plan	100% implementation of the Communication Plan achieved	Target met	Not applicable



Programme 1: Administration (continued)

Table 5: Programme 1 performance (continued)

Outcome	Output	Output indicator	Actual Audited performance 2022/2023	Planned Annual Target 2024/2025	Actual Audited Performance 2023/2024	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviation
Financially sustainable organisation that promotes economic inclusion	Transformation and empowerment of designated groups	Percentage of annual procurement spent – women	40% of annual procurement spent – women.	41% of procurement spend on designated groups – women	40% of procurement spend on designated groups – women	44% of procurement spend on designated groups – women	Target over achieved by 4%	Increased availability of women owned businesses for goods and services required by NHBRC
		Percentage of annual procurement spent on designated groups	21% of annual procurement spent – youth	23% of annual procurement spent – youth	26% of annual procurement spent – youth, persons with disabilities and military veterans	26% of annual procurement spent – youth, persons with disabilities and military veterans	Target met	Not applicable
			1% of annual procurement spent – people with disabilities	5% of annual procurement spent – people with disabilities				
			N /A	4% of annual procurement spent – military veterans				
	Payment of valid invoices	Percentage of valid invoices paid within 30 days	NA	NA	100% valid invoices paid within 30 days	100% Valid invoices paid within 30 days	Target met	Not applicable

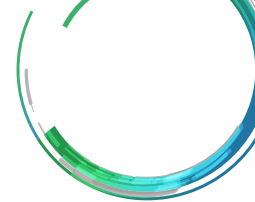


Programme 2: Regulation

The purpose of this programme is to ensure the registration of home builders, train home builders, and to regulate and enforce compliance with building standards.

Table 6: Programme 2 Performance

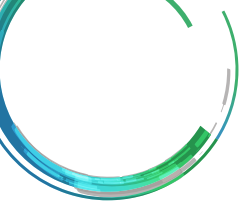
Outcome	Output	Output indicator	Actual Audited performance 2022/2023	Actual Audited performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviation
Improved regulatory compliance	Registered builders	Number of home-builders registered	3 535 homebuilders registered	3 690 homebuilders registered	3 502 home-builders registered	4,499 home-builders registered	Target over achieved by 997	New business was realised through the targeted registration drive
	Renewed homebuilders' registrations	Number of home-builders registrations renewed	14 080 registrations renewed	14 265 registrations renewed	15 950 registrations renewed	15 869 registrations renewed	Target under achieved by 81	While we conducted targeted registration and renewal drives the initiatives attracted more new business rather than retain existing members.
	Inspected homes non subsidy	Number of homes inspected – non subsidy	100% of homes inspected – non subsidy	32 404 homes inspected – non subsidy	25 200 homes inspected – non subsidy	31 712 homes inspected -non subsidy	Target over achieved by 6 512	Implementation of the request for inspection for critical stages has enhanced performance
	Inspected homes subsidy	Number of homes inspected – subsidy	100% of homes inspected – subsidy	25 990 homes inspected-subsidy	26 000 homes inspected -subsidy	27 149 homes inspected -subsidy	Target over achieved by 1 149	Implementation of the request for inspection for critical stages has enhanced performance
Inspected homes subsidy (continued)	Percentage of Suspensions	Percentage of suspendable matters suspended	100% of prosecutable matters suspended within 10 working days	100% of prosecutable matters suspended	100% of suspendable matters suspended	100% of suspendable matters suspended	Target met	Not applicable
Improved regulatory compliance (continued)	Percentage Disciplinary Committee set down for hearing	Percentage of prosecutable matters set down for hearing	93% of prosecutable matters set down for hearing before the Disciplinary Committee within 30 working days	100% of prosecutable matters set down for hearing	100% of prosecutable matters set down for hearing	100% of prosecutable matters set down for hearing	Target met	Not applicable
	Percentage of disputes resolved	Percentage of disputes resolved	93% disputes resolved	99% disputes resolved	100% disputes resolved	100% disputes resolved	Target met	Not applicable
Competent home-builders and technical professionals	Trained builders	Number of home-builders trained	2 045 homebuilders trained	2 369 homebuilders trained	2 500 homebuilders trained	2 582 home-builders trained	Target over achieved by 82	Sufficient number of trainees responded to the training opportunity
	Trained Youth	Number of Youth trained	1 848 youth trained	1 879 youth trained	2 000 youth trained	2 009 youth trained	Target over achieved by 9	Sufficient number of trainees responded to the training opportunity
Competent home-builders and technical professionals (continued)	Trained women	Number of women trained	1 888 women trained	2 134 women trained	2 200 women trained	2 352 women trained	Target over achieved by 152	Sufficient number of trainees responded to the training opportunity
	Trained military veterans	Number of military veterans trained	170 military veterans trained	201 military veterans trained	220 military veterans trained	258 military veterans trained	Target over achieved by 38	Sufficient number of trainees responded to the training opportunity



Programme 2: Regulation (continued)

Table 6: Programme 2 Performance (continued)

Outcome	Output	Output indicator	Actual Audited performance 2022/2023	Actual Audited performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviation
Competent home-builders and technical professionals (continued)	Trained people with disabilities	Number of people with disabilities trained	261 people with disabilities trained	250 people with disabilities trained	280 people with disabilities trained	276 people with disabilities trained	Target under achieved by 4	For training to be conducted, there should be a minimum of 20 learners. Requests for training fell below the minimum number of learners required
Competent home-builders and technical professionals (continued)	Trained technical professionals	Number of technical professionals trained	933 Technical professionals trained	859 technical professionals trained	800 Technical professionals trained	737 Technical professionals trained	Target under achieved by 63	Planned training was not executed due to technical professionals' reluctance to provide personal details
	Developed artisans	Number of artisans developed	806 artisans trained	0 artisans trained	700 Artisans trained	927 Artisans trained	Target over achieved by 227	Sufficient number of trainees responded to the training opportunity

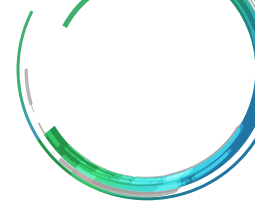


Programme 3: Consumer Protection

The purpose of the programme is to improve regulatory compliance and reduce greenhouse gas emissions.

Table 7: Programme 3 performance

Outcome	Output	Output indicator	Actual Audited performance 2022/2023	Actual Audited performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviation
Adequate housing and improved living environment	Enrolled subsidy homes	Percentage of enrolment applications approved – subsidy	100% of enrolment applications approved – Subsidy	100% of enrolment applications approved – Subsidy	100% of enrolment applications approved – Subsidy	100%	Target met	Not applicable
	Enrolled subsidy projects	Percentage of enrolment applications approved – subsidy projects	100% subsidy project enrolment applications approved	100% of enrolment applications approved – subsidy projects	100% of enrolment applications approved – subsidy projects	100%	Target met	Not applicable
	Enrolled non subsidy homes	Percentage of enrolment applications approved – non subsidy	100% of enrolment applications approved – non subsidy	100% of enrolment applications approved – non subsidy	100% of enrolment applications approved – non subsidy	97%	Target under achieved by 3%	Additional requirements in the enrolment process has impacted on turnaround time
	Launch green net-zero energy house	Net-zero house launched	N/A	N/A	Launch net-zero house	Launched the net-zero to the Council and external stakeholders on the 9th April 2024	Target met	Not applicable



Linking performance to budget

Table 8: Linking budget to performance

2023/2024				2024/2025		
Programme/ Activity/ Objective	Budget R '000	Actual Expenditure R '000	(Over)/Under expenditure R '000	Budget R '000	Actual Expenditure R '000	(Over)/Under expenditure R '000
Administration	333 517	395 435	69 397	353 052	291 051	62 001
Regulation	349 259	324 695	(52 021)	337 381	371 867	(34 485)
Protection	251 761	240 402	(25 460)	269 883	218 916	50 967
Total	934 537	960 532	(8 084)	960 317	881 833	78 483

Strategies to overcome areas of under performance

To address the areas of non-achievement, a multi pronged strategy will be implemented in the upcoming financial year. Targeted and sustained renewal campaigns will be prioritised to retain existing members and close the gap in registration renewals. To improve participation in training programs for persons with disabilities, The NHBRC will expand its partnerships with a broader range of relevant organisations and implement early engagement strategies to ensure minimum learner thresholds are met. For technical professionals, the introduction of employee numbers as an alternative to identification verification will help alleviate POPIA-related concerns and improve training attendance. Additionally, the organisation will enhance the monitoring of quarterly performance to ensure consistent progress and timely corrective action. Lastly, the enrolment application process will be refined by reviewing internal workflows and turnaround times to maintain quality while increasing efficiency and responsiveness.

2.5 REVENUE COLLECTION

Revenue to fund the operations of the NHBRC is derived from various sources such as fee revenue, insurance premium revenue, and technical revenue.

2.5.1 Fee revenue

Fee revenue comprises largely of the registration and annual fee payable to the NHBRC by home builders and subsidy project enrolments fees. Fee revenue overperformed during the 2024/25 financial year because of the overperformance of subsidy project enrolment fees. Subsidy project enrolment fees are payable by the provincial Departments of Human Settlements for project-related work concerning enrolments.

2.5.2 Insurance premium revenue

Insurance premium revenue constitutes roughly 95% of the revenue earned by the NHBRC and comprises enrolment fees paid for the enrolment of homes in both the non-subsidy and subsidy sectors. The economic downturn affected the non-subsidy revenue performance with fewer enrolments in 2024/25. The subsidy market performed well due to the demand for housing.

2.5.3 Technical revenue

Technical revenue largely comprises forensic and geotechnical assessments conducted by the NHBRC, driven by these requests received by the provincial Departments of Human Settlement as and when required. This is driven by demand for specialized service when required by the provincial departments of Human Settlements and in the year under review, the NHBRC has less requirements.



Table 9: Revenue collection

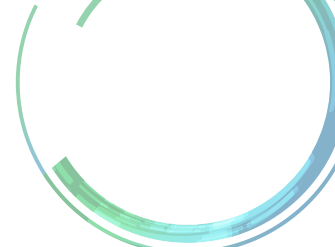
2023/2024				2024/2025		
Source of revenue	Estimate R '000	Actual Amount collected R '000	(Over)/Under collection R '000	Estimate R '000	Actual Amount collected R '000	(Over)/Under collection R '000
Fee revenue	74 837	97 675	(18 801)	59 169	145 824	(86 655)
Insurance premium revenue	824 735	638 046	124 661	809 304	520 627	288 677
Technical service revenue	12 000	51 797	1 925	58 844	11 452	47 392
Other revenue and other income	3 500	16 689	11 579	3 500	27 724	(24 224)
Interest received and investment income	536 000	1 407 655	(753 851)	576 000	1 721 206	(1 145 206)
Total	1 451 072	2 211 863	(634 487)	1 506 817	2 426 833	(920 016)



PART C

GOVERNANCE





3.1 INTRODUCTION

The statutory functions of the NHBRC Council and the Executive Authority are determined in terms of the Housing Consumers Protection Measures Act, the PFMA, and all other applicable legislations. The NHBRC Council is committed to sound governance and ensures that the entity has ethical and effective leadership. Sound corporate governance principles are embedded in the values, culture, processes, and systems of the entity. These are designed in accordance with best practices and incorporate the principles espoused in the King IV report on corporate governance and contained in the governance requirements of the Housing Consumers Protection Measures Act and the PFMA.

3.2 PORTFOLIO COMMITTEES

Parliament, through the Portfolio Committee on Human Settlements, exercises its oversight role over service delivery and the performance of the entity by evaluating and interrogating the financial and non-financial performance reported in the quarterly and annual reports. The NHBRC attended three meetings of the Portfolio Committee in the year under review to discuss performance and other NHBRC-related performance matters.

3.3 EXECUTIVE AUTHORITY

The NHBRC's executive authority vests with the Minister of Human Settlements. This is prescribed by the Housing Consumers Protection Measures Act and the PFMA. The Executive Authority has the power to appoint and dismiss the Council of the NHBRC. The previous council term ended in November of 2024 and the current Council was appointed February 2025 for a period of 3 years.

The NHBRC submits strategic and annual performance plans to the Minister of Human Settlements.

In this financial year, we did not amend our strategic plan.

3.4 THE ACCOUNTING AUTHORITY/THE BOARD

The Council is the Accounting Authority of the NHBRC and is appointed by the Minister of Human Settlements. The Council leads the organisation to achieve its strategic objectives by directing and approving its overall strategy and associated operational activities. It monitors the organisation's performance against the targets outlined in the annual performance plans and ensures that adequate processes are in place for budget planning and allocation to advance the NHBRC's mandate.

3.4.1 Responsibilities of Council

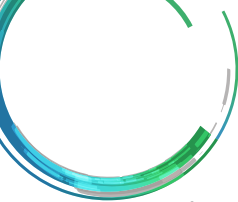
The statutory functions of the NHBRC's Council are determined in terms of the provisions of the Housing Consumers Measures Act and the PFMA. These include the following:

- To be the Accounting Authority
- To approve the corporate business plan, strategic plan and policies of the NHBRC
- To set performance targets for the organisation

The Council is responsible for, *inter alia*, the approval of the prepared annual financial statements that accurately reflect the NHBRC's financial position and results at the end of the financial year, which is set at 31 March each year. The Office of the Auditor-General is responsible for auditing the NHBRC's annual financial statements.

3.4.2 Board members' remuneration

Council members who are not government officials receive fees for the services they render to the NHBRC in accordance with the relevant tariffs determined by the National Treasury and approved by the Minister of Human Settlements. Members of the Audit and Risk Committee are remunerated in accordance with the National Treasury tariffs. Detailed information



on fees, emoluments, bonuses, and subsistence and travel claims paid to Council members, Audit and Risk Committee members, and executive members, as required by Treasury Regulation 28.1.1, are included in the notes to the annual financial statements.

3.4.3 Board members' interests in contracts

None of the Board members were involved in or had any interest in contracts entered into by the NHBRC in the year under review. Council members declare their interests annually.

3.4.4 Public Finance Management Act

The NHBRC is fully committed to complying with the provisions of the PFMA. The internal and external auditors continue to provide the Council with assurance on the degree of compliance with the PFMA.

3.4.5 Materiality framework

In accordance with the PFMA and Treasury Regulation 28.1.5, the NHBRC has developed a framework of acceptable levels of materiality and significance. This framework is approved and reviewed annually during the process of submitting our annual performance plans.

3.4.6 Corporate governance

The Council is responsible for policymaking, control, and strategic oversight while the NHBRC's CEO has been delegated the responsibility for the day-to-day execution of the policies and objectives as directed by the Council.

The members of the Council are appointed by the Minister of Human Settlements for representing and advancing the interests of housing consumers, home builders, suppliers of housing goods and services, and associated professionals. They are also appointed based on their expertise regarding structural defects in homes and their prevention and their knowledge of financial management, law, and research and technology development. They represent the interests of the national departments responsible for Housing, Trade and Industry, Finance, and Public Works. Council members are appointed for a maximum of three years and are eligible for reappointment. None of the Council members holds an executive position in the NHBRC. The Council may obtain independent professional advice if deemed necessary.

3.4.7 Council meeting attendance

In line with good governance principles, as adopted by the King IV Report of Good Corporate Governance, the PFMA, and the Council Charter and the Shareholder Compact, the Council is required to hold at least four quarterly meetings in each financial year to exercise proper oversight and accountability in relation to the activities of the NHBRC. Table 8 illustrates the meetings held in the year under review and each member's attendance at those meetings.

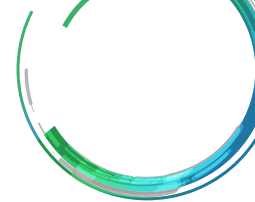


Table 10: Composition of the Board

Name and surname	Designation (In terms of public entity board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board (List of entities)	Other committees or task teams	Number of meetings attended
 Ms Nomusa Mufamadi	Chairperson	November 2021	Term ended 25 November 2024	• Bachelor of Accounting Science BCompt • P- Post Graduate Diploma in Financial Accounting (Honours) • Diploma Industrial Relations • Certificate in Human Resources and Change Management	• Finance and Risk Management • Auditing • Human Resources • Industrial Relations • Project Management	• Road Traffic Management Corporation (RTMC)	–	13
 Ms Nontuthuko Chiluvane	Member	November 2021/ January 2025	Current	• BSc: Quantity Surveying • BSc:(Hons) Property Development • Diploma Project Management • Master of Science. Real Estate • Certified Director (IoDSA)	• Quantity Surveying • Property Development & Management • Housing Development & Social Housing • Public Sector Management	• Women's Property Network • South African Facilities Management	• Durban University of Technology (Civil Engineering and Construction Department) – Advisory Board Member	11
 Ms Lucia Ncalane-Ngcobo	Member	November 2021/ January 2025	Current	• BSc: Property Development • BSc:Prop Dev (Quantity Surveying) Honours • Post Graduate Diploma in General Management	• Quantity Surveying • Project Management • Climate leadership		Co-opt member for Publicity and Committee for SACQSP	12



Table 10: Composition of the Board (continued)

Name and surname	Designation (In terms of public entity board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board (List of entities)	Other committees or task teams	Number of meetings attended
 Ms Morwesi Ramonyai-Thonga	Member	November 2021/ March 2025	Current	• Bachelor of Commerce • High Diploma. Computer Auditing • Executive MBA • International Executive Development Programme • Certificate Sustainability Leadership	• Audit & Risk • ESG (Environment, Sustainability & Governance) • Management Consulting • Corporate Governance.	• Johan-nesburg Development Agency Board (JDA).	–	14
 Ms Siphindile Memela	Member	November 2021/ January 2025	Current	• B. Housing Development • Advanced Diploma Management & Project Management • Post Graduate Diploma Property Development & Project Management • Full status Property Practitioner registered with the PPRA	• Property Development • Real Estate sales and rentals. • Facilities and property management	–	–	18

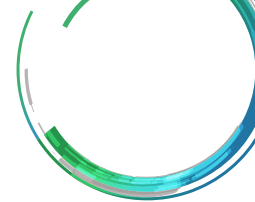


Table 10: Composition of the Board (continued)

Name and surname	Designation (In terms of public entity board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board (List of entities)	Other committees or task teams	Number of meetings attended
 Ms Kedibone Tsiloane	Member	November 2021	Term ended 25 November 2024	• Bachelor of Commerce: Internal Auditing • Bachelor of Commerce (Hons): Internal Auditing • Certified Internal Auditor • Certification in Control Self-Assessment • Post Graduate Diploma Business Administration	• Auditing • Business Management	–	–	13
 Mr Kganki Matabane	Member	November 2021/ January 2025	Current	• Master of Business Leadership • Postgraduate Diploma Business Administration • Bachelor of Cost and Management Accounting • National Diploma Costs and Management Accounting	• Costs and Management Accounting	-	-	9
 Ms Renaire Shelly Huntley	Member	November 2021/ January 2025	Current	• MSc: Environmental and Development • BSc: Biological Sciences • Certificate: Strategic Business Management • Certificate: Research Methodologies	• Strategic Business Management • Multi-Criteria Decision-Making • Sustainability/ESG. • Health, Safety & Environment	EARTH Centre NPO	-	17

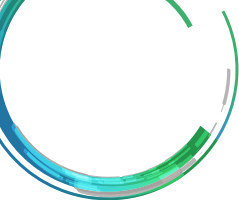


Table 10: Composition of the Board (continued)

Name and surname	Designation (In terms of public entity board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board (List of entities)	Other committees or task teams	Number of meetings attended
 Ms Mandy Jayakody	Member	November 2021/ January 2025	Current	• M.Eng (Civil Engineering) • Graduate Diploma in Engineering • BSc (Industrial Microbiology) • Certificate in Impact Investing in Africa	• Project Management • Innovative Project Financing • ESG • Sustainability and climate change	Impact Investing South Africa (IISA)	-	18
 Mr Roy Mnisi	Member	November 2021	Term ended 25 November 2024	• Bachelor of Laws (LLB) • Post Grad Certificate in Compliance Management	• Legal • Compliance	• MBSA • JBCC- Board and Chair of Finance and HR Committee • CETA - Board and Chair of Finance and Remuneration Committee	Department of Health Appeals Committee (Mpumalanga)	8
 Mr Refilwe Lediga	Member	November 2021	Term ended November 2024	• Bachelor of Engineering: Civil engineering • Master of Engineering: Civil engineering • Certified Director (IoDSA)	• Engineering	-	-	13
 Ms Sasa Subban	Member	November 2021	Term ended 25 November 2024	• Bachelor of Administration • Diploma in Project Management and Project Leadership	• Project Management • Infrastructure Planning	-	-	2

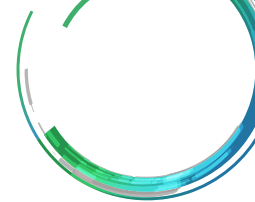


Table 10: Composition of the Board (continued)

Name and surname	Designation (In terms of public entity board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board (List of entities)	Other committees or task teams	Number of meetings attended
 Ms Zodwa Matiwane	Member	November 2021/ March 2025	Current	• Master of Business Leadership (MBL) • Master of Law (LLM) • Bachelor of Law (LLB) • B Juris Degree • Advanced Certificate in Project Management	• Legal • Corporate Governance	-	-	13
 Prof. Bongani Ngqulunga	Member	August 2023	Term ended 25 November 2025	• PhD				10
 Ms Noxolo Kiviet	Chairperson	February 2025	Current	• Honours Degree • Master's degree in public administration	• Public Administration • Business and Management Research			5

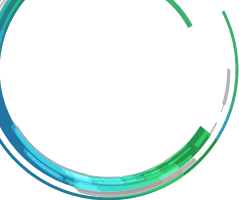


Table 10: Composition of the Board (continued)

Name and surname	Designation (In terms of public entity board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board (List of entities)	Other committees or task teams	Number of meetings attended
 Prof. Mandla Joshua Radebe	Member	February 2025	Current	• Advancing Leadership Programme • Certificate in Development Communications • PhD: Media Studies • MA: Journalism & Media Studies • BA (Hons) Journalism and Media Studies • BSc: Computer Science and Statistics	• Communications • Journalism and Media • Statistics and Information Technology • Reputation management • Digital communications • Stakeholder engagement	• Vaal University of Technology (VUT -2021 – current) • Chris Hani Institute (CHI 2021 – current) • Social Housing Regulatory Authority (SHRA – 2022 – 2024)		5
 Mr Donavon Goliath	Member	February 2025	Current	• LSTD • BA in Education • Bed (Hons) • Post Graduate Diploma in Education • Executive leadership programme • Accredited Mediator	• Alternative Dispute Resolution • Conflict Resolution • Change Management • Enterprise and Supplier Development • Leadership and Capacity Development • Coaching and Mentoring			5

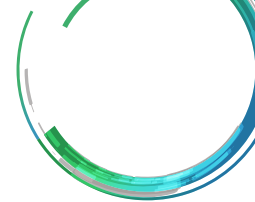
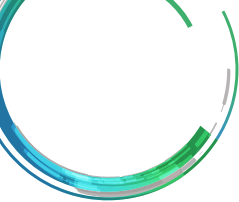


Table 10: Composition of the Board (continued)

Name and surname	Designation (In terms of public entity board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board (List of entities)	Other committees or task teams	Number of meetings attended
 Mr Khulile Nzo	Member	February 2025	Current	• Master's in development finance • BSc: Quantity Surveying (Hons)	• Quantity Surveying • Project Management			1
 Prof Sijekula Mbanga	Member	February 2025	Current	• PhD in Public Administration • Master of Public Administration (cum laude) • Postgraduate Certificate in Housing Policy Management • Bachelor of Administration and Industrial Psychology	• Strategy Development • Programme and Project Management • Housing and Built Environment			1
 Mr Matjie Lehlogonolo Masoga	Member	February 2025	Current	• Master of Management in Governance and Public Leadership • Master of Development Studies • MSc in Leadership and Change • PhD Candidate in Public Affairs	• Public Administration • Governance • Human Resources • Media Relations			1



3.4.8 Governance structures

To comply with these principles, the NHBRC has designed and implemented and continues to design and implement appropriate governance structures across the organisation. The NHBRC acknowledges that, for it to set up an effective governance framework, robust governance structures need to be in place. The term of the Council started in November 2021 and ended in November 2024. The new Council was appointed in January 2025 and their term will end in December 2028. The Council have constituted the following Committees of the Council, which were approved with their respective terms of reference in the form of Committee charters. The Council delegates powers to its Committees, of which Committee members are specialists in their respective fields and areas of governance. The Council has established seven Committees to ensure effective corporate governance within the NHBRC.

3.4.8.1 Fund Advisory and Finance Committee

The Fund Advisory and Finance Committee (FAFC) is responsible for advising the Council on the prudent management of its funds. The Committee ensures that the NHBRC has effective, efficient, economical and transparent management systems to safeguard its assets and finances in compliance with the Public Finance Management Act, 1999 (Act No. 1 of 1999). The Committee also makes recommendations to the Council regarding policies for approval by the Council, and also responsible for all matters relating to the management of risk to the Warranty Fund and the administration of its fund or any other Council fund. The Committee regularly reviews management's financial reports before recommending to Council for approval, recommends the budget for approval by the Council, and advises the Council on all other financial matters.

Fund Advisory and Finance Committee

Committee	No. of meetings held	No. of members	Names of members
FAFC	5	5	Mr Kganki Matabane
FAFC			Ms Kedibone Tsiloane
FAFC			Ms Sasa Subban
FAFC			Ms Lucia Ncalane-Ngcobo*
FAFC			Ms Renaire Shelly Huntley
FAFC			Prof. Mandlakhe Radebe*
FAFC			Mr. Khulile Nzo*

**Ms Lucia Ncalane-Ngcobo appointed in April 2024*

**Prof. Mandlakhe Radebe appointed in March 2025*

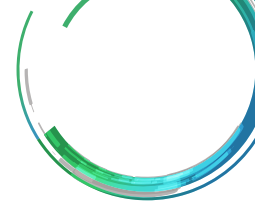
**Mr. Khulile Nzo appointed in March 2025*

**Ms. Sasa Subban – term ended November 2024*

**Ms. Kedibone Tsiloane – term ended November 2024*

3.4.8.2 Registration Committee

The Registration Committee (REGCOM) is responsible for advising the Council on all matters relating to the registration and renewal of registration, suspension and deregistration of home builders under the Housing Consumers Protection Measures Act (Act), monitoring the registration and deregistration of home builders, and for recommending appropriate policies and procedures to Council for approval. The Committee is kept informed of owner-builder applications received under section 29 of the Act and determines whether home builders exempted from enrolment of their own homes in terms of the Act were granted exemptions in line with the Act.



Registration Committee

Committee	No. of meetings held	No. of members	Names of members
REGCOM	7	• 5 members till November 2025 • 7 members as of March of 2025	Ms Nontuthuko Chiluvane
REGCOM			Ms Nomusa Mufamadi
REGCOM			Ms Zodwa Matiwane
REGCOM			Ms Lucia Ncalane-Ngcobo
REGCOM			Prof. Bongani Ngqulunga
REGCOM			Ms. Siphindile Memela*
REGCOM			Ms. Mandy Jayakody*
REGCOM			Mr. Khulile Nzo*
REGCOM			Mr. Lehlogonolo Masoga

*Ms. Siphindile Memela appointed in March 2025

*Ms. Mandy Jayakody appointed in March 2025

*Mr. Khulile Nzo appointed in March 2025

*Lehlogonolo Masoga appointed March 2025

*Ms. Nomusa Mufamadi – term ended November 2024

*Prof. Bongani Ngqulunga – term ended November 2024

3.4.8.3 Human Capital and Remuneration Committee

The Human Capital and Remuneration Committee (HCREMCO) advises the Council on employees' remuneration policies and makes recommendations to the Council in relation to employees' annual salary adjustments and performance bonus pay-outs. This Committee also maintains a corporate overview of the Council's human capital policies.

Human Capital and Remuneration Committee

Committee	No. of meetings held	No. of members	Names of members
HCREMCO	9	• 6 members until November 2024 • 5 members from March 2025	Ms Nomusa Mufamadi*
HCREMCO			Mr Kganki Matabane
HCREMCO			Ms Renaire Shelly Huntley*
HCREMCO			Ms Morwesi Ramonyai Tonga*
HCREMCO			Prof. Bongani Ngqulunga*
HCREMCO			Ms Mandy Jayakody*
HCREMCO			Prof. Mandlakhe Radebe*
HCREMCO			Mr. Donavon Goliath*
HCREMCO			Ms. Nontuthuko Chiluvane*
HCREMCO			Ms. Siphindile Memela*

*Prof. Mandlakhe Radebe appointed in March 2025

*Mr. Donavon Goliath appointed in March 2025

*Ms. Nontuthuko Chiluvane appointed in March 2025

*Ms. Siphindile Memela appointed in March 2025

*Ms. Renaire Huntley – term ended November 2024

*Ms. Morwesi Ramonyai – term ended November 2024

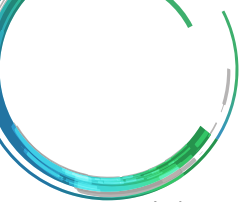
*Ms. Mandy Jayakody – term ended November 2024

*Prof. Bongani Ngqulunga – term ended November 2024

*Ms. Nomusa Mufamadi – term ended November 2024

3.4.8.4 Industry Advisory Committee

The Industry Advisory Committee (IAC) is responsible for advising the Council on all matters relating to the operations of the homebuilding industry, in addition to acting as a communication channel between the industry and the Council. Industry stakeholders are invitee members of this Committee.



Industry Advisory Committee

Committee	No. of meetings held	No. of members	Names of members
IAC	3	5	Ms Lucia Ncalane-Ngcobo*
IAC			Ms Kedibone Tsiloane*
IAC			Ms Siphindile Memela
IAC			Mr Refilwe Lediga*
IAC			Ms Nontuthuko Chiluvane*
IAC			Ms. Renaire Huntley*
IAC			Ms. Mandy Jayakody*
IAC			Prof. Sijekula Mbanga

*Ms. Renaire Huntley appointed in March 2025

*Ms. Mandy Jayakody appointed in March of 2025

*Mr. Khulile Nzo appointed in March of 2025

*Prof. Sijekula Mbanga appointed in March 2025

*Ms. Lucia Ngcobo – term ended November 2024

*Ms. Kedibone Tsiloane – term ended November 2024

*Ms. Nontuthuko Chiluvane – term ended November 2024

*Mr. Refilwe Lediga – term ended November 2024

3.4.8.5 Social Ethics and Transformation Committee

The primary role of the Social Ethics and Transformation Committee (SETC) is to provide oversight, review and make recommendations to Council on matters relating to social, ethics and transformation policies, strategies and practices of the NHBRC. The Committee also advocates for ethics throughout the NHBRC's operations by doing the following:

- Determining articulated ethical standards (Code of Ethics) and ensuring that the NHBRC takes steps to adhere to these in all aspects of the business.
- Overseeing the review of material risks relating to the provisions of the Code of Ethics and the management of risks to ensure that such is part of the NHBRC's risk management programme.
- Obtaining independent assurance on the NHBRC's ethics performance annually.
- Providing guidance on reviewing and approving the NHBRC's safety, health, and environment (SHE) policy and strategy.

Social Ethics and Transformation Committee

Committee	No. of meetings held	No. of members	Names of members
SETC	3	5	Ms. Renaire Shelly Huntley
SETC			Mr. Roy Mnisi*
SETC			Ms. Zodwa Matiwane
SETC			Ms. Siphindile Memela*
SETC			Ms. Sasa Subban
SETC			Mr. Donavon Goliath*
SETC			Ms. Noxolo Kiviet*
SETC			Ms. Morwesi Ramonyai Tonga*

*Ms. Noxolo Kiviet appointed March of 2025

*Ms. Morwesi Ramonyai appointed March 2025

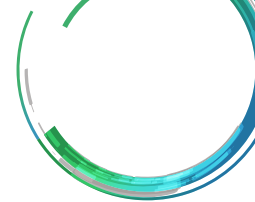
*Mr. Donavon Goliath appointed March 2025

*Ms. Lucia Ngcobo – term ended November 2024

*Ms. Kedibone Tsiloane – term ended November 2024

*Ms. Nontuthuko Chiluvane – term ended November 2024

*Mr. Refilwe Lediga – term ended November 2024



3.4.8.6 Disciplinary Hearings Committee (ad hoc sittings)

This Committee is responsible for presiding over cases of alleged contraventions of the Housing Consumers Protection Measures Act by home builders and imposing disciplinary sanctions where home builders are found guilty of contravening the Act. The Committee comprises a panel of legally qualified chairpersons and technical assessors who are all independent non-Council members appointed by the Council for the term of office of the Council.

3.4.8.7 Audit and Risk Committee

The function of the Audit and Risk Committee (ARCO) is to assist the Council in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control processes, and the preparation of financial reports and statements. These tasks are conducted in line with all applicable legal requirements and accounting standards as prescribed in the PFMA. The Committee operates in terms of written terms of reference, which provides clear guidelines with regard to its membership, authority, and responsibilities. The ARCO TORs were reviewed and updated in the year under review.

Audit and Risk Committee

Committee	No. of meetings held	No. of members	Names of members
ARCO	11	5	Mr Refilwe Lediga
ARCO			Ms Morwesi Ramonyai Tonga
ARCO			Ms Mandy Jayakody
ARCO			Ms Nontuthuko Chiluvane
ARCO			Mr Refilwe Lediga
ARCO			Prof Bongani Ngqulunga*
ARCO			Ms Kedibone Tsiloane*
ARCO			Ms Lucia Ncalane-Ngcobo*
ARCO			Mr Kganki Matabane*
ARCO			Mr. Donavon Goliath*
ARCO			Ms. Zodwa Matiwane*
ARCO			Mr. Lehlogonolo Masoga*
ARCO			Prof. Sijekula Mbanga*

** Ms Kedibone Tsiloane appointed in April 2024

* Prof Bongani Ngqulunga resigned in April 2024

* Ncalane-Ngcobo appointed on 3 March 2025 and resigned on 31 March 2025

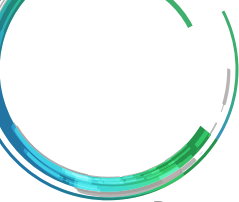
* Mr Kganki Matabane appointed on 3 March 2025 and resigned on 31 March 2025

* Mr. Donavon Goliath appointed on 3 March 2025 and resigned on 31 March 2025

** Ms. Zodwa Matiwane appointed on 31 March 2025

** Mr. Lehlogonolo Masoga appointed on 31 March 2025

** Prof. Sijekula Mbanga appointed on 31 March 2025



Remuneration of Board members

Name	Remuneration	*Other allowance	Total
Ms Noxolo Kiviet (Chairperson)	R67 248	R1 600	R68 848
Prof Mandla Joshua Radebe (Deputy Chairperson)	R82 602	R1 600	R84 202
Mr Sijekula Mbanga	R5 396	R800	R6 196
Mr Vincent Donavon Goliath	R56 658	R1 600	R58 258
Ms Khulile Vuyisile Nzo	R40 470	R1 600	R42 070
Ms Siphindile Memela	R180 267	R8 000	R188 267
Ms Nomthandazo Ncalane-Ngcobo	R208 071	R7 200	R215 271
Ms Renaire Shelly Huntley	R264 256	R8 000	R272 256
Mr Kganki Matabane	R199 450	R8 000	R207 450
Ms Nontuthuko Chiluvane	R243 246	R7 200	R250 446
Ms Mandy Jayakody	R315 529	R8 000	R323 529
Ms Zodwa Matiwane	R0	R9 600	R9 600
Ms Morwesi Ramonyai Thonga	R255 439	R6 400	R261 839
Ms Nomusa Mufamadi (Chairperson)	R205 808	R5 600	R211 408
Dr Bongani Ngqulunga (Deputy Chairperson)	R131 582	R4 800	R136 382
Mr Refilwe Lediga	R187 503	R6 400	R193 903
Ms Kedibone Tsiloane	R157 140	R6 400	R163 540
Mr Roy Mnisi	R75 951	R5 600	R81 551
Ms Sasa Subban	-	R8 000	R8 000
Total	R2 676 617	R106 400	R2 783 017

*Other allowance = Cellphone allowance

3.5 RISK MANAGEMENT

3.5.1 Enterprise Risk Management

Enterprise Risk Management

The function is established in compliance with section 51(1)(a)(i) of the PFMA, which requires the NHBRC to maintain effective, efficient, and transparent systems of financial management, risk management and internal controls. It is also in compliance with Treasury Regulations 27.2.1 which requires the accounting authority to conduct risk assessments regularly to identify the emerging risks of the public entity.

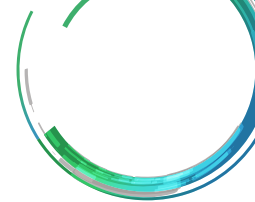
Continuous implementation of approved risk management policy and framework

There is Continuous identification and reporting on the strategic risks of the NHBRC.

The audit and risk committee (ARCO) oversee the overall ERM system of the NHBRC.

The risk management steering committee continuously monitors the ERM system.

Figure 4: Enterprise risk



3.5.1.1 Risk Governance Oversight

Section 51(1)(a)(i) of the PFMA requires that the Accounting Authority of a public entity must ensure that the public entity has and maintains effective, efficient and transparent systems of financial management, risk management, and internal controls. Further to that, Treasury Regulation 27.2.1 states that the accounting authority must ensure that a risk assessment is conducted regularly so as to identify emerging risks of the public entity. A risk management strategy, which must include a fraud prevention plan, must be used to direct internal audit effort and priority and to determine the skills required of managers and staff to improve controls and to manage these risks. The strategy must be clearly communicated to all employees to ensure that the risk management strategy is incorporated into the language and culture of the public entity.

The Board is the ultimate Chief Risk Officer (CRO) of the NHBRC and is accountable for the NHBRC's overall governance of risk in line with National Treasury's Public Sector Risk Management Framework. Its primary responsibility is to bring its specialist expertise to assist to embed risk management and leverage its benefits to enhance performance, including facilitation of risk assessment for material risks and evaluation of the strategy for managing these risks.

King IV Principles 11 and 13 state that the governing body should govern risk in a way that supports the organisation in setting and achieving its strategic targets. The Council should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the NHBRC's responsibility of being an ethical and good corporate citizen.

The Risk Section was established in conformance with the provisions of the Housing Consumer Protection Measures Act, PFMA, Treasury Regulations, King IV Report on Corporate Governance, COSO Risk Management Model, ISO 31000 Risk Management Standards and the Public-Sector Risk Management Framework. In line with the requirements of the Public-Sector Risk Management Framework, the Risk Section has an approved Risk Management Plan ("RM Plan") in place which articulate a defined and disciplined approach for implementing, monitoring and maintaining good risk management practices to propel the organisation towards achieving objectives of the Risk Management Policy Framework.

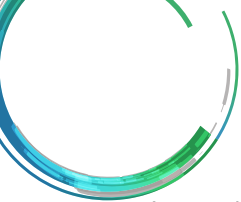
Within the NHBRC, the Risk Section is positioned as a strategic enabler, risk expert advisor and a value-add function intended to assist the NHBRC in achieving its mandate, strategic objectives and satisfy its stakeholders within the prescribed regulatory framework. It is thus empowered amongst other functions, to (a) facilitate risk and opportunity identification, risk mitigation, risk reporting and risk monitoring at strategic, operational and project levels, (b) implement the Business Continuity Management (BCM) programme, (c) implement the Fraud Prevention Strategy, implement the Ethics Programme, (d) provide assurance on Policy Development, (e) implement a Combined Assurance Model, (f) implement the Security Management, (g) Implement the compliance Management Programme.

The Risk Section, headed by the Chief Risk Officer (CRO), reports to the CEO and to the ARCO and SETC for purposes of risk and ethics oversight on various risk categories in the organisation.

3.5.1.2 Risk Belief at the NHBRC ("Risk Philosophy")

Risk is inherent in any business, more so in the business of regulating the building of homes and protecting housing consumers through a warranty fund in South Africa. Amongst others, the NHBRC regulates the certification of homebuilders, enrolment of houses, enforcement of homebuilding laws and regulations, including education of housing consumers.

Risk management is an important element of the organisational strategy and daily operations that impacts on organisational performance (i.e. APP Targets), financial results and future organisational plans. It is upon this basis that the NHBRC believes that risk management is a responsibility of every employee in the organisation, practiced daily and infused into daily operations, business processes and policies with a view of converting risks into opportunities, protecting the organisation against unforeseen losses, improving investment returns, being a reliable and sustainable service delivery agency of Government. Taking business decisions must therefore be informed and underpinned by appropriate rigour and analysis, reducing incidents of fraud and corruption and OHS, reducing incidents of irregular, fruitless and wasteful expenditure and improving efficient use of resources.



In conclusion, the NHBRC believes that risk management provides a process of proactively identifying risk issues, opportunities, and events, which if not well managed can adversely impact the achievement of business objectives. By applying the risk management process, the NHBRC is able to proactively manage issues that may impact the achievement of its goals. The risk management process enhances the overall control environment and governance in a more structured manner across all areas of business.

3.5.1.3 Risk Maturity

The Risk Section's vision is to propel GEP to be "risk intelligent/matured" by March 2027. Using a hybrid of ISO 31000 and the Public-Sector Risk Management Framework, a risk maturity self-assessment was undertaken and the results confirmed the NHBRC's risk management practices in the organisation to be at level 3 out of level 5 of the risk maturity scale. As part of instilling and embedding a good risk management culture in the organisation, the gaps and improvements identified in the risk maturity self-assessment and independent will be incorporated into the four (4) year RM Plan ("the 2024/2027 RM Plan"). In reaching a level 3 risk maturity level, the key achievements over the reporting period include:

- (a) Conducting a Board strategic risk assessment,
- (b) Linking the organisational strategy to the strategic risk profile,
- (c) Quantification of materialized, emerged, avoided and
- (d) Implementation of the risk appetite framework
- (e) Implementation of the Combined Assurance Framework
- (f) Development of the Ethics Maturity Strategy.

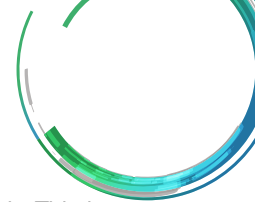
In its intention to reach a level 5 risk maturity, the organisation will in future undertake the following activities: Coordinated risk management activities across silos (Combined Assurance), Risk appetite monitored at divisional level, risk technology implementation and enablement, contingency plans and escalation procedures, risk management, training, risk modelling, transversal risk analysis, risk consolidation and quantification, risk consultation, RM /BCM/Ethics/Compliance/Anti-fraud Training, improve "tone at the top", risk discussion is embedded in strategic planning, capital allocation, linkage to performance measures and incentives, industry benchmarking used regularly, integrated GRC (GRC), data analytics, evaluation of ARCO in relation to risk management and risk management effectiveness independently and a risk culture survey.

3.5.2 Strategic Risk Profile

For the reporting period, the Board and EXCO undertook an annual Board risk assessment to identify risks and opportunities from the long term organisational strategy and annual performance targets for 2024/2025 financial year (In addition, the risks and opportunities for the long term strategy have also been identified), and seven strategic risk exposures were identified, relating to:

- Regulatory Framework Risk – Non-compliance to the regulatory framework both on internal operations and external as a regulator
- Fraud and Corruption Risk – Exposure to unethical practices affecting organisational integrity and financial stability.
- Engineering and Technical Risk – Risks associated with construction standards, technical compliance, and infrastructure failures.
- Stakeholder Management and Consumer Protection Risk – Challenges in managing relationships with key stakeholders and ensuring consumer confidence.
- ICT Risk – Vulnerabilities in the NHBRC's information and communication technology systems affecting cybersecurity and operational continuity.
- Human Capital Risk – Talent retention, workforce capacity, and skills development concerns impacting organisational efficiency.
- Financial Sustainability Risk – Potential financial constraints affecting the NHBRC's ability to deliver its mandate effectively.

Relevant risk mitigations were developed, monitored, and reported to ARCO for independent oversight purposes, including risk related APP targets.



Whilst various critical mitigations were implemented during the year, the overall strategic risk profile remains high. This is resultant from outstanding management action plans that expose the NHBRC. Some of these risks will be prioritised in the upcoming year.

3.6 FRAUD AND CORRUPTION

Under the auspices of the Risk Division and guided, amongst others, by the PFMA, the King Code on Corporate Governance, the Protected Disclosures Act and the Combating of Corrupt Activities Act – the fraud prevention and ethics policy frameworks are in existence and adhered to, except in instances reported in the assurance reports and reported to ARCO and SETC, including the Shareholder.

The policy framework in place constitutes of the Fraud Prevention Policy, Staff Ethics Policy, Code of Conduct, Risk Management Policy, Compliance Management Policy, the Delegation of Authority Framework and the fraud prevention plan.

The plan gives a practical effect to the fraud prevention and ethics policy frameworks by emphasizing and rolling-out the key principles and elements of fraud prevention, fraud detection, fraud investigation and fraud resolution, including the zero-tolerance statement and whistleblowing mechanisms – thus stressing the matters of ethics, accountability and consequence management.

During the period under review, the fraud prevention plan was developed and executed – and the fraud prevention initiatives, fraud investigation turnaround times and fraud resolution/consequence management, to a greater extent, need improvement.

Additionally, the NHBRC have a whistle-blowing facility availed to all internal and external stakeholders, including employees and external clients to confidentially report matters of fraud, corruption and unethical behaviour

With a view of improving our fraud control environment, the NHBRC will develop the Board Ethics Policy and Politically Exposed Persons Policy and the four year fraud management roadmap.

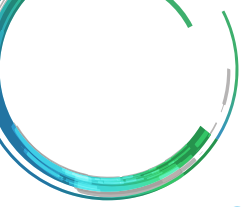
3.7 MINIMISING CONFLICT OF INTEREST

The NHBRC is determined to discharge its legislative mandate in an ethical organisational climate. To this end, the Ethics Function within the Risk Section has been established to raise ethical standards in the NHBRC through the implementation of an Ethics Management Programme and Conflict of Interest Policy.

At the core of the Ethics Management Framework, Ethics Maturity Strategy and Conflict of Interest Policy is to emphasis the following:

- * to provide exemplary standards of conduct expected of all officials in the course of the NHBRC business.
- * to manage conflicts of interest, particularly in selection, recruitment and supply chain, inspections management processes, in the conduct of everyday the NHBRC business; and
- * to create an organisational culture for the conduct of the NHBRC business based on the ethical philosophy of the organisation.

The code of conduct, fraud prevention policy and staff ethics policy were adhered to, except in instances where such is recorded in the assurance reports and reported to the ARCO and SETC. If a case of potential conflict of interest is identified within the organisation, such matter will be referred to the Risk Division for analysis and investigation, and appropriate action will be taken in accordance with the disciplinary policy and procedure.



3.8 CODE OF CONDUCT

The NHBRC has an approved Code of Conduct that is applicable to all NHBRC employees, including temporary employees, interns, and independent contractors. The objective of the Code of Conduct is to establish and provide guidelines on the principles, values, standards and rules of behaviour that guide the decision, procedures, and systems at the NHBRC. Awareness sessions were implemented where all employees were educated about the provisions of the Code of Conduct which set standards for ethical and lawful conduct. The aim of the awareness sessions is to constantly encourage employees to adhere to the provisions of the Code of Conduct, thus protecting the NHBRC's assets, including reputation and goodwill.

Employees found to be in contravention of the standards outlined in the Code of Conduct, are addressed by the Human Capital Section, directly with line managers, with appropriate actions being taken in line with the Disciplinary Policy of the NHBRC.

3.9 HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The NHBRC has prioritised the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993), to provide a safe workplace for employees, while staff members must work and comply with the safety directives of the organisation.

The Occupational Health and Safety (OHS) Function within the Risk Section has been charged with ensuring that the organisation provides a safe and healthy working environment for its employees, contractors, visitors and stakeholders by establishing a safety policy, procedures, guidelines, and standards. The annual plan was executed and exceptions reported to ARCO and SETC.

Going forward, the priority is to measure the level of compliance to the Occupational Health and Safety Act, Act 85 of 1993, as amended and align the OHS implementation plans and audits to ISO 45001 standards and other best practices.

3.10 COMPANY SECRETARY

The Company Secretary has developed systems and processes that enable the NHBRC Council to discharge its functions effectively. Their responsibilities include advising the Council on corporate governance and setting the annual working plan for the Council in conjunction with the Chairperson. The Company Secretary also ensures that all Council and Committee charters are in place and monitors compliance with legislation

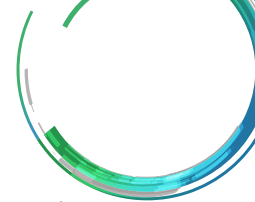
3.11 SOCIAL RESPONSIBILITY

The NHBRC continues to drive transformation and inclusivity through its bespoke Women Empowerment Programme (WEP), designed to support and develop female entrepreneurs in the built environment sector. The programme provides enterprise development training and mentorship, with the goal of empowering 100 women over a 24-month cycle. Since its inception, the WEP has positively impacted over 500 women, strengthening their leadership and business acumen within the construction industry. To allow for enhancements and strategic alignment, the programme for the 2024/2025 intake was successful.

In alignment with national efforts to reduce youth unemployment, the NHBRC has also onboarded 50 interns, placing them across various departments to equip them with practical skills and expose them to employment opportunities within the industry.

3.12 INTERNAL CONTROLS

The Council oversees the system of internal controls at the NHBRC, whereas the implementation and functioning of the system of internal controls rests with the Executive Management Team. The NHBRC has and continues to set internal controls to manage known and unknown risks. Internal controls are continuously reviewed and tested by internal audit through proactively planned audits.



ARCO is regularly presented with a formal review of the effectiveness of the NHBRC's internal controls. Reports from management on specific areas, internal audits, external audits, risk management and other independent assurance providers are tabled from time to time. Council has an organisational structure and division of responsibilities, that, along with established policies and procedures, are communicated throughout the organisation.

Coupled with enhanced Council oversight on governance, risk management, and compliance, the NHBRC will be able to implement consequential management in instances where serious governance, risk management, or compliance failure has occurred.

3.12.1 Business assurance enhancement projects

The NHBRC continues undergoing business changes, the largest being the review of the inspectorate model. The digitisation project is another significant project currently underway with phase 1 (i.e. registration and renewals) fully implemented. Phases 2 and 3 are still in planning stages. These changes are a response to challenges brought about by the pandemic and a need to render efficient services to the NHBRC customers and stakeholders. They also aim to enhance the technological offering of the organisation.

The abovementioned enhancements are envisaged to streamline delivery of the organisations' mandate and modernise service delivery by providing remote access to stakeholders who wish to access the NHBRC's valuable final products online.

To assist the organisation with the successful implementation of the above, Internal Audit has assigned resources where possible to be part of the projects on an advisory basis. Further, the Internal Audit is coordinating the implementation of combined assurance within the NHBRC. This ensures the integration of business, risk management, compliance, and Internal Audit efforts in identifying, mitigating, and reporting on significant business risks, including business projects.

3.13 INTERNAL AUDIT (IA) AND AUDIT COMMITTEES

3.13.1 INTERNAL AUDIT

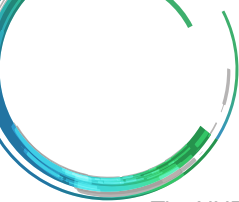
3.13.1.1 Legislative requirements

In conformity with the commitment of the Council to be fully accountable to all stakeholders of the National Home Builders Registration Council ("the Organisation") and in accordance with the requirements of Section 77 of the Public Finance Management Act, no 1 of 1999 (PFMA) and the guidance articulated by National Treasury's regulations (i.e. on Internal Audit and Audit and risk committee), an Internal Audit function has been established.

Internal auditing is an independent and objective assurance and consulting activity that provides a value adding support to improve the operations within the NHBRC. An Audit Charter is a formal and official document setting out the purpose, authority and responsibility of internal audit. The Audit Charter is prepared in accordance with the recommendations of the Institute of Internal Auditors (IIASA) and has been prepared considering the recommendations of the King Report on Corporate Governance and National Treasury regulations and guidelines. This charter is reviewed annually.

3.14 PURPOSE OF INTERNAL AUDIT

The mission of internal audit function is to provide independent, objective assurance and consulting services designed to add value and improve the organisation's operations. Strive to help the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.



The NHBRC has an in-house IA function that utilises external subject matter expertise in key areas that cover, among others, the following:

- Investments
- Financial audits
- IT/Cybersecurity
- Quality housing (engineering)

3.14.1 Performance against the approval annual audit plan

The annual Internal Audit activities are informed and guided by an approved risk-based audit plan, the Internal Audit Charter and Strategic Corporate Plan. Internal Audit has adopted an active audit delivery methodology in its annual audit planning. The audit plan and projects are assessed quarterly due to the ever-changing risk environment and continuous change in the strategic direction of the organisation.

Internal Audit effectively implemented the annual audit plan as approved by the ARCO. Internal Audit completed audit engagements inclusive of planned and *ad hoc* requests for the year under review. This represents a 100% achievement against a 100% implementation of annual audit plan target (i.e. as adjusted during the year). All changes to planned audits were approved by the Audit and Risk Committee.

All audits and other work of the Internal Audit function were conducted in accordance with the International Standards for the Professional Practice of Internal Audit as issued by the Institute of Internal Auditors now referred to as Global Internal Audit standards (GIA).

The significant governance, risk, and control deficiencies identified from internal audit reports have been reported timeously to ensure speedy management intervention that will enhance the NHBRC control environment, which is critical for effective service by the NHBRC on its mandate.

And through a sustained follow up process, Internal Audit also assists businesses to ensure mitigation strategies are implemented timely and are working effectively.

3.14.2 Combined assurance project

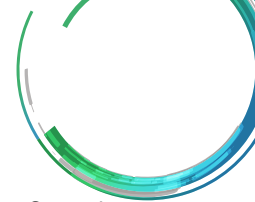
Combined assurance is currently in the implementation stage. The following major milestones have been reached:

Table 11: Combined assurance project

No.	Activity	Progress at the end of 2024/25
1	Develop and approve Combined Assurance Plan.	Completed
2	Establish a Combined Assurance Structure.	Completed
3	Assess combined assurance providers and draft action plans to close identified gaps.	Completed
4	Train combined assurance providers.	Completed
5	Monitoring and reporting.	Continuous

The project is co-driven by the IA, Risk Management, and Compliance sections. The objective is to ensure that there is integrated assurance and reporting and broader assurance coverage, in this way, the Council will be provided with an enhanced desktop view of the organisation's assurance efforts.

The combined assurance efforts have provided valuable insights into the organisation's risk profile, assurance coverage, and areas requiring improvement. While significant progress has been made in addressing key risks, gaps in assurance coverage and compliance monitoring highlight the need for ongoing vigilance and enhancements to the assurance framework.



Also, during the year under reporting, there were no formal control self-assessment performed by 1st line of defence, Control self-assessment creates a clear line of accountability for controls, possibly reduce the risk and results in an organisation with a lower risk profile. Further engagement will be done in 2025/2026 to obtain assessment outcomes.

The Committee will continue to monitor progress of these activities, both through meetings with management and ongoing reviews.

3.15 AUDIT AND RISK COMMITTEE

3.15.1 Legislative requirement

The Audit and Risk Committee (ARCO) is established as a statutory committee in terms of Section 38(1)(a)(ii) and Section 77 of the PFMA and Treasury Regulations. The Committee performs an oversight and advisory role to the NHBRC and is accountable to the Executive Authority and the public to properly consider and evaluate all matters as per its terms of reference.

The purpose of the Committee is to assist the Accounting Authority in fulfilling its oversight responsibilities, and the Accounting Officer in fulfilling their executive duties regarding: the financial reporting processes the management of risk; the system of internal control; the audit process and the organisation's process for monitoring compliance with laws, regulations, policies and codes of conduct. The Committee also has a primary responsibility to the public to form an opinion on the effectiveness of those issues within its ambit and communicate this in the Annual Report in terms of the Treasury Regulations.

ARCO herewith presents its report for the financial year ended 31 March 2025, as required by Treasury Regulation 27.1.7 read with Section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended by Act No. 29 of 1999).

This Committee provided an oversight role over the audit process, the system of internal controls, and compliance with laws and regulations. The term of Council came to an end on the 25 November 2024, the delays in the appointment of Council had a negative impact on the seating of Council committees during quarter 3, thus, Council had 10 seatings of ARCO.

3.16 ATTENDANCE OF COMMITTEES OF ARCO MEETINGS

3.16.1 Membership and attendance

The membership of ARCO as of 25 November 2024 comprised of five (5) members of Council and their attendance is reflected in the table on the next page. The details of new ARCO members that resumed in quarter 4 are also disclosed.

Table 12: ARCO meeting attendance

Name	Qualifications	Executive or non-executive	If internal, position in the public entity	Date appointed as AC	Date resigned	No. of meetings attended
Ms Morwesi Ramonyai Thonga (Chairperson)	• Bachelor of Commerce • High Diploma. Computer Auditing • Executive MBA • International Executive Development Programme • Certificate Sustainability • Leadership	Non-Executive	Council member	14 January 2022	N/A	10



Table 12: ARCO meeting attendance

Name	Qualifications	Executive or non-executive	If internal, position in the public entity	Date appointed as AC	Date resigned	No. of meetings attended
Ms. Mandy Jayakody	• M.Eng (Civil Engineering) • Graduate Diploma in Engineering • BSc (Industrial Microbiology) • Certificate in Impact Investing in Africa	Non-Executive	Council member	14 January 2022	N/A	10
Mr. Refilwe Lediga	• BEng (Civil Engineering) • MEng (Civil Engineering) • Certified Director (IoDSA)	Non-Executive	Council member	January 2023	N/A	9
Ms. Nontuthuko Chiluvane	• BSc Quantity Surveying • BSc (Hons) Property Development (Quantity Surveying) • Diploma-Project Management • MSc Real Estate • Certified Director (IoDSA)	• Non-Executive	Council member	October 2023	N/A	10
Prof. Bongani Ngqulunga	• PhD	Non-Executive	Council member	October 2023	May 2024	0
Ms Kedibone Tsiloane	• BCom – Internal Auditing (Hons) • BCom – Internal Auditing (Hons) Certified Internal Auditor (CIA). (IIA, SA) • BCom – Internal Auditing (Hons) Certification in Self Control Assessment (IIA, SA) • BCom – Internal Auditing (Hons) Post Graduate Diploma in Business Admin.	Non-Executive	Council member		N/A	9

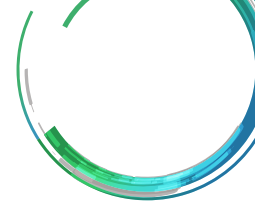


Table 12: ARCO meeting attendance

Name	Qualifications	Executive or non-executive	If internal, position in the public entity	Date appointed as AC	Date resigned	No. of meetings attended
New committee serving from quarter 4 of 2024/2025						
Ms. Nontuthuko Chiluvane (Interim Chairperson)	• BSc Quantity Surveying • BSc (Hons) Property Development (Quantity Surveying) • Diploma – Project Management • MSc Real Estate • Certified Director (IoDSA)	Non-Executive	Council member	3 March 2025	N/A	1
Ms. Zodwa Matiwane	• Master of Business Leadership (MBL) • Master of Law (LLM) • Bachelor of Law (LLB) • B Juris Degree • Advanced Certificate in Project Management	Non-Executive	Council member	31 March 2025	N/A	1
Mr. Lehlogonolo Masoga	• Master of Management • Master of Development Studies • Master of Science • Post Grad Diploma – Governance and Public Leadership • Diploma Governance and Public Leadership • Professional Diploma: Humanitarian Assistance	Non-Executive	Council member	31 March 2025	N/A	0

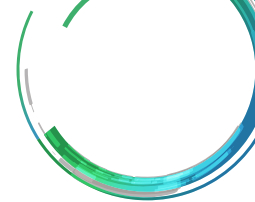


Table 12: ARCO meeting attendance

Name	Qualifications	Executive or non-executive	If internal, position in the public entity	Date appointed as AC	Date resigned	No. of meetings attended
Prof. Sijekula Mbanga	• PhD • Master of Public Admin • Bachelor of Administration • Post Grad Diploma in Higher Education Studies • Post Grad Certificate in Housing Policy Management	Non-Executive	Council member	31 March 2025	N/A	0
Mr. Kganki Matabane	• Master of Business Leadership • Postgraduate Diploma Business Administration • Bachelor of Cost and Management Accounting • National Diploma Costs and Management Accounting	Non-Executive	Council member	03 March 2025	31 March 2025	1
Mr. Donavon Goliath	• Bachelor of Administration (Languages) • Bachelor of Education • Honours – Educational Psychology • Executive Leadership Programme	Non-Executive	Council member	03 March 2025	31 March 2025	1
Msomthandazo Ncalane-Ngcobo	• BSc Property Development • BSc Prop Dev (Quantity Surveying) Honours • Post Graduate Diploma in General Management	Non-Executive	Council Member	03 March 2025	31 March 2025	0

3.16.2 Audit Committee's responsibilities

The Audit and Risk Committee (ARCO) confirms that it has complied with its responsibilities arising from Section 38(1); Section 51(1) (a) (ii) of the PFMA and Treasury Regulation 27. ARCO has adopted the terms of reference as its Audit and Risk Committee Charter, regulated its activities in compliance with the Charter and has discharged all its responsibilities as contained therein.



3.16.3 Effectiveness of internal control

Based on internal audit reports that were performed during the 2024/2025 financial period, the overall control environment has made significant progress, however areas that require improvement were communicated for the attention of management and Council. During the reporting period, the committee reported and made recommendations to the Accounting Authority. The purpose is to ensure that audit findings, risk and compliance matters are adequately addressed, and assessment of the internal control measures is implemented to prevent these findings from recurring. The status of each audit finding (both internal and external audit) in the register was presented quarterly to the committee for review. In addition, a Combined Assurance task team has been established, the task team provided an additional level of assurance to the committee on management of identified risks.

3.16.4 Quality of the in-year management reporting on legal and regulatory provision

Significant strides were made in ensuring compliance with laws and regulations. This was done by continuously implementing preventative, investigative and corrective internal control measures to address and report cases of non-compliance and deviations from the NHBRC normal processes and procedures.

Phase 2 of irregular expenditure amounting to R340 million of R713 million reported from previous years was assessed during the second quarter of 2024/2025. A commendable progress has been made by management in resolving matters that affected the audit report which relates to irregular expenditure incurred in previous years. As of 30 November 2024, Council resolved to remove 74.6 % (i.e. R532 million of R713 million). Consequence management process is still in progress for employees identified in irregular expenditure incurred.

There was no statutory status report during the year. Management has made commitment to formalise reporting in the upcoming year. The committee will monitor this going forward.

3.16.5 Internal Audit

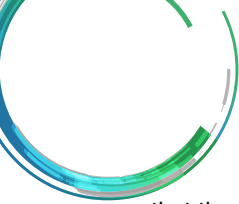
In terms of the PFMA, the accounting officer is obliged to ensure that the department has a system of internal audit under the control and direction of the audit committee. The audit committee is satisfied that the internal audit function has properly discharged its functions and responsibilities during the year under review.

Internal Audit (IA) is guided by the strategic risk profile, provided by the Risk Management unit, key audit focus areas and management inputs in the formulation of its three year strategic and annual plans. Internal Audit (IA) implemented its approved annual risk-based audit plan for 2024/25 as part of its three year rolling plan, after consulting with executive management and approval by the NHBRC Audit and Risk Committee. Throughout the year, the Internal Audit (IA) has reported the performance of the NHBRC against the approved plan. All planned and approved audits were completed inclusive of risk-based audits, several *ad hoc* (i.e. advisory) audits were conducted and reported to the Committee. Changes to the planned audits were submitted for consideration and approved by the Committee in July 2024.

The Committee has been made aware of the Global Internal Audit (GIA) standards, which were published on 9 January 2024, with an effective implementation date of 9 January 2025. External quality assurance which conducted every five (5) years by independent quality assurer was done in the third quarter of 2024/2025. The internal audit has received the highest rating of General conformance (GC) and General Effective (GE). As such, the term “conforms with the international standards for the professional practice of internal auditing” may be used by the function.

3.16.6 Auditor general

Auditor General is a standing invitee in all audit and risk committee meetings. During the year, the committee has met with Auditor general to consider the audit strategy, the audit fees and the audit team. We have reviewed the implementation plan for audit issues raised in the previous year and based on the interaction with Management and the internal audit reports, the committee is not satisfied that all matters have been adequately addressed and there is room for improvement. The Audit Committee is not aware of any unresolved issue with respect to the current audit. ARCO concurs and accepts the conclusion of the Auditor-General on the Annual Financial Statements and Performance information and is of the opinion



that the audited Annual Financial Statements and Performance Information should be accepted and read together with the report of the Auditor-General.

3.16.7 Risk management

Management is responsible for the establishment and maintenance of an effective system of governance, risk management, the prevention and the detection of fraud and implementation of effective internal controls. The Chief Risk Officer is responsible for facilitating the process of identifying, reviewing, managing and monitoring risks. Through these processes, the NHBRC's top seven (7) strategic risk profile is developed, and operational risk registers are compiled with mitigation strategies. These are implemented and monitored on a quarterly basis. While various critical mitigations were implemented during the year, the overall strategic risk profile remains high. This results from outstanding management action plans that expose the NHBRC. The committee will continue to monitor the implementation of identified mitigation measures.

A Risk Management Committee (RMC) was appointed comprising of two (2) external members and members of executive management. The RMC is a structure responsible for the adoption, implementation and oversight of risk management policies, systems and processes. Risk Management maturity level has been assessed and reported as matured.

3.16.8 Conclusion

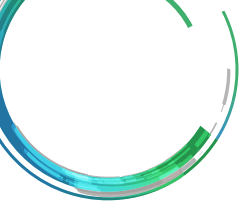
The Audit and Risk Committee notes that while several vacancies have been filled, the committee remains concerned with vacancy rates in critical positions of Chief Operating Officer (COO), Chief Risk Officer (CRO) and vacancies within BMS (Information Technology) department.

We would like to express our appreciation to the Accounting Authority, Acting Chief Executive Officer, Ms Tamlyn Bouwer, for her leadership and support, AGSA, the Internal Audit, Risk Management, and the Management team for their commitment and achievement of the unqualified audit opinion.

PART D

HUMAN RESOURCE MANAGEMENT





4.1 INTRODUCTION

The Human Capital Management (HCM) serves as a strategic partner to the organisation, ensuring that the NHBRC is equipped with the talent, capabilities, and culture needed to meet its strategic objectives. Its core role is to develop and implement integrated human capital strategies that align with the broader goals of the organisation, driving both performance and sustainability.

A key pillar of the HCM strategy has been a continued focus on diversity, equity, and inclusion (DEI). Recognising the importance of a diverse workforce in fostering innovation and informed decision-making, the unit has implemented targeted recruitment initiatives and inclusive policies to build a workplace culture that respects and celebrates individual differences.

4.1.1 Human Capital priorities for the year under review and their impact

In the year under review, the NHBRC made important strides in strengthening its organisational capacity and aligning its human capital strategy with broader business objectives. A fit-for-purpose organisational structure was introduced to drive efficiency, while leadership development and a competency assessment programme laid the foundation for more targeted training and skills planning.

Recruitment efforts focused on filling critical roles, including key executive positions, and the conversion of contract management roles to permanent appointments improved stability and talent retention. Training and development also gained momentum, with 492 employees trained, 114 supported through bursaries, and the launch of a Train-the-Trainer programme to build internal capability.

Performance continued to be managed through the balanced scorecard, with corrective measures underway to address technical challenges in the automated system. In addition, the organisation advanced its commitment to youth development, engaging 29 interns and placing 50 graduates through the Social Transformation Empowerment Programme.

Employee well-being remained a priority. In partnership with Lyra, the NHBRC expanded psychosocial support services and introduced a range of wellness initiatives, including financial wellness sessions, neurodiversity awareness, mindfulness programmes, and wellness days. Monthly Desk Drops further reinforced a culture of self-care and resilience.

Through these efforts, the NHBRC has strengthened its workforce, enhanced organisational performance, and continued to create a supportive, healthy workplace for its employees.

4.1.2 Employee Wellness 2024/2025 Annual Plan highlights

The 2024/2025 Employee Wellness Annual Plan focused on fostering a supportive and inclusive workplace culture through a range of targeted initiatives aimed at enhancing employee wellbeing across multiple dimensions:

4.1.3 Looking ahead

To ensure continuity and deepen the impact of our wellness efforts, the Wellness Program will comprehensively address ongoing employee needs related to:

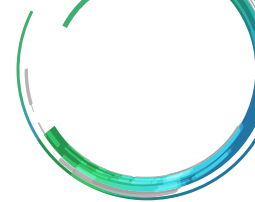
- Mental Health Support
- Financial Wellbeing
- Conflict Management

4.1.4 Employee Relations

- Promoted constructive union engagement through Relationship by Objective (RBO) initiatives. The Employer is trying its level best to achieve a mutual relationship with the Employees by ensuring that issues of mutual interest, complaints and grievances are resolved speedily and are resolved within the legal applicable prescripts.

4.1.5 Highlighted Achievements for 2024/2025

In response to South Africa's high youth and female unemployment rates, the NHBRC implemented several impactful Human Capital initiatives aligned with national transformation and development goals:



- Internship Programme: Successfully placed 50 unemployed graduates through the Social Transformation Empowerment Programme, equipping them with practical work experience to boost employability.
- Workforce Transformation: Progress made in aligning workforce demographics with South Africa's EAP, with notable improvements in the representation of women in executive and senior management roles.

4.1.6 Employee Development, Engagement, and Well-being Initiatives

Human Capital Management unit implemented several initiatives to enhance staff development, engagement, and overall well-being:

- HCM Roadshows: Facilitated two-way communication between leadership and staff, reinforcing strategic priorities and enhancing employee engagement.
- Train-the-Trainer Programme: Developed internal training capacity by equipping selected staff with skills to facilitate learning and knowledge transfer.
- Provident Fund Roadshows: Promoted financial literacy and informed retirement planning through region wide educational sessions.
- Wellness Day Events: Supported employee health and wellness through screenings, fitness activities, mental health awareness, and counselling services.

These initiatives underscore the NHBRC's commitment to cultivating a motivated, informed, and healthy workforce within an inclusive and transformative work environment.

4.1.7 Challenges faced

HC faced the following challenges in the year under review, which it mitigated through the implementation of controls:

- Instability in leadership negatively affected morale and timelines.
- Threatening labour unrest and an increased number of labour matters
- Performance system limitations delayed reviews.

4.1.8 Measures to mitigate the above challenges

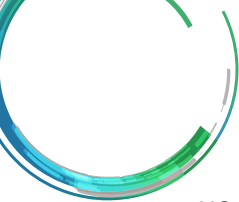
Table 13: HC challenges and mitigation

Challenge	Mitigation
Organizational stability	• Leadership appointments stabilised the environment.
Threatening labour unrest and an increasing number of labour matters	• Strengthen the relationship between management and organised labour through Relationship by Objective (RBO) • More staff awareness sessions on labour relations • Enhanced union relations through structured engagements.
Performance system limitations delayed reviews.	System integration work is underway to resolve performance management issues.

4.1.9 Key focus areas for the 2025/26 financial year

This section of the report provides information on the current and future projects that HC section is currently engaged in and in progress:

- Work-study exercise to improve resource utilisation.
- Develop and implement a talent management framework to enable the implementation of the new Housing Consumer Protection Act 25 of 2024, retention strategy, succession planning and pay progression strategy.
- Launch an Employee Engagement Survey to measure the engagement drivers and identify improvement areas.
- Host an HR Indaba and HR risk workshop with labour to build and enhance the relationship between management and labour.
- Remuneration policy review to link incentives to performance.
- Appoint service providers for:
 - Skills audit



- HC Policy and SOP review
- Implementation of staff wellness initiatives focusing on opportunities for physical, mental, and financial health and encouraging work/life balance

4.2 HUMAN RESOURCE OVERSIGHT STATISTICS

4.2.1 Personnel cost by sections and business units

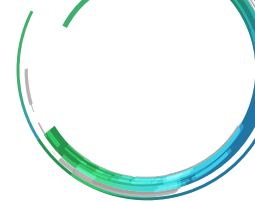
Table 14: Personnel cost by sections and business units

Section/Business unit	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)
Customer Experience and Market development	37 770	25 925	69%	16	1 620
Chief Executive Officer	75 340	43 458	58%	29	1 499
Chief Financial Officer	96 031	44 430	46%	40	1 111
Chief Operations Officer	77 117	29 562	38%	22	1 344
Corporate Services	95 599	23 768	25%	44	540
Engineering & Technical Service	67 260	56 814	84%	42	1 353
Eastern Cape Regional Office	49 932	45 127	90%	41	1 101
Free State Regional Office	28 639	25 850	90%	24	1 077
Gauteng Regional Office	90 920	84 188	93%	79	1 066
KwaZulu Natal Regional Office	61 428	55 124	90%	48	1 148
Limpopo Regional Office	52 192	46 744	90%	42	1 113
Mpumalanga Regional Office	38 626	33 476	87%	30	1 116
North West Regional Office	41 283	36 903	89%	33	1 118
Northern Cape Regional Office	11 019	9 069	82%	7	1 296
Western Cape Regional Office	58 677	52 059	89%	47	1 108
Total	881 833	612 498	100%	544	435 270

4.2.2 Personnel cost by salary band

Table 15: 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 employees R'000
Top Management	R14 474	2%	5	R2 895
Senior Management	R12 168	2%	7	R1 352
Professional Qualified	R108 537	18%	66	R1 573
Skilled	R324 991	53%	268	R1 190
Semi -skilled	R137 772	22%	174	R787
Unskilled	R14 555	2%	24	R582
Total	R612 498	100%	544	R8 380



4.2.3 Performance rewards

Table 16: Performance rewards

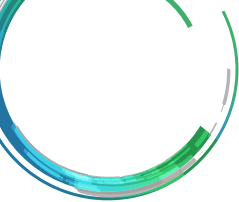
Level	Performance rewards (R'000)	Personnel expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	–		
Senior Management	–		–
Professional qualified	–		–
Skilled	–		–
Semi-skilled	–		–
Unskilled	–		–
Total			

In the financial year 2024/2025 the NHBRC did not pay employees a bonus.

4.2.4 Training costs

Table 17: Training costs

Training programme	Personnel expenditure (R'000)	Training expenditure (R'000)	Training expenditure of personnel cost	No. of employees trained	Avg. training cost per employee (R'000)
HC Functional Training for Managers (incl Engagement session with Line)	2 900	–	–	48	–
HC Policy Awareness Roadshow	2 900	–	–	93	–
Induction for New Managers	2 900	–	–	3	–
Performance Management Training	2 900	–	–	263	–
Fraud, Ethics, Compliance and DC Procedures Awareness	2 900	–	–	114	–
Contract Management Training	2 900	–	–	25	–
Enterprise Architect and TOGAF training	2 900	26	1%	1	26 392
BIG Data / Data Analysis Training	2 900	17	1%	1	16 599
Field Data Collection and Management (ArcGIS)	2 900	451	22%	6	75 200
Incident Investigation Training	2 900	33	2%	19	1 750
Advance Firefighting Training	2 900	40	2%	23	1 750
CIA Training & Exam Preparation Course	2 900	52	3%	1	52 364
Risk-Based Combined Assurance Training	2 900	79	4%	23	3 449
Advanced Structure and Concrete design training	2 900	10	0%	1	10 000
Dolomite Evaluation Training	2 900	21	1%	3	7 000
Supply Chain Management Training (Public Sector)	2 900	80	4%	38	2 117



4.2.4 Training costs (continued)

Table 17: Training costs (continued)

Training programme	Personnel expenditure (R'000)	Training expenditure (R'000)	Training expenditure of personnel cost	No. of employees trained	Avg. training cost per employee (R'000)
Certified Information Systems Auditor Training Program	2 900	66	3%	2	32 774
Uncertainty of Measurements training (GUM)	2 900	37	2%	3	12 312
Agile project management training	2 900	9	0%	1	9 194
Advance course in employee assistance training	2 900	8	0%	1	8 300
Executive coaching and mentoring	2 900	258	13%	7	36 905
Professional business report writing	2 900	260	13%	95	2 740
Ethic officer certification program	2 900	121	6%	4	30 199
Strategic sourcing & category management training	2 900	10	0%	1	9 602
First Aid level 3 Training	2 900	28	1%	20	1 375
Health and safety representative training	2 900	40	2%	29	1 375
Introduction to measurements training	2 900	22	1%	3	7 439
Inspector Professionalisation with SACPCMP	2 900	384	19%	71	5 407
	2 900	2 053	100%	899	354 243

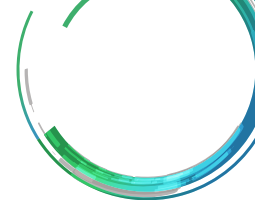
4.2.5 Employment and vacancies

Table 18: Employment and vacancies

Level	2023/2024	2024/2025	2024/2025	2024/2025	% of vacancies
	No. of employees	Approved posts	No. of employees	Vacancies	
Top management	5	6	5	1	2%
Senior management	5	11	7	4	5%
Professionally qualified	66	85	66	19	26%
Skilled	275	281	268	13	31%
Semi-skilled	175	181	174	9	26%
Unskilled	24	31	24	7	10%
Total	550	595	544	53	100%

With a clear mandate from the Council to prioritise the recruitment of Executives and Management, we have successfully filled executive positions that had remained unoccupied for months. Our focused recruitment drive has been instrumental in attracting and securing top-tier candidates who are aligned with our strategic vision and values.

To further enhance our talent retention strategy, we have taken decisive steps to convert a substantial number of contract managerial positions to permanent contracts. This move not only underscores our commitment to providing job security and stability but also reinforces our dedication to fostering a culture of continuous growth and development.



4.2.6 Employment changes

Table 19: Employment changes

Salary Band	Employment at the beginning of period	Appointments	Terminations	Employment at the end of period
Top management	5	–	–	5
Senior management	5	3	–1	7
Professionally qualified	66		–	66
Skilled	275	–	–7	268
Semi-skilled	175	–	–1	174
Unskilled	24	–	–	24
Total	550	3	–9	544

4.2.7 Reasons for staff leaving

Table 20: Reasons for staff leaving

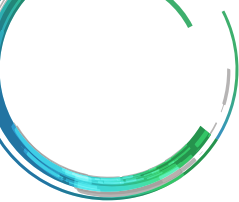
Reason	Total number of staff		% of total no. of staff leaving
Death		2	0,37%
Resignation		3	0,55%
Dismissal		-	0,00%
Retirement		1	0,18%
Ill health		-	0,00%
Expiry of contract		3	0,55%
Other		-	0,00%
Total	544	9	1,65%

4.2.8 Labour relations: Misconduct and disciplinary action

Table 21: Labour relations

Nature of disciplinary action	Number
Verbal warning	4
Written warning	1
Final written warning	0
Pre-cautionary suspension	6
Suspension as a sanction	1
Dismissal due to misconduct	0
Dismissal due to illness incapacity	0

Though we note some improvements on consequence management and employee relations, the position requires tremendous strength in terms of capacity. During the third and fourth quarter of 2024, we witnessed a hike in terms of internal disputes and referrals to the CCMA.



4.2.9 Equity target and employment equity status – male

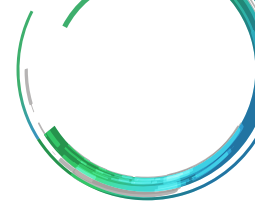
Table 22: Equity target and employment equity status – male

Levels	Male							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top management	2	2	0	0	0	0	0	0
Senior management	4	2	0	1	0	0	1	1
Professionally qualified	33	31	2	3	1	2	4	4
Skilled	130	80	14	9	2	4	5	6
Semi-skilled	32	104	1	11	1	4	1	5
Unskilled	5	6	0	0	0	0	0	0
Total	206	225	17	24	4	10	11	16

4.2.10 Equity target and employment equity status – female

Table 23: Equity target and employment equity status – female

Levels	Female							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top management	2	1	0	1	0	0	1	1
Senior management	2	4	0	1	0	1	0	1
Professional qualified	25	40	0	4	1	1	0	4
Skilled	111	95	2	4	3	3	1	3
Semi-skilled	117	180	13	13	2	2	7	10
Unskilled	18	19	0	0	0	0	1	1
Total	275	339	15	23	6	7	10	20



4.2.11 Disabled staff

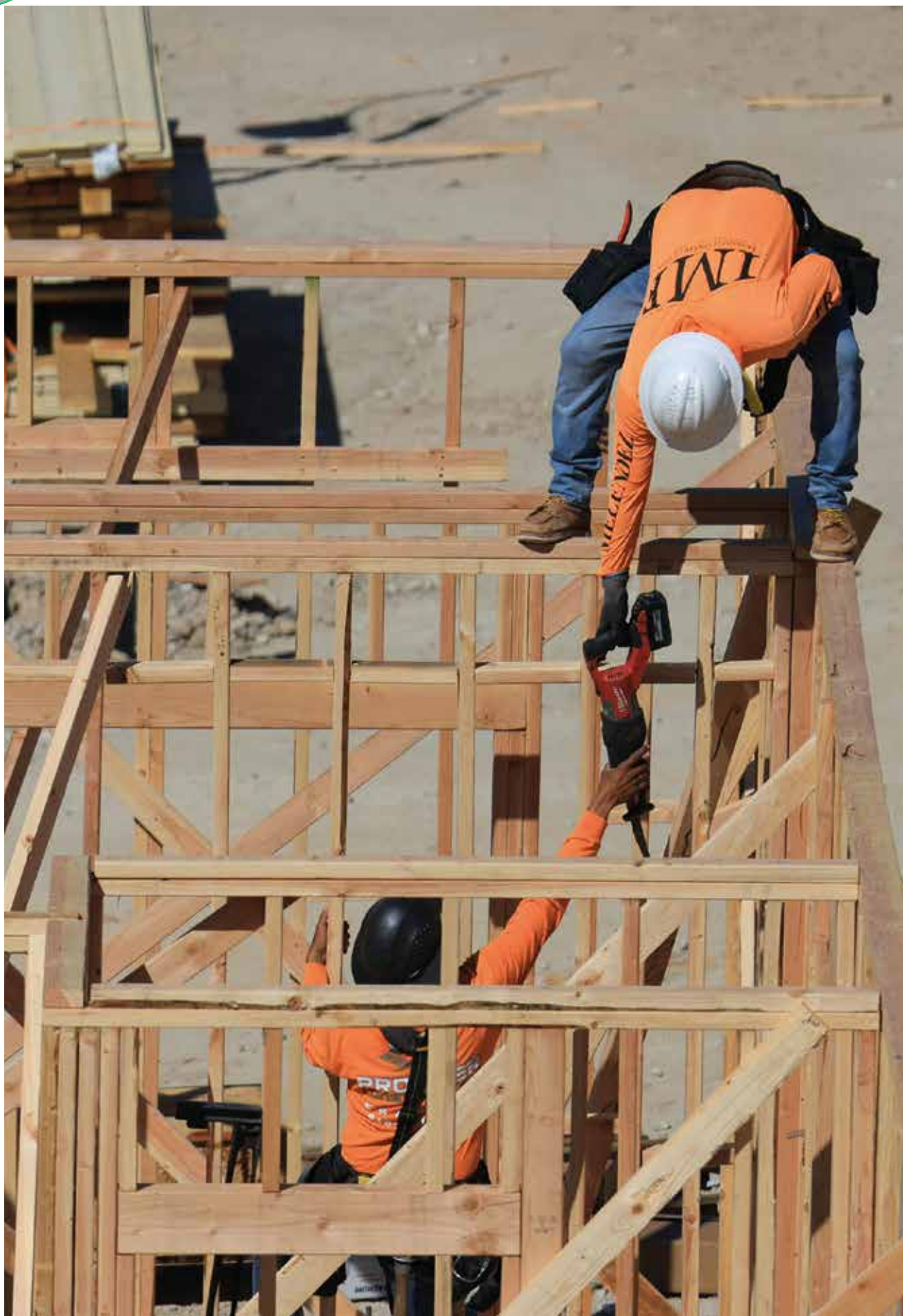
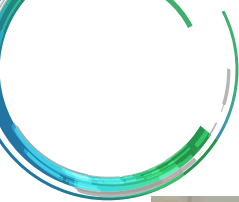
Table 24: Disabled staff

Levels	Disabled staff			
	Male		Female	
	Current	Target	Current	Target
Top management	0	0	0	0
Senior management	0	0	0	1
Professionally qualified	1	2	0	0
Skilled	3	4	0	3
Semi-skilled	0	2	0	2
Unskilled	0	0	0	1
Total	4	8	0	7

4.2.12 Organisational Change Management

Table 25: Organisational Change Management

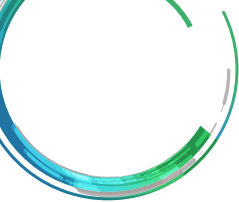
Action Items	Actual Date	Target Date
Staff Awareness Sessions/workshops on the Housing Consumer Protection Act 25 of 2024.	Q2, Q3 & Q4	31 March 2025
Establishment of the Project Team for Implementation of the Housing Consumer Protection Act 25 of 2025.	Q1 & Q2	31 March 2025
Implementation of the Skills Audit	Q3 & Q4	31 March 2025
Implementation of the Communication and Change Management Plan for the Data Management Project	Q3 & Q4	31 March 2025



PART E

PFMA COMPLIANCE REPORT





5. IRREGULAR EXPENDITURE

5.1 Reconciliation of irregular expenditure

Description	2024/2025 R	2023/2024 R	2022/2023 R
Opening balance	524 196 160	712 789 927	712 789 927
Prior Period Errors	–	–	–
As Restated	–	–	–
Add: Irregular expenditure confirmed	–	–	–
Less: Irregular expenditure condoned	–	–	–
Less: Irregular expenditure not condoned and removed	(207 861 342)	(188 593 767)	–
Less: Irregular expenditure recoverable	–	–	–
Less: Irregular expenditure not recovered and written off	–	–	–
Closing balance	316 334 818	524 196 160	712 789 927

5.1.1 Reconciling notes to the annual financial statement disclosure

Description	2024/2025 R	2023/2024 R	2022/2023 R
Irregular expenditure that was under assessment	–	–	–
Irregular expenditure that relates to prior year but identified in current	–	–	–
Irregular expenditure for the current year	–	–	–
Total	–	–	–

Detailed fruitless, wasteful expenditure at end of report Appendix B

5.2 Fruitless, wasteful

5.2.1 Reconciliation of Fruitless, wasteful

Description	2024/2025 R	2023/2024 R	2022/2023 R
Opening balance	22 627 820	22 730 110	22 730 110
Prior Period Errors	–	–	–
As Restated	–	–	–
Add: Fruitless, wasteful expenditure confirmed	–	–	–
Less: Fruitless, wasteful expenditure condoned	–	–	–
Less: Fruitless, wasteful expenditure not condoned and removed	–	–	–
Less: Fruitless, wasteful expenditure recoverable	–	(102 290)	–
Less: Fruitless, wasteful expenditure not recovered and written off	–	–	–
Closing balance	22 627 820	22 627 820	22 730 110

5.2.2 Reconciling notes to the annual financial statement disclosure

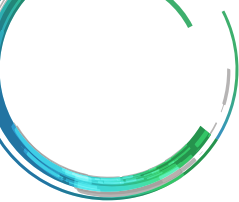
Description	2024/2025 R	2023/2024 R	2022/2023 R
Fruitless, wasteful expenditure that was under assessment	–	–	–
Fruitless, wasteful expenditure that relates to prior year but identified in current	–	–	–
Fruitless, wasteful for the current year	–	–	–
Total	–	–	–

Detailed fruitless, wasteful expenditure at end of report Appendix A

PART F

FINANCIAL INFORMATION





6 REPORT OF THE EXTERNAL AUDITOR

6.1 REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON NATIONAL HOME BUILDERS REGISTRATION COUNCIL

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the National Home Builders Registration Council set out on pages 77 to 125, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, the statement of cash flows and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the National Home Builders Registration Council as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Generally Recognized Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the 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.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other matter

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

Unaudited supplementary schedule

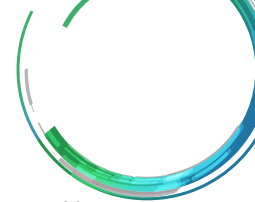
7. The supplementary information set out on page 127 does not form part of the financial statements and is presented as additional information. I have not audited this schedule and accordingly, I do not express an opinion on it.

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 Standards of GRAP and the requirements of the PFMA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
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 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.

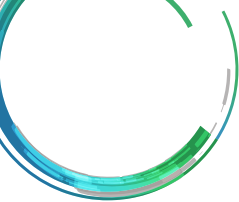
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 74, forms part of my auditor's report.

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.

[Programme/Objective/ Development priority]	Page numbers	Purpose
Programme 2: Regulation	22 – 24	To ensure the registration of home builders, train home builders, and to regulate and enforce compliance with building standards.
Programme 3: Consumer Protection	25	To ensure the registration of home builders, train home builders, and to regulate and enforce compliance with building standards.

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.
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 finding on the reported performance information for the selected programme is as follows:



PROGRAMME 2: REGULATION

Number of Homes inspected- Subsidy

18. An achievement of 27 149 number homes inspected - subsidy was reported against a target of 26 000 number homes inspected - subsidy. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be materially less than reported. Consequently, it is likely that the achievement against the target was lower than reported.

Other matter

19. I draw attention to the matters below.

Achievement of planned targets

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

21. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 22 to 25.

PROGRAMME 2: REGULATION

Targets achieved: [12/14]85,71%

Budget spent: 93%

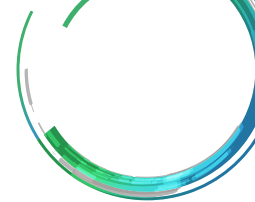
Key service delivery indicator not achieved	Planned target	Reported achievement
Number of people with disabilities trained	280 people with disabilities trained	276 people with disabilities trained
Number of technical professionals trained	800 Technical professionals trained	737 Technical professionals trained
Number of registrations renewed	15 950 registrations renewed	15 869 registrations renewed

PROGRAMME 3: CONSUMER PROTECTION

Targets achieved: [3/4] 75%

Budget spent: 81 %

Key service delivery indicator not achieved	Planned target	Reported achievement
Percentage of enrolment applications approved-non subsidy	100% of enrolment application	97% of enrolment application



Material misstatements

22. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Programme 2: Regulation. Management did not correct all of the misstatements, and I reported material findings in this regard.

Report on compliance with legislation

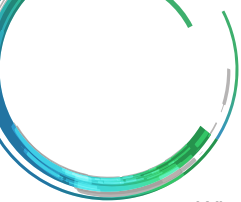
23. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.
24. 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.
25. 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 [type of auditee], 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.
26. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Consequence management

27. I27. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 51 (1)(e)(iii) of the PFMA. This was due to proper and complete records that were not maintained as evidence to support the investigations into irregular expenditure.
28. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred fruitless and wasteful expenditure as required by section 51 (1)(e)(iii) of the PFMA. This was due to proper and complete records that were not maintained as evidence to support the investigations into fruitless and wasteful expenditure.

Other information in the annual report

29. The accounting authority is responsible for the other information included in the annual report which includes the directors' report and audit committee's 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.
30. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
31. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
32. The other information I obtained prior to the date of this auditor's report are generally information, performance information governance, human resources management and PFMA compliance report, and the foreword by the Minister, foreword by the Chairperson of Council and audit committee report are expected to be made available to us after 31 July 2025.
33. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.



34. When I do receive and read the foreword by Minister, foreword by the Chairperson of the Council and audit committee report, 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 correct. If the other information is not correct, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is correct this will not be necessary.

Consequence management

31. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 51(1)(e)(iii) of the PFMA. This was due to proper and complete records that were not maintained as evidence to support the investigations into irregular expenditure.
32. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred fruitless and wasteful expenditure as required by section 51(1)(e)(iii) of the PFMA. This was due to proper and complete records that were not maintained as evidence to support the investigations into fruitless and wasteful expenditure.

Annual financial statements and annual report

33. The financial statements submitted for auditing were not prepared in accordance with GRAP as required by PFMA 55(1)(b)

Other information in the annual report

34. The accounting authority is responsible for the other information included in the annual report which includes the directors' report and audit committee's 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.
35. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
36. 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.
37. The other information I obtained prior to the date of this auditor's report are generally information, performance information governance, human resources management and PFMA compliance report, and the foreword by the Minister, foreword by the Chairperson of Council and audit committee report are expected to be made available to us after 31 July 2025.
38. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.
39. When I do receive and read the foreword by Minister, foreword by the Chairperson of the Council and audit committee report, 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 correct. If the other information is not correct, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is correct this will not be necessary.

Other reports

40. 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.
41. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
42. Inadequate oversight by leadership to ensure compliance and related consequence management resulting in material non-compliance. An action plan was implemented in the prior period, but was not adequately implemented to ensure that the matters do not recur.
43. Management did not implement adequate record keeping to ensure proper and complete records of the irregular and fruitless and wasteful expenditure investigations and subsequent actions that have been taken are maintained and easily accessible which resulted in material non-compliance on consequence management.
44. Lack of oversight and review of the Annual Performance Plan (APP) to ensure that indicator is well defined and allows for data to be consistently collected.
45. Management did not implement adequate controls to ensure compliance with supply chain management processes.

Auditor-General

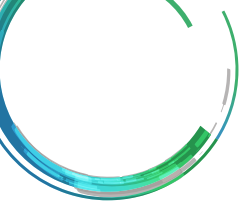
Pretoria

31 July 2025



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Annual financial statements

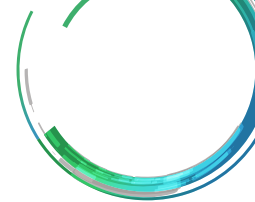
In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

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

Communication with those charged with governance

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

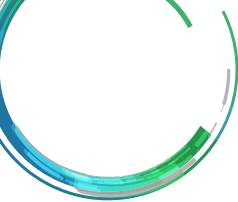
I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate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



Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4);
Section 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b);	
Section 55(1)(c)(i); 56(1); 57(b); 66(3)(c)	
Treasury Regulations, 2005	Regulation 8.2.1; 8.2.2; 16A3.2; 16A3.2(a); Regulation 16A6.1; 16A6.2(a); 16A6.2(b); Regulation 16A6.3(a); 16A6.3(a); 16A6.3(b); Regulation 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; Regulation 16A6.6; 16A.7.1; 16A.7.3; 16A.7.6; Regulation 16A.7.7; 16A8.3; 16A8.4; 16A9.1(b)(ii); Regulation 16A 9.1(d); 16A9.1(e); 16A9.1(f); Regulation 16A9.2; 16A9.2(a)(ii); 30.1.1; 30.1.3(a); Regulation 30.1.3(b); 30.1.3(d); 30.2.1; 31.2.1; Regulation 31.2.5; 31.2.7(a); 32.1.1(a); 32.1.1(b); Regulation 32.1.1(c); 33.1.1; 33.1.3
Companies Act 71 of 2008	Section 45(2); 45(3)(a)(ii); 45(3)(b)(i); 45(3)(b)(ii); Section 45(4); 46(1)(a); 46(1)(b); 46(1)(c); Section 112(2)(a); 129(7)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 200	Regulation 17; 25(7A)
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury instruction No 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
National Instruction No. 1 of 2021/22	Paragraph 4.1
National Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17; 7.2; Paragraph 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
Practice Note 11 of 2008/9	Paragraph 2.1; 3.1 (b)
Practice Note 5 of 2009/10	Paragraph 3.3
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; Regulation 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; 7.6; 7.8; Regulation 8.2; 8.5; 9.1; 9.2; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)



6.2 ANNUAL FINANCIAL STATEMENTS

The Council, which is the Accounting Authority of the National Home Builders Registration Council (NHBRC), the responsible for the preparation, integrity and fair presentation of the annual financial statements of the NHBRC.

The audited annual financial statements for the year ended 31 March 2025 presented on page 76 to 124 have been prepared in accordance with effective Standards of Generally Recognised Account Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board

They are based on appropriate accounting policies which have been consistently applied and which are supported by reasonable and prudent judgements and estimates. The going concern basis has been adopted in preparing the annual financial statements. The Council has no reason to believe that the NHBRC will not be a going concern in the foreseeable future based on forecasts and available cash resources.

The Council is also responsible for the NHBRC's system of internal controls. These are designed to provide reasonable, but absolute, assurance as to the reliability of the financial statements and to adequately safeguard, verify and maintain accountability of assets. These controls are monitored throughout the NHBRC by management and employees, in an attempt to address the segregation of authority and duties with available resources. The Council continues to design and implement processes to monitor internal controls, to identify material breakdowns and implement timely corrective action.

The Council and the NHBRC management treat corporate governance matters seriously, and whenever any instances of non compliance to regulations are uncovered or reported, appropriate disciplinary measures in terms of policy and legislation are instituted.

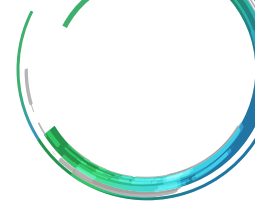
The audited annual financial statements were approved by the Council on 31 July 2025 for submission to the Auditor General and area signed on its behalf.

Ms Noxolo Kiviet

Chairperson of Council

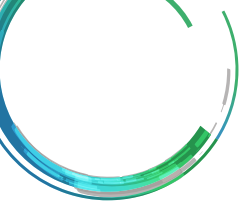
Tamlyn Bouwer

Acting Chief Executive Officer



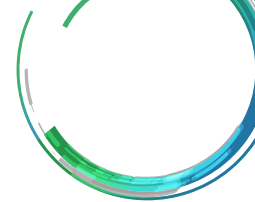
NATIONAL HOME BUILDERS REGISTRATION COUNCIL
STATEMENT OF FINANCIAL POSITION
as at 31 March 2025

	Notes	2025 R	Restated 2024 R
ASSETS			
Non-current assets			
Property, plant and equipment	2	81 069 962	87 737 650
Intangible assets	3	22 442 544	26 436 712
Investments	4	3 631 375 548	4 833 029 839
Trade and other receivables from exchange transactions	6	424 716	87 996
Cash and cash equivalents	7	1 910 582 133	46 622 979
		5 645 894 903	4 993 915 176
Current assets			
Investments	4	5 329 796 412	4 625 516 089
Inventories	5	3 438 856	5 028 719
Trade and other receivables from exchange transactions	6	67 647 779	84 134 563
Cash and cash equivalents	7	347 341 598	361 735 342
		5 748 224 644	5 076 414 713
Total Assets		11 394 119 548	10 070 329 889
LIABILITIES			
Non-current liabilities			
Provision for outstanding claims	9	20 547 470	18 840 860
Provision for unexpired risk	9	834 074 030	728 455 842
Provision for long service Awards	10	13 482 307	13 224 303
Deposits for Guarantees	12	15 592 975	20 112 952
		883 696 782	780 633 957
Current liabilities			
Provision for outstanding claims	9	12 537 829	12 441 358
Provision for unexpired risk	9	374 668 511	368 601 945
Provision for long service Awards	10	1 095 335	968 424
Trade and other payables from exchange transactions	11	113 133 387	133 261 786
Deposits for Guarantees	12	31 482 515	26 510 027
		532 917 577	541 783 540
Total Liabilities		1 416 614 359	1 322 417 497
Net Assets			
Accumulated surplus		9 977 505 189	8 747 912 392
Emerging contractor reserve	8	9 974 446 630	8 744 853 833
		3 058 559	3 058 559
Total Net Assets and Liabilities		11 394 119 548	10 070 329 889



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2025

Revenue	Notes	2025 R	Restated 2024 R
Revenue from exchange transactions			
Insurance premium revenue	13	520 626 866	638 045 517
Fee revenue	14	145 823 622	97 675 498
Technical services revenue	15	11 451 840	51 797 400
Other revenue	16	17 472 506	2 570 784
Interest received and investment income	17	777 469 750	731 732 513
Realised gain on financial assets	4	421 554 158	29 669 414
Unrealised gain on financial assets	4	522 182 473	646 253 148
Total revenue from exchange transactions		2 416 581 216	2 197 744 275
Revenue from non-exchange transactions			
Other Income	16	10 251 708	14 118 509
Total revenue		2 426 832 924	2 211 862 784
Expenditure			
Insurance claims and loss adjustment expenses	17	(15 781 968)	(17 699 974)
Accreditation, builders manual and certificate cost	29.2	(1 892 548)	(2 135 035)
Technical services expenditure	29.3	(10 253 723)	(48 531 854)
Depreciation, impairment loss and amortisation	29.4	(17 422 822)	3 646 554
Employee cost	29.5;28	(612 497 753)	(609 826 334)
Repairs and maintenance	29.6	(3 370 800)	(3 919 093)
Administration expenses	29.7;28	(220 613 870)	(282 066 000)
Asset management service fees	4	(16 565 446)	(14 607 942)
Realised loss on financial assets	4	(31 180 980)	(78 486 253)
Unrealised loss on financial assets	4	(267 660 218)	(723 217 013)
Total expenditure		(1 197 240 128)	(1 776 842 945)
Surplus for the year		1 229 592 796	435 019 839

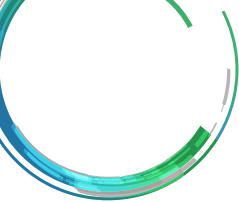


NATIONAL HOME BUILDERS REGISTRATION COUNCIL
STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2025

	Notes	Accumulated surplus R	Emerging contractor reserve R	Total R
Balance at 31 March 2023		8 309 210 880	3 665 039	8 312 875 919
Restated surplus	28	435 036 473		435 036 473
As previously reported		449 229 200		449 229 200
Restatement of prior year surplus		(14 192 727)		(14 192 727)
Reserve utilised	8	606 480	(606 480)	–
Balance at 31 March 2024- Restated		8 744 853 833	3 058 559	8 747 912 392
Surplus for the year ended 31 March 2025		1 229 592 796	–	1 229 592 796
Balance at 31 March 2025		9 974 446 630	3 058 559	9 977 505 189

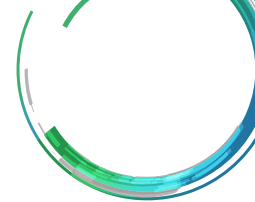
CASH FLOW STATEMENT

	Notes	2025 R	Restated 2024 R
Cash flows from operating activities			
Receipt		866 270 084	778 851 392
Cash receipts from customers		824 610 516	732 998 417
Interest received	17	41 659 568	45 852 975
Payment		(870 140 034)	(874 040 265)
Cash paid to suppliers		(243 663 394)	(265 790 294)
Cash paid to employees		(612 497 753)	(595 633 607)
Claims paid	18	(13 978 887)	(12 616 363)
Net cash (outflow) from operating activities	19.1	(3 869 950)	(95 188 873)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(2 469 506)	(7 547 939)
Purchase of intangible assets	3	(4 751 069)	–
Purchase of additional investments	4	(2 850 707)	(226 200 015)
Proceed of investment	4	1 863 506 643	110 000 015
Net cash (out)/inflow from investing activities		1 853 435 360	(123 747 939)
Net (decrease) in cash and cash equivalents		1 849 565 410	(218 936 812)
Cash and cash equivalents at beginning of year	7	408 358 320	627 295 132
Cash and cash equivalents at the end of the year	7	2 257 923 730	408 358 320



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2025

		2025	2025	Difference:
	Notes	Actual	Approved Budget	Actual and Budget
Revenue	1			
Insurance premium revenue				
Fee revenue	1.1	145 823 622	59 168 837	86 654 786
Non subsidy enrolments	1.2	483 777 879	664 302 295	(180 524 416)
Actuarial Adjustments	1.3	(111 684 754)	–	(111 684 754)
Subsidy enrolments		148 533 741	145 001 959	3 531 782
Technical service revenue	1.4	11 451 840	58 843 500	(47 391 660)
Other revenue	1.5	27 724 215	3 500 000	24 224 215
Interest received and investment income	3	777 469 750	515 000 000	262 469 750
Unrealised gain on financial assets	3	421 554 158	30 500 000	391 054 158
Realised gain on financial assets	3	522 182 473	30 500 000	491 682 473
Total revenue		2 426 832 924	1 506 816 590	920 016 334
Expenses	2			
Insurance claims and loss adjustment expenses	2.1	(15 781 968)	–	(15 781 968)
Accreditation,builders manual and certificate cost	2.2	(1 892 548)	(2 618 963)	726 415
Technical services expenditure	2.3	(10 253 723)	(47 074 800)	36 821 077
Depreciation, impairment and amortisation	2.4	(17 422 822)	(18 601 276)	1 178 454
Council costs and Non Council	2.5	(7 963 395)	(7 529 665)	(433 730)
Employee cost	2.6	(612 497 753)	(630 552 400)	18 054 646
Administration expenses	2,7	(212 650 475)	(235 938 773)	23 288 299
Repairs and maintenance	2,8	(3 370 800)	(3 500 000)	129 200
Asset management services	3	(16 565 446)	(14 500 000)	(2 065 446)
Unrealised loss on financial assets	3	(267 660 218)	–	(267 660 218)
Realised loss on financial assets	3	(31 180 980)	–	(31 180 980)
Total expenditure		(1 197 240 128)	(960 315 877)	(236 924 251)
Surplus for the period		1 229 592 796	546 500 713	571 407 329



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL INFORMATION (continued)
for the year ended 31 March 2025

Notes

1. Revenue

1.1 Fee income

Fee income includes registration fees, renewal fees and project enrolments. The positive variance is mostly due to higher project enrolments in the current year than planned from Provincial Human Settlement Departments

1.2 Non subsidy enrolments

Lower number of enrolments and at lower enrolment fees than budgeted for due to the economic climate.

1.3 Actuarial adjustments

The Actuarial adjustments are not budgeted for as they are based on the actuarial valuation conducted post year end.

1.4 Technical revenue

During budgeting phase there was high expectation of these services required based on the requests from prior years. In particular, the North West Provincial Human Settlement Department required these services, but they have run out of budget in the current year 2024/25.

1.5 Other revenue

Other revenue is due to an increase in bad debt recovery.

2. Expenditure

2.1 Insurance claims and loss adjustment expenses

This expenditure is related to actuarial adjustment to expenses and is not budgeted for as the actuarial valuation is conducted post year end.

2.2 Accreditation,builders manual and certificate cost

The cost of inventory was lower in the current year due to a decrease in new registration.

2.3 Technical service expenditure

This expenditure is in relation to technical service revenue as the services are specialised and outsourced by NHBRC.

2.4 Depreciation and amortisation

The change rate to capitalisation of intangible assets and new laptops capitalised during the period.

2.5 Council costs and Non Council

The increase is due higher non council costs for DCs and related travel In the budget this is a separate line item and hence is presented on this schedule separately to the Administration expenses disclosed on the Statement of financial performance.

2.6 Employee Costs

The decreased expenditure in permanent staff cost is due mainly to the vacancies in the organisation. While the budget for acting allowance and temporary staff (due to unfilled vacancies) was exceeded the total expenditure was still below budget overall. Annual increases for Executives and Senior Management were lower than budgeted for which also contributed to the lower expense.

2.7 Administration expenses

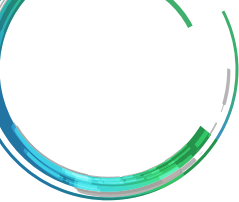
Administration expenditure were slightly lower due to cost containment. Council and Non Council costs are disclosed separately as per 2.5 above.

2.8 Repairs and maintenance

The decreased expenditure on repairs and maintenances relates to less repair work done the generator at Head office since the electricity was stabilised.

3. Income from investments

Increase in interest received and investment income is due to higher interest rates during the year. Our portfolio is predominantly money market based. Realised gain/loss and unrealised gain/loss is as a result of investment market performance during the current year. Asset management service are also linked to investment performance. Structure products mature and at year end were still waiting for new council to approve the re-investment.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025

Notes

1. Significant Accounting Policies

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

1.1 Basis Of Preparations

The audited 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 audited 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. They financial statement are presented in South African Rand. These accounting policies are consistent with the previous period.

1.2 Presentation Currency

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

1.3 Going Concern Assumption

These audited 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 based on the financial statements. Materiality depends on the nature or size of the omission in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

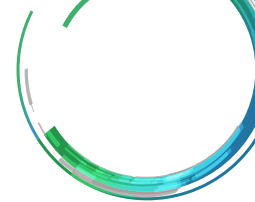
Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of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

1.5 Significant Judgements and Sources of Estimation Uncertainty

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

Estimates Significant judgements have been made with regarding to the following line items:

- Trade receivables / Held to maturity investments and/or loans and receivables.
- Useful lives of PPE and intangibles
- Provisions in determined an estimate based on the information available
- Contingent liabilities/assets
- Actuarial assumptions
- Provision for long service awards



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

Impairment of financial assets

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

The impairment for trade receivables, held to maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio.

1.6 Property, Plant and Equipment

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

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

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

Property, plant and equipment is initially measured at cost.

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

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

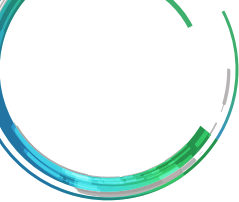
Where an item of property, plant and equipment is acquired in exchange for a non – monetary asset or monetary assets, or a combination of monetary and non – monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's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

Property, plant and equipment is carried at cost less accumulated depreciation. The useful lives of items of property, plant and equipment have been assessed as follows:

Items	Depreciation method	Average useful life
Computer Equipment	Straight Line	12 years
Office Furniture	Straight Line	30 years
Office Equipment	Straight Line	20 years
Motor Vehicles	Straight Line	13 years
Buildings	Straight Line	20 years
Minor Assets	Straight Line	1 year

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.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

The depreciation useful life 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 useful life 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 useful life 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 except for minor assets have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

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

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the Notes to the financial statements (See Note 2).

Minor Asset

Minor assets are those assets which have a value of R5000 or less but for which management deems important enough to keep on the fixed assets register for safeguarding. These items are depreciated in the year of acquisition and depreciation is therefore not renewed annually.

1.7 Intangible Assets

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.

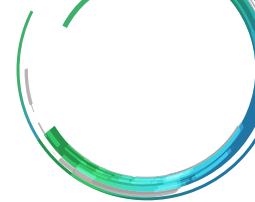
The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

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.

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.

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



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

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 other intangible assets amortisation is provided on a straight-line basis over their useful life.

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

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

Items	Depreciation method	Average useful life
Computer software	Straight line	10 years

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.

Initial Recognition

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

A financial asset is:

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

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

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

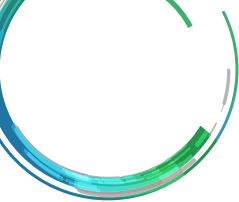
A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- 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.

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 derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non – financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

Initial measurement of financial assets and financial liabilities.

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

Investment management cost 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.

Subsequent measurement of financial assets and financial liabilities.

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

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.
- All financial assets measured at amortised cost, or cost, are subject to an impairment review

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

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

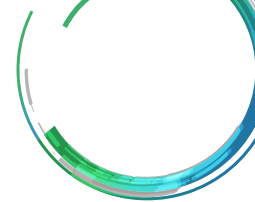
Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

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

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

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.

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



NATIONAL HOME BUILDERS REGISTRATION COUNCIL NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

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).

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
Receivables from exchange transactions	Financial asset measured at amortised cost
Cash and cash equivalent	Financial asset measured at fair value
Payables from exchange transactions	Financial liability measured at amortised cost

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

Derecognition of financial instruments

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

Financial management risks

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.

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.

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.

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. Liquidity risk is the risk encountered by an entity in the event of difficulty in.

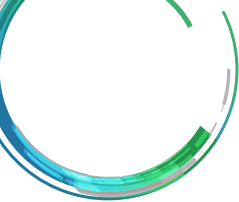
Fair Value Measurement Considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique.

The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations.

Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity specific inputs.

It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments.

Periodically, an entity calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e., without modification or repackaging) or based on any available observable market data.

1.9 Leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Operating 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 Prepayments

Prepayments are payments that the entity has made at the reporting date for economic benefits or service potential to be received in future periods. Prepayments are made in accordance with contracts between the entity and third parties.

The entity recognises as an asset the extent to which payments made exceed the value of economic benefits or service potential received.

The entity measures prepayments at the fair value of the consideration paid, to the extent that it exceeds the value of goods or services received. As the entity receives the related goods or services, it shall reduce the carrying number of prepayments made by the fair value of those goods or services received. Any related asset or expense will be recognised in accordance with the applicable GRAP standard.

1.11 Cash and Cash Equivalents

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

Cash equivalents are held for the purpose of meeting short term cash commitments rather than for investment or other purposes. Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less which are available on demand.

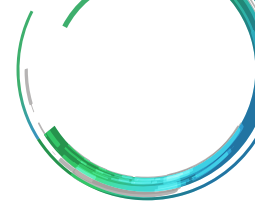
Cash and cash equivalents included restricted cash equivalents reclassified to non-current asset (as defined in GRAP 2) unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Impairment Of Cash Generating Assets

A cash generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

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

- Whether assets are acquired to earn a commercial return.
- Whether assets are acquired to deliver services for which the entity is mandated other than those, which generate an economic return.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

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

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

The cash generating assets are reduced to the recoverable amounts from the carrying amount. 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. Recoverable amount of an asset or a cash generating unit is the higher its fair value less costs to sell and its value in use. 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. Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

1.12 Provisions And Contingencies

Provisions were raised and management determined an estimate based on the information available. Provisions are recognised when:

- the entity has a present obligation because 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 reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all 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.

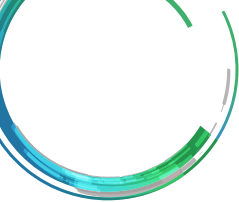
Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

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 present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

Contingent assets and contingent liabilities are not recognised.

A contingent liability is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non – occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets and contingent liabilities are not recognised. They are disclosed in (Note 23-24).

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. Financial guarantees are contracts that require a Bank to make specified enrolment payments to the NHBRC at the expiration of a certain period stated in the financial guarantee.

The entity recognises a provision for financial guarantees when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor.
- defaults or delinquencies in interest and capital repayments by the debtor.
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Provision for long service awards, Legal obligations arise from the NHBRC policy that stipulate the criteria or practise over a period created an expectation with employees that this is the norms for the payment of long service awards.

The entity recognises provision for long service award arise from the policy of the NHBRC provides or rewards it employees with cash bonus payments for every five years of service completed. The benefit ranges from R5 000 for five years of service and is as high as R45 000 on the completion of 45 years' service.

1.13 Revenue From Exchange Transactions

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

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

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

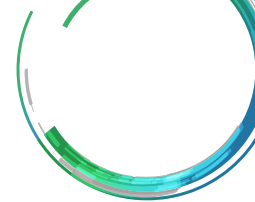
Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates. Revenue arising from registration, renewal, late enrolment, non subsidy enrolments, and subsidy home enrolments are recognised on receipt of cash payment.

Rendering of Services

When the outcome of the 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.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

- 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.

1.14 Interest, And Dividends

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. Interest levied on transactions arising from exchange or non – exchange transactions is classified based on the nature of the underlying transaction.

Dividends or similar distributions are recognised, in surplus or deficit, when the entity's right to receive payment has been established.

1.15 Revenue From Non – Exchange Transactions

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

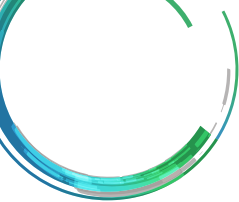
Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates. Revenue arising from DC fine and legal recoveries are recognised on the cash basis.

Revenue from a non – exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

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



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

Fines

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

Assets arising from fines are measured at the best estimate of the inflow of resources to the entity.

1.16 Insurance technical result

The insurance technical result is determined on an annual basis whereby the incurred cost of insurance claims and related expenses, together with any change in other technical provisions is charged against the earned proportion of insurance premiums, as follows:

Insurance premiums written.

Insurance premiums are defined as an enrolment fee in terms of Section 14 of the Housing Consumers Protection Measures Act. Insurance premiums written relate to business generated during the year, together with any differences between booked insurance premiums for prior years. They include the insurance premiums for the whole of the period of risk covered by the warranty regardless of whether these are wholly due for payment in the accounting period.

Insurance premiums written comprise the total insurance premiums payable by the insured to which the insurer is contractually entitled to and are shown net of insurance premium refunds. Insurance premiums written exclude value added taxation.

Insurance Claims Incurred

Insurance claims incurred, comprise insurance claims and related expenses paid in the year and changes in the outstanding claims provision, including provisions for insurance claims incurred but not reported and related expenses, together with any other adjustments to insurance claims from previous years. Insurance claims are typically reported relatively quickly after the insurance claims event and are therefore subject to significantly less uncertainty than future insurance claims events.

Insurance claims outstanding represent the cost of settling all insurance claims arising from events that have occurred up to the balance sheet date, including the provision for insurance claims incurred but not reported, less any amounts paid in respect of those insurance claims.

Unexpired risk provisions

An unexpired risk provision is made where the estimated cost of insurance claims, related expenses and deferred acquisition costs exceed unearned insurance premiums, after taking account of future investment income. An assessment is made at the year-end for the estimated cost of insurance claims, which will arise during the unexpired terms of policies in force at the balance sheet date. The estimated cost of insurance claims includes expenses to be incurred in settling insurance claims.

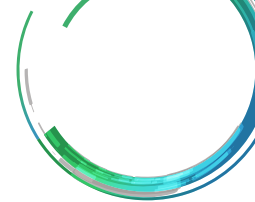
The provisions are inevitably subject to inherent uncertainties because of the range of factors, which could give rise to potentially significant insurance claims over the five-year period covered by the “unexpired risk provision”.

The time expected to elapse between the inceptions of policies, the manifestation of events giving rise to insurance claims, and the notification to and settlement by the Council of such insurance claims accentuate these uncertainties.

In calculating the estimated cost of future insurance claims, actuarial and statistical projections of the frequency and severity of future insurance claims events are used to project ultimate settlement costs.

Liability Adequacy Test

An independent actuarial service company tests the solvency of the warranty fund annually. The assessment is to confirm the solvency of the organisation and its ability to meet its future obligations. The results of the actuarial valuation indicated that the NHBRC, including both subsidy and non – subsidy houses, is solvent and can fund its liabilities on a going concern basis.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

1.17 Comparative Figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.18 Budget Information

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

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

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

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

1.19 Related Parties

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

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

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

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

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

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

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 audited annual financial statements.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

1.20 Tax

No provision has been made for South African Normal Tax as the Council has been granted exemption in term of Section 10 (1) (cA)(i) of the Income Tax Act No 58 of 1962.

1.21 Inventories

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

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for:

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Current replacement cost is the cost the entity incurs to acquire the asset on the reporting date.

The cost of inventories is assigned using the first in, first out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

1.22 Commitments

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

A commitment is an agreement or a pledge to assume a financial obligation at a future date. The company has the following type of commitment:

- Those for the receipt of goods or services from suppliers and

A commitment arises out of a contractual agreement between the company and another party which entitles the company or the third party to enforce the delivery of the agreed upon goods or services at an agreed amount.

- Contractual commitments are not recognised but are disclosed in the notes to the financial statements.

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

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

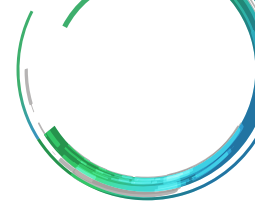
1.23 Value Added Tax

No provision has been made for Value Added Taxation as the Council was deregistered as a vat vendor on 01 April 2011 in terms of the Revenue Laws Amendment Acts Nos. 45 of 2003 and 32 of 2004, which came into operation on 01 April 2005.

1.24 Fruitless and Wasteful Expenditure

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

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



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

1.25 Employee Benefits

Short Term Employee Benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non – monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

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 expected cost of surplus sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments because of past performance.

Other long-term benefits

Other long-term employee benefits are employee benefits (other than postretirement 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.

Long service award shall be payable in the months of June and December each year for the qualifying employees through payroll. Long service awards are subject to income tax as prescribed by the income tax act.

Should the employee's service be terminated on or after her qualifying anniversary date but prior to the months payable, the long service will be paid upon termination. Refer to (Note 10).

1.26 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.

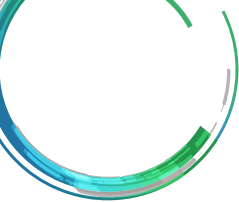
The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non adjusting events, where non – disclosure could influence the economic decisions of users taken based on the financial statements.

1.27 Irregular Expenditure

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

- a) This Act; or
- b) The State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- c) Any provincial legislation providing for procurement procedures in that provincial government.
- d) Irregular expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the Note to the financial statements.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required apart from updating the Note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure Note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury, or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant Note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the Note to the financial statements and updated accordingly in the irregular expenditure register.

1.28 New Standards and Interpretations

1.28.1. 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:

- IFRS Insurance contract 17

At the date of authorization of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective. Except for the adoption of IFRS 17 the Council does not expect that the adoption of the Standards listed below will have a material impact on the financial statements of the entity in future periods, except where indicated.

The entity will adopt International Financial Reporting Standard (IFRS) 17 Insurance Contracts. This change is driven by regulatory requirements and aims to improve the accounting and reporting of insurance contracts and financial instruments, enhancing transparency and comparability.

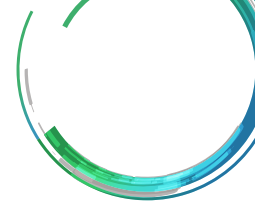
As of the reporting date, limited work has been performed to determine the specific transition method for the adoption of IFRS 17. The selection of the transition method, whether retrospective application or modified retrospective application, is yet to be determined and will be disclosed in subsequent financial statements once finalized.

The impact of adopting IFRS 17 on the Entity's financial statements is currently being evaluated. Management anticipates that the change in accounting policy will have a significant effect on the recognition, measurement, and presentation of insurance contracts and financial instruments compared to the previous accounting framework.

The entity is in the process of assessing the specific areas of impact, and the magnitude of the effect will be disclosed in future financial statements once the assessment is completed.

The transition to IFRS 17 may involve the exercise of significant judgments and estimates. These judgments and estimates will be made during the transition process to ensure the appropriate application of IFRS principles. The key judgments and estimates made, including the basis for these judgments and their potential impact on the financial statements, will be disclosed in future financial statements.

Given that no work has been conducted as of the reporting date, no restatements or adjustments to comparative financial information for prior periods have been made in relation to the adoption of IFRS 17.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

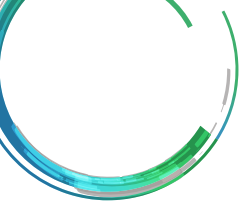
The entity will develop and implement the necessary plans, including training programs and system enhancements, to ensure a smooth and successful transition to IFRS 17. Any material changes in accounting policies resulting from the adoption of IFRS 17 will be communicated and disclosed in subsequent financial statements.

The Entity will continue to assess and monitor the progress of the transition to IFRS 17, including any additional considerations that may arise during the implementation process. Further updates and disclosures will be provided in subsequent financial statements as the transition progresses.

1.28.2 Standards and interpretations not effective or relevant

The following standards and interpretations have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2026 or later periods but are not relevant to its operation.

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
GRAP 1: Presentation of financial statements (amended 2022)	01-Apr-25	Likely there will be a material impact
GRAP 103: Heritage assets	To be determined (Not yet effective for 31 March, 30 June and 31 Dec 2024 year-ends)	Unlikely there will be a material impact
GRAP 104: Financial instruments	01-Apr-25	Likely there will be a material impact
GRAP 105: Transfer of Functions Between Entities Under Common Control	To be determined (Not yet effective for 31 March, 30 June and 31 Dec 2024 year-ends)	Unlikely there will be a material impact
GRAP 106: Transfer of Functions Between Entities Not Under Common Control	01-Apr-23	Unlikely there will be a material impact
GRAP 106: Transfer of Functions Between Entities Not Under Common Control	To be determined (Not yet effective for 31 March, 30 June and 31 Dec 2024 year-ends)	Unlikely there will be a material impact
GRAP 107: Mergers	To be determined (Not yet effective for 31 March, 30 June and 31 Dec 2024 year-ends)	Unlikely there will be a material impact



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

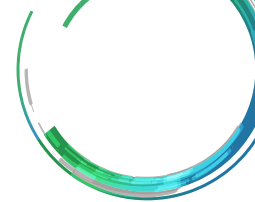
2. Property, plant and equipment						
Year ended 31 March 2025	Computer equipment R	Office furniture and equipment R	Motor vehicles R	Land R	Buildings R	Total R
Opening net book amount	20 160 303	10 818 762	2 039 495	17 751 947	36 967 143	87 737 650
Additions	324 502	2 145 004	–	–	–	2 469 506
Disposals (note 29)	(2 384 785)	(487 790)	–	–	–	(2 872 574)
Depreciation on disposal (note 29)	1 925 736	487 229	–	–	–	2 412 964
Depreciation charge (note 29)	(2 418 177)	(999 659)	(172 211)	–	(4 084 840)	(7 674 887)
Impairment	(1 002 697)	–	–	–	–	(1 002 697)
Closing net book amount	16 604 882	11 963 546	1 867 284	17 751 947	32 882 303	81 069 962
At 31 March 2025						
Cost	32 447 358	29 736 338	2 841 937	17 751 947	81 696 829	164 474 410
Accumulated depreciation	(15 842 477)	(17 772 792)	(974 653)	–	(48 814 526)	(83 404 448)
Net book amount	16 604 882	11 963 546	1 867 284	17 751 947	32 882 303	81 069 962
Year ended 31 March 2024						
Opening net book amount	20 545 209	9 329 102	685 256	17 751 947	40 112 036	88 423 551
Additions	2 627 719	2 471 472	1 508 802	–	939 946	7 547 939
Disposals (note 29)	(728 137)	(696 416)	–	–	–	(1 424 554)
Depreciation on disposal (note 29)	341 416	682 996	–	–	–	1 024 412
Depreciation charge (note 29)	(2 625 903)	(968 392)	(154 563)	–	(4 084 840)	(7 833 698)
Closing net book amount	20 160 303	10 818 762	2 039 495	17 751 947	36 967 142	87 737 650
At 31 March 2024						
Cost	34 507 641	28 079 124	2 841 937	17 751 947	81 696 829	164 877 478
Accumulated depreciation	(14 347 338)	(17 260 362)	(802 442)	–	(44 729 686)	(77 139 828)
Net book amount	20 160 303	10 818 762	2 039 495	17 751 947	36 967 143	87 737 650

Land

Land comprises of ERF's 1085 & 1086 situated in Leeuwkop road Sunninghill, and Soshanguve A Township, Registration Division JR, Province of Gauteng; under General Plan No A9923/1996 and held by Certificate of Registered Title No. T4866/1997. The register of land is available at the Council's premises.

Buildings

Buildings comprise of Head Office located in Leeuwkop Road ,Sunninghill, show houses, a training centre and a conference centre at the Eric Molobi Housing Innovation Hub. The Hub was established towards the end of 2005 at Thorntree View, Soshanguve A, in the Tshwane Metropolitan Municipality in Gauteng.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

Useful lives

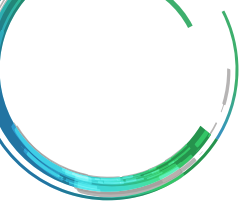
The residual values and estimated useful lives are reflected under 1.5 Significant judgements and sources of estimation uncertainty policies.

Impairment

Impairment charge arise from verification process where computer equipment was identified as obsolete that resulted in impairment expense of R1 002 679

2.1 Repairs and maintenance		
	2025 R	2024 R
– Property, plant and Equipment	3 370 800	3 911 997
– Vehicles	-	7 096
	3 370 800	3 919 093

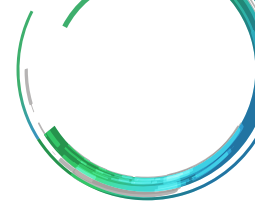
3. Intangible assets		
	Computer software R	Total R
Year ended 31 March 2025		
Opening net book amount	26 436 712	26 436 712
Additions	4 751 069	4 751 069
Amortisation charge (note 29)	(8 745 238)	(8 745 238)
Closing net book amount	22 442 544	22 442 544
At 31 March 2025		
Cost	132 360 768	132 360 768
Accumulated amortisation	(109 918 224)	(109 918 224)
Net book amount	22 442 544	22 442 544
At 31 March 2024		
Opening net book amount	14 956 460	14 956 460
Amortisation charge	11 480 252	11 480 252
Closing net book amount	26 436 712	26 436 712
At 31 March 2024		
Cost	127 609 699	127 609 699
Accumulated amortisation	(101 172 987)	(101 172 987)
Net book amount	26 436 713	26 436 713
<i>Intangible assets comprises of computer software namely SAP, Digital services and other minor software.</i>		
<i>The change in estimate from 8 to 10 years is based on an assessment done in the current period. SAP we gave 15 and the impact on depreciation R4,2 million.</i>		



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

4. Investments

	2025 R	2024 R
Investments represent investments in cash, listed bonds, securities and equities, which generate interest and dividend income as well as investment gains/losses.		
Investments carried at fair value comprise the following:		
Money Market investments	3 902 599 446	3 619 785 591
Call Accounts *	819 721 186	444 648 558
CPD Money Market	607 475 779	561 081 940
Listed bond securities and equity		
- Short-term < 7 years	305 172 189	1 223 886 976
- Medium-term 7 to 12 years	863 170 792	446 241 390
- Long-term > 12 years	1 810 429 772	1 559 140 129
	8 308 569 164	7 854 784 584
Derivative financial instruments at fair value	652 602 795	1 603 761 344
	8 961 171 960	9 458 545 928
Split between non-current and current		
Non-Current portion	3 631 375 548	4 833 029 839
Current portion	5 329 796 412	4 625 516 089
Total	8 961 171 960	9 458 545 928
None of these financial assets are either past due or impaired		
* Call accounts relate to the cash component within the bonds, equity and money market at year end.		
Reconciliation of opening and closing balance		
Opening balance	9 458 545 928	8 797 604 000
Capital additions	2 850 707	226 200 015
Withdrawal/ proceed on investment	(1 863 506 643)	(110 000 015)
Interest accrued	710 779 053	658 813 159
Dividend earned	25 031 129	27 066 379
Investment management costs	(858 203)	(748 964)
Asset management service fees	(16 565 446)	(14 607 942)
Unrealised gain on financial assets	522 182 473	646 253 148
Unrealised loss on financial assets	(267 660 218)	(723 217 013)
Realised gain on financial assets	421 554 158	29 669 414
Realised loss on financial assets	(31 180 980)	(78 486 253)
	8 961 171 960	9 458 545 928



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

4. Investments (continued)

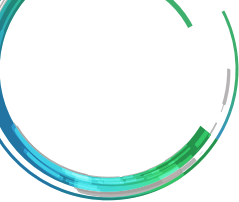
4.1 Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rates.

Financial Assets at Fair Value (Bonds, Money Market, Equities and Structured Products)

Issuer Local Credit Rating	2025 R	2024 R
AAA	3 156 062 095	2 539 015 204
AA+	2 560 591 879	133 252 078
AA	1 210 171 257	927 038 942
AA-	910 485 315	1 792 344 961
A+	124 495 299	156 806 390
A	–	1 248 537 544
A-	21 247 065	7 812 262
BBB	15 265 954	13 563 078
NR	133 316 474	386 116 247
BBB+	30 337 497	–
	8 161 972 835	7 204 486 706
Equity Exposure	799 199 124	2 254 059 222
	8 961 171 960	9 458 545 928

The NHBRC has exposure to various issuers of debt instruments in South African Rands. To assess credit risk exposure, local currency ratings of the issuer are used. For clarity purposes the ratings are presented in this manner to enhance understanding of the user. The ratings have all been converted to long term ratings for better understanding and consistency.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

4. Investments (continued)

4.2 Fair value hierarchy for financial assets measured at fair value.

2025	Fair value measurement at end of the year using:		
	R	Level 1 R	Level 2 R
Financial assets at fair value through profit or loss			
Equities	790 560 409	790 560 409	–
Bonds	2 840 815 139	2 840 815 139	–
Money market instruments	4 510 075 225	–	4 510 075 225
Call Accounts	819 721 186		819 721 186
	8 961 171 960	3 631 375 548	5 329 796 412

2024	Fair value measurement at end of the year using:		
	R	Level 1 R	Level 2 R
Financial assets at fair value through profit or loss			
Equities	643 057 012	643 057 012	–
Bonds	2 586 211 484	2 586 211 484	–
Money market instruments	4 180 867 531	–	4 180 867 531
Call Accounts	444 648 558		444 648 558
Other investment (structured products)	1 603 761 344	1 603 761 344	–
	9 458 545 928	4 833 029 839	4 625 516 089

The fair value assets are classified using a fair value hierarchy that reflects the significance of the input used in determining the measurements.

The fair value hierarchy has the following levels:

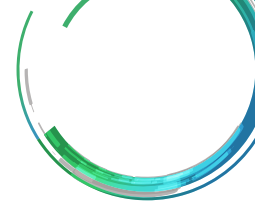
Level 1- These are assets measured using quoted prices in an active market.

Level 2- These are assets measured using inputs other than quoted prices included within level 1, that are either directly or indirectly observable.

Level 3- These are assets measured using inputs that are not based on observable market data. The scheme does not have any assets falling under level 3.

The table below details the valuation techniques and observable inputs for assets falling under level 2:

Asset description	Valuation techniques	Observable input
Debt securities	Discount cash flow method	Nominal & real bond yield curves
Money market instruments	Discount cash flow method	Swap curve
Other investments	Black-Scholes	Risk free rate from swap curve, market price of underlying asset.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

5. Inventories

	2025 R	2024 R
Builders manuals at cost	3 438 856	5 028 719

6. Trade and other receivables from exchange transactions

Net trade receivables	44 205 785	48 274 634
– Trade receivables	106 181 967	127 995 208
– Less provision for impairment	(61 976 182)	(79 720 574)
Other receivables:		
– Rental deposits	1 643 034	2 872 627
– Sundry debtors (Prepayment, DC fines debtors and others)	22 223 677	33 075 297
	68 072 495	84 222 559
The fair values of trade and other receivables are as follows:		
Trade receivables	106 181 967	127 995 208
Rental deposits	1 643 034	2 872 627
	107 825 001	130 867 835
Reconciliation of provision for impairment of trade and other receivables:		
Opening balance	(79 720 574)	(30 697 208)
Provision for impairment	17 744 392	(49 023 366)
At 31 March 2025	(61 976 182)	(79 720 574)

In determining the recoverability of trade receivables, the NHBRC considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is high due to the customer base being Provincial Departments of Human Settlement.

6.1 Rental deposits

Split between non-current and current		
Non-Current portion	424 716	87 996
Current portion	1 218 318	2 784 631
	1 643 034	2 872 627

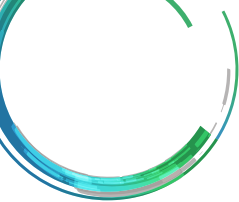
6.2 Trade and other receivables

Split between non-current and current		
Non-Current portion	424 716	87 996
Current portion	67 647 779	84 134 563
	68 072 495	84 222 559

6.3 Credit quality of financial Assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rates.

Total trade receivables from exchange transactions	106 181 967	127 995 208
The customer is the National and Provincial of Human Settlements	106 181 967	127 995 208



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

7. Cash and cash equivalents

	2025 R	Restated 2024 R
Cash balances	310 180 743	332 796 114
Cash balances (Restricted cash:Trust account) 1	84 036 329	75 363 590
Short-term bank deposits	200 016	198 616
Other Investment (Structured Product)2	1 863 506 643	–
	2 257 923 731	408 358 320
7.1 Cash and cash equivalents		
Split between non-current and current (Trust account portion and Other investment)		
Non-Current portion	1 910 582 133	46 622 979
Current portion	347 341 598	361 735 342
	2 257 923 731	408 358 320

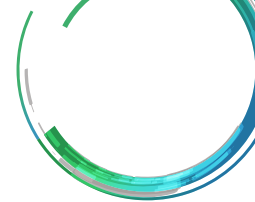
FNB uses the credit rating of FirstRand Bank Ltd which has a local currency rating of BB.

1 Only R47 075 490 of the R84 036 329 restricted cash and balance relate long term expired guarantee and interest earned which is capitalised. Refer to (note 11)

2 This is a restricted cash and the amount related to maturity of structure investment from Investec equity linked note and ABSA, the amount was sitting under cash and cash equivalents at year end. The amount was subsequent approved for reinvestment by Council on the 31 May 2025. Refer to (note 27)

8. Emerging contractor reserve

The reserve was established to assist home builders, through training and inspection, to achieve and to maintain satisfactory technical standards of home building in terms of Section 3(h) of the Housing Consumers Protection Measures Act (Act no. 95 of 1998). The emerging contractor reserve has been established, with Ministerial approval, to develop programmes targeted at the empowerment of emerging home builders registered with the NHBRC, which will enable learners to be able to start and manage their own construction contracting businesses. The Council utilised R0 (2024: R606 480) for home builder training in the current financial year. The remaining reserve to be utilised for future years is R 3 058 559 (2024:R3 058 559).



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

9. Provision

	Outstanding claims R	Unexpired Risk R	Total R
Balance at 31 March 2023	26 198 607	1 073 143 116	1 099 341 723
Increase during the year (note 29)	17 699 974	–	17 699 974
Utilised during the year (note 18)	(12 616 363)	–	(12 616 363)
Increase during the year		23 914 671	23 914 671
Balance at 31 March 2024	31 282 218	1 097 057 787	1 128 340 005
Increase during the year (note 29)	15 781 968	–	15 781 968
Utilised during the year (note 18)	(13 978 887)	–	(13 978 887)
Increase during the year		111 684 754	111 684 754
Balance at 31 March 2025	33 085 299	1 208 742 541	1 241 827 840
Balance at 31 March 2024			
Current	12 441 358	368 601 945	381 043 303
Non-current	18 840 860	728 455 842	747 296 702
	31 282 218	1 097 057 787	1 128 340 005
Balance at 31 March 2025			
Current	12 537 829	374 668 511	387 206 340
Non-current	20 547 470	834 074 030	854 621 500
	33 085 299	1 208 742 541	1 241 827 840

9.1 Basis and methodology of valuation

There has not been a change in the method for the calculation of provisions from the solvency assessment. The following NHBRC (policyholder) liabilities or provisions are calculated:

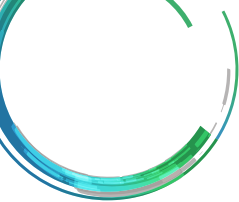
- Unexpired risk Provision (“URP”)
- Outstanding Claims Provision (“OCP”)
- Unearned Premium Provision

The method adopted for the for Incurred But Not Reported (“IBNR”) claims provision inherently includes the Incurred But Not Enough Reported (“IBNER”). The IBNER relates to those complaints that have resulted in remedial claims but have not been fully settled.

A best estimate basis (set of assumptions) is used in the determination of the liability in terms of IFRS4 and general best practice in the South African short-term industry. The OCP provision is held at a 75% level of sufficiency, as was the case in the last two financial years.

The UPP is the portion of received enrolments that is held to meet future complaint and conciliation expenses and remedial work claims for unexpired years of cover. In determining the UPP, earned and unearned initial expenses are deducted from the enrolment fee. The remaining portion of the enrolment fee, if positive, is assumed to be earned over the five years of the warranty cover in accordance with the earnings curve. Initial expenses are assumed to be earned uniformly over the quarters of construction, assuming expenses are incurred at the beginning of each quarter. The unearned portion of initial expenses is included in the UPP.

The unexpired risk provision (URP) is the sum of all UPP’s plus any additional unexpired risk provision (AURP) that may be required if the unearned premium is considered to be inadequate to pay for the unexpired risks. The Unexpired Risk Provision (“URP”) from in-force business is calculated to evaluate the sufficiency of the UPP to meet future expenses and claims.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

9. Provision (continued)

9.1 Basis and methodology of valuation (continued)

The OCP is a provision required with respect to complaints that will result in remedial work claims, but still under conciliation or not fully settled. The Inflation Adjusted Bornhuetter Ferguson Method ("BF Method") is deemed the most appropriate method for the estimation of the reserve for of remedial work claims. The technique is most useful when actual reported losses for a complaint period are not a good indicator of future IBNR losses for the same complaint period, as is often the case when there is a low frequency of loss or incomplete data

The methodology is consistent with that used in the previous financial year end actuarial solvency assessment.

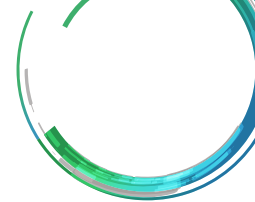
9.2 Assumptions

The expected inflation rates and discount rates are determined from the yield curves from the trading of government bonds. Additionally, historical inflation for remedial claims is in line with published CPI inflation, but only from 31 March 2019. The historical assumed inflations to 31 March 2019 are maintained, which were based on estimates of building cost inflation. The summary of the economic assumptions is set out in the below table. maintained, which were based on estimates from building cost inflation. The summary of the economic assumptions is set out in the table on the next page.

Key assumption	2025		2024	
	Non subsidy	Subsidy	Non subsidy	Subsidy
Discount rate	7.7%	11.7%	8.8%	12.8%
General price inflation	3.7%	6.7%	4.4%	7.7%
Future building cost inflation	3.7%	6.7%	4.4%	7.7%
Historical building cost inflation	2.7%	2.7%	5.3%	5.3%
Ultimate complaint rate	1.0%	1.0%	1.0%	1.0%
Remedial work rate	10.0%	10.0%	10.0%	10.0%
Average claim cost	R 296 991	R 0	R 289 579	R 54 714
Initial expense ratio	34%	39%	52%	73%
BF method loss ratio	1.75%	1.75%	1.75%	1.75%
BF method tail factor	2.5%	-100%	2.5%	2.5%
Spread of risk period	Emergence of complaints from FY 2008		Emergence of complaints from FY 2008	

9.3 Sensitivity analysis

The UPP significantly covers projected claims and expenses and is not sensitive to assumptions relating to ultimate complaint rate, remedial claim rate, average remedial claim amount, allocated expenses as well as discount rates. It is however sensitive to the initial expense assumption as well as the complaints development curve.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

10. Provision for long service Awards

	2025 R	Restated 2024 R
NHBRC must provide its employees with cash bonus payments for every five years of service completed. The benefit ranges from R5 000 for five years of service and is as high as R45 000 on the completion of 45 years service.		
Split between the current and non-current liability		
Non-Current portion	13 482 307	13 224 303
Current portion	1 095 335	968 424
	14 577 642	14 192 727
Reconciliation of opening and closing balance are determined as follows:		
Opening balance defined benefit obligation	14 192 727	–
Profit and loss		
Past service cost	–	14 192 727
Current service cost	1 169 893	–
Interest cost	1 302 647	–
Benefit taken-up	(1 750 000)	–
Other comprehensive income/expense		
Revaluation (Gain)/loss`	(337 625)	–
	14 577 642	14 192 727

11. Trade and other payables from exchange transactions

Trade payables and accrued expenses	40 178 832	51 393 757
Operating lease accrual	506 641	419 173
Income received in advance	2 327 899	2 189 139
Leave accrual	35 464 651	33 706 414
Cash received in advance	34 655 365	44 184 784
Retentions	–	1 368 518
	113 133 387	133 261 786

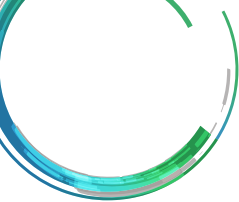
The NHBRC has financial risk management policies to ensure that all payables are paid within the credit time frame.

12. Deposits for Guarantees

Deposits for Guarantees split between non-current and current

Non-Current portion	15 592 975	20 112 952
Current portion	31 482 515	26 510 027
	47 075 490	46 622 979

This restricted amount relate to deposit payment done by builder for non-compliance and it due for refund at end of 5 years. Refer (note 7)



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

13. Insurance premium revenue

	2025 R	2024 R
Non- Subsidy Enrolments	483 777 879	522 884 822
Subsidy Enrolments	148 533 741	139 075 366
Change in unearned premium provision (see note 9)	(111 684 754)	(23 914 671)
	520 626 866	638 045 517

The unearned premium provision is the portion of received enrolments that is held to meet future complaints and conciliation expenses, over heads and remedial work claims for unexpired years of cover.

14. Fee revenue

Registration; Administration fees	2 370 822	1 971 025
Registration : Annual Fees	3 638 499	2 939 691
Registration: Builder manual	1 754 701	1 479 021
Renewal : Annual Fees	11 978 777	10 480 554
Subsidy project enrolments fees	125 556 970	80 032 653
Late enrolment fees	255 055	395 590
Document sales	268 798	376 964
	145 823 622	97 675 498

15. Technical services revenue

Forensic engineering, Geotechnical and rectification work	11 451 840	51 797 400
	11 451 840	51 797 400

16. Other Revenue

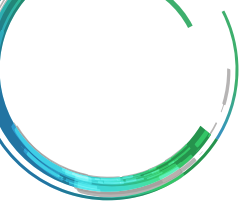
The amount included in the revenue arising from exchange of service are as follows:

Sundry Income	17 472 506	2 570 784
	17 472 506	2 570 784

The amount included in the revenue arising from non-exchange of service are as follows:

Other Income

Disciplinary hearing fines	2 362 950	3 989 799
Legal Recoveries	8 898	60 315
Other Income (Disability recovery and CETA)	7 879 860	10 068 395
	10 251 708	14 118 509
	27 724 215	16 689 293



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

20. Remuneration

	Fees R	Cell phone Allowance R	Total 2025 R	Total 2024 R
20.1 Total cost – Non-executive council members				
Ms Noxolo Kiviet (Chairperson) ¹	67 248	1 600	68 848	–
Prof Mandla Joshua Radebe (Deputy Chairperson) ¹	82 602	1 600	84 202	–
Mr Sijekula Mbanga ⁶	5 396	800	6 196	–
Mr Vincent Donavon Goliath ¹	56 658	1 600	58 258	–
Ms Khulile Vuyisile Nzo ⁴	40 470	1 600	42 070	–
Ms Siphindile Memela ^{1,3}	180 267	8 000	188 267	139 750
Ms Nomthandazo Ncalane–Ngcobo ^{1,3}	208 071	7 200	215 271	171 402
Ms Renaire Shelly Huntley ^{1,3}	264 256	8 000	272 256	235 697
Mr Kganki Matabane ^{1,3}	199 450	8 000	207 450	170 049
Ms Nontuthuko Chiluvane ^{1,3}	243 246	7 200	250 446	199 923
Ms Mandy Jayakody ^{1,3}	315 529	8 000	323 529	230 506
Ms Zodwa Matiwane ^{1,5}	–	9 600	9 600	19 200
Ms Morwesi Ramonyai Thonga ^{1,3}	255 439	6 400	261 839	224 118
Ms Nomusa Mufamadi (Chairperson) ²	205 808	5 600	211 408	228 016
Dr Bongani Ngqulunga(Deputy Chairperson) ²	131 582	4 800	136 382	142 174
Mr Francois Beukman	–	–	–	73 058
Mr Refilwe Lediga ²	187 503	6 400	193 903	158 883
Ms Kedibone Tsiloane ²	157 140	6 400	163 540	150 226
Mr Roy Mnisi ²	75 951	5 600	81 551	65 618
Ms Sasa Subban ²	–	8 000	8 000	15 200
	2 676 617	106 400	2 783 017	2 223 820

¹ Appointed 24 January 2025

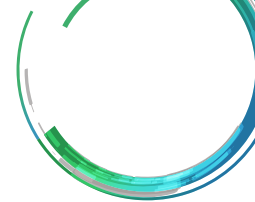
² Term ended 25 November 2024

³ Re-appointed 07 February 2025

⁴ Appointed 14 February 2025

⁵ Appointed 28 February 2025

⁶ Appointed 25 February 2025



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

20. Remuneration (continued)

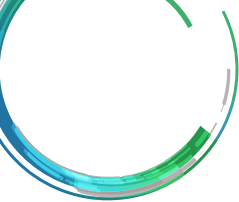
	Salaries R	Cell phone Allowance R	Subsistence & travel & Acting Allowance R	2025 R	2024 R
20.2 Total cost – Executive management					
S Booi (Chief Executive Officer) ¹	4 185 246	20 000	–	4 205 246	4 215 201
T Bouwer (Acting Chief Executive Officer) ²	2 508 516	30 000	–	2 538 516	2 538 541
S Ngwenya (Executive Manager Corporate Services)	2 506 299	45 000	–	2 551 299	1 172 933
C Makapela (Executive Manager Engineering & Technical Service)	2 506 921	30 000	13 648	2 550 570	2 621 205
M Kabwe (Executive Manager Customer experience and marketing development)	2 507 061	30 000	–	2 537 061	1 691 680
O Maseng (Chief Operating Officer)	–	–	5 050	5 050	3 550 331
N Chavalala (Acting Executive Manager Corporate Services)	–	–	–	–	1 499 073
S Janser (Acting Executive Manager Customer experience and marketing development)	–	–	–	–	866 221
	14 214 043	155 000	18 698	14 387 741	18 155 186

¹ Suspended 25 November 2024.

² Appointment from 17 March 2025.

20.3 Bonuses

	2025 R	2024 R
Executive Management	–	76 293
S Booi (Chief Executive Officer)	–	76 293



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

21. Related Parties

21.1 Relationships:

Controlling entity

Department of Human Settlements (DHS)

The NHBRC was established by the National Department of Human Settlement in terms of housing consumers protection measures Act no 95 of 1998

Executive Authority:

The Minister of the Department of Human Settlements

Member of Key Management

Mr S Booi
Mr C Makapela
Ms T Bouwer
Ms M Kabwe
Ms S Ngwenya
Dr S Mndze *

** Secondment from Department of Human Settlement from 23 October 2024 to 25 February 2025.*

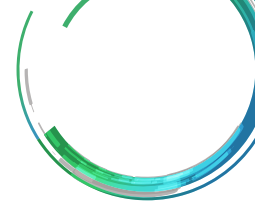
Non-executive Council

Ms Noxolo Kiviet (Chairperson)
Prof Mandla Joshua Radebe (Deputy Chairperson)
Prof Sijekula Mbanga
Mr Vincent Donavon Goliath
Ms Khulile Vuyisile Nzo
Ms Siphindile Memela
Ms Nomthandazo Ncalane-Ngcobo
Ms Renaire Shelly Huntley
Mr Kganki Matabane
Ms Nontuthuko Chiluvane
Ms Mandy Jayakody
Ms Zodwa Matiwane
Ms Morwesi Ramonyai Thonga
Mr Lethlohonolo Masoga
Ms Nomusa Mufamadi (Chairperson)
Dr Bongani Ngqulunga (Deputy Chairperson)
Mr Refilwe Lediga
Ms Kedibone Tsiloane
Mr Roy Mnisi
Ms Sasa Subban

Entities under common control:

The Community Schemes Ombud Service
The Housing Development Agency
The National Housing Finance Corporation
The Social Housing Regulatory Authority
Property Partitioners Regulatory Authority

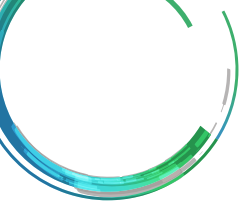
These are entities under common control of the Department of Human Settlements of which NHBRC forms part. By virtue of the NHBRC being a national public entity, it is presumed that all other government entities within the national sphere are related to it. However, only transactions that occurred outside the normal terms available to the broader public are disclosed in accordance with Grap 20: related party disclosure.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

21. Related Parties (continued)

	2025 R	2024 R
21.2 Transactions with other related parties		
During the year, NHBRC entered into the following transaction with: Department of Human Settlements (DHS)		
Forensic engineering assessment– Emergency housing response	10 170 720	–
Payment received	8 744 400	–
Balance	1 426 320	–
Trade and other payables from exchange transactions		
Auditor General	2 076 119	–
Eskom	110 026	–
Telkom SA Limited	150 126	1 059 497
Government Printing Works	–	25 090
State Information Technology Agency(SITA)	–	2 153 233
All other entities in the National sphere of government are considered to be related, but have not been disclosure unless transactions with those entities were conducted at arm's length , under terms and conditions similar to those available in the market and were subject to the entity's normal procurement and approval processes. The detail of the remuneration of the member of key management and Non–executive council is included in the note 20 to the financial statements.		

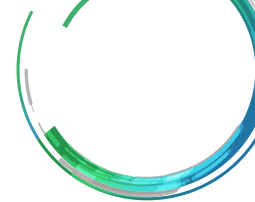


NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

22. Financial instruments

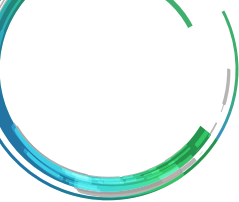
22.1 Categories of financial instruments and maturity profile

	Notes	0–1 Year R	>1 Year R	Total R
2025				
FINANCIAL ASSETS				
Loans and receivables				
Trade and other receivables from exchange transactions	6	67 647 779	424 716	68 072 495
Cash and cash equivalents	7	2 257 923 731	–	2 257 923 731
Financial assets at fair value				
Investments	4	5 329 796 412	2 978 772 753	8 308 569 164
Derivative Financial Instruments	4	–	652 602 795	652 602 795
Total financial assets		7 655 367 921	3 631 800 265	11 287 168 185
FINANCIAL LIABILITIES				
Financial liabilities at amortised cost				
Provision for long service Awards	10	1 095 335	13 482 307	14 577 642
Trade and other payables from exchange transactions	11	77 162 095	–	77 162 095
Deposits for Guarantees	12	31 482 515	15 592 975	47 075 490
		109 739 945	29 075 282	138 815 227
2024				
FINANCIAL ASSETS				
Loans and receivables				
Trade and other receivables from exchange transactions	6	84 134 563	87 996	84 222 559
Cash and cash equivalents	7	408 358 320	–	408 358 320
Financial assets at fair value				
Investments	4	4 625 516 089	3 229 268 495	7 854 784 584
Derivative Financial Instruments	4	–	1 603 761 344	1 603 761 344
Total financial assets		5 118 008 972	4 833 117 835	9 951 126 807
FINANCIAL LIABILITIES				
Financial liabilities at amortised cost				
Provision for long service Awards (Note 28)	10	968 424	13 224 303	14 192 727
Trade and other payables from exchange transactions	11	97 767 680	–	97 767 680
Deposits for Guarantees	12	26 510 027	20 112 952	46 622 979
		125 246 131	33 337 255	158 583 386



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

22. Financial instruments (continued)				
	R	R	R	R
31 March 2025	Loans and Receivables	Derivative Financial Instruments	Fair value Investments	Total
22.2 Categories of financial instruments				
Derivative Financial Instruments	–	652 602 795	–	652 602 795
Fair value financial assets	–	–	8 308 569 164	8 308 569 164
Trade and other receivables from exchange transactions	68 072 495	–	–	68 072 495
Cash and cash equivalents	2 257 923 731	–	–	2 257 923 731
Total	2 325 996 226	652 602 795	8 308 569 164	11 287 168 185
31 March 2024	Loans and Receivables	Derivative Financial Instruments	Fair value Investments	Total
Derivative Financial Instruments	–	1 603 761 343	–	1 603 761 343
Fair value financial assets	–	–	7 854 784 584	7 854 784 584
Trade and other receivables from exchange transactions	84 222 559	–	–	84 222 559
Cash and cash equivalents	408 358 321	–	–	408 358 321
Total	492 580 880	1 603 761 343	7 854 784 584	9 951 126 808
Financial liabilities at amortised cost			2025 R	Restated 2024 R
31 March 2025				
Lease Liabilities			506 641	419 173
Trade and other payables from exchange transactions			113 133 387	133 261 786
Deposits for Guarantees			47 075 490	46 622 979
Total			160 715 518	180 303 937



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

22. Financial instruments (continued)

22.3 Liquidity risk

Liquidity risk is the risk that the NHBRC will not be able to meet its financial obligations as they fall due.

The NHBRC manages liquidity risk by maintaining adequate reserves, and banking facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The amounts disclosed in the table below are contractual undiscounted cash flows:

At 31 March 2025	0–1 Year	>1 Year	Total
Operating Lease Liability	101 328	405 313	506 641
Trade and other payables from exchange transactions	112 626 746	–	112 626 746
Deposits for Guarantees	31 482 515	15 592 975	47 075 490
	144 210 589	15 998 288	160 208 877
At 31 March 2024	0–1 Year	>1 Year	Total
Operating Lease Liability	104 793	314 380	419 173
Trade and other payables from exchange transactions	132 842 612	–	132 842 612
Deposits for Guarantees (Note 28)	26 510 027	20 112 952	46 622 979
	159 457 432	20 427 332	179 884 764

GRAP 3– Error reclassification pf maturity and correct of amounts

22.4 Fair value of financial instruments

The NHBRC considers that the carrying amounts of trade and other receivables, cash and cash equivalents and trade and other payables approximates their fair values due to the short term nature of these assets and liabilities.

The fair values of financial assets represent the market value of quoted instruments and other traded instruments. For non-listed investments and other non-traded financial assets fair value is calculated using discounted cash flows with market assumptions, unless the carrying amount is considered to approximate fair value.

The fair values of financial liabilities carried at amortised cost is calculated based on the present value of the future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

22.5 Foreign currency risk

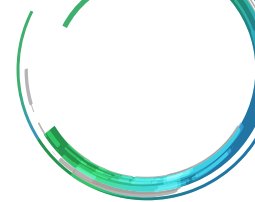
Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The NHBRC does undertake transactions in foreign currencies and is exposed to foreign currency risk.

22.6 Capital risk

The NHBRC manages its capital to ensure that the NHBRC will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The NHBRC's overall strategy for managing capital risk remains unchanged in 2023/ 2024 financial year.

22.7 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the NHBRC. Financial assets, which potentially subject the NHBRC to concentrations of credit risk, consists principally of cash and cash equivalents and trade and other receivables.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

22. Financial instruments (continued)

22.7 Credit risk (continued)

The NHBRC's cash and cash equivalents are placed with high credit quality financial institutions. Refer to note 6 for further information on the NHBRC's exposure to credit risk with regards to trade and other receivables.

If there is no independent rating, credit quality of the Customer is assessed taking into account the customer's financial position, past experience and other factors

There has been no significant change during the financial year, or since the end of the financial year, to the NHBRC's exposure to credit risk, the approach to the measurement or the objectives, policies and processes for managing this risk. The NHBRC does not grant credit limits to the National Department of Human Settlements and does not expect any losses from non-performance by the Human Settlement Department.

22.8 Management risk

The underwriting risk of the NHBRC is governed by the Housing Consumers Protection Measures Act (Act no. 95 of 1998) and the risk of defaulting home builders.

The premiums on the non subsidy sector are based on the selling price of the home to be constructed, and applied on a sliding scale limited to a maximum premium of R 34 000 and a maximum claim of R 500 000 per home.

The premiums for the subsidy sector are based on 0,75% and 2.01% for consolidated subsidy projects.

The risk to the NHBRC and housing consumers is managed primarily through the assessment and registration of home builders who have the appropriate financial, technical, construction and management capacity for their specific business.

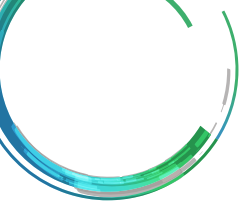
Within the insurance process, concentration of risks may arise in the subsidy market where a particular event or series of events could impact the NHBRC's technical liabilities. Such concentrations may arise from a single contract or through a number of related contracts in concentrated housing developments.

The NHBRC is invested predominantly in fixed interest investments and is exposed to interest rate risk. The investment strategy has moved closer to the target of a return in excess of inflation as the NHBRC has inflation linked liabilities. Although the liabilities of the NHBRC are within five years, over 20% of assets are invested in fixed interest assets maturing beyond five years.

22.9 Insurance risk

The primary insurance activity carried out by the NHBRC assumes that the risk to the warranty fund relates to the warranty cover as defined in the Act as amended. The insurance premiums are received in advance as a "home enrolment fee" and a portion of the insurance premium is invested in terms of the NHBRC investment policy to cover future rectification of homes paid out under the warranty scheme.

Enrolment Fee Adequacy						
Utilisation	Non-subsidy		Subsidy		All Houses	
	Amount	%	Amount	%	Amount	%
Fixed Expenses	(2 254)	(14,9)	(403)	(9,3)	(1 293)	(13,6)
Enrolment & Inspections	(5 081)	33,6	(1 702)	(39,1)	(3 326)	(34,9)
Complaints conciliations	(626)	4,1	–	–	(301)	(3,2)
Remedial claims	(394)	2,6	–	–	(189)	(2,0)
Average	(256)		–		(123)	
99.5% variation margin	(138)		–		(66)	
Total utilisation	(8 355)	(55,2)	(2 105)	(48,4)	(5 109)	(53,6)
Average fee per enrolment	15 138	100,0	4 352	100,0	9 537	100,0
Surplus / Deficit	6 783	44,8	2 247	51,6	4 428	46,4



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

22. Financial instruments (continued)

22.9 Insurance risk (continued)

The risks to the warranty fund are defined in section 3 of the Act "Objects of Council" which states:

The Council shall:

- represent the interests of housing consumers by providing a warranty protection against defects in new homes;
- regulate the home building industry;
- provide protection to housing consumers in respect of the failure of the home builders to comply with their obligations in terms of the Act;
- establish and promote ethical and technical standards in the home building industry;
- improve structural quality in the interests of housing consumers and the home building industry;
- promote housing consumer rights and provide housing consumer information;
- assist home builders, through training and inspection, to achieve and to maintain satisfactory technical standards of home building; and
- achieve the stated objects in the subsidy housing sector.

There is no risk categorisation in determining the enrolment fees charged. The enrolment fee structure is promulgated in the regulations to the Act. Enrolment fees are charged on the selling price of the home (including land value) so that equal value homes yield equal enrolment fees. The subsidy and non subsidy markets each have their own enrolment fee structure. The NHBRC is exposed to the uncertainty surrounding the timing and severity of claims under the warranty contract. The NHBRC also has exposure to market risk through its insurance and investment activities.

The NHBRC uses several methods to assess and monitor insurance risk exposures for the protection of housing consumers. A home builder can only be registered if he has the appropriate financial, technical, construction and management capacity for the specific business carried on by the home builder in order to protect housing consumers and the Council from being exposed to unacceptable risks. The Council may withdraw the registration of a home builder where the home builder has been found guilty by the disciplinary committee as prescribed in the Act. The insurance risk is further mitigated by the inspection of houses under construction, interdicts issued against home builders who do not comply with the provisions of the Act and in cases of a late enrolments, a financial guarantee is required from the home builder, calculated on a risk model which takes the stage of completion of the house at enrolment date into account. The financial guarantee is held for the full five year warranty period.

Risk to the warranty fund is further controlled by the inspection of homes during the construction phase, and rectifications are enforced when construction of the home does not comply with the provisions of the Act.

The NHBRC is an insurer of last resort, as claims, are only paid where a home builder fails to perform the necessary remedial work, due to liquidation or unavailability. The maximum claim per home is limited to the insured value up to a maximum claimable amount of R 500 000 per home.

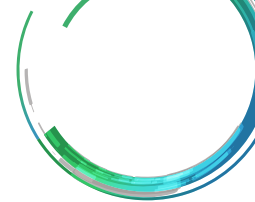
The NHBRC has an internal audit function which regularly reviews the degree of compliance with Council procedures.

Underwriting strategy

The registration of all home builders is prescribed in terms of section 10 of the Act. The NHBRC is obliged to register and insure all new homes constructed. The NHBRC may on the recommendation of the Council, on application made to it, in exceptional circumstances, exempt a person or home from any provision of the Act.

Reinsurance strategy

The NHBRC does not reinsure any portion of the risk it underwrites due to the current low claim rate experienced. Reinsurance of the exposure to losses has been identified as a medium term strategic objective.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

22. Financial instruments (continued)

22.9 Insurance risk (continued)

Terms and conditions of Insurance contracts

The terms and conditions of insurance contracts that have a material effect on the amount, timing and uncertainty of future cash flows arising from insurance contracts are set out below:

The NHBRC's main business is highly specialised, and covers the rectification of:

- major structural defects in a home caused by non-compliance with the NHBRC technical requirements within a period of five years from the occupation date;
- non-compliance with or deviation from the terms, plans and specification or the agreement of any deficiency related to design, workmanship or material notified to the home builder by the housing consumer within three months from the occupation date; and
- repair roof leaks attributable to workmanship, design or materials occurring and notified to the home builder by the housing consumer within 12 months of the occupation date.

The event giving rise to a claim occurs with the insolvency, liquidation and protracted default of the home builder. The claim will be notified to the NHBRC in terms of the specific regulations to the Act. The business of the NHBRC can be classified as short to long term as the NHBRC may only be notified of a claim up to five years after occupation of the home in the instance of structural defects.

Concentration of insurance risk

Insurance risk by geographical area

Gauteng and Western Cape make up 76.1% of exposure with 51,30% and 24.86% respectively

Insurance risk by developer

The risk per developer is ranked by units of exposure (enrolments after March 2019). Liquidation of the 15 largest developers constitute R 413 billion of sum insured (comparison of 282 383 home enrolments) which could potentially increase claims against the warranty fund.

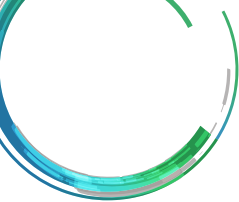
22.10 Interest rate and price risk

Interest rate risk

Interest rate risk refers to the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. All cash surpluses are invested with investment fund managers in terms of the investment policy. The exposure to interest rate risk is determined by the maturity profile of investments (see note 4).

Price risk

Price risk refers to 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 foreign currency risk. The NHBRC is exposed to equity price risk as it holds equity securities classified at fair value. However, due to the investments in equities being immaterial, the exposure to equity risk is limited.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

22. Financial instruments (continued)

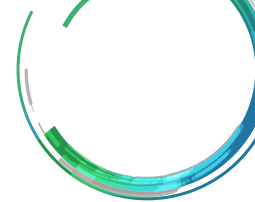
22.9 Insurance risk (continued)

Sensitivity analysis

	31-Mar-2025					
	Carrying Amount at 31 March 2025	Rand amount exposed to risk	Interest rate risk			
			Reasonable Possible change to financial Performance and Position			
			Rate Increase	Rand amount	Rate Decrease	Rand amount
Financial Assets						
Money Market Investments	3 902 599 446	3 902 599 446	1%	39 025 994	-1%	(39 025 994)
Call Accounts	819 721 186	819 721 186	1%	8 197 212		(8 197 212)
CPD Money Market	607 475 779	607 475 779				
Listed bond securities						
– Short-term < 7 years	305 172 189	305 172 189	1%	3 051 722	-1%	(3 051 722)
– Medium-term 7 to 12 years	863 170 792	863 170 792	1%	8 631 708	-1%	(8 631 708)
– Long-term > 12 years	1 810 429 772	1 810 429 772	1%	18 104 298	-1%	(18 104 298)
Derivative Financial Instruments	652 602 795	652 602 795	1%	6 526 028	-1%	(6 526 028)
	8 961 171 960	8 961 171 960		83 536 962		(83 536 962)
	31-Mar-2024					
	Carrying Amount at 31 March 2024	Rand amount exposed to risk	Interest rate risk			
			Reasonable Possible change to financial Performance and Position			
			Rate Increase	Rand amount	Rate Decrease	Rand amount
Financial Assets						
Money Market Investments	3 619 785 591	3 619 785 591	1%	36 197 856	-1%	(36 197 856)
Call Accounts	444 648 558	444 648 558	1%	4 446 486		(4 446 486)
CPD Money Market	561 081 940	561 081 940				
Listed bond securities						
– Short-term < 7 years	1 223 886 976	1 223 886 976	1%	12 238 870	-1%	(12 238 870)
– Medium-term 7 to 12 years	446 241 390	446 241 390	1%	4 462 414	-1%	(4 462 414)
– Long-term > 12 years	1 559 140 129	1 559 140 129	1%	15 591 401	-1%	(15 591 401)
	–			–		–
Derivative Financial Instruments	1 603 761 344	1 603 761 344	1%	16 037 613	-1%	(16 037 613)
	9 458 545 928	9 458 545 928		88 974 640		(88 974 640)

Note: Errors and reclassifications

The sensitivity analysis disclosure in 2024 has been reclassified to correct duplicate amount of R72 937 026 which relate to statement of changes in net assets, statement of financial performance and position and to conformance with GRAP 3. As previously reported the total impact on financial position was R161 911 666 and it was restated to R88 974 640.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

23. Contingent liabilities

	2025 R	2024 R
Claims for damages and cost	427 854 609	428 822 206
Contractual Payments	337 045	4 910 041
Liability of the Warranty Fund	3 094 560	3 884 564
	431 286 213	437 616 812

There are outstanding claims pending in the Courts in relation to disputes between the NHBRC and other parties the outcome of which is unknown. The pending outstanding claims relate to various third parties for example, housing consumers, home builders or service providers, and a variety of legal claims.

24. Surplus Retention

The NHBRC must annually declare all surpluses or deficits to the National Treasury each year, based on the audited financial statements. The contingent liability represents an amount that will be subject to the declaration of surplus process in line with of National Treasury Instruction no.12 of 2020/21. In terms of section 53(3) of the Public Finance Management Act (Act No.1 of 1999), public entities listed in Schedule 3A and 3C may not accumulate surpluses without obtaining the prior written approval of the National Treasury. In complying with the Notice regarding instruction note no 12 of 2020/21 for the declaration of surplus funds, the NHBRC has a deficit of R 48 million for 2023/24 and R 69 million for 2024/25 based on unaudited annual financial statements.

25. Contingent Assets

In accordance with Section 14A of the Housing Consumers Protection Measures Act (Act 95 of 1998) the Council may require a financial guarantee in cases where homes are late enrolled. The NHBRC receives these financial guarantees in the form of paper, these paper guarantees are issued by financial institutions registered with the FSB. These are required to mitigate against possible claims on the NHBRC's warranty fund. At the reporting date the amount of the possible contingent asset cannot be quantified as it is impractical to do so due to the nature of the possible claims being unknown.

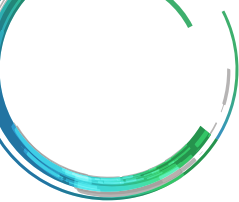
In addition, there are Disciplinary Committee fines amounting to R 10 086 000 that may be due to NHBRC, pending the outcome of suspended matters at year end.

In accordance with Section 8 of the Housing Consumers Protection Act (Act 95 of 1998) a home builder may make a phased payment of the enrolment fee by paying twenty percent of the enrolment fee upon submission of the enrolment form and a bank guarantee for the remaining eighty percent of the development. This can be called upon by the Council on beginning of construction of the sectional title development or six months from the date of payment of the remaining enrolment, whichever is earlier. At reporting date the amount of the possible contingent asset is R 7 976 705.

26. Commitments

	2025 R	2024 R
Rentals in respect of operating leases—premises. (Note 29.7)	17 366 729	17 954 038
Operating leases— as lessee (Expense)		
The future minimum lease payments are as follows:	57 640 032	11 711 849
Not later than 1 year	14 636 639	7 529 732
Later than 2 years and not later than 5 years	43 003 393	4 182 117

The council leases various offices under non-cancellable operating agreements. The leases have varying terms, escalation clauses and renewal rights. The entity does not have an option to purchase the leased property at the expiry of the leased period.



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

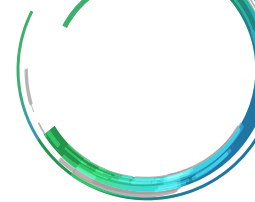
27. Post reporting date events

On 30th May Council approved investment of structured products valued at R 1 882 Billion. The investment was successfully implemented with the recommended service provider i.e. ABSA R1,412 billion and Investec R 470 million on 3rd of July 2025.

28. Errors and reclassifications

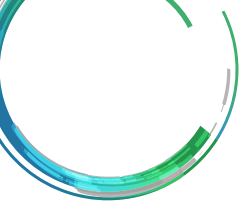
Provision for long service awards has been recognised as liabilities in the prior year and liquidity disclosure in 2024 has been reclassified to conformance with GRAP 3. The impact on the Statement of Financial performance and Position with reference to the detailed notes are shown below.

	Notes	Previously reported balance	Restatement	Restated balance
Statement of changes in the Net Assets		449 229 200	(14 192 727)	435 036 473
Accumulated surplus at 31 March 2024		449 229 200	(14 192 727)	435 036 473
Statement of Financial Performance		595 633 607	14 192 727	609 826 334
Employee cost	1	595 633 607	14 192 727	609 826 334
Statement of Financial Position		–	(14 192 727)	(14 192 727)
Provision for long service Awards (Note 10)	1	–	(14 192 727)	(14 192 727)
Cash and cash equivalents – Current assets		408 358 320	(46 622 979)	361 735 342
Cash and cash equivalents – Non –Current assets		–	46 622 979	46 622 979
Notes 1. In the prior year , long service award was not accrued for due to change in policy relating to employees benefit.				
Cash flow statement				
Adjustment for:		–	14 192 727	14 192 727
Increase in Provision for long service Awards		–	14 192 727	14 192 727
Financial Instruments (note 22.3)				
Liquidity risk			46 622 979	46 622 979
Deposits for Guarantees	2	–	46 622 979	46 622 979
Note 2. In the prior year deposit for guarantees was not disclosure under liquidity risk.				
These errors resulted in the restatement of the statement of financial performance, statement of financial position, statement of changes in net assets note 10;29.5 and 22.3 relating to disclosures of financial instruments.				



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

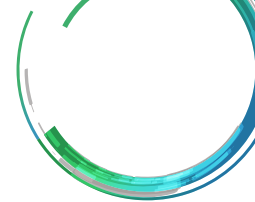
	2025	2024
29. Detailed Expenditure		
29.1 Insurance claims and loss adjustment expenses	15 781 968	17 699 974
29.2 Accreditation,builders manual and certificate cost	1 892 548	2 135 035
– Accreditation fees	25 969	19 069
– Direct costs of builder manuals	1 866 579	2 115 967
29.3 Technical services expenditure		
– Forensic investigations and geotechnical service	10 253 723	48 531 854
29.4 Depreciation,impairment loss and amortisation	17 422 822	(3 646 554)
– Amortisation	8 745 238	(11 480 252)
– Depreciation	7 674 887	7 833 698
– Impairment of property, plant and Equipment	1 002 697	–
29.5 Employee cost	612 497 753	609 826 334
– Salaries and wages	473 232 740	460 993 744
– Travel Allowance	4 431 131	4 250 196
– Car Allowance	19 344 158	19 738 400
– Medical aid	30 133 958	29 342 042
– Provision for long service awards	2 134 915	15 672 727
– Provident fund and disability	52 605 374	53 433 605
– Cellphone Allowance	4 224 722	4 251 200
– Other staff costs: Allowance	17 926 023	14 998 629
– Temporary staff	8 464 732	7 145 793
29.6 Repairs and maintenance	3 370 800	3 919 093
– Property,plant and Equipment	3 370 800	3 911 997
– Vehicles	–	7 096



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

29. Detailed Expenditure (continued)

	2025 R	Restated 2024 R
29.7 Administration expenses	220 613 870	282 066 000
– Audit fees	10 074 773	8 681 318
– Bad debts	9 047 950	49 023 468
– Bank charges	1 916 049	3 588 238
– Cleaning costs	2 699 977	1 737 057
– Conferences and seminars	1 770 967	1 657 764
– Consulting fees	5 824 711	11 733 994
– Agency and support/outsourced services	2 605 548	1 099 634
– General Expenses – Professional fees	2 376 560	1 385 776
– Courier and freight	570 640	333 700
– Information technology costs	21 527 325	58 468 525
– Insurance paid	7 312	2 270 989
– Legal fees	14 835 197	16 271 424
– Marketing fees	4 723 041	5 462 217
– Motor vehicle expenses	296 717	286 745
– Premises	17 366 729	17 954 038
– Office equipment and furniture expenses	5 423 587	5 235 990
– Net loss on property, plant and Equipment.	459 610	400 142
– Other expenses	5 065 217	1 845 691
– Other rentals costs	4 577 576	3 340 734
– Council	3 344 216	2 808 202
– Disciplinary committee costs	4 619 179	6 267 981
– Research & Development	1 092 613	200 999
– Security	9 535 558	6 751 037
– General office costs (Uniform, Grocery)	5 436 704	4 199 795
– Stationery and printing	1 534 462	1 841 935
– Telephone expenditure	17 327 037	19 762 932
– Training	23 364 412	9 962 699
– Travelling expenditure	35 203 016	31 199 703
– Water and electricity	7 987 187	8 293 272
Total Operating Expenditure	881 833 484	911 999 883



NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

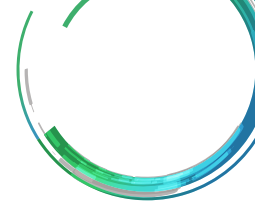
30. Detailed Statement for Financial Performance

	Notes	2025 R	Restated
			2024 R
Insurance premium revenue	13	520 626 866	638 045 517
Fee revenue	14	145 823 622	97 675 498
Technical services revenue	15	11 451 840	51 797 400
Other revenue	16	27 724 215	16 689 293
Total revenue		705 626 543	804 207 708
Insurance claims and loss adjustment expenses	18	(15 781 968)	(17 699 974)
Accreditation, builders manual and certificate cost	29.2	(1 892 548)	(2 135 035)
Technical services expenditure	29.3	(10 253 723)	(48 531 854)
Depreciation, impairment loss and amortisation	29.4	(17 422 822)	3 646 554
Employee cost	29.5;28	(612 497 753)	(609 826 334)
Repairs and maintenance	29.6	(3 370 800)	(3 919 093)
Administration expenses	29.7;28	(220 613 870)	(282 066 000)
Total expenditure		(881 833 484)	(960 531 736)
Deficit from operating activities		(176 206 942)	(156 324 028)
Interest received and investment income		1 405 799 738	591 343 867
Interest received and investment income	17	777 469 750	731 732 513
Realised gain on financial assets	4	390 373 179	(48 816 839)
Unrealised gain on financial assets	4	254 522 255	(76 963 865)
Asset management service fees	4	(16 565 446)	(14 607 942)
Surplus for the year		1 229 592 796	435 019 839

APPENDIX A

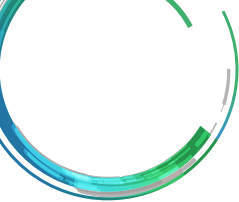
FRUITLESS AND WASTEFUL EXPENDITURE

Total amount of Fruitless and Wasteful Expenditure								Total Amount			
Total amount of Fruitless and Wasteful Expenditure								22 627 819,43			
Total losses recovered								4 390,00			
Total losses written off								433 690 874,00			
Total losses recovered								0			
Report Number and date	Details	Amount of F&W (R)	Status (Under assessment, determination, investigation)	Amount of losses recovered (R)	Amount of losses written off (R)	F&W Remaining	F&W for Removal Compliance and Reporting Framework 2022	F&W due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	F&W removed by the AO (R)	Steps taken to prevent F&W
Forensic Unit Report	Fleet car fines (2018)	4 390,00	Investigation Complete (2017)	4 390,00	–	–	–	None	Implemented	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Forensic Unit Report	Suspension of Executive (2018)	4 957 161,00	Investigation Complete (2017)	–	–	4 957 161,00	–	None	Not Finalised – Disciplinary proceedings Employee no longer in the employ of NHBRC	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Forensic Unit Report	222 Eastern Cape projects (2018)	9 597 538,00	Investigation Complete (2018)	–	–	9 597 538,00	–	None	Not Finalised – Disciplinary proceedings could not proceed due to the unavailability of witnesses.	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Forensic Unit Report	Discovery Health (2017)	5 700,00	Unavailability of information Staff members no longer being employed by the NHBRC	–	–	5 700,00	5 700,00	None	N/A – Employee no longer in the employ of NHBRC Recommended for Removal	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Forensic Unit Report	Freyja Holistic Wellness and Day Spa Cancellation (2016)	31 596,00	Unavailability of information Staff members no longer being employed by the NHBRC	–	–	31 596,00	31 596,00	None	N/A – Employee no longer in the employ of NHBRC Recommended for Removal	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Forensic Unit Report	SARS penalty (2013) (2016)	1 042 694,00	Unavailability of information Staff members no longer being employed by the NHBRC	102 694,00	–	1 042 694,00	–	None	Not Finalised	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Forensic Unit Report	Interest paid to SARS (2015)(2016)	4 400 628,00	Unavailability of information Staff members no longer being employed by the NHBRC	–	–	4 400 628,00	–	None	Not Finalised	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Forensic Unit Report	Ligwa Chartered Accountants (2014)	45 000,00	Unavailability of information Staff members no longer being employed by the NHBRC	–	–	45 000,00	45 000,00	None	N/A – Employee no longer in the employ of NHBRC Recommended for Removal	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure



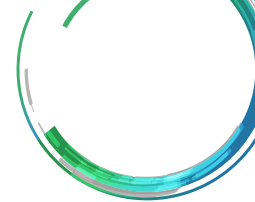
Fruitless and Wasteful Expenditure (continued)

Report Number and date	Details	Amount of F&W (R)	Status (Under assessment, determination, investigation)	Amount of losses recovered (R)	Amount of losses written off (R)	F&W Remaining	F&W for Removal Compliance and Reporting Framework 2022	F&W due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	F&W removed by the AO (R)	Steps taken to prevent F&W
Forensic Unit Report	Late payment fee (2017) (2018)(2019)	1 190 970,00	Unavailability of information Staff members no longer being employed by the NHBRC	–	–	1 190 970,00	–	None	Not Finalised	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Forensic Unit Report	Interest paid to suppliers (2020)	4 964,43	Unavailability of information Staff members no longer being employed by the NHBRC	–	–	4 964,43	4 964,43	None	N/A – Employee no longer in the employ of NHBRC Recommended for Removal	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Forensic Unit Report	Interest paid to suppliers (2019)((2018) (2017)(2013) (2012)(2011)	31 289,00	Unavailability of information Staff members no longer being employed by the NHBRC	–	–	31 289,00	31 289,00	None	N/A – Employee no longer in the employ of NHBRC Recommended for Removal	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Forensic Unit Report	Interest paid to suppliers (2019)	1 730,00	Unavailability of information Staff members no longer being employed by the NHBRC	–	–	1 730,00	1 730,00	None	N/A – Employee no longer in the employ of NHBRC Recommended for Removal	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Forensic Unit Report	Interest paid to suppliers (2018)	13 359,00	Unavailability of information Staff members no longer being employed by the NHBRC	–	–	13 359,00	13 359,00	None	N/A – Employee no longer in the employ of NHBRC Recommended for Removal	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Forensic Unit Report	Interest paid to suppliers (2017)	8 470,00	Unavailability of information Staff members no longer being employed by the NHBRC	–	–	8 470,00	8 470,00	None	N/A – Employee no longer in the employ of NHBRC Recommended for Removal	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Forensic Unit Report	Interest paid to suppliers (2013)	575,00	Unavailability of information Staff members no longer being employed by the NHBRC	–	–	575,00	575,00	None	N/A – Employee no longer in the employ of NHBRC Recommended for Removal	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Forensic Unit Report	Interest paid to suppliers (2012)	255,00	Unavailability of information Staff members no longer being employed by the NHBRC	–	–	255,00	255,00	None	N/A – Employee no longer in the employ of NHBRC Recommended for Removal	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Forensic Unit Report	BDO (Board Evaluation) (2018)	95 000,00	Unavailability of information Staff members no longer being employed by the NHBRC	–	–	95 000,00	95 000,00	None	N/A – Employee no longer in the employ of NHBRC Recommended for Removal	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure



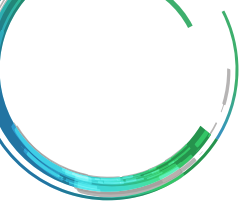
Fruitless and Wasteful Expenditure (continued)

Report Number and date	Details	Amount of F&W (R)	Status (Under assessment, determination, investigation)	Amount of losses recovered (R)	Amount of losses written off (R)	F&W Remaining	F&W for Removal Compliance and Reporting Framework 2022	F&W due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	F&W removed by the AO (R)	Steps taken to prevent F&W
BDO Investigation Report	Dumi Trading	474 000,00	Investigation Complete (2018)	–		474 000,00	–	None	Not Finalised – Disciplinary proceedings still ongoing	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
BDO Investigation Report	Freeport Mining and Export	371 000,00	Investigation Complete (2018)	–		371 000,00	–	None	Not Finalised – Disciplinary proceedings still ongoing	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
BDO Investigation Report	Abantu Steel and Signs	351 500,00	Investigation Complete (2018)	–		351 500,00	–	None	Not Finalised – Disciplinary proceedings still ongoing	–	Continued review of adherence in line with prescripts and, SCM Policy and Procedure
Total		22 627 819,43		107 084,00	–	22 623 429,43	237 938,43			–	



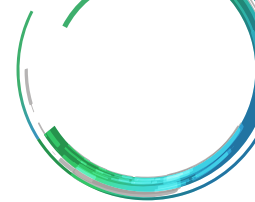
APPENDIX B	
IRREGULAR EXPENDITURE REGISTER	
Total amount of Irregular Expenditure	Total Amount
Total amount of Irregular Expenditure	750 049 211,00
Total irregular expenditure Condoned	0
Total irregular expenditure removed	433 690 874,00
Total losses recovered	0
Total losses written off	0
Total Balance Remaining (Awaiting Condonation)	316 358 337,00
Under assessment	1 545 755,39
Total irregular expenditure	317 904 092,39

No.	Report Number and date	Detail	Amount of Irregular Expenditure	Status (Under assessment, determination, investigation)	Amount of losses recovered	Amount of losses written off	Irregular Expenditure due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	Irregular Expenditure removed by the AO	Steps taken to prevent Irregular Expenditure
1	NMK Report (Nov 2024)	Pureau Fresh Water	6 772,30	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures, and NT prescripts
2	NMK Report (Nov 2024)	Metro File	19 819,40	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
3	NMK Report (Nov 2024)	Berco Indoor Gardens	21 859,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures



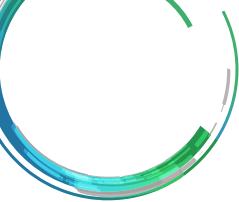
Irregular Expenditure Register (continued)

No.	Report Number and date	Detail	Amount of Irregular Expenditure	Status (Under assessment, determination, investigation)	Amount of losses recovered	Amount of losses written off	Irregular Expenditure due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	Irregular Expenditure removed by the AO	Steps taken to prevent Irregular Expenditure
4	NMK Report (Nov 2024)	Lebea Developments and Projects CC, and KAS and MVR Trading CC	463 533,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
5	NMK Report (Nov 2024)	Expired Tax Clearance	335 512,25	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
6	NMK Report (Nov 2024)	Banike Development CC	63 509,40	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
7	NMK Report (Nov 2024)	Renkokil	293 387,76	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures



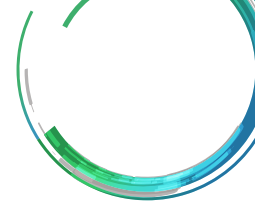
Irregular Expenditure Register (continued)

No.	Report Number and date	Detail	Amount of Irregular Expenditure	Status (Under assessment, determination, investigation)	Amount of losses recovered	Amount of losses written off	Irregular Expenditure due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	Irregular Expenditure removed by the AO	Steps taken to prevent Irregular Expenditure
8	NMK Report (Nov 2024)	LMR and Projects (KRM Plastics)	36 508,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
9	NMK Report (Nov 2024)	Click Ware Incorporated	196 000,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
10	NMK Report (Nov 2024)	Generator Boys CC	233 510,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
11	NMK Report (Nov 2024)	Izenzonzonke Technology	377 501,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures



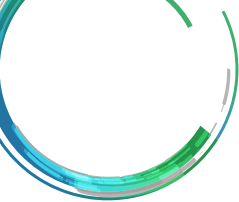
Irregular Expenditure Register (continued)

No.	Report Number and date	Detail	Amount of Irregular Expenditure	Status (Under assessment, determination, investigation)	Amount of losses recovered	Amount of losses written off	Irregular Expenditure due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	Irregular Expenditure removed by the AO	Steps taken to prevent Irregular Expenditure
12	NMK Report (Nov 2024)	Jonti Tenders	268 627,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
13	NMK Report (Nov 2024)	Lexus Nexus Butterworth	133 767,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
14	NMK Report (Nov 2024)	Miscellaneous Expenditure	5 760 083,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
15	NMK Report (Nov 2024)	Mkhabela Huntley Adkeye inc	242 050,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures



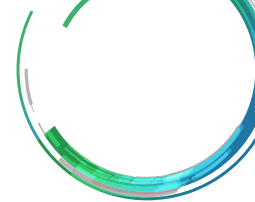
Irregular Expenditure Register (continued)

No.	Report Number and date	Detail	Amount of Irregular Expenditure	Status (Under assessment, determination, investigation)	Amount of losses recovered	Amount of losses written off	Irregular Expenditure due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	Irregular Expenditure removed by the AO	Steps taken to prevent Irregular Expenditure
16	NMK Report (Nov 2024)	Recruitment Services	763 695,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
17	NMK Report (Nov 2024)	Ribex	151 058,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
18	NMK Report (Nov 2024)	The Mortgage Magazine	51 300,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
19	NMK Report (Nov 2024)	THS Systems	7 422,18	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures



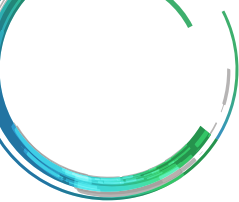
Irregular Expenditure Register (continued)

No.	Report Number and date	Detail	Amount of Irregular Expenditure	Status (Under assessment, determination, investigation)	Amount of losses recovered	Amount of losses written off	Irregular Expenditure due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	Irregular Expenditure removed by the AO	Steps taken to prevent Irregular Expenditure
20	NMK Report (Nov 2024)	Tita IT Solutions	492 550,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
21	NMK Report (Nov 2024)	Umsizi Office National Africa	310 764,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
22	NMK Report (Nov 2024)	V Somia	1 300 000,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
23	NMK Report (Nov 2024)	Rectification and Forensic appointments	R124 182 049	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures



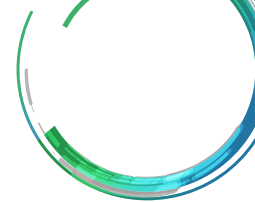
Irregular Expenditure Register (continued)

No.	Report Number and date	Detail	Amount of Irregular Expenditure	Status (Under assessment, determination, investigation)	Amount of losses recovered	Amount of losses written off	Irregular Expenditure due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	Irregular Expenditure removed by the AO	Steps taken to prevent Irregular Expenditure
24	NMK Report (Nov 2024)	Wenzile Phaphama	1 749 846,00	Investigation Not Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
27	Maoela Report (April 2024)	Nomkhanzi Trading CC	558 065,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
28	Maoela Report (April 2024)	Industries Education and Training Institute (Pty) Ltd	600 210,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
29	Maoela Report (April 2024)	Home Grown Solutions CC t/a Centre for Community Education (training)	739 796,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures



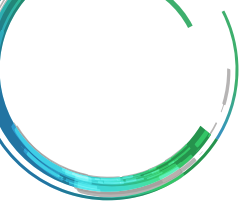
Irregular Expenditure Register (continued)

No.	Report Number and date	Detail	Amount of Irregular Expenditure	Status (Under assessment, determination, investigation)	Amount of losses recovered	Amount of losses written off	Irregular Expenditure due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	Irregular Expenditure removed by the AO	Steps taken to prevent Irregular Expenditure
30	Maoela Report (April 2024)	Thuthuka skills training	1 028 100,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
31	Maoela Report (April 2024)	"Training contracts: - Nomasojabula Training Centre - Zama Training And Development CC - Ziphathe Training Centre CC - Abakhholwe Community Developers (Pty) Ltd "	6 873 711,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
32	Maoela Report (April 2024)	FJD Builders CC	1 060 084,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
33	Maoela Report (April 2024)	Motswako	1 127 772,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures



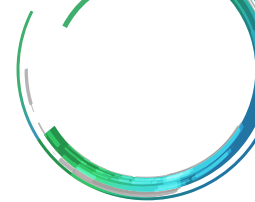
Irregular Expenditure Register (continued)

No.	Report Number and date	Detail	Amount of Irregular Expenditure	Status (Under assessment, determination, investigation)	Amount of losses recovered	Amount of losses written off	Irregular Expenditure due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	Irregular Expenditure removed by the AO	Steps taken to prevent Irregular Expenditure
34	Maoela Report (April 2024)	BBR Design	25 487 402,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
35	Maoela Report (April 2024)	Rebahale Consulting	5 411 627,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
36	Maoela Report (April 2024)	Mokala Engineers International	10 283 370,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
37	Maoela Report (April 2024)	Datacentrix	579 832,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures



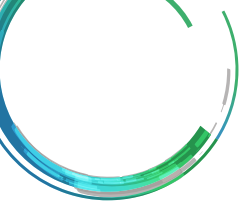
Irregular Expenditure Register (continued)

No.	Report Number and date	Detail	Amount of Irregular Expenditure	Status (Under assessment, determination, investigation)	Amount of losses recovered	Amount of losses written off	Irregular Expenditure due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	Irregular Expenditure removed by the AO	Steps taken to prevent Irregular Expenditure
38	Maoela Report (April 2024)	Tjeka Training Matters	886 324,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
39	Maoela Report (April 2024)	Thekwini Geocivils CC	6 031 824,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
40	Maoela Report (April 2024)	KwaZulu Natal Master Builders& Allied Industries Association	9 271 582,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
41	Maoela Report (April 2024)	Non-Subsidy Inspectorate Appointments	110 727 795,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures



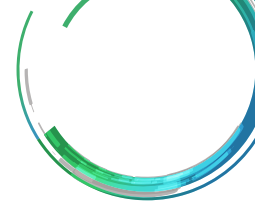
Irregular Expenditure Register (continued)

No.	Report Number and date	Detail	Amount of Irregular Expenditure	Status (Under assessment, determination, investigation)	Amount of losses recovered	Amount of losses written off	Irregular Expenditure due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	Irregular Expenditure removed by the AO	Steps taken to prevent Irregular Expenditure
42	Maoela Report (April 2024)	Bidvest	2 362 670,50	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
43	Forensic Unit Report	Surego Investment	53 251,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
44	Forensic Unit Report	SKG Properties	1 046 387,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
45	Forensic Unit Report	Classic Diamond	109 212,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures



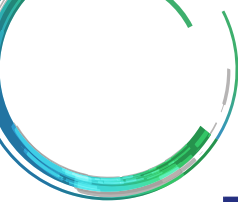
Irregular Expenditure Register (continued)

No.	Report Number and date	Detail	Amount of Irregular Expenditure	Status (Under assessment, determination, investigation)	Amount of losses recovered	Amount of losses written off	Irregular Expenditure due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	Irregular Expenditure removed by the AO	Steps taken to prevent Irregular Expenditure
46	Forensic Unit Report	Hapbesigheids Trust	357 392,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
47	Forensic Unit Report	Dfe Bruyn	321 663,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
48	Forensic Unit Report	ERF 2790 Bloemfontein Close	392 256,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
49	Forensic Unit Report	Advance Training	54 606,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures



Irregular Expenditure Register (continued)

No.	Report Number and date	Detail	Amount of Irregular Expenditure	Status (Under assessment, determination, investigation)	Amount of losses recovered	Amount of losses written off	Irregular Expenditure due to fraudulent, corrupt or other criminal conduct reported to SAPS	Consequence Management	Irregular Expenditure removed by the AO	Steps taken to prevent Irregular Expenditure
50	Forensic Unit Report	Postnet	487 998,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
51	Forensic Unit Report	The National African federation (NAFBI)	99 500,00	Investigation Complete	No	No	No	"N/A - Employee no longer in the employ of NHBRC "	Awaiting removal in line with paragraph 5.8 of the National Treasury Instruction Note 4 of 2022/2023 and its accompanying Annexure - PFMA Compliance and Reporting Framework.	Implementation of SCM Policies and Procedures
52	Under assessment/ Dispute	GPS Advertising	354 890,00	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute
53	Under assessment/ Dispute	Industries Education and Training Institute (Pty) Ltd	628 652,24	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute
54	Under assessment/ Dispute	Purple Growth	421 331,25	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute
56	Under assessment/ Dispute	Absolute Health"	140 881,90	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute	Under assessment/ Dispute



IRREGULAR EXPENDITURE NOT CONDONED AND REMOVED

No.	Name of supplier	Value for Money (Removed by Council)	Investigation Outcome	Employee Status
1	ADT Security (Pty) Ltd	18 835,75	Investigation Finalised	Employee no longer in the employ of NHBRC
2	Atlas Security Services	3 991,20	Investigation Finalised	Employee no longer in the employ of NHBRC
3	Chubb Electronic Security SA (Pty) Ltd	47 729,00	Investigation Finalised	Employee no longer in the employ of NHBRC
4	Galven Security CC	8 036,00	Investigation Finalised	Employee no longer in the employ of NHBRC
5	Northern Security	4 880,00	Investigation Finalised	Employee no longer in the employ of NHBRC
7	Top Security Systems	6 334,00	Investigation Finalised	Employee no longer in the employ of NHBRC
8	H20 Purifies	3 205,00	Investigation Finalised	Employee no longer in the employ of NHBRC
9	JKJ Express	229 709,00	Investigation Finalised	Employee no longer in the employ of NHBRC
10	Atlantis Corporate Travel	261 147,00	Investigation Finalised	Employee no longer in the employ of NHBRC
11	Magic Travel	54 714,00	Investigation Finalised	Employee no longer in the employ of NHBRC
13	Metro File	102 498,00	Investigation Finalised	Employee no longer in the employ of NHBRC
14	Document Exchange	11 715,48	Investigation Finalised	Employee no longer in the employ of NHBRC
15	ASP Transport	57 276,00	Investigation Finalised	Employee no longer in the employ of NHBRC
17	P&F Business Enterprise	180 500,00	Investigation Finalised	Employee no longer in the employ of NHBRC
18	Lebea Developments and Projects CC, and KAS and MVR Trading CC	60 588,00	Investigation Finalised	Employee no longer in the employ of NHBRC
19	North Rand Fire Services	2 038,00	Investigation Finalised	Employee no longer in the employ of NHBRC
20	Expired Tax Clearance	140 574,75	Investigation Finalised	Employee no longer in the employ of NHBRC
21	Indaba Hotel and Conference	16 855,00	Investigation Finalised	Employee no longer in the employ of NHBRC
24	LMR and Projects (KRM Plastics)	28 280,00	Investigation Finalised	Employee no longer in the employ of NHBRC
29	Lease Contracts for Office Buildings	2 646 354,00	Investigation Finalised	Employee no longer in the employ of NHBRC
31	Miscellaneous Expenditure	37 976,00	Investigation Finalised	Employee no longer in the employ of NHBRC
33	Motho Construction Group	339 444,00	Investigation Finalised	Employee no longer in the employ of NHBRC
34	Recruitment Services	379 617,00	Investigation Finalised	Employee no longer in the employ of NHBRC
35	Regency Embroiderers SA	117 746,00	Investigation Finalised	Employee no longer in the employ of NHBRC
37	SA Truter	130 318,00	Investigation Finalised	Employee no longer in the employ of NHBRC
39	THS Systems	840 001,82	Investigation Finalised	Employee no longer in the employ of NHBRC
41	Tokiso Dispute Settlement	176 198,00	Investigation Finalised	Employee no longer in the employ of NHBRC
43	Werkmans Attorneys	132 665,00	Investigation Finalised	Employee no longer in the employ of NHBRC
45	Rectification and Forensic appointments	201 316 261,00	Investigation Finalised	Employee no longer in the employ of NHBRC
46	Candalog	7 000,00	Investigation Finalised	Employee no longer in the employ of NHBRC
47	Kaelo Consulting	97 696,00	Investigation Finalised	Employee no longer in the employ of NHBRC
49	Sankofa Insurance Brokers	401 158,00	Investigation Finalised	Employee no longer in the employ of NHBRC
	Total	207 861 341,00		

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