AGRÉMENT SOUTH AFRICA

innovative construction product assessments

Annual Report 2024 2025

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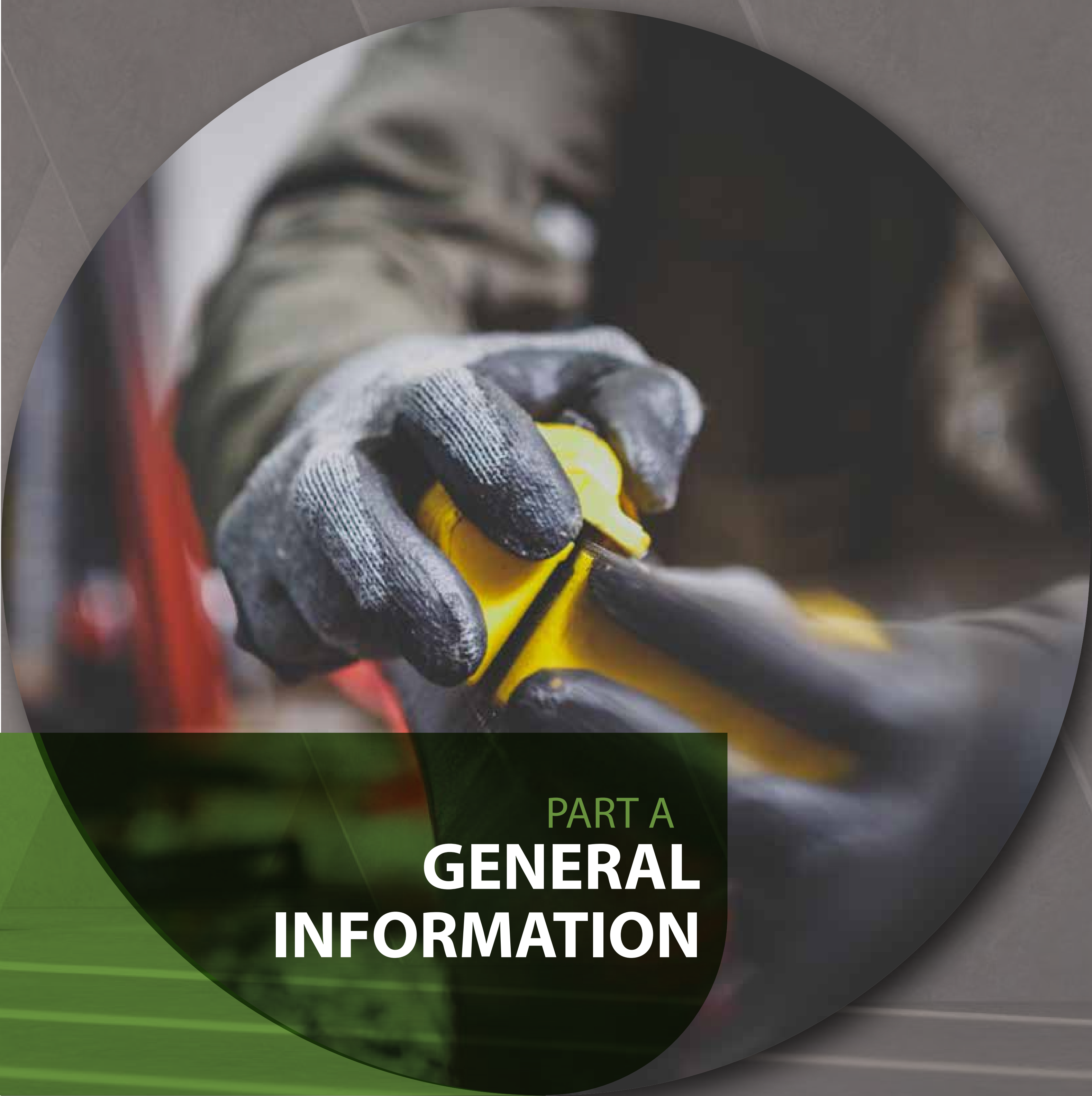

PART A

GENERAL INFORMATION

1. PUBLIC ENTITY'S **GENERAL INFORMATION**

REGISTERED NAME:	Agrément South Africa.
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BANKERS:	Absa Bank 2nd Floor Hillcrest Office Park Building G Lourie Place, 177 Dyer Road Hillcrest Pretoria 0083 South Africa
BOARD SECRETARY	Ms. Ramona Singh

2. LIST OF **ABBREVIATIONS/ACRONYMS**

ASA	Agrément South Africa
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
ARC	Audit and Risk Committee
BAC	Bid Adjudication Committee
BE	Built Environment
BEC	Bid Evaluation Committee
BSC	Bid Specification Committee
B-BBE	Broad-Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CSIR	Council for Scientific and Industrial Research
DPWI	Department of Public Works and Infrastructure
EAP	Employee Assistance Programme
ECDHS	Eastern Cape Department of Human Settlements
EMCS	Executive Manager for Corporate Services
EMTS	Executive Manager for Technical Services
ERM	Enterprise-Wide Risk Management
ESG	Environmental, Social and Governance
GRAP	Generally Recognised Accounting Practice
HR & REMCO	Human Resources and Remuneration Committee
IAC	Industry and Advisory Committee
IASC	Industry and Stakeholder Committee
ICT	Information and Communication Technology
MTEF	Medium-Term Expenditure Framework
MOU	Memorandum of Understanding
NDPWI	National Department of Public Works and Infrastructure
NEHAWU	National Education, Health and Allied Workers' Union
OHS	Occupational Health and Safety
PFMA	Public Finance Management Act, 1999 (Act No.1 of 1999
PRECCA	Prevention and Combating of Corrupt Activities Act,2004 (Act No.12 of 2004)
SANAS	South African National Accreditation System
SAPS	South African Police Services
SCM	Supply Chain Management
TECO	Technical Committee
TOR	Terms of Reference
WFTAO	World Federation of Technical Assessment Organisations

3. REPORT OF THE CHAIRPERSON

DR. LINDELANI MATSHIDZE

Agrément South Africa (ASA) occupies a vital place in our infrastructure ecosystem. As the national technical assessment agency, established under the ASA Act, 2015 (Act No. 11 of 2015), ASA's role is to evaluate and certify innovative and non-standardised construction products and systems. In doing so, ASA serves as a critical quality control gatekeeper, ensuring that the building materials and technologies used in our country are not only fit-for-purpose but also safe, efficient, and reliable.

During the 2024/25 financial year, ASA successfully concluded a Memorandum of Understanding (MoU) with two (2) specifiers, i.e., the Eastern Cape Department of Human Settlements (ECDHS) and the South African Police Services (SAPS). These partnerships are set to streamline and drive the adoption of certified innovative building technologies and to accelerate the implementation of sustainable housing solutions while ensuring compliance with rigorous quality assurance processes.

HIGH-LEVEL OVERVIEW OF THE STRATEGY AND PERFORMANCE

The 2024/25 financial year marked the last year of implementing ASA's five-year Strategic Plan. Like many government departments and public entities, ASA faced significant challenges due to the lingering effects of the economic conditions. Resource constraints—both financial and human have posed major obstacles, exacerbated by reductions in government grants. These constraints have affected ASA's ability to meet its diverse and competing needs.

STRATEGIC RELATIONSHIPS

Collaboration lies at the heart of our success. To fulfil our role effectively, ASA continued to strengthen partnerships with research and technical institutions across the country. ASA is also a member of the World Federation of Technical Assessment Organisations (WFTAO) to ensure that ASA-certified products do not just meet minimum requirements, but to position itself internationally and uphold the reputation of our infrastructure programme at home and abroad. By being internationally competitive, we can help create new industries and manufacturing in South Africa, which can further help us achieve our goal of economic growth and job creation.

CHALLENGES FACED BY THE BOARD

Our journey has not been without obstacles. The transition from the outgone board to the newly appointed board had an impact on the delivery of the mandate, as the new board has been finding its feet in the process while striving to deliver the mandate optimally.

THE STRATEGIC FOCUS OVER THE MEDIUM- TO LONG-TERM PERIOD

ASA operates in a dynamic external environment influenced by economic conditions, industry trends, regulatory frameworks, employment challenges, environmental considerations, and housing sector demands. Navigating these factors is essential for ASA to fulfil its mandate and contribute to developing South Africa's built environment sector. Despite the challenging socio-economic environment of South Africa, looking ahead, the focus of ASA in the next five (5) years is to be the leading assurer of sustainable non-standardised construction-related products and systems in the world. Transforming the Built Environment (BE) remains one of our core objectives as we continue to implement the mandate of ASA. By aligning our efforts with this vision, we aim to create a lasting impact and drive positive change within the built environment.

"ASA operates in a dynamic external environment influenced by economic conditions, industry trends, regulatory frameworks, employment challenges, environmental considerations, and housing sector demands. Navigating these factors is essential for ASA to fulfil its mandate and contribute to developing South Africa's built environment sector. "

ACKNOWLEDGEMENTS /APPRECIATION

The unwavering support and contributions of the Public Works and Infrastructure Ministry and the Portfolio Committee have been instrumental to our achievements. I would also like to record my appreciation to the outgone board of ASA and the newly appointed board for their collective foresight in guiding the organisation successfully. I am grateful to my fellow board members for their willingness to debate and make difficult decisions. Gratitude is extended to the ASA Management, and the support staff for their efforts in ensuring that ASA remains resilient and steadfast despite the challenges.

To the DPWI sister entities, strategic partners, and other collaborators in the built environment space, thank you for your support and collaboration. I am honoured to call you my colleagues, and I am confident that we are going to accomplish great things together.

Together, we are shaping the future of the built environment.

Dr. Lindelani Matshidze
Chairperson of the Board

4. OVERVIEW OF THE CHIEF EXECUTIVE OFFICER

MR. RICHARD SOMANJE

GENERAL FINANCIAL REVIEW OF THE PUBLIC ENTITY

The total revenue for the financial year amounted to R34,8 million (2024: R38,8 million), which is a decrease of 10% from the prior year. This is mainly due to the decrease in recovery of travel costs, project fees, and unfavourable interest rates..

ASA's revenue comprises the following:

- Government grant from the Department of Public Works and Infrastructure (DPWI)
- Own revenue from certification projects and annual fees
- Interest income from invested funds
- Other income

Over the past five years, ASA's total revenue has remained relatively constant. The government grant from DPWI, amounting to R31,9 million (2024: R34,0 million), accounted for 91% (2024: 88%) of the total revenue during the financial year, constituting most of the revenue. The government grant decreased by R2,1 million (6%) from the prior year. ASA's own revenue amounted to R2,9 million (2024: R4,7 million), resulting in a decrease of R1,8 million (38%) from the prior year. The National Treasury approved the retention of surplus funds from the prior year. This surplus was used in the current financial year to fund planned projects.

Considering the budget cuts implemented by the National Treasury over the Medium-Term Expenditure Framework (MTEF) period, ASA is exploring different avenues of increasing its revenue to reduce the reliance on government grants. The figure below illustrates ASA's revenue trends over a five-year period.

SPENDING TRENDS OF THE PUBLIC ENTITY

ASA uses the allocated budget to deliver on its planned projects as outlined in the Annual Performance Plan, fulfilling its mandate.

During the reporting period, the total expenditure amounted to R44,3 million (2024: R39,6 million). Based on the nature of the operations, employee-related costs remain ASA's largest expenditure item. Operating expenditures have increased over the past five years due to finalising key projects within the organisation, supply chain management, and project management improvements. The actual financial performance of ASA, based on the financial statements, resulted in a deficit of R9,5 million. This is due to the finalisation of spending on retained surplus approved by National Treasury to the value of R11,4 million committed to various projects at the 31 March 2024 year-end. Overall, we are pleased with the spending patterns.

REVENUE TRENDS OVER FIVE YEARS

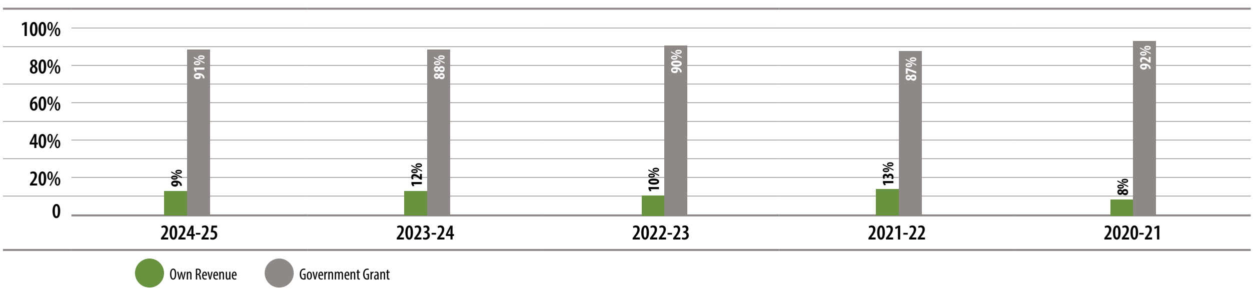


Figure 1: Revenue trend over five years

> *"The total revenue for the financial year amounted to R34,8 million (2024: R38,8 million), which is a decrease of 10% from the prior year. This is mainly due to the decrease in recovery of travel costs, project fees, and unfavourable interest rates.*

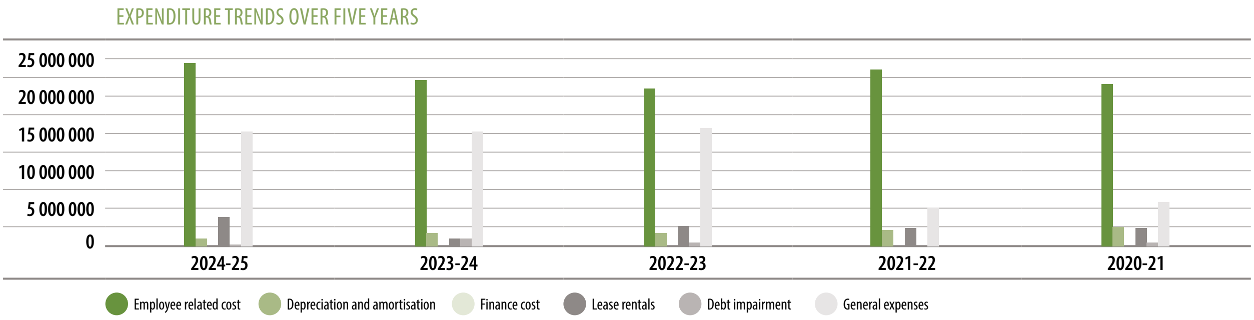


Figure 2: Expenditure trends over five years

ASA's detailed financial performance is outlined in the financial statements for the 2024/2025 financial year in Part F of this report.

CAPACITY CONSTRAINTS AND CHALLENGES FACING THE PUBLIC ENTITY

ASA continues to experience capacity constraints that affect its ability to deliver services effectively and efficiently. The constraints were primarily due to budget limitations.. The National Treasury has implemented budget cuts over the medium term, further hindering tight budgets. The reduction in the baseline allocation and increasing cost of compliance are ongoing challenges. To address this challenge, ASA is putting plans in place to implement ecoASA and Government Sustainable Building Rating Tool. The current certification processes are also being reviewed to eliminate inefficiencies in the system.

ASA also experienced numerous resignations during the review period. This impacted the achievement of some of the strategic activities planned for the year. Most of the positions were filled at year-end, with the rest to be filled in the next financial year.

During the year, ASA experienced a challenge in sourcing qualified and experienced technical experts. ASA requires technical experts to:

- Review and develop performance criteria;
- Evaluate and assess products and systems for certification; and
- Participate in technical committee meetings for the review and approval of certificates.

The lack of a test site and South African National Accreditation System (SANAS)- accredited laboratories has hampered ASA's ability to conduct validity reviews. Retesting is mandatory as part of the validity review procedure. The absence of a test site challenges faced while sourcing experts and SANAS-accredited laboratories, which has affected the achievement of set targets.

DISCONTINUED KEY ACTIVITIES / ACTIVITIES TO BE DISCONTINUED

ASA had no discontinued key activities during the 2024/25 financial year.

NEW OR PROPOSED KEY ACTIVITIES

In the new financial year, ASA plans to do the following:

- Leverage on partnerships and collaborate with specifiers in the built environment to promote the use of innovative non-standardised construction-related products and systems;
- Participate in the Bid Specification Committee of the specifiers to promote the introduction and use of non-standardised construction-related products or systems;
- Review the Agrément South Africa Act, 2015 (Act No. 11 of 2015) to compel all innovative products and systems to be certified by ASA to minimise the risk as per the Act;
- Implement the ecoASA and Government Sustainable Building Rating tool;
- Train and capacitate designated groups (i.e., women, youth, and people with disabilities) on innovative building systems; and
- Roll out stakeholder engagement forums across the identified provinces.

REQUESTS FOR ROLL-OVER OF FUNDS

At the end of the financial year, ASA had a surplus of R1,4 million, calculated in accordance with the National Treasury Instruction Note 12 of 2020/21. An application to retain the surplus funds will be submitted to the National Treasury. Hundred percent (100%) (R1,4 million) of the surplus funds have been committed to various multi-year projects. The remaining funds will be utilised to finalise the Information and Communication Technology (ICT) infrastructure.

SUPPLY CHAIN MANAGEMENT

The approved Supply Chain Management (SCM) Policies and procedures were implemented to ensure that all transactions complied with the relevant laws and regulations. The procurement office reports to the Chief Financial Officer and operates with a permanent procurement officer. Additional resources are required to complement the currently under-resourced Supply Chain Unit.

ALL CONCLUDED UNSOLICITED BID PROPOSALS FOR THE YEAR UNDER REVIEW

The were no unsolicited bids during the year under review.

WHETHER SUPPLY CHAIN MANAGEMENT PROCESSES AND SYSTEMS ARE IN PLACE

SCM's processes and systems are continually monitored to comply with this requirement. Management has not identified any new instances of irregular, fruitless, and wasteful expenditure. The prior year's irregular, fruitless, and wasteful expenditures were submitted for condonation by the National Treasury. Expenditure not condoned by the National Treasury is to be removed in accordance with the National Treasury Compliance Framework. The removal of the remaining balances is underway and will be finalised during the next financial year.

CHALLENGES EXPERIENCED AND HOW RESOLVED

ASA certification is voluntary, which makes it very difficult for the organisation to enforce it. There are gaps and limitations in the ASA Act. ASA is currently reviewing the Act to ensure that certification for non-standardised construction-related products and systems is compulsory in the built environment. Effective regulation and enforcement will enable ASA to ensure that construction products and systems meet safety and health standards.

Due to the absence of a test site, ASA bills the applicant/client for all testing that must be performed on the assessed construction products and building systems. This process often takes longer than anticipated due to, amongst other things, the limited number of SANAS-accredited laboratories, insufficient internal technical capacity, limited technical experts in the market, and/or lack of available test sites. This reliance on the applicants/clients to source testing services or assessments may result in gaps in the certification process, exposing ASA to potential reputational damage in cases where certificates are issued without validation of the prescribed performance criteria.

In response to these challenges, ASA approached the Department of Public Works and Infrastructure (DPWI) to assist in establishing an internal test site and becoming a fully-fledged technical entity. This will allow the entity to conduct structural testing of building systems for durability, allow applicants to build structures or prototypes for testing, and showcase or exhibit different innovative building technologies. The physical test site will enhance ASA's technical capacity, improve technical and operational efficiencies, allow ASA to manage projects, and charge reasonable fees to promote and introduce innovative products and systems for certification.

Additionally, ASA is appointing a panel of experts through the human resources process to assist in testing and assessing innovative building products and systems. The appointed panel will assist in accelerating the certification process and further improving operational efficiencies.

AUDIT REPORT MATTERS IN THE PREVIOUS YEAR AND HOW THEY WOULD BE ADDRESSED

ASA obtained an unqualified opinion on the Annual Financial Statements (AFS) with no material findings on performance information and compliance with laws and regulations. Additionally, ASA's procurement environment and supply chain management processes were awarded with a "green" status, with no material observations found. The reported 81%, constituted 22 against 27 planned performance targets of the 2024/25 Annual Performance Plan were achieved. This is an unprecedented performance for ASA. The pride is not solely on the achievement of the set quantitative targets, but the overall impact ASA has had in the built environment.

OUTLOOK/PLANS FOR THE FUTURE TO ADDRESS FINANCIAL CHALLENGES

In the 2025/26 financial year, ASA will be implementing and monitoring a financial sustainability strategy to maximise revenue generation. Additionally, ASA will review the debt management policy to include payment arrangement options for financially challenged clients. ASA has reviewed the annual tariffs to ensure that clients are charged accordingly.

EVENTS AFTER THE REPORTING DATE

The Minister of Public Works and Infrastructure appointed Dr. Lindelani Matshidze chairperson of the ASA board from 12 May 2025 until the end of the term of office by 19 August 2027. Dr. Matshidze took over from Dr. Bongani Mabizela, who acted as interim chairperson from 19 August 2024.

ECONOMIC VIABILITY

During the year under review, ASA continued to maintain its status as a going concern. As of 31 March 2025, ASA had an accumulated surplus of R5,8 million. The total assets exceeded its liabilities by R5,8 million. Funds will be available to finance future operations, and the realisation of assets and settlement of liabilities, contingent obligations, and commitments will occur in the ordinary course of business. The Executive Authority continues to provide grant funding, as indicated in the MTEF over the period, to fund the ongoing operations of ASA

ACKNOWLEDGEMENT/S OR APPRECIATION

I would like to place on record my sincere thanks to the Portfolio Committee of Public Works and Infrastructure, the Honourable Minister, and the Deputy Minister for their unwavering support. I extend my appreciation and gratitude to the outgone ASA board under the leadership of Professor J. Mahachi, and the newly appointed board chaired by Dr. L. Matshidze for their steadfast leadership. Alongside, I would like to extend my admirable appreciation to the ASA Executive Management team and all support Staff for their dedicated and committed efforts to delivering efficient results within capacity, budget, and time constraints.

Lastly, I also commend our strategic partners who have collaborated with us to enhance our impact.

Mr. Richard Somanje
Chief Executive Officer

5. STATEMENT OF **RESPONSIBILITY**

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

The Board is required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and are responsible for the content and integrity of the AFS and related financial information included in this report. It is the responsibility of the Board to ensure that the AFS fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the AFS and was given unrestricted access to all financial records and related data.

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

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

The Board acknowledges that they are ultimately responsible for the system of internal financial control established by ASA and place considerable importance on maintaining a strong control environment. To enable the Board to meet these responsibilities, the Board sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly define framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout ASA and all employees are required to maintain the highest ethical standards in ensuring

ASA's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in ASA is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, ASA endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

The Board has reviewed the entity's cash flow forecast for the year to 31 March 2026 and, in the light of this review and the current financial position, they are satisfied that ASA has or has access to adequate resources to continue in operational existence for the foreseeable future. ASA is dependent on the DPWI for continued funding of operations.

The Board are prepared on the basis that ASA is going a concern and that the DPWI has neither the intention nor the need to liquidate or curtail materiality the scale of ASA.

ASA is wholly dependent on the DPWI for continued funding of operations. The AFS are prepared on the basis that the entity is a going concern and that the entity has neither the intention nor the need to liquidate or curtail materially the scale of ASA. Although the Board is primarily responsible for the financial affairs of the ASA, they are supported by ASA's internal auditors.

The AFS set out on page 64 to 90, which have been prepared on the going concern basis, were approved by the Board on 30 July 2025 and were signed on its behalf by:

Mr. Richard Somanje
Chief Executive Officer

Dr. Lindelani Matshidze
Chairperson of the Board

6. STRATEGIC **OVERVIEW**

6.1. VISION

To be the leading regulator on non-standardised construction products and systems in South Africa.

6.2. MISSION

To enhance ASA's position as an impartial and internationally acknowledged South African centre of excellence to:

- Provide assurance to specifiers and users of the fitness-for-purpose of non-standardised construction related products or systems;
- Support and promote integrated socio-economic development in the Republic as it relates to the construction industry;
- Support and promote the introduction and use of certified non-standardised construction related products or systems in the local or international market; and
- Support policymakers to minimise the risk associated with using non-standardised construction related products or systems.

6.3. VALUES

ASA's values are aligned with the values espoused in the Constitution. The core values that underpin the culture of ASA are:

People – Respect people for who they are, their knowledge, skills and experience as individuals and team members.

Reputation – Upholding ASA's brand through excellence, integrity, and quality.

Innovation – Inspire the introduction of sustainable, innovative solutions.

Diversity – Embracing a dynamic and multi-cultural environment that respects the individual.

Accountability – Assume ownership of what happens because of one's choices or actions.

7. LEGISLATIVE **AND OTHER MANDATES**

PRIMARY LEGISLATIVE MANDATE

ASA derives its primary legislative mandate from the ASA Act, 2015 (Act No. 11 of 2015) (hereafter the "Act").

ASA is an entity of the National Department of Public Works and Infrastructure (NDPWI), and its mandate is within the domain of the built environment. The legislation mandates that its impact on the built environment and public works guide the functioning and operations of ASA.

In undertaking its work, ASA must have regard to the critical legislation that underpins the mandate of its Executive Authority, NDPWI, and general applicable legislation that impacts ASA's core business.

- NDPWI White Paper. Creating an Enabling Environment for Reconstruction, Growth and Development in the Construction Industry, 1999. The White Paper (1999) sets out the Government's policy objectives for the construction industry and focuses on the need to enhance delivery, achieve more excellent stability, improve industry performance, create value for money, and facilitate the growth of the emerging construction sector.
- Construction Sector Transformation Charter, 2006. The Charter 2006 aims to:
- provide the construction sector with the first quantitative method of monitoring and evaluating the progress of an enterprise towards achieving Broad-Based Black Economic Empowerment targets, thereby contributing to ending the malpractice of fronting.
- expand the employment potential and absorption capacity of the sector by using labour-intensive approaches where economically feasible and possible; and address skills development in a manner that accelerates the advancement of black people, women, and designated groups, emphasising learnerships and technical and management training.
- Property Sector Transformation Charter, 2017. The Charter 2017 aims to promote the objectives contained in Section 2 of the B-BBEE Act, 2003 (Act No. 53 of 2003) as these relate to the Property Sector, to:
- promote economic transformation in the Property Sector to enable meaningful participation of black people and women.
- unlock obstacles to property ownership and black people's participation in the property market.
- promote property development and investment in under-resourced areas, which enhances basic infrastructure, encourages investment, and supports micro and small enterprises; and
- facilitate the accessibility of finance for property ownership and property development.
- Green Building Policy, 2013. This Framework outlines the NDPWI 's commitments to address critical elements in the New Growth Path and the Industrial Policy Action Plan by promoting sustainable development, reducing greenhouse gas emissions, promoting energy efficiency, stimulating new green industries, etc.

There are several pieces of legislation which deal with, or have an impact upon, certification of innovative and non-standard construction products for infrastructure development. The relevant legislation and regulations are as follows:

- Committee of Land Transport Officials (COLTO). The Committee of Land Transport Officials recommends using ASA-certified products for products without national standards.
- Environmental Conservation Act, 1989 (Act No. 73 of 1989). It provides for the protection and controlled utilisation of the environment.
- National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977). National Building Regulations and Building Standards Act No. 103 of 1977 promote uniformity in the law relating to the erection of buildings in the areas of jurisdiction of local authorities and the prescribing of building standards.
- Occupational Health and Safety Act, 1993 (Act No. 85 of 1993). The Occupational Health and Safety Act provides for the health and safety of persons at work and the health and safety of persons in connection with the use of plant and machinery and the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work.
- Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000). The Preferential Procurement Policy Framework Act, among other things, seeks to promote socio-economic transformation, small enterprises, cooperatives, rural and township enterprises development and local industrial development.

- Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004). Provides for the strengthening of measures to prevent and combat corruption and corrupt activities and to place a duty on certain persons holding positions of authority to report certain corrupt activities.
- Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000). ASA is required to ensure that any administrative process conducted or decision taken in terms of the ASA Act is by the Promotion of Administrative Justice Act. Provides for the establishment of a legislative framework for the promotion of black economic empowerment. Empowers the Minister to issue codes of good practice and to publish transformation charters; and establishes the Black Economic Empowerment Advisory Council.
- The B-BBEE Act, 2003 (Act No. 53 of 2003). The fundamental objective of the Act is to advance economic transformation and enhance the economic participation of black people in the South African economy.
- The Construction Industry Development Board Act, 2000 (Act No. 38 of 2000) provides for establishment of the Construction Industry Development Board; to implement an integrated strategy for the reconstruction, growth, and development of the construction industry and to provide for matters connected therewith.
- The Council for the Built Environment Act, 2000 (Act No. 43 of 2000) makes provision for the establishment of a juristic person known as the Council for the Built Environment, the composition, functions, powers, assets, rights, duties, and financing of that Council, and for matters connected thereto.
- The Employment Equity Act, 1998 (Act No. 55 of 1998). Aims to achieve equity in the workplace by promoting equal opportunity and fair treatment in employment through eliminating unfair discrimination and implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups.
- The Labour Relations Act,1995 (Act No. 66 of 1995). It aims to promote economic development, social justice, labour peace, and democracy in the workplace. It applies to all employers, workers, trade unions, and employers' organisations.
- The National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008). It enables the National Regulator for Compulsory Specifications (NCRS) to issue compulsory specifications (technical regulations) that require conformity of a product or service to health, safety, or environmental protection requirements of a standard or specific provisions of a standard. No person may import, sell, or supply a commodity, product, or service to which a compulsory specification applies unless such commodity, product or service complies with and has been manufactured per such specification and, if applicable, marked in the prescribed manner with a distinctive mark, which constitutes a declaration of conformity to requirements.
- The National Treasury Regulations. The regulations institute good financial governance, including ensuring that government departments and State-Owned Entities (SOEs) efficiently and effectively manage public resources and prevent and detect corruption.
- The Promotion of Access to Information Act, 2000 (Act No. 2 of 2000). Gives effect to the constitutional right of access to any information held by the State, and any information contained by private bodies that are required to exercise and protect any rights.
- The Public Finance Management Act, 1999 (Act No. 1 of 1999) promotes the objective of sound financial management to maximise service delivery through the proficient use of limited resources.

8. ORGANISATIONAL **STRUCTURE**

ASA's Top Tier Organisational Structure for the 2024/25 financial year is hereunder presented:

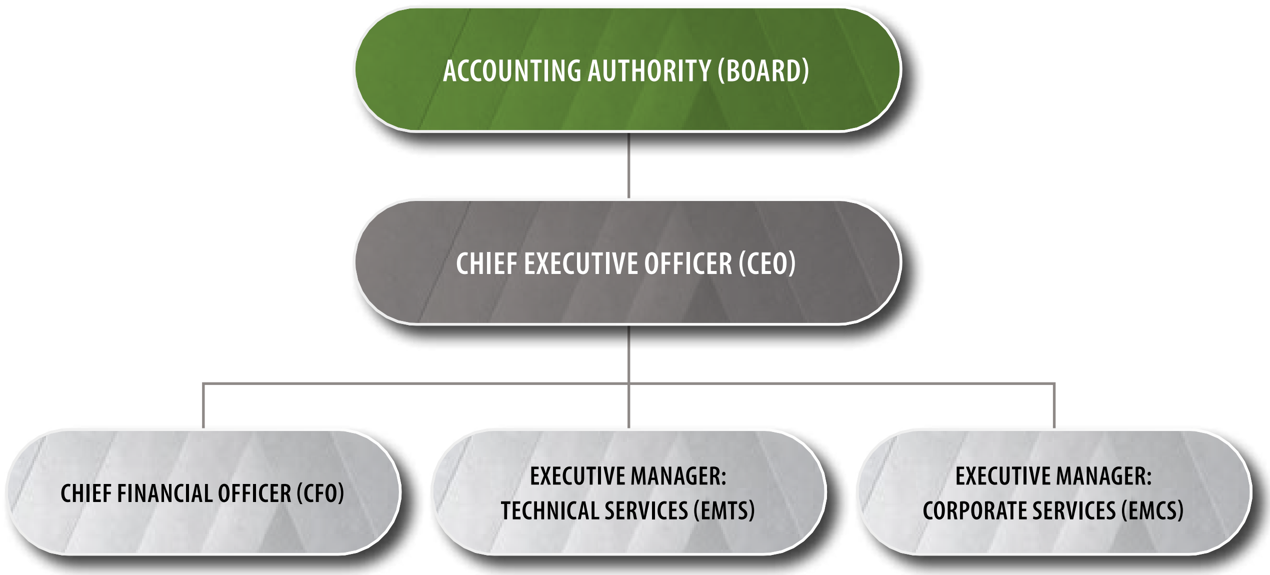


Figure 3: ASA's Top Tier Organisational Structure

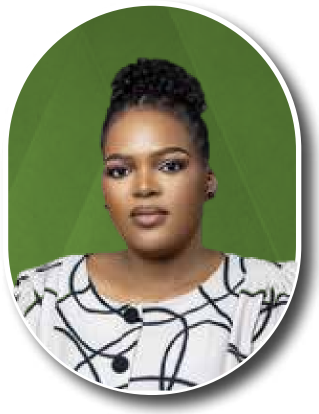
ASA is managed by the Executive Committee, a top structure responsible for overseeing overall strategic and operational matters within the organisation. The committee comprises the following members: Mr. Richard Somanje, the Chief Executive Officer; Mr. Mulamuleli Rannzwa, the Chief Financial Officer; Mr. Lindelani Mulaudzi, Executive of Technical Services; and Ms. Refilwe Selesho, Executive Manager of Corporate Services.

9. MEMBERS OF THE **BOARD**

DR. LINDELANI MATSHIDZE
CHAIRPERSON

DR BONGANI MABIZELA
BOARD MEMBER

MR KULANI MAYAYISE
BOARD MEMBER



MS BUHLE TONISE
BOARD MEMBER

MS KELETSO LEFOTHANE
BOARD MEMBER

MS URSULA NTSUBANE
BOARD MEMBER

MS ZANELE NKOSI
BOARD MEMBER

DR JULIA PETLA
BOARD MEMBER

MR PHUMLANI MASEKO
BOARD MEMBER

MR PAUL HEEGER
BOARD MEMBER

MR ANDRE DU PLESSIS
BOARD MEMBER

MR THILIVHALI RAMAWA
INDEPENDENT AUDIT & RISK COMMITTEE CHAIRPERSON

10. EXECUTIVE **COMMITTEE**

MR. RICHARD SOMANJE
CHIEF EXECUTIVE OFFICER

MR. MULAMULELI RANNZWA
CHIEF FINANCIAL OFFICER

MS. REFILWE SELESHO
EXECUTIVE MANAGER: CORPORATE SERVICES

MR. LINDELANI MULAUDZI
EXECUTIVE MANAGER: TECHNICAL SERVICES

PART B
PERFORMANCE INFORMATION

1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the *Predetermined Objectives heading in the Report on other legal and regulatory requirements* section of the auditor's report. Refer to page 60 of the Report of the Auditors Report, published as Part F: Financial Information.

2. OVERVIEW OF ASA'S PERFORMANCE

2.1. SERVICE DELIVERY ENVIRONMENT

In consideration of the demand for ASA services and the contextual environment, ASA continues to experience budget constraints due to the government's fiscal challenges. ASA is currently experiencing a limited budget allocation to support the full implementation of its mandate. ASA mandate is primarily funded through a grant allocation by the DPWI. The organisation is dependent on government funding, which creates uncertainty and vulnerability to changes in government priorities. In response to these financial challenges, ASA is considering developing and implementing a financial sustainability strategy to maximise revenue generation. Additionally, ASA will engage with DPWI to review the grant allocation.

There are human and financial resource constraints affecting ASA. Due to budgetary constraints, ASA operated on a thin structure of 33 approved positions. As a result, the current organisational structure lacks the key positions necessary to fully execute its mandate and some critical functions, including technical experts to assist with technical assessments and certifications. The organisation is experiencing a high rate of staff turnover, particularly among middle and junior levels. This turnover rate disrupts workflow and continuity, leading to increased recruitment and training costs, which negatively affects team dynamics and institutional knowledge.

This means ASA's financial and human resources are insufficient to meet operational demands. Despite the challenges, ASA rose to the occasion and delivered notable results for the 2024/25 financial year compared to the previous financial year. During the period under review, ASA achieved 22 targets against 27 planned targets, equivalent to 81% (2024: 53%) performance. Of importance, ASA made significant progress as compared to the 2023/24 financial year. The figure below illustrates a five-year comparison of ASA's performance:

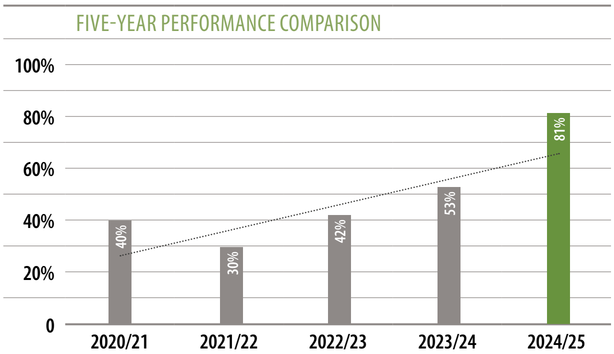


Figure 4: ASA's five-year performance comparison

With regards to facility infrastructure, ASA rents one (1) office in Hatfield, Pretoria, with no test site or laboratory. ASA relies on applicants/clients to build structures or prototypes where they are located to meet the requirements of technical assessments and fitness-for-purpose in building systems and products. Due to a lack of a test site, ASA bills the applicant/client for all the testing that must be performed on the assessed construction products and building systems. This process takes longer than expected due to, amongst other things, the limited number of SANAS-accredited laboratories, inadequate internal technical capacity, limited technical experts in the market and/or lack of available test sites.

Some reliance on the applicants/clients to source testing services or assessments could lead to deficiencies in the certification process, exposing ASA to potential reputational damage due to certificates that could be issued without validation of the prescribed performance criteria.

Regarding the above, the ASA certification process is becoming cumbersome for applicants/clients, which may deter applicants with innovative building products or services from applying for ASA certification. This could expose consumers to the health and safety risks of non-certified building products and systems.

During the 2024/25 financial year, ASA recorded 17 projects in line with the project management plans and issued 13 Agrément certificates, constituting 76% (13/17) of Agrément projects managed and finalised within agreed timeframes. Underachievement on this target was due to that the two (2) projects planned for execution were not approved and deferred for re-testing. ASA is in the process of reviewing performance criteria for building systems and ensuring that re-testing and reassessment of the projects are aligned with updated performance criteria. The below figure illustrates a five-year comparison of Agrément certificates issued:

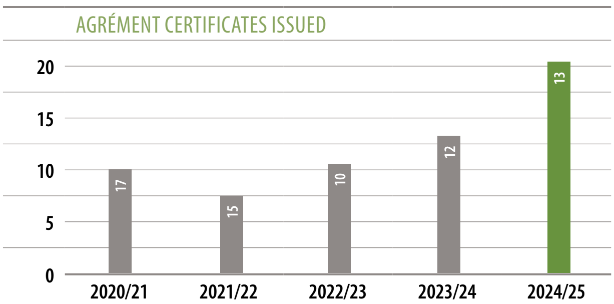


Figure 5: Five-year Agrément Certificates Comparison

The annual quality and compliance inspection targets are set out based on certificates that are in use. ASA requires certificate holders to continuously implement and maintain a quality management system as approved by ASA in the technical assessment of the subject. This is monitored by conducting an annual quality and compliance inspection based on the Guidelines for preparing a quality management system for Agrément South Africa certificate holders based on ISO 9001:2015 and related standards. Year-to-date, ASA has conducted 100% (60/60) quality and compliance inspections for certificates in use. About 51% (69/135) of validity reviews were conducted for valid certificates in use.

ASA received calls for four (4) suspensions, four (4) cancellations, 38 inactivations, 11 withdrawals, and reviews during the 2024/25 financial year. This is due to products and systems not performing well in the market and being discontinued, among other reasons. As a result ASA continued to experience a loss of income from the annual administration fee for certification in-use, which were recommended for cancellation and withdrawal.

During the 2024/25 financial year, ASA conducted and participated in the following stakeholder engagement activities:

- Department of Public Works and Infrastructure (DPWI) Legislative Programme, 03 February 2025 in Cape Town. The purpose was to align the Sixth Administration Departmental Legislative Programme with the Seventh Administration Policy Priorities. Agrément South Africa (ASA) attended the workshop to present the progress made on the review of the ASA Act 11 of 2015.
- Eastern Cape Department of Human Settlements (ECDHS) Broader Stakeholder Consultative Workshop, 11 February 2025, in East London. The purpose was for the ECDHS to convene a comprehensive Stakeholder Consultative Workshop to discuss their Innovative and Sustainable Building Technology Policy and Research Agenda. Additionally, the event served as an opportunity to conduct a formal ceremony for the signing of the MoU between ECDHS and ASA.
- Agrément South Africa Industry and Stakeholder Engagement Forum on 25 February 2025 in Pretoria. The forum's theme was "Building Stronger Partnerships for Sustainable Innovation," and it was aimed at industry professionals and stakeholders. ASA advocated sustainable construction practices and addressed challenges in using certified products and certification processes of non-standardised products and systems. The forum promoted dialogue on regulatory improvements and innovative solutions and provided collaborative opportunities to enhance sustainability and industry standards.
- Certificate Holder's workshop on 24 October 2024 under the theme "Overcoming Certification Challenges in South Africa's Innovative Building Sector." This annual event aimed to enhance collaboration on key issues affecting certificate holders.

- Municipal Workshop programme on 31 March 2025. The theme of the forum was "Embracing innovation in the local government space". This session aimed at advocating the adoption of innovative building technologies. Additionally, aimed at soliciting challenges, lessons learned, and opportunities faced by certificate holders and municipalities related to implementing the innovative building technologies projects in the local government.

2.2. ORGANISATIONAL ENVIRONMENT

ASA's human and financial resources are no longer sufficient to adequately deliver on its statutory mandate. This causes a backlog and results in a delay in project execution and the certification process.

2.3. KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

ASA is currently in the process of reviewing the ASA Act, to transition from a voluntary to a mandatory statutory body. This review is vital in embracing the innovations transforming our construction sector. With rapid technological advancements and a growing emphasis on sustainability, our regulations must evolve to address inconsistencies, align with new developments, and ensure safety and compliance.

The ASA Act is aligned with the National Building Regulations and Building Standards Act. Establishing a unified regulatory environment can foster innovation while prioritising public safety as a core principle. This strategic review of the ASA Act will allow our sector to rapidly adapt to market demands, paving the way for a dynamic and sustainable future in South African construction.

2.4. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

ASA strives to make strides towards achieving the outcomes set in the Strategic Plan by implementing the 2024/25 Annual Performance Plan (APP) targets.

3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

3.1. PROGRAMME ONE (1): TECHNICAL SERVICES

Table 1: Performance of Programme One: Technical Services

PROGRAMME ONE (1): TECHNICAL SERVICES
PURPOSE: The certificates granted promote improved construction methods, thereby contributing towards the impact of innovative non-standard construction-related products and systems for which there are no South African national standards. The sub-programme comprises the core service delivery functions of ASA. It includes Products / Systems Certification, Quality Audits and Research and Development.
SUB-PROGRAMME 1: PRODUCTS / SYSTEMS CERTIFICATION: Products / Systems Certification: The purpose is to promote introduction and use of innovative and non-standardised construction-related products and systems through technical assessment of fitness-for-purpose and subsequent certification.
SUB-PROGRAMME 2: QUALITY AUDITS: The purpose is to ensure that good-quality materials and satisfactory standards of design, manufacture and, where appropriate, erection, installation or application of all ASA's certificate holders and licensees' systems or products are consistently maintained within defined ASA parameters.
SUB-PROGRAMME 3: RESEARCH AND DEVELOPMENT: The purpose is to encourage and support the business activities of ASA in partnership with other sector stakeholders and to encourage the development of non-standardised construction-related products and systems.
INSTITUTIONAL OUTCOMES • Optimised use of non-standardised Construction-related Products and Systems. (DPWI outcome –Optimised job opportunities, dignified client experience and productive investment infrastructure) • Quality Assurance. (DPWI outcome –Optimised job opportunities, dignified client experience and productive investment infrastructure)

3.1.1. OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL

During the 2023/24 financial year, ASA issued 13 certificates, constituting 76% (13/17) of Agrément certification projects managed and finalised within agreed timeframes. Four (4) market and usage analysis reports were produced on Agrément-certified products and systems. To promote the introduction and use of non-standardised construction-related products and systems, two (2) agreements were concluded with the Eastern Cape Department of Human Settlements (ECDHS) and the South African Police Station (SAPS). To ensure quality assurance on all certificates, ASA conducted quality and compliance inspections on 60 valid issued certificates, constituting 100% performance. Additionally, a total of 69 validity reviews against 135 valid certificates were issued during the period under review, constituting 51% performance.

Table 2: Performance of Programme One (1): Technical Services for the 2024/25 APP

PROGRAMME 1: **TECHNICAL SERVICES**							
OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2022/23	AUDITED ACTUAL PERFORMANCE 2023/24	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/25	REASONS FOR DEVIATIONS
OUTCOME 1.1: OPTIMISED USE OF NON-STANDARDISED CONSTRUCTION-RELATED PRODUCTS AND SYSTEMS. (DPWI OUTCOME – OPTIMISED JOB OPPORTUNITIES, DIGNIFIED CLIENT EXPERIENCE AND PRODUCTIVE INVESTMENT INFRASTRUCTURE)							
1.1.1. Implementation of Eco Label Scheme.	1.1.1.1. Number of Eco Label Scheme specifications approved by the Board.	6	-	-	**N/A**	N/A	N/A
	1.1.1.2. Number of Eco Labels issued.	New indicator	New indicator	10	**0**	-10	During the period under review, the two (2) prospective clients who submitted applications in the third quarter withdrew their applications before the assessment process. The reason for withdrawal is a change in the company's priorities, which now focus on getting the product certified for the international market before pursuing eco-labelling. The other party has decided to delay certification for later.
1.1.2. Agrément Certification projects are managed and finalised within timeframes.	1.1.2.1. Percentage of Agrément certification projects managed and finalised within agreed timeframes.	58.8%	58%	80%	**76%** (13/17)	4%	Underachievement on this target was due to the other projects planned for execution being rejected and deferred for re-testing.
1.1.3. Agrément certificates issued	1.1.3.1. Agrément certificates issued	10	12	14	**13**	-1	Underachievement on this target was due to that the two (2) projects planned for execution were not approved and deferred for re-testing.
1.1.4. Analysis of the usage of Agrément certified products and systems	1.1.4.1 Number of market and usage analysis reports.	4	4	4	**4**	N/A	N/A
1.1.5. Promotion of the introduction and use of non-standardised construction-related products or systems.	1.1.5.1. Number of agreements entered with specifiers to promote non-standardised construction-related products and Systems.	2	1	2	**2**	N/A	N/A
1.1.6. Customer satisfaction survey	1.1.6.1. Number of positive customer satisfaction surveys completed.	New Indicator	New Indicator	4	**5**	1	Overachievement on this target is due to the Technical Committee (TECO) requesting research on certificate holders' discontinuation of certificates.

Table 2: Performance of Programme One (1): Technical Services for the 2024/25 APP (cont.)

OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2022/23	AUDITED ACTUAL PERFORMANCE 2023/24	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/25	REASONS FOR DEVIATIONS
OUTCOME 1.2: QUALITY ASSURANCE. (DPWI OUTCOME – OPTIMISED JOB OPPORTUNITIES, DIGNIFIED CLIENT EXPERIENCE AND PRODUCTIVE INVESTMENT INFRASTRUCTURE)							
1.2.1. Quality Assurance on all certificates in use.	1.2.1.1. Percentage of quality and compliance inspections conducted for valid issued certificates.	90%	56%	70%	**100%** (60/60)	30%	This is due to the increased efficiency of the planned projects.
	1.2.1.2. Percentage of validity reviews (renewals) conducted for valid issued certificates	New Indicator	New Indicator	50%	**51%** (69/135)	1%	Over-achievement resulted from improved efficiency in conducting the validity reviews.

3.1.2. STRATEGY TO OVERCOME AREAS OF UNDER-PERFORMANCE

ASA has put the following measures in place to overcome underperformance registered during the 2024/25 financial year:

- ASA to increase marketing initiatives and awareness on eco-labelling activities to attract clients through advertisements and workshops, and position itself internationally.
- Continuous engagements to have the two (2) applicants reconsider their withdrawals from the eco-labelling certification process are ongoing.
- The re-testing aligned with the reviewed performance criteria will be conducted, and certificates will be prioritised for reassessment in the first quarter of the 2025/26 financial year. The review of performance criteria for building systems will be concluded in the first quarter of the 2025/26 financial year.

3.2. PROGRAMME TWO (2):
ADMINISTRATION - FINANCIAL SERVICES

Table 3: Programme Two (2): Administration- Financial Services

PROGRAMME TWO (2): ADMINISTRATION - FINANCIAL SERVICES
PURPOSE: To provide overall financial and supply chain management, strategic leadership, operational efficiency, and service excellence and provide organisational support services to operate and function as an organisation with a track record of quality, effective delivery, and professional service.
INSTITUTIONAL OUTCOMES • Resilient, ethical, and capable entity. • Industrialization/Growing the Productive Economy

3.2.1. OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

To monitor compliance with the prescript of the supply chain to ensure approved invoices are paid within 30 days, 117% of the expenditure is spent against the approved budget as of 31 March 2025. A total of 758 valid invoices amounting to R17 million were paid within 30 days.

During the financial year under review, ASA achieved an unqualified audit with compliance findings. However, ASA will train Bid committee members and develop a procurement checklist, conduct training with end-users to assist on how to develop the Terms of Reference (TOR), and improve supply chain management processes to ensure that there are no new instances of non-compliance with laws and regulations.

In developing small, medium, and micro enterprises (SMMES), ASA conducted four (4) trainings, as follows:

- Women in Construction Compliance Training;
- Capacity Building Workshop for aspiring and emerging women in the Built Environment;
- Global Entrepreneurship Workshop for Youth and Women in the Built Environment; and
- Training Academy Registration in collaboration with Hydraform International (Pty)Ltd

ASA also spent R9,2 million on procurement spending directed to the designated group. (Youth: R2,2 million and Women: R6,9 million).

Table 4: Performance of Programme Two (2): Administration- Financial Services

PROGRAMME 2: ADMINISTRATION – FINANCIAL SERVICES							
OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2022/23	AUDITED ACTUAL PERFORMANCE 2023/24	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/25	REASONS FOR DEVIATIONS
OUTCOME 2.1: RESILIENT, ETHICAL, AND CAPABLE ENTITY							
2.1.1 To ensure effective implementation of corporate governance across the board.	2.1.1.1. Audit opinion issued	Unqualified external audit report with compliance matters.	Unqualified audit opinion with compliance findings.	Clean external audit report.	**Unqualified audit opinion with compliance findings.**	Clean audit not achieved	Effective and appropriate steps were not taken to prevent non-compliance with procurement regulations, which resulted in irregular expenditures.

Table 4: Performance of Programme Two (2): Administration- Financial Services (cont.)

OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2022/23	AUDITED ACTUAL PERFORMANCE 2023/24	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/25	REASONS FOR DEVIATIONS
OUTCOME 2.1: A RESILIENT, ETHICAL, AND CAPABLE ENTITY							
2.1.1 To ensure effective implementation of corporate governance across the board. (cont.)	2.1.1.2. Percentage of external audit resolved	83%	New Indicator	90%	**94%** (16/17)	4%	Effectively implemented more of the audit corrective actions as identified in the findings tracker.
	2.1.1.3. Percentage of internal audit findings resolved	New Indicator	New Indicator	80%	**88%** (72/81)	8%	Effectively implemented more of the audit corrective actions as identified in the findings tracker.
2.1.2. To improve the financial sustainability	2.1.2.1. Percentage increase in own revenue generated	New Indicator	New Indicator	Increase own revenue by 1%	**-49%** (R2,3m -R4,6m)/ R4.6m	-48%	No revenue from eco-labelling initiatives was raised as projected, and a reduction in projected revenue from the projects as a result of limited applications
2.1.3. To monitor Compliance with the prescript of the supply chain to ensure approved invoices are paid within 30 days.	2.1.3.1. Percentage expenditure spent against the approved budget.	96%	99%	97%	**117%** (As of 31 March 2025, R41,9m against a budget of R35,8m) has been spent and paid.	20%	Delays in the delivery of procurement of laptops, tablets and office refurbishment projects where Purchase orders were issued.
	2.1.3.2. Percentage of payments made within 30 days	100%	100%	100%	**100%** (758 invoices amounting to R 17 million)	0	
	2.1.3.3. Percentage of expenditure spent on B-BBEE compliant suppliers	New Indicator	New Indicator	70%	**93%** (A total of R15,4m spent against R16,6m procurement budget.)	23%	Procurement was made in line with treasury regulation, and PPR2022 targeted at B-BBEE and designated groups.
2.1.4. To monitor compliance with the prescript of supply chain to ensure zero irregular expenditure in implementing the budget.	2.1.4.1 Percentage of approved budget spent on irregular expenditure	New Indicator	New Indicator	0%	**0%**	0%	There were no instances of irregular expenditure incurred.
2.1.5. To monitor compliance with the prescript of the supply chain to ensure zero percent of fruitless and wasteful incurred of the approved budget.	2.1.5.1. Percentage of approved budget spent on fruitless and wasteful expenditure	New Indicator	New Indicator	0%	**0%**	0%	There were no instances of fruitless and wasteful expenditure incurred.

Table 4: Performance of Programme Two (2): Administration- Financial Services (cont.)

OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2022/23	AUDITED ACTUAL PERFORMANCE 2023/24	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/25	REASONS FOR DEVIATIONS
OUTCOME 2.2: INDUSTRIALIZATION/GROWING THE PRODUCTIVE ECONOMY							
2.2.1. Developed small, medium and micro enterprises (SMME).	2.2.1.1. Number of training provided to SMME	New indicator	New indicator	4	**4**	0	N/A
	2.2.1.2. Percentage of procurement spent on designated groups.	New indicator	New indicator	30%	**55%** (R9,2m) of ASA Procurement spending was directed to the designated group. Youth: (13% (R2,2m) and Women: 41% (R6,9m)	25%	ASA continued to implement strategies on procurement terms of references, encouraging procurement from designated groups.

3.2.2. STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

ASA has put the following measures in place to overcome underperformance registered during the 2024/25 financial year:

- ASA will train Bid committee members and develop a procurement checklist.
- ASA to conduct training with end-users to assist on how to develop the Terms of Reference (TOR).
- Improve SCM processes to ensure that there are no new instances of non-compliance with laws and regulations.
- Implement the Eco-labelling activities and increase awareness of the ecolabelling service. Additionally, ASA will improve the certification process efficiency.
- ASA will implement and monitor financial and revenue sustainability strategy to realise own revenue.

3.3. PROGRAMME TWO (2): ADMINISTRATION - CORPORATE SERVICES

Table 5: Programme Two (2): Administration – Corporate Services

PROGRAMME TWO (2): ADMINISTRATION - CORPORATE SERVICES
PURPOSE: To provide overall strategic leadership, operational efficiency and service excellence and provide organisational support services to operate and function as an organisation with a track record of quality, effective delivery, and professional service.
INSTITUTIONAL OUTCOMES
• A resilient, ethical, and capable entity

3.3.1. OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

During the 2024/25 financial year, ASA implemented 83% (10/12) of the approved annual training plan. These interventions aim to attract, develop, and retain organisational talent. The ASA vacancy rate is 3% (1/33). Considering its financial constraints, the organisation's resourcing continued to remain the primary focus.

Table 6: Performance of Programme Two (2): Administration – Corporate Services

PROGRAMME 2: ADMINISTRATION – CORPORATE SERVICES							
OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2022/23	AUDITED ACTUAL PERFORMANCE 2023/24	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/25	REASONS FOR DEVIATIONS
OUTCOME 3.1: A RESILIENT, ETHICAL, AND CAPABLE ENTITY							
3.1.1. Empowered human capital	3.1.1.1. Percentage of training implemented in line with the approved training plans and budget.	62%	100%	80%	**83%** (10/12)	3%	ASA conducted additional trainings due to a need to enhance skills, improve job performance and foster growth and development within ASA.
	3.1.1.2. Percentage of vacancy rate.	New indicator	6%	10%	**3%** (1/33)	7%	ASA continued to implement recruitment strategies to fast-track the filling of vacancies
	3.1.1.3. Submission of the Annual Training Report and Workplace Skills Plan	New Indicator	New Indicator	Submission of 1 Report	**1**	N/A	N/A
	3.1.1.4. Submission of the Employment Equity Report	New Indicator	New Indicator	Submission of 1 Report	**1**	N/A	N/A

OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2022/23	AUDITED ACTUAL PERFORMANCE 2023/24	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/25	REASONS FOR DEVIATIONS
OUTCOME 3.1: A RESILIENT, ETHICAL, AND CAPABLE ENTITY							
3.1.2. Host stakeholder Engagement forum	3.1.2.1. Number of Stakeholder Engagement forums held	New Indicator	New Indicator	1	**1**	N/A	N/A
3.1.3. Enhance ASA visibility	3.1.3.1. Number of advertisements placed on digital platforms (social media and website)	New Indicator	New Indicator	8	**12**	4	Overachievement resulted from the increased number of activities delivered to enhance ASA's visibility and increase brand awareness.
	3.1.3.2. Number of exhibitions attended	New Indicator	New Indicator	4	**8**	4	Overachievement of this target resulted from the requests or invitations received from stakeholders to exhibit.
3.1.4. ICT Governance Framework compiled and approved	3.1.4.1 Approved ICT Governance Framework in place	New Indicator	New Indicator	ICT Governance in place	**Compiled ICT Governance Framework**	N/A	N/A

3.3.2 STRATEGY TO OVERCOME AREAS OF UNDERPERFORMANCE

There was no underperformance registered for this sub-programme.

3.3.3. LINKING PERFORMANCE WITH BUDGETS

Table 7: Linking Performance with Budget

PROGRAMME/ACTIVITY/OBJECTIVE	2024/2025			2023/2024		
	BUDGET R'000	ACTUAL EXPENDITURE R'000	(OVER)/UNDER EXPENDITURE R'000	BUDGET R'000	ACTUAL EXPENDITURE R'000	(OVER)/UNDER EXPENDITURE R'000
Compensation of employees	25,895	24,564	1,331	25,782	22,421	3,361
Goods and services	21,145	18,812	2,333	22,975	15,975	7,182
Capital expenditure	301	1,668	-1,367	3,076	2,638	438
TOTAL	**47,342**	**45,044**	**2,298**	**51,833**	**40,851**	**10,982**

4. REVENUE **COLLECTION**

Table 8: Revenue Collection for ASA during the 2024/25 Financial Year

EXPENDITURE	2024/2025			2023/2024		
	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
Government Grant	31 902	31 902	-	34 082	34 082	-
Assessment fees	2 577	1 865	712	2 402	2 172	230
Investment Income	1 416	1 089	326	1 362	1 924	(562)
Services Rendered				-	583	(466)
Other Income						
TOTAL	**35 895**	**34 875**	**1 038**	**37,846**	**38 760**	**(914)**

ASA's 2024/25 financial year revenue comprised grant income from DPWI, assessment fees, interest received, and recoveries. The grant income, amounting to R31,9 million, was received as per the annual budget. ASA received approval from the National Treasury to retain the cash surplus of R11,4 million from the 2023/24 financial year.

The assessment fees comprise project fees, annual fees, and licensee fees. The actual amount received was lower than budgeted. This is mainly attributed to the decrease in applications received during the financial year and the delay in implementing the eco-ASA project. ASA depends on clients voluntarily submitting applications for technical assessments of their innovative construction-related products and systems.

Due to the decrease in cash balances held, ASA realised less than budgeted interest income for the year.

ASA has utilised the revenue to complete the certification projects, conduct quality reviews, and conduct the required research to develop two additional eco-labelling specifications. The revenue was also used to complete the operational requirements.

5. CAPITAL **INVESTMENT**

Table 9: ASA Capital Investment for the 2024/25 Financial Year

ASSET CATEGORY	OPENING BOOK VALUE (R)	ADDITIONS YTD (R)	DISPOSALS YTD (R)	DEPRECIATION (R)	ASSET UNDER DEVELOPMENT (R)	TRANSFERS (R)	CLOSING BOOK VALUE (R)
IT Equipment	1,411	153	-15	-521			1,026
Computer Software	40	-	-	-15			24
Furniture & Fixture	590		-25	-144			421
Leasehold Improvement	649	441		-131			959
Office Equipment	701	1,074	-115	-143			1,156
Laboratory equipment	385	-	-	-26			359
TOTAL	**3,777**	**1,668**	**-156**	**-981**			**4,307**

6. FIVE (5) YEAR REVIEW OF **FINANCIAL HEALTH**

Table 10: Five (5) Year Review of Financial Health

ITEM	2020/21 R'000	2021/22 R'000	2022/23 R'000	2023/24 R'000	2024/25 R'000
Grant income and services rendered	30,395	36,793	34,324	38,760	33,770
Accumulated surplus	15,375	20,970	21,784	15,331	5,880
Interest received	1,158	1,168	1,723	1,923	1,089
Investments and cash	23,576	27,902	25,496	14,790	5,990
Current ratio	3.4:1	4.9:1	3.5:1	2.7:1	1.7:1

PART C

GOVERNANCE

1. INTRODUCTION

The Board is responsible for exercising oversight over ASA to ensure adherence to principles of good Corporate Governance. Corporate Governance embodies processes and systems by which public entities are directed, controlled, and held accountable. In addition to legislative requirements that public entities must comply with, corporate governance arrangements at ASA are implemented in line with the PFMA to ensure they run in tandem with the principles in the King IV™ Report on Corporate Governance.

2. PORTFOLIO COMMITTEES

ASA appeared before the Portfolio Committee on Public Works and Infrastructure on the following dates:

a) 19 September 2024- to present 2023/24 Annual Report

b) 12 November 2024 – to present the 2024/25 first and second quarter performance

3. EXECUTIVE AUTHORITY

In compliance with the PFMA (1999, as amended), Treasury Regulations 26.1 and Section 4.4 of the DPME Revised Framework of Strategic Plans and Annual Performance Plans, ASA submitted the following documents to the Executive Authority during the 2024/25 financial year:

a) 31 April 2024 - 2023/24 Fourth Quarter Performance Report

b) 31 May 2024 - 2023/24 First Draft Annual Report and unaudited Annual Financial Statements

c) 31 July 2024 - 2024/25 Quarter 1 Performance Report

d) 08 August 2024 - Presentation for the 2024/25 Quarter 1 Performance Report

e) 30 August 2024 - 2023/24 Annual Report and Audited Financial Statements (AFS)

f) 30 October 2024 - 2024/25 Quarter 2 Performance Report

g) 30 October 2024 - ASA 2025/26 -2029/30 First Draft Strategic Plan

h) 30 October 2024 - ASA 2025/26 First Draft Annual Performance Plan

i) 31 October 2024 - Presentation on the 2024/25 first and second quarter performance report

j) 31 January 2025 - ASA 2024/25 Third Quarter Performance Report

k) 31 January 2025 - ASA final five (5)-year Strategic Plan

l) 31 January 2025 - ASA final 2025/26 Annual Performance Plan: 31 January 2025

m) 10 March 2025 - ASA Presentation for the five (5)-year Strategic Plan and 2025/26 Annual Performance Plan

4. THE ACCOUNTING AUTHORITY/BOARD

The Board is established in terms of the ASA Act, 2015 (Act No.11 of 2015). The board of ASA comprises twelve (12) non-executive members appointed by the Minister of Public Works and Infrastructure for three (3) years, including an independent Chairperson of the Audit and Risk Committee (ARC). The CEO serves as an ex-officio member of the Board.

The term of the current Board expired effective 19 August 2024, and the Minister has appointed the new Board effective 19 August 2024. The Board of ASA was led by an interim Chairperson, Dr. Bongani Mabizela. On 12 May 2025, the Minister of Public Works and Infrastructure, in his capacity as a Shareholder, appointed Dr. Lindelani Matshidze as Board Chairperson until the end of the term of office.

The Board had four (4) Committees as follows: Technical Committee (TECO), Human Resource and Remuneration Committee (HR &REMCO), Audit & Risk Committee (ARC), Industry and Stakeholder Committee. During the 2024/25 financial year, the Board introduced a new committee, the Legal Compliance and Enforcement Committee. The Board meets four (4) times a year at a minimum as per the approved Terms of Reference.

During the financial year, the term of the independent ARC Chairperson, Mr. Viren Magan, expired on 18 October 2024, and Mr. Thilivhali Ramawa was appointed as the Chairperson effective 13 January 2025.

In terms of the PFMA, the Board is the Accounting Authority, which has the primary responsibility of governing ASA. To ensure it executes its mandate adequately, the Board established committees in accordance with Section 19 (1) of the ASA Act. The following are the committees and their functions:

a) Technical Committee (TECO): Assist the Board in its duties related to the review and approval of evaluation programmes and draft certificates, and where appropriate, recommends certificate for ratification to the Board.

b) Human Resources and Remuneration Committee (HR & REMCO): The primary responsibility of the Committee is to ensure that executive and staff members perform their responsibilities in line with the policies ratified by the Committee and that staff with requisite skills and experiences are attracted, retained, developed, motivated and rewarded for individual performance and contribution to the performance of ASA.

c) Audit and Risk Committee (ARC): Assist the Board by exercising oversight responsibility on the integrity of ASA's financial statements, the extent of compliance with legal and policy requirements, the system of internal control and risk management, the adequacy of the Internal Audit function and external auditors, the performance of management in terms of the strategic plans, annual performance plans, and other matters related to its mandate refers to it by the Board.

d) Industry and Stakeholder Committee (IASC), previously named as Industry Advisory Committee (IAC): Provides the Board of ASA with informed advice, recommendations, and insights from a diverse range of industries and stakeholders on contemporary issues impacting the technical assessments, utilization, and post-quality monitoring of innovative construction technologies. Additionally, the IASC will serve as an oversight committee for Communications and Marketing activities, including industry communications, Annual stakeholder engagement, Municipal workshops, Eco-labelling, and Research and Development matters, to support the Board's decision-making process.

e) Legal Compliance and Enforcement Committee: To oversee legal compliance matters and enforcement actions within the organisation and represent the interests of Agrément South Africa (ASA) on matters related to the implementation of the ASA Act. Provide oversight of legal compliance activities and enforcement initiatives emanating from the change of ownership of certificates and investigations into fraudulent certification.

5. BOARD

During the 2024/25 financial year, the Board meetings were held as follows:

Table 11: Number of 2024/25 Board Meetings Convened (Former Board)

TYPE OF MEETINGS	NUMBER OF MEETINGS
Ordinary meetings	2
Special meetings	2
TOTAL	**4**

Table 12: Number of 2024/25 Board Meetings Convened (New Board)

TYPE OF MEETINGS	NUMBER OF MEETINGS
Ordinary meetings	2
Special meetings	1
TOTAL	**3**

During the 2024/25 financial year, the Board Membership was as follows:

Table 13: Board Membership for the 2024/25 Financial Year- Former Board

NAME	DESIGNATION	DATE APPOINTED	DATE RESIGNED/ END OF TERM	QUALIFICATIONS	AREA OF EXPERTISE	ASA COMMITTEE MEMBERSHIP	NO. OF MEETINGS ATTENDED
Prof. Jeffrey Mahachi	Acting Board Chairperson	06/09/2010	19/08/2024	PhD Structural Engineering; MSc Structural Engineering; Masters in Information Technology; and BSc Civil Engineering Honours.	Structural Engineering	HR & REMCO; TECO; and IAC	4
Mr. Denzil Fredericks	Member	06/09/2010	19/08/2024	IOS; Management System Lead Auditor; ISO 45001; ISO 2200; and OHSA 18001.	Quality Management	HR & REMCO; TECO; and IAC	4
Mrs. Mariana Marneweck	Member	06/09/2010	19/08/2024	MPhil in Future Studies; BSc Biochemistry. Microbiology; BSc Hons Biochemistry; and National Certificate: Project Management.	Biochemistry; Microbiology; Future Studies; and Standardisation and Governance	ARC and TECO	4
Dr. Ntebo Ngcobo	Member	06/09/2010	19/08/2024	BTech Civil Engineering; National Diploma Civil Engineering; and PhD Civil Engineering.	Civil Engineering	TECO; HR & REMCO; and IAC	3
Dr. Vuyelwa Mhlapo	Member	30/04/2019	19/08/2024	PhD Public Affairs; Master of Arts; Bachelor of Arts; and National Diploma in Human Resources Management.	Management of Public Affairs; and Human Resources Management.	ARC; and HR & REMCO	4
Mr. Xolisa Mnyani	Member	30/04/2019	19/08/2024	Professional Construction Project Management (Pr.CPM); MSc Construction Project Management; and BSc (Hons) in Construction Management.	Project Engineering and Construction Management.	ARC and TECO	4
Adv. Lufuno Tokyo Nevondwe	Member	30/04/2019	19/08/2024	Masters of Law (LLM); and Bachelor of Laws (LLB).	Law	TECO, ARC and IAC	4
Mr. Mfundo Xulu Dlamini	Member	30/04/2019	19/08/2024	Master of Management of Information and Technology; Programme in Project Management; and National Diploma: Real Estate.	Management of Technology and Innovation; Project Management; and Real Estate.	IAC	2
Mr. Viren Magan	Independent ARC Chairperson	30/10/2021	19/08/2024	Certified Internal Audit; Masters in Business Leadership; Chartered Accountant; B(Compt); and Hons CTA.	Audit; Financial Management; Risk Management; and Corporate Governance	ARC	3
Mr. Richard Somanje	CEO (*Ex-officio*)	01/04/2022	N/A	BCom Accounting, Economics; BCom Honours Economics; BCom Honours Accounting; and Senior Leaders Development Programme.	Financial Management; Financial Accounting; Supply Chain Management; Risk Management; Project Management; Economics; Financial Systems; and Human Resources Management.	ARC; TECO; HR &REMCO; and IAC	4

Table 14: Board Membership for the 2024/25 Financial Year- (New Board)

NAME	DESIGNATION	DATE APPOINTED	DATE RESIGNED/ END OF TERM	QUALIFICATIONS	AREA OF EXPERTISE	ASA COMMITTEE MEMBERSHIP	NO. OF MEETINGS ATTENDED
Dr. Bongani Mabizela	Acting Board Chairperson	19/08/2024	N/A	National Diploma (Civil Engineering); National Higher Diploma (Civil Engineering); Bachelor of Technology (Civil Engineering); Master of Business Administration (MBA); International Diploma in Negotiation Skills; and Doctor of Philosophy - Leadership & Management.	Civil Engineering	TECO; and HR&REMCO	3
Mr. Kulani Mayayise	Board member	19/08/2024	N/A	MBA GIBS; PGDip GIBS General Management; Graduate Diploma in Engineering; BSc: Honours Project Management; BTech Civil Engineering; National Diploma Civil Engineering	Civil Engineering	TECO; and IASC	3
Ms. Buhle Tonise	Board member	19/08/2024	N/A	Bachelor of Law (LLB)	Law	Legal Compliance & Enforcement; and TECO	3
Dr. Lindelani Matshidze	Board member	19/08/2024	N/A	BSc (Hons) Quantity Surveying; MSc Quantity Survey; PhD Construction Economics; PrQS; and FRICS.	Quantity Surveying	TECO; HR&REMCO; and IASC	3
Ms. Keletso Lefothane	Board member	19/08/2024	N/A	Postgraduate Diploma in Business Administration; Postgraduate Diploma in Risk Management; and BCom Economics, University of the Free State (UFS).	Risk Management and Business Management	ARC; HR & REMCO; and Legal Compliance and Enforcement	3
Mr. Andre du Plessis	Board member	19/08/2024	N/A	Master of Architecture	Architecture	TECO; and Legal Compliance and Enforcement	3
Ms. Ursula Ntsubane	Board member	19/08/2024	N/A	Bachelor of Social Sciences; Honours Personnel Management; and Masters Development Planning.	Human Resources	TECO; and ARC	3
Ms. Zanele Nkosi	Board member	19/08/2024	N/A	Registered CA (SA); Bachelor of Commerce; Honours in Accounting Science; and Certificate of Theory in Accounting	Accounting	ARC; Legal Compliance and Enforcement	2
Mr. Phumlani Maseko	Board member	19/08/2024	N/A	MBA; Bachelor of Commerce (Honours); Management Advanced Program (MAP); Certificate in Corporate Governance; Certificate in Tax Law; Diploma ICT	Audit; Financial Management; Risk Management; and Corporate Governance	HR&REMCO; and ARC	3
Mr. Richard Somanje	CEO (*Ex-officio*)	01/04/2022	N/A	BCom Accounting, Economics; BCom Honours Economics; BCom Honours Accounting; and Senior Leaders Development Programme.	Financial Management; Financial Accounting; Supply Chain Management; Risk Management; Project Management; Economics; Financial Systems; and Human Resources Management.	ARC; TECO; HR &REMCO; and IAC	3

Table 14: Board Membership for the 2024/25 Financial Year- (New Board) (cont.)

NAME	DESIGNATION	DATE APPOINTED	DATE RESIGNED/ END OF TERM	QUALIFICATIONS	AREA OF EXPERTISE	ASA COMMITTEE MEMBERSHIP	NO. OF MEETINGS ATTENDED
Mr. Paul Heeger	Board member	19/08/2024	N/A	Chartered Building Consultant; Post Graduate Certificate in Advanced Project Management; Construction Management; and Bachelor of Technology	Architecture	TECO; HR&REMCO; and IASC	2
Dr. Julia Petla	Board member	19/08/2024	N/A	BTech: General Management; Master's in Business Leadership; and PhD Business Administration and Leadership	Business Administration	IASC; and TECO	3
Mr. Thilivhali Ramawa	Independent ARC Chair	13/01/2025	N/A	BCom (Accounting) Post. Grad. Dip in Account. (CTA) Chartered Accountant (CA) Registered Auditor (RA) Registered Assessor Professional Internal Auditor (PIA)	Financial Management, Risk Management, Auditing, Governance, Taxation and Public Sector Finance Experience	ARC	2

5.1. TECHNICAL SERVICES COMMITTEE (TECO)

During the 2024/25 financial year, the TECO meetings were held as follows:

Table 15: Number of the 2024/25 TECO Meetings Convened – (Former Board)

TYPE OF MEETINGS	NUMBER OF MEETINGS
Ordinary meetings	3
Special meetings	0
TOTAL	**3**

Table 16: Number of the 2024/25 TECO Meetings Convened – (New Board)

TYPE OF MEETINGS	NUMBER OF MEETINGS
Ordinary meetings	5
Special meetings	0
TOTAL	**5**

During the 2024/25 financial year, the TECO Membership were as follows:

Table 17: TECO Membership for the 2024/25 Financial Year – (Former Board)

TYPE OF MEETINGS	DESIGNATION	NUMBER OF MEETINGS
Mr. Xolisa Mnyani	Chairperson	3
Adv. Lufuno Tokyo Nevondwe	Member	3
Mr. Denzil Fredericks	Member	2
Prof. Jeffrey Mahachi	Member	3
Ms. Mariana Marneweck	Member	3
Dr. Ntebo Ngcobo	Member	2
Mr. Richard Somanje	Member	3

Table 18: TECO Membership for the 2024/25 Financial Year – (New Board)

TYPE OF MEETINGS	DESIGNATION	NUMBER OF MEETINGS
Mr. Andre du Plessis	Chairperson	4
Mr. Kulani Mayayise	Member	4
Dr. Lindelani Matshidze	Member	5
Dr. Bongani Mabizela	Member	4
Mr. Paul Heeger	Member	4
Ms. Buhle Tonise	Member	3
Dr. Julia Petla	Member	5
Ms. Ursula Ntsubane	Member	4
Mr. Richard Somanje	Member	4

5.2. HUMAN RESOURCES AND REMUNERATION COMMITTEE (HR AND REMCO)

During the 2024/25 financial year, the HR and REMCO meetings were held as follows:

Table 19: Number of the 2024/25 HR and REMCO Meetings Convened – (Former Board)

TYPE OF MEETINGS	NUMBER OF MEETINGS
Ordinary meetings	2
Special meetings	0
TOTAL	**2**

Table 20: Number of the 2024/25 HR and REMCO Meetings Convened – (New Board)

TYPE OF MEETINGS	NUMBER OF MEETINGS
Ordinary meetings	2
Special meetings	1
TOTAL	**3**

The composition of the HR and REMCO and meeting attendance for the 2024/25 financial year is outlined in the table below:

Table 21: HR and REMCO Membership for the 2024/25 Financial Year – (Former Board)

TYPE OF MEETINGS	DESIGNATION	NUMBER OF MEETINGS
Dr. Ntebo Ngcobo	Chairperson	2
Mr. Denzil Fredericks	Member	1
Dr. Vuyelwa Nhlapo	Member	2
Prof. Jeffrey Mahachi	Member	2
Mr. Richard Somanje	Member	1

Table 22: HR and REMCO Membership for the 2024/25 Financial Year – (New Board)

TYPE OF MEETINGS	DESIGNATION	NUMBER OF MEETINGS
Mr. Phumlani Maseko	Chairperson	3
Ms. Keletso Lefothane	Member	3
Dr. Lindelani Matshidze	Member	3
Mr. Paul Heeger	Member	3
Dr. Bongani Mabizela	Member	2
Mr. Richard Somanje	Member	2

5.3. AUDIT AND RISK COMMITTEE (ARC)

During the 2024/25 financial year, the ARC meetings were held as follows:

Table 23: Number of the 2024/25 ARC Meetings Convened – (Former Board)

TYPE OF MEETINGS	NUMBER OF MEETINGS
Ordinary meetings	2
Special meetings	3
TOTAL	**5**

Table 24: Number of the 2024/25 ARC Meetings Convened – (New Board)

TYPE OF MEETINGS	NUMBER OF MEETINGS
Ordinary meetings	2
Special meetings	1
TOTAL	**3**

The composition of the ARC and meeting attendance for the 2024/25 financial year is outlined in the table below:

Table 25: ARC Membership for the 2024/25 Financial Year – (Former Board)

NAME	DESIGNATION	DATE APPOINTED	DATE RESIGNED/ END OF TERM	QUALIFICATIONS	AREA OF EXPERTISE	ASA COMMITTEE MEMBERSHIP	NO. OF MEETINGS ATTENDED
Mr. Viren Magan	Chairperson	18/10/2021	18/10/2024	Certified Internal Auditor Masters in Business; Leadership; Chartered Accountant; B (Compt); and Honours CTA.	Audit; Financial Management; Risk Management; and Corporate Governance.	ARC	4
Ms. Mariana Marneweck	Member	06/09/2010	19/08/2024	M Phil in Futures Studies; BSc Biochemistry; Microbiology; BSc Hons Biochemistry; National Certificate: Project Management.	Biochemistry; Microbiology; Futures Studies; and Standardisation and governance.	ARC and TECO	5
Dr. Vuyelwa Nhlapo	Member	30/04/2019	19/08/2024	PhD Public Affairs; Master of Arts; Bachelor of Arts; National Diploma HRM.	Management of Public Affairs; and Human Resources Management.	ARC; and HR & REMCO	5
Mr. Xolisa Mnyani	Member	30/04/2019	19/08/2024	Professional Construction Project Manager (Pr. CPM); MSc Construction Project Management ; and BSc (Hons) in Construction Management.	Project Engineering; and Construction Management.	TECO & ARC	5
Adv. Lufuno Tokyo Nevondwe	Member	30/04/2019	19/08/2024	Master of Law (LLM); and Bachelor of Laws (LLB).	Law	TECO, ARC, and IAC	4

Table 26: ARC Membership for the 2024/25 Financial Year – (New Board)

NAME	DESIGNATION	DATE APPOINTED	DATE RESIGNED/ END OF TERM	QUALIFICATIONS	AREA OF EXPERTISE	ASA COMMITTEE MEMBERSHIP	NO. OF MEETINGS ATTENDED
Mr. Thilivhali Ramawa	Chairperson	13/01/2025	N/A	BCom (Accounting) Post. Grad. Dip in Account. (CTA) Chartered Accountant (CA) Registered Auditor (RA) Registered Assessor Professional Internal Auditor (PIA)	Financial Management, Risk Management, Auditing, Governance, Taxation and Public Sector Finance Experience	ARC	2
Ms. Zanele Nkosi	Member	19/08/2024	N/A	Registered CA (SA); Bachelor of Commerce; Honours in Accounting Science; and Certificate of Theory	Accounting	ARC; and Legal Compliance Enforcement	3
Mr. Phumlani Maseko	Member	19/08/2024	N/A	MBA; Bachelor of Commerce (Honours); Management Advanced Program (MAP); Certificate in Corporate Governance; Certificate in Tax Law; Diploma ICT	Audit; Financial Management; Risk Management; and Corporate Governance	HR&REMCO; and ARC	3
Ms. Keletso Lefothane	Member	19/08/2024	N/A	Postgraduate Diploma in Business Administration; Postgraduate Diploma in Risk Management; BCom Economics, University of the Free State (UFS); and BCom Honours Economics (UFS)	Risk Management; and Business Management	ARC; HR & REMCO; and Legal Compliance and Enforcement	3
Ms. Ursula Ntsubane	Member	19/08/2024	N/A	Bachelor of Social Sciences; Honours Personnel Management; and Masters Development Planning.	Human Resources	TECO; and ARC	3

5.4. INDUSTRIAL AND STAKEHOLDER COMMITTEE

The Industry Advisory Committee (IAC) has been renamed to the Industry and Stakeholder Committee. During the 2024/25 financial year, Industry and Stakeholder Committee meetings were conducted as follows:

Table 27: Number of the 2024/25 IASC Meetings Convened – (New Board)

TYPE OF MEETINGS	NUMBER OF MEETINGS
Ordinary meetings	1
Special meetings	0
TOTAL	**1**

The composition of the IAC and meeting attendance for the 2024/25 financial year is outlined in the table below:

Table 28: IAC Membership for the 2024/25 Financial Year – (Former Board)

TYPE OF MEETINGS	DESIGNATION	NUMBER OF MEETINGS
Mr. Mfundo Xulu Dlamini	Chairperson	0
Mr. Denzil Fredericks	Member	0
Prof. Jeffrey Mahachi	Member	0
Dr. Ntebo Ngcobo	Member	0
Adv. Lufuno Tokyo Nevondwe	Member	0
Mr. Richard Somanje	Member	0

Table 29: IASC Membership for the 2024/25 Financial Year – (New Board)

TYPE OF MEETINGS	DESIGNATION	NUMBER OF MEETINGS
Dr. Julia Petla	Chairperson	1
Mr. Paul Heeger	Member	1
Mr. Kulani Mayayise	Member	1
Dr. Lindelani Matshidze	Member	1
Mr. Richard Somanje	Member	1

5.5. LEGAL COMPLIANCE AND ENFORCEMENT COMMITTEE

During the 2024/25 financial year, Legal Compliance and Enforcement Committee meetings were conducted as follows:

Table 30: Number of the 2024/25 Legal Compliance and Enforcement Meetings Convened – (New Board)

TYPE OF MEETINGS	NUMBER OF MEETINGS
Ordinary meetings	1
Special meetings	0
TOTAL	**1**

The composition of the Legal Compliance and Enforcement, and meeting attendance for the 2024/25 financial year is outlined in the table below:

Table 31: Legal Compliance and Enforcement Committee Membership for the 2024/25 Financial Year – (New Board)

TYPE OF MEETINGS	DESIGNATION	NUMBER OF MEETINGS
Ms. Buhle Tonise	Chairperson	1
Ms. Keletso Lefothane	Member	1
Mr. Andre du Plessis	Member	1
Ms. Zanele Nkosi	Member	1

6. REMUNERATION OF THE BOARD AND COMMITTEE MEMBERS

The ASA Board and its Committees are remunerated in line with National Treasury Guidelines and Regulations. The remuneration of the Board and Committees' members for the 2024/25 financial year is outlined in the table below:

Table 32: Remuneration of the Board and Committee Members for the 2024/25 Financial Year – (Former Board)

NAME OF MEMBER	MEMBERS FEE (R)	COMMITTEE FEES (R)	REIMBURSEMENT TRAVEL (R)	OTHER APPROVED MEETINGS (R)	DATA ALLOWANCE (R)	TOTAL (R)
Prof. Jeffrey Mahachi	24 522	25 028	4 407	33 494	-	87 451
Dr. Ntebo Ngcobo	19 364	18 817	2 494	24 013	-	64 689
Mr. Xolisa Mnyani	19 364	35 487	890	11 337	528	67 606
Ms. Marian Marneweck	19 364	33 993	120	7 558	336	61 371
Mr. Denzil Fredericks	19 364	13 222	322	11 334	-	44 242
Dr. Vuyelwa Nhlapo	19 364	19 355	967	12 753	208	52 647
Mr. Viren Magan	18 342	22 512	447	12 506	432	54 239
Adv. Lufuno Tokyo Nevondwe	19 364	34 330	5 348	7 558	336	66 936
TOTAL	**159 048**	**202 744**	**14 995**	**120 553**	**1 840**	**499 181**

* Employees of the organ of state serving as office-bearers on public entities/institutions are not entitled to additional remuneration.

Table 33: Remuneration of the Board and Committee Members for the 2024/25 Financial Year – (New Board)

NAME OF MEMBER	MEMBERS FEE (R)	COMMITTEE FEES (R)	REIMBURSEMENT TRAVEL (R)	OTHER APPROVED MEETINGS (R)	DATA ALLOWANCE (R)	TOTAL (R)
Dr. Bongani Mabizela	13 655	31 639	14 323	99 042	768	159 428
Dr. Julia Petla	11 098	38 640	2 681	37 002	896	90 317
Dr. Lindelani Matshidze	11 098	49 138	3 408	25 978	1 104	90 726
Mr. Pual Heeger	5 903	30 223	-	10 862	768	47 756
Mr. Kulani Mayayise	11 098	25 028	1 204	30 465	640	68 435
Mr. Phumlani Maseko	11 098	19 262	6 186	26 885	784	64 216
Ms. Zanele Mkosi	10 390	15 911	1 600	37 740	576	66 218
Ms. Ursula Ntsubane	11 098	35 244	3 527	35 657	992	86 517
Ms. Keletso Lefothane	11 098	23 677	2 371	25 705	832	63 682
Ms. Buhle Tonise	11 098	25 418	1 526	22 907	368	61 574
Mr. Thilivhali Ramawa	7 504	7 226	1 870	12 228	368	29 196
TOTAL	**115 138**	**301 406**	**38 698**	**364 471**	**8 352**	**828 065**

* Employees of the organ of state serving as office-bearers on public entities/institutions are not entitled to additional remuneration.

7. RISK MANAGEMENT AND INTERNAL CONTROL

ASA adopted Enterprise-Wide Risk Management (ERM) as an essential part of effective internal control and governance aligned to Principle 13 of the King IV™ Report, which focuses on governance risks. The principle further stipulates that the governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives. This principle emphasises the importance of risk governance in ensuring the sustainability and long-term success of an organisation. By applying this principle, ASA ensures that risk governance is integrated into their overall governance framework, supporting sustainable growth and long-term success. In terms of this Principle, ASA's approach to risk management:

- Is integrated with strategic and performance objectives;
- The board and executive provide proactive risk oversight that ensures that significant risks are identified, assessed, and responded to effectively;
- Risk appetite and tolerance are defined, risk tolerance levels are clearly set and communicated;
- Risks and opportunities inherent in pursuing strategic goals are balanced;
- Risks are managed in a coordinated way across the organisation; and
- The risk governance framework is regularly reviewed and improved to remain effective and relevant.

Risk Policy and Framework were approved, which declares ASA's commitment to the ERM. ASA also has ERM governance documents in place, which provide for continuous risk identification, assessment, mitigation, and internal control. The CEO serves as the Chief Risk Officer.

Risk identification and assessment processes were conducted during the year, particularly following the development of the new five (5)-year Strategic Plan and 2025/26 APP. Risk Management is a standing agenda at EXCO meetings, which considers risk progress reports and emerging risks. Risk mitigations identified were substantially addressed during the financial year.

During the period under review, ASA monitored the top seven (7) high risks rated by inherent and residual risk, which are set out below:

a) Effective strategic leadership and culture
b) Inadequate facilities
c) Prolonged certification process
d) Inability of ICT to support critical business functions
e) Lack of applications for certification by the designated groups
f) Competition from different entities through the certification process
g) Increased usage of uncertified innovative building products and systems

There were two (2) emerging risks identified and included in the risk profile:

a) Government Sustainable Building Rating tool to evaluate the environmental performance of Government Buildings.
b) Response to current and future climate change impacts.

ASA monitored a total of 12 strategic and 23 operational risks, and a total of 28 action plans against 46 were implemented cumulatively, resulting in a 60% completion rate. A total of 11 activities against 16 were completed, constituting 68% cumulatively as per the approved risk management plan. There has been significant progress on the actions identified, and those in progress are substantial in terms of addressing the risk exposures.

The ERM function reported quarterly to the ARC on all activities and its functionality, including the risk maturity of the organisation. ARC continued to provide an oversight role over the ASA's ERM function by monitoring the effectiveness of ASA's risk management processes. The ARC advises the Board on risk management and independently monitors the effectiveness of the risk management system.

The internal audit plan effectively sets out combined assurance. The main other internal assurance providers are the Technical Assurance section which reviews the certification process and inspects existing certificate holders for the ongoing use to the certified product and systems. Internal and external audit liaise with each other to ensure effective assurance is provided and to minimise possible duplication and to identify possible gaps in the assurance provided.

The internal audit plan effectively sets out combined assurance. Internal and external audits liaise with each other to ensure effective assurance is provided.

Internal Audit has provided the Internal Control function. The objective of the internal audit function is to provide independent, objective assurance designed to add value and improve ASA operations. It assists ASA in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control, and governance processes.

8. ENVIRONMENTAL, SOCIAL AND GOVERNANCE

King IV™ Report on Corporate Governance emphasizes the importance of Environmental, Social and Governance (ESG) considerations in corporate governance. The report emphasises the following key principles:

a) **Principle 3:** the governing body (board) should ensure that the organisation's strategy is aligned with its purpose and values, and that it takes into account the interests of stakeholders.

b) **Principle 4:** The governing body should appreciate that the organisation's core purpose is to create value for stakeholders in a sustainable manner.

c) **Principle 13:** the governing body should govern compliance with applicable laws and adopted, non-binding rules, codes, and standards in a way that supports the organisation being ethical and a good corporate citizen.

By considering ESG, ASA improves its sustainability performance and reduces risks. Internal audit reviews the performance information and risk management process quarterly to ensure that the information reported is supported by validated evidence. This process gives the organisation a better consideration to make an informed decision.

9. COMPLIANCE WITH LAWS AND REGULATIONS

ASA conforms to Principle 13 of King IV™ focus on governing compliance with applicable laws and adopted, non-binding rules, codes and standards. By applying this principle, the Board of ASA ensures commitment to ethical behaviour, transparency, and accountability, ultimately contributing to good corporate governance.

ASA has adopted and maintained a compliance policy and framework that identifies compliance obligations and mechanisms to ensure compliance, mitigation, and address gaps. Management identified laws and regulations that make up the regulatory universe in which ASA operates, with the application of the Risk Management Model. These were classified between legislations, which are core and secondary nature. ASA monitors compliance with the identified legislation throughout the financial year.

ASA is using the system (Exclaim) to keep track of identified laws and regulations and assess compliance. ASA reviews its regulatory environment regularly and has incorporated all applicable laws, regulations, and policies into a compliance checklist. Compliance checklists are completed by the relevant policy owners, and reports are generated quarterly. These reports are reviewed by the Internal Audit, and the findings are reflected in the specific audit reports and issued at the completion of audit assignments.

10. INTERNAL AUDIT

The Internal Audit of ASA reports functionally to the ARC and administratively to the CEO. The purpose, authority, and responsibilities of the Internal Audit are formally defined in the Internal Audit Charter, which is reviewed and approved by the ARC. ASA outsourced the internal audit function to PKF VGA Advisory Services.

The Internal Audit function helps ASA accomplish its objectives by bringing a systematic, disciplined approach when evaluating and improving the effectiveness of risk management, internal controls, and governance processes. Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations.

The Internal Audit function also assists the organisation in achieving its objectives by evaluating and developing recommendations for the enhancement or improvement of the processes through which objectives and values are established and communicated, the accomplishment of objectives is monitored, accountability is ensured, and corporate values are preserved. The controls, subject to evaluation, encompass the information systems environment, the reliability and integrity of financial and operational information, the effectiveness of operations, the safeguarding of assets, and compliance with laws, regulations, and policies.

The internal Audit function performs its work in line with the risk-based plan approved by the ARC, which is reviewed throughout the financial year to ensure that key risk areas are adequately considered. Audit assignments executed during the 2024/25 financial year were balanced to enable Internal Audit to have a fair view of the state of the control environment within the organisation.

11. FRAUD AND CORRUPTION

The Prevention and Combating of Corrupt Activities Act (PRECCA), 2004 (Act No. 12 of 2004) is a key piece of legislation in South Africa that addresses fraud and corruption. This act aims to strengthen measures to prevent and combat corruption, and it provides for the offense of corruption and related corrupt activities. Section 34 of the PRECCA places a legal duty on individuals in positions of authority to report certain corrupt activities, thereby creating an indirect but powerful obligation on organisations to ensure such activities are identified and acted upon.

To strengthen the measures to prevent and combat corruption and corrupt activities, ASA has an existing Fraud and Ethics Hotline. Continued awareness raising is conducted with staff and stakeholders. The contact details to report any incidents of Fraud or Corruption are detailed below:

- Hotline number: +27 63 792 6818
- Email: info@agrement.co.za

During the 2024/25 financial year, there were no forensic investigations or fraud cases reported. ASA conducted no investigations for conflicts of interest.

12. MINIMISING CONFLICT OF INTEREST

All staff are required to complete and submit the Declaration of Interest forms every year. According to the regulation, staff who do not comply may be charged with misconduct. ASA utilised the Standard Bidding Documents (SBD), where prospective suppliers are required to declare any relationship with ASA staff. The objective is for the organisations to ensure that companies related to such staff do not participate in the bidding process.

ASA has an SCM policy and procedure in place. In accordance with this policy and procedure, the SCM practitioner, Bid Specification Committee (BSC) members, Bid Evaluation Committee (BEC) members, and Bid Adjudication Committee (BAC) members are obliged to maintain confidentiality in meeting deliberations. All appointed members of the committee are trained in their roles and responsibilities in accordance with the National Treasury's Code of Conduct.

13. CODE OF CONDUCT

ASA upholds the highest standards of ethical conduct and integrity in all its operations. The organisation's Code of Conduct serves as a guiding framework for professional behaviour, ensuring that all employees act responsibly, fairly, and in the public interest. The Code promotes transparency, accountability, and respect, thereby fostering a culture of ethical decision-making and good governance.

The Code of Conduct is embedded into the organisation's orientation programmes, and is accessible to all employees. It provides clear guidance on issues such as conflict of interest, confidentiality, acceptance of gifts, and whistleblowing procedures.

The implementation of the Code of Conduct has strengthened internal governance, reinforced public confidence in ASA's operations, and promoted a positive work culture rooted in ethical principles. It ensures that all staff members remain accountable and that any misconduct is swiftly addressed.

ASA has a structured process for managing breaches of the Code of Conduct. Alleged violations are reported through formal channels, including anonymous whistleblowing mechanisms. Once a complaint is received, an internal preliminary assessment is conducted. If warranted, the matter is escalated for formal investigation, during which the individual is given an opportunity to respond to the allegations. Disciplinary measures ranging from warnings to termination are applied based on the severity of the breach, in accordance with ASA's disciplinary procedures and relevant labour laws.

14. HEALTH, SAFETY, AND ENVIRONMENTAL ISSUES

ASA recognises the importance of creating a safe and healthy working environment that supports the well-being of its employees and minimises environmental impact. The organisation has an established Occupational Health and Safety (OHS) Committee responsible for identifying, assessing, and mitigating health and safety risks.

During the year under review, ASA faced several infrastructure-related health and safety challenges, particularly concerning poor ventilation and inadequate workspace conditions. These issues posed a potential risk to staff wellness and operational efficiency. To mitigate these risks, immediate steps were taken to address those challenges

The identified health and safety concerns affected staff morale and the ability to maintain a fully on-site operational model. However, through proactive engagement and the adoption of interim mitigation strategies, ASA ensured the continuity of service delivery while safeguarding employee well-being.

ASA continues to integrate environmental sustainability into its future infrastructure plans.

15. COMPANY /BOARD SECRETARY

ASA is a Schedule 3A public entity with a dedicated Board Secretary function, currently performed by Ms. Ramona Singh. The Board Secretary reports to both the CEO and the Board, ensuring appropriate lines of accountability and oversight governance. This function is critical to the efficient operation of the Board, providing strategic advice, guidance, and administrative support to ensure the Board operates within the scope of applicable laws and regulations. In fulfilling these duties, the Board Secretary plays a central role in the governance and administration of ASA's affairs, including keeping the Board informed of any legislative or regulatory developments that may affect the organisation.

The Board Secretary function is well-resourced, adequate, and effective in discharging its responsibilities.

16. AUDIT AND RISK COMMITTEE REPORT

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

PART 1: ARC REFLECTIONS – 2024/25

The ARC reports that it has complied with its responsibilities arising from Section 51(1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The ARC also reports that it has adopted appropriate formal terms of reference as its ARC Charter, has regulated its affairs in compliance with this Charter, and has discharged all its responsibilities as contained therein. The ARC Charter was also reviewed as required by Treasury Regulation 3.1.8.

The ARC confirms that it is independent of ASA and none of committee members are employed by ASA. Furthermore, members of the ARC declare conflicts of interest at each audit committee meeting and no conflicts of interest existed in the year under review. The ARC further confirms that it has functioned without hindrance or limitations throughout the reporting period. The term of ARC Chairperson, Mr. Viren Magan ended on 18 October 2024. Subsequently, Mr. Thilivhali Ramawa was appointed as the Chairperson of the ARC, effective from 13 January 2025.

PART 2: AUDIT COMMITTEE COMPOSITION AND MEETING ATTENDANCE

The audit committee consists of 5 members. The committee is properly constituted, with a balanced representation of independent members with a diverse and appropriate mix of qualifications, skills, and experience. The committee convened eight (8) times during the year with four (4) being ordinary meetings and the remainder four (4) were special meetings.

PART 3: ARC FOCUS AREAS

The following was reviewed during the year under review:

EFFECTIVENESS OF THE INTERNAL CONTROL SYSTEMS

In line with the requirements of the Public Finance Management Act and Treasury Regulations, the Internal Audit Function (IAF) provides the ARC and management with assurance that the internal controls are appropriate and effective. This is achieved by evaluating internal controls to determine their adequacy, effectiveness, and efficiency and by developing recommendations for enhancement or improvement. Our review of the findings of the internal audit work, which was based on the risk assessments conducted in the entity, revealed certain weaknesses that were raised with management for corrective action to be implemented. Our conclusion on the system of internal controls is that they were adequate.

ACTIVITIES AND EFFECTIVENESS OF THE IAF

The Public Finance Management Act requires the accounting officer to ensure that the entity has a system of internal audit under the control and direction of the ARC. We were satisfied with the independence of the IAF as it reported functionally to the ARC and administratively to the accounting officer. The IAF had unrestricted access to the ARC, unrestricted access to records and personnel, and the freedom to determine its own work scope.

The ARC approved a risk-based, three-year rolling strategic internal audit plan and an annual audit plan for the period under review, covering the following key areas:

- Risk Management process and review
- Half yearly and Annual PFMA/Treasury regulation review
- Quarterly follow up review of internal and external audit findings
- ITGC Review
- IT Security review
- Review of half yearly and annual financial statements in accordance with GRAP framework
- Supply chain management review
- Quarterly AOPO review
- Certification verification review
- Adhoc: strategic plan and APP review, Conformity Body tender probity review and Sage system project implementation review.

Findings identified through the internal audit work were reviewed by the ARC and included in the Audit Action Plan for monitoring on a quarterly basis. Follow-up audits were also performed by the IAF to ensure that findings raised were adequately addressed by management.

We therefore conclude that the IAF has properly discharged its functions and responsibilities during the year under review

EFFECTIVENESS OF RISK MANAGEMENT

Management is responsible for the establishment and maintenance of an effective system of governance and risk management, the prevention and detection of fraud, and the implementation of effective internal controls. ASA assessed strategic and operational risks that could negatively impact the achievement of its objectives. Risks were prioritised based on likelihood and impact, and mitigations were implemented to reduce risks to acceptable levels. Progress on risk management was reported quarterly at the ARC meetings, and recommendations were made by ARC for improvement where necessary.

ADEQUACY, RELIABILITY, AND ACCURACY OF FINANCIAL AND PERFORMANCE INFORMATION

ASA has implemented adequate internal controls to ensure the accuracy, reliability and adequacy of financial and performance information. The IAF reviews the portfolio of evidence for the achievement of performance indicators and targets. Where issues are identified, these are reported in the internal audit reports and are addressed by the entity. We are therefore satisfied with the adequacy, accuracy and reliability of the reported financial and performance information.

COMPLIANCE WITH LEGAL AND REGULATORY PROVISIONS

The ARC notes that there were no material non-compliance matters identified in the year under review.

IN-YEAR MONITORING AND MONTHLY/QUARTERLY REPORT

ASA has been reporting monthly and quarterly to the National Treasury as is required by the PFMA. The ARC commends Management for the improvement over the content and quality of the monthly / quarterly financial reports prepared by ASA during the year under review.

EVALUATION OF THE AFS AND ANNUAL PERFORMANCE REPORT (APR)

We reviewed the AFS and the APR prepared by the entity for the year under review prior to their submission by the accounting officer to the Nexia SAB&T for auditing and made recommendations for amendments where necessary. There were no material misstatements identified through the audit process as reported by Nexia SAB&T.

EXTERNAL AUDIT AND NEXIA SAB& T'S REPORT

We reviewed the Nexia SAB&T's audit strategy and engagement letter and were satisfied that the audit addressed key risk areas of the entity. We also conducted a review of the Audit Action Plan developed to address the prior year's audit findings, confirming on a quarterly basis and through the IAF that identified issues were appropriately addressed. We will continue to monitor the implementation of actions to address the AGSA's concerns about the slow progress in the implementation of the ASA's recommendations to the South African Police Service (SAPS) and the visibility of the ASA to the public.

We reviewed the Nexia SAB&T's management and audit reports and concur with and accept the Nexia SAB&T's opinion on the financial statements, and conclusions on the audit of compliance with laws and regulations and performance information. We further concur with and accept the Nexia SAB&T's conclusions on the status of internal controls in the entity.

CONCLUSION

The ARC wishes to congratulate ASA for achieving its first clean audit outcome in the period under review. This demonstrates management's commitment to maintaining a robust internal control environment, which supports effective service delivery consistent with ASA's mandate.

We also wish to extend our gratitude to the management team for their unwavering support for the work of the ARC and ensuring that the ARC's recommendations are implemented.

Mr Thilivhali Ramawa CA(SA)
Chairperson of the ARC
Agrément South Africa (ASA)
Date: 29 August 2025

17. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table should be completed in accordance with the compliance with the B-BBEE requirements as required by the B-BBEE Act and as determined by the Department of Trade and Industry. Where there has been no or only partial compliance with the criteria, the entity should provide a discussion and also indicate the measures taken to comply.

Table 34: B-BBEE Compliance Performance Information

HAS THE SPHERE OF GOVERNMENT / PUBLIC ENTITY / ORGAN OF STATE APPLIED ANY RELEVANT CODE OF GOOD PRACTICE (B-BBEE CERTIFICATE LEVELS 1 – 8) WITH REGARDS TO THE FOLLOWING:		
CRITERIA	RESPONSE YES/NO	DISCUSSION
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law	**No**	Not applicable.
Developing and implementing a preferential procurement policy	**Yes**	ASA has adopted and is implementing.
Determining qualification criteria for the sale of state-owned enterprises	**No**	Not applicable.
Developing criteria for entering into partnerships with the private sector	**No**	Not applicable.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment	**No**	Not applicable

PART D
HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

ASA's Human Capital Unit is within the Corporate Services Department. Its core function is to source, develop, and retain a talented workforce to fulfil ASA's core mandate.

The Human Capital Management department operates as the linchpin of organisational success, overseeing a spectrum of activities spanning recruitment, talent development, performance management, employee engagement, and training and development. Each human capital value chain facet is meticulously designed to align with and amplify ASA's overarching strategic objectives, driving sustained growth and competitive advantage. The recruitment initiatives are strategically aligned with talent needs, ensuring a pipeline of skilled professionals equipped to drive innovation and excellence across all ASA's functions. The organisation cultivates a continuous learning and growth culture, empowering the workforce to adapt, evolve, and excel in the ever-changing environment.

The Human Capital unit oversees a wide range of people-centric initiatives, including workforce planning, recruitment, talent development, performance management, employee relations, wellness, and training. These initiatives are crafted to foster organisational agility, improve employee experience, and ensure the alignment of human resources with ASA's long-term vision.

During the 2024/25 financial year, ASA implemented an online performance management system in the with a significant milestone. The primary objective of this initiative was to enhance performance monitoring through transparent communication, real-time feedback, goal alignment, and increased accountability. This digital solution supports data-driven performance reviews and ensures alignment between individual goals and ASA's strategic outcomes. Additionally, ASA replaced its legacy VIP Payroll system with SAGE 300 People, an integrated HR system aimed at modernising human capital processes. This transition enhances efficiency in payroll administration, employee data management, and HR reporting, ensuring seamless service delivery and informed decision-making.

ASA also took a progressive step in the recognition of the National Education, Health and Allied Workers' Union (NEHAWU) as the official representative of its employees. This recognition signifies ASA's commitment to fostering an inclusive and collaborative working environment, while also ensuring structured engagement on employee-related matters. The primary objective of recognising the union is to establish a clear framework for collective bargaining and consultation, promoting fairness, dialogue, and improved labour relations.

To further advance employee well-being, ASA appointed a service provider to implement an Employee Assistance Programme (EAP). The main purpose of the EAP is to provide professional, confidential support to employees facing personal or work-related challenges. This initiative underpins ASA's broader objective of nurturing a healthy, resilient, and productive workforce. As part of its commitment to health and morale, ASA successfully hosted two Employee Wellness Days during the reporting period. These events were designed to promote physical, emotional, and mental well-being while encouraging work-life balance and a culture of holistic health. Activities included wellness screenings, stress management workshops, and fitness sessions, all aimed at enhancing overall employee engagement and productivity.

A significant stride in operational efficiency was achieved through the implementation of a records management system and the digitisation of organisational records. This transition supports ASA's goal of improving information accessibility, ensuring compliance with legislative requirements, and promoting sustainability through reduced paper dependency.

HUMAN CAPITAL MANAGEMENT GOALS FOR 2025/26 FINANCIAL YEAR

In line with the mission to build a resilient and future-ready workforce, the Human Capital Management has identified the following goals:

- **Improve Occupational Health and Safety Compliance**

  Fully implement OHS compliance measures and establish a monitoring and reporting framework in line with national regulations, ensuring a safe and supportive work environment.

- **Recruitment of interns**

  Partner with academic institutions to introduce a structured internship programme aimed at skills transfer and youth employment.

- **Enhance Leadership Development Programmes**

  Roll out targeted leadership and management training to build a strong internal leadership pipeline and foster a culture of accountability and empowerment.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

2.1. PERSONNEL RELATED EXPENDITURE

The personnel cost per programme/activity/objective for the 2024/25 financial year is tabulated below.

Table 35: Personnel Cost per Programme/Activity/Objective.

DEPARTMENT/ PROVINCE	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)
Technical services	19 304	14156	32%	21	674
Administration	25006	10 408	23%	12	867
TOTAL	**44 310**	**24 564**	**57%**	**33**	**744**

***Note:** This information pertains only to permanent as at 31 March 2025. Contract employees and Interns, who join the entity through the one-year Internship Programme are excluded from the information provided above.

3. PERSONNEL COST BY SALARY BAND

The personnel cost per salary band for the 2024/25 financial year is tabulated below:

Table 36: Personnel Cost by Salary Band

LEVEL	PERSONNEL EXPENDITURE R'000)	% OF PERSONNEL EXP. TO TOTAL PERSONNEL COST (R'000)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Top Management	5 795	24%	4	1 449
Senior Management	5 169	21%	5	1 034
Professional qualified	12 532	51%	22	570
Skilled	1 068	4%	2	534
Semi-skilled	0	0%	0	0
Unskilled	0	0%	0	0
TOTAL	**24 564**	**100%**	**33**	**744**

*** Note:** This information pertains only to permanent as at 31 March 2025. Contract employees and Interns, who join the entity through the one-year Internship Programme, are excluded from the information provided above.

4. PERFORMANCE REWARDS

There was no performance rewards issued during the 2024/25 financial year.

5. TRAINING COSTS

The training costs of the 2024/25 financial year- tabulated below:

Table 37: Training Costs

OBJECTIVE	PERSONNEL EXPENDITURE (R'000)	TRAINING EXPENDITURE (R'000)	TRAINING EXPENDITURE AS A % OF PERSONNEL COST	NO. OF EMPLOYEES TRAINED	AVG TRAINING COST PER EMPLOYEE (R'000)
Technical Services	14 156	18	0%	1	18
Administration	10 408	466	4%	33	13

*** Note:** This information pertains only to permanent as at 31 March 2025. Contract employees and Interns, who join the entity through the one-year Internship Programme, are excluded from the information provided above.

6. EMPLOYMENT AND VACANCIES

As of 31 March 2025, the organisational structure had 33 positions. The vacancy rate based on the revised organisational structure was 3% (32/33).

The employment and vacancies of the 2024/25 financial year- tabulated below:

Table 38: Employment and Vacancies

LEVEL	2023/24 NO. OF EMPLOYEES	2024/25 APPROVED POSTS	2024/25 NO. OF EMPLOYEES	2024/25 VACANCIES	% OF VACANCIES
Top Management	4	4	4	0	0%
Senior Management	3	5	5	0	0%
Professional qualified	25	22	21	1	3%
Skilled	2	2	2	0	0%
Semi-skilled	0	0	0	0	0%
Unskilled	0	0	0	0	0%
TOTAL	**34**	**33**	**32**	**1**	**3%**

7. EMPLOYEE CHANGES

ASA experienced high staff turnover due to the pursuit of career growth opportunities offered outside the organisation. To ensure the achievement of the organisational mandate, the vacated positions were filled expeditiously.

The table below outlines the employment changes in the 2024/25 financial year.

Table 39: Employment Changes

SALARY BAND	EMPLOYMENT AT BEGINNING OF PERIOD	APPOINTMENTS	NET INTERNAL APPOINTMENTS	TERMINATIONS	EMPLOYMENT AT END OF THE PERIOD
Top Management	4	1	0	2	4
Senior Management	4	0	1	0	5
Professional qualified	23	0	0	1	21
Skilled	2	1	0	1	2
Semi-skilled	0	0	0	0	0
Unskilled	0	0	0	0	0
Total	**33**	**2**	**1**	**4**	**32**

*** Note:** This information pertains only to permanent employees as of 31 March 2025. Contract employees and Interns who join the entity through the one-year Internship Programme are excluded from the information provided above.

8. REASON FOR STAFF LEAVING

The table below outlines the reasons submitted for staff leaving the ASA.

Table 40: Reasons for Staff Leaving

REASON	NUMBER	% OF TOTAL NO. OF STAFF LEAVING
Death	0	0%
Resignation	5	15%
Dismissal	0	0%
Retirement	0	0%
Ill health	0	0%
Expiry of contract	0	0%
Other	0	0%
Total	**5**	**15%**

9. LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTIONS

There were no forms of consequence management practices implemented within the 2024/25 financial year.

10. EQUITY TARGET AND EMPLOYMENT EQUITY STATUS

The Employment Equity profile of ASA as at 31 March 2025 is aligned with the Construction Sectoral targets as prescribed. In ensuring alignment with the designated groups' targets, ASA will focus on recruiting underrepresented demographic categories. The table below outlines the statistics on equity targets as well as the status of employment equity across male employees by occupational category.

The table below outlines the statistics on equity targets as well as the status of employment equity across male employees by occupational category.

Table 41: Equity Targets and Employment Equity of Male Employees by Occupational Category

OCCUPATIONAL CATERGORY	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	3	0	0	0	0	0	0	0
Senior Management	3	0	0	0	0	0	0	0
Professional qualified	12	0	0	0	0	0	0	0
Skilled	0	0	0	0	0	0	0	0
Semi-skilled	0	0	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
Total	**18**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

The table below outlines the statistics on equity targets as well as the status of employment equity across female employees by occupational category.

Table 42: Equity Targets and Employment Equity of Female Employees by Occupational Category

OCCUPATIONAL CATERGORY	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	1	0	0	1	0	0	0	0
Senior Management	1	0	0	0	0	0	1	0
Professional qualified	9	0	0	1	0	0	0	0
Skilled	1	0	0	0	1	0	0	0
Semi-skilled	0	0	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
Total	**12**	**0**	**0**	**1**	**1**	**0**	**1**	**0**

The table below outlines the statistics of staff with disabilities.

Table 43: Staff with Disabilities

OCCUPATIONAL CATERGORY	STAFF WITH DISABILITIES			
	MALE		FEMALE	
	CURRENT	TARGET	CURRENT	TARGET
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	0	0	0	0
Skilled	0	0	0	1
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
Total	**0**	**0**	**0**	**1**

PART E

PFMA COMPLIANCE REPORT

1. INTRODUCTION

1.1. IRREGULAR EXPENDITURE

A) RECONCILIATION OF IRREGULAR EXPENDITURE

DESCRIPTION	2024/25 R'000	2023/24 R'000
Opening balance	5 491	8 645
Adjustment to opening balance	0	0
Opening balance as restated	0	0
Add: Irregular expenditure confirmed	0	1 911
Less: Irregular expenditure condoned	0	0
Less: Irregular expenditure not condoned and removed	(4 873)	(5 065)
Less: Irregular expenditure recoverable	0	
Less: Irregular expenditure not recoverable and written off	0	
Closing balance	**618**	**5 491**

B) DETAILS OF IRREGULAR EXPENDITURE REMOVED - (NOT CONDONED)

DESCRIPTION	2024/25 R'000	2023/24 R'000
Irregular expenditure NOT condoned and removed	4 873	5 065
Total	**4 873**	**5 065**

C) DETAILS OF DISCIPLINARY OR CRIMINAL STEPS TAKEN AS A RESULT OF IRREGULAR EXPENDITURE

DISCIPLINARY STEPS TAKEN
Warning letters issued to responsible officials

1.2. FRUITLESS AND WASTEFUL EXPENDITURE

A) RECONCILIATION OF FRUITLESS AND WASTEFUL EXPENDITURE

DESCRIPTION	2024/25 R'000	2023/24 R'000
Opening balance	0	149
Adjustment to opening balance		0
Opening balance as restated		0
Add: Fruitless and wasteful expenditure confirmed	7	0
Less: Fruitless and wasteful expenditure recoverable	0	0
Less: Fruitless and wasteful expenditure not recoverable and written off	0	(149)
Closing balance	**7**	**0**

B) DETAILS OF DISCIPLINARY OR CRIMINAL STEPS TAKEN AS A RESULT OF FRUITLESS AND WASTEFUL EXPENDITURE

DISCIPLINARY STEPS TAKEN
None

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

DESCRIPTION	2024/25 R'000	2023/24 R'000
Valid invoices received	758	17 073
Invoices paid within 30 days or agreed period	757	16 145
Invoices paid after 30 days or agreed period	0	0
Invoices older than 30 days or agreed period (unpaid and without dispute)	0	0
Invoices older than 30 days or agreed period (unpaid and in dispute)	1	928

Supplier not paid due to a dispute relating to the service provided.(Landlord required to fix some Health and safety matters prior to approval of payment.

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

PROJECT DESCRIPTION	NAME OF SUPPLIER	TYPE OF PROCUREMENT BY OTHER MEANS	CONTRACT NUMBER	VALUE OF CONTRACT R'000
Fire Expert	Jacobus Strydom	Less than 3 quotes received	POA21213	89
TECO structural expert	Innosa Projects	Less than 3 quotes received	POA21272	7
Purchase of 4 Grammarly Licenses for 12 months	Grammarly Inc.	Cost effectiveness	POA21378	138
Renewal of Caseware License	ADAP IT PTY LTD	Sole supplier	POA21393	112
Renewal of 40 Adobe Licenses	Adobe Systems Software Ireland Limited	Cost effectiveness	POA21381	238
SABS Subscription	South African Bureau of Standards (SABS)	Sole supplier	POA21446	334
Manage Engine Log 360 Subscription Model	ITR Technology (Pty Ltd	Sole source	POA21464	173
WTFAO Annul Membership fees	World Federation of Technical Assessment	Sole supplier	POA21401	9
Stakeholder Engagement Forum	CSIR Convention Centre	Limiting Bidding	POA21402	374
Total				**1 474**

CONTRACT VARIATIONS AND EXPANSIONS

PROJECT DESCRIPTION	NAME OF SUPPLIER	CONTRACT MODIFICATION TYPE	CONTRACT NUMBER	ORIGINAL CONTRACT VALUE R'000	VALUE OF PREVIOUS CONTRACT EXPANSION/S OR VARIATION/S R'000	VALUE OF CURRENT CONTRACT EXPANSION OR VARIATION R'000
Sage 300 People Training for 4 Employees	Redember Technology	Expansion	ASA /CON 052	720	0	61
Catering of Board Strategic Session	Travel With Flair	Expansion	ASA 17/11/2024	23	0	3
Catering for Portfolio committee members	Travel With Flair	Expansion		21	0	0,5
Hosting Services for Active Directory, Compliance Module & Application Running the Accounting on Azure	Intellitech Systems	Expansion	ASA/CON/028	411	0	62
Website Enhancement	Lis Consulting Services and Projects	Expansion	ASA 22/03/2023	914	0	54
Professional Fees for Finance Manager	Lekawa Commercials	Expansion	ASA 21/03/2023	672	0	96
Procurement and Installation of Blinds	Sensational Blinds and Floor	Expansion	ASA 07/0/2025	106	0	11
Total				2 868		287.5

PART F

FINANCIAL INFORMATION

REPORT OF THE **INDEPENDENT AUDITOR**

INDEPENDENT AUDITOR'S REPORT TO PARLIAMENT ON AGRÉMENT SOUTH AFRICA (ASA)

OPINION

1. We have audited the financial statements of ASA set out on pages 64 to 90, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, cash flow statement and comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In our opinion, the financial statements present fairly, in all material respects, the financial position of ASA as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

BASIS FOR OPINION

3. We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of our report.
4. We are independent of the public entity in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors of the (IRBA Code)* and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards).*
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.
6. In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

FINAL MATERIALITY

7. The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error, and they 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 the financial statements.
8. Our determination of materiality is a matter of professional judgement and is affected by our perception and understanding of the financial information needs of intended users, which is the quantitative and qualitative factors that determine the level at which relevant decisions taken by users would be affected by a misstatement. These factors helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.
9. Based on our professional judgement, we determined final materiality for the financial statements as follows:

Final materiality amount	R664 652
Basis for determining materiality	1.5 % of gross expenditure (as disclosed in the Statement of Financial Performance)
Rationale for benchmark applied	Gross expenditure is an appropriate quantitative indicator of materiality as it reflects the nature of operations of the entity, which is primarily expenditure-driven in line with its public service mandate.

RESPONSIBILITIES OF THE ACCOUNTING AUTHORITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITIES OF THE AUDIT OF THE FINANCIAL STATEMENTS

12. Our 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 our 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.
13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located on page 62 forms part of our auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, we must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programme presented in the annual performance report. The Accounting Authority is responsible for the preparation of the annual performance report.
15. We selected the following programme presented in the annual performance report for the year ended 31 March 2025 for auditing. We selected the programme that measures the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 1: Technical services	**23-25**	The certificates granted promote improved construction methods, thereby contributing towards the impact of innovative nonstandard construction-related products and systems for which there are no South African national standards. The Sub-Programmes comprises the core service delivery functions of ASA. It includes Products / Systems Certification, Quality Audits and Research and Development.

16. We evaluated the reported performance information for the selected programme against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.
17. We 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 we 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
18. We performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
19. We did not identify any material findings on the reported performance information for the selected programme.

OTHER MATTER

20. We draw attention to the matter below.

ACHIEVEMENT OF PLANNED TARGETS

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

REPORT ON COMPLIANCE WITH LEGISLATION

22. In accordance with the PAA and the general notice issued in terms thereof, we 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.
23. We performed procedures to test compliance with selected requirements in key legislation in accordance with the AGSA findings engagement methodology. This engagement is not an assurance engagement. Accordingly, we do not express an assurance opinion or conclusion.
24. Through an established AGSA process, we selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
25. We did not identify any material non-compliance with the selected legislative requirements.

OTHER INFORMATION IN THE ANNUAL REPORT

26. The Accounting Authority is responsible for the other information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
27. Our opinion on the financial statements and our findings on the reported performance information and the report on compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion on it.
28. In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
29. We did not receive the other information prior to the date of this auditor's report. When we do receive and read this information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, we may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

30. We considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, our objective was not to express any form of assurance on it.
31. We did not identify any significant deficiencies in internal control.

AUDITOR TENURE

32. In terms of the IRBA rule published in Government Gazette No. 39475 dated 4 December 2015, we report that Nexia SAB&T has been the auditor of Agrément South Africa for 2 years.

NexiaSAB&T

Nexia SAB&T
Per: Aneel Darmalingam
Director
Registered Auditor
30 July 2025

119 Witch-Hazel Avenue
Highveld Technopark
Centurion

ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT

PROFESSIONAL JUDGEMENT AND PROFESSIONAL SCEPTICISM

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

FINANCIAL STATEMENTS

In addition to our responsibility for the audit of the financial statements as described in this auditor's report, we 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 our 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. We 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify our opinion on the financial statements. Our conclusions are based on the information available to us 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 statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

We 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 we identify during our audit.

We also provide the Accounting Authority with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to have a bearing on our 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	Section, regulation or paragraph
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b); 66(3)(c); 66(5)
Treasury Regulations, 2005	Regulation 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A.7.1; 16A.7.3; 16A.7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 30.1.1; 31.1.2(c); 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 31.2.1; 31.2.5; 31.2.7(a); 31.3.3; 32.1.1(a); 32.1.1(b); 32.1.1(c); 33.1.1; 33.1.3
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
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. 1 of 2021/22	Paragraph 4.1
National Treasury 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; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 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; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

STATEMENT OF **FINANCIAL POSITION**

AS AT 31 MARCH 2025

FIGURES IN RAND	NOTE(S)	2025	2024
ASSETS			
CURRENT ASSETS			
Receivables from exchange transactions	3	3 284 828	3 129 909
Cash and cash equivalents	4	5 989 435	14 791 825
		9 274 263	**17 921 734**
NON-CURRENT ASSETS			
Receivables from exchange transactions	3	185 221	185 221
Property, plant and equipment	5	4 283 405	3 737 557
Intangible assets	6	125 089	138 330
		4 593 715	**4 061 108**
Total Assets		**13 867 978**	**21 982 842**
LIABILITIES			
CURRENT LIABILITIES			
Green Building Rating Tool	7	36 580	36 580
Payables from exchange transactions	8	7 602 769	6 585 522
Operating lease liability	16	348 572	27 811
		7 987 921	**6 649 913**
Total liabilities		**7 987 921**	**6 649 913**
Net Assets		**5 880 057**	**15 332 929**
Accumulated surplus		5 880 057	15 332 929
Total Net Assets		**5 880 057**	**15 332 929**

STATEMENT OF **FINANCIAL PERFORMANCE**

FOR THE YEAR ENDED 31 MARCH 2025

FIGURES IN RAND	Note(s)	2025	2024
REVENUE			
REVENUE FROM EXCHANGE TRANSACTIONS			
Rendering of services	11	1 652 045	2 171 545
Recoveries of costs from rendering services	11	173 367	583 025
Proceeds from exhibitions	11	40 000	-
Interest received - investment	11	1 089 865	1 923 694
Total revenue from exchange transactions		**2 955 277**	**4 678 264**
REVENUE FROM NON-EXCHANGE TRANSACTIONS			
TRANSFER REVENUE			
Grants & subsidies	10	31 902 000	34 082 000
Total revenue	11	**34 857 277**	**38 760 264**
EXPENDITURE			
Employee related costs	12	(24 564 920)	(22 420 781)
Depreciation and amortisation	13	(984 170)	(949 425)
Finance costs	14	-	(12 349)
Lease rentals on operating lease	15	(3 048 131)	(504 143)
Debt Impairment	17	164 808	(431 786)
Loss on disposal of assets and liabilities	5	(112 950)	(4 300)
Operating Expenses	18	(15 764 786)	(15 282 757)
Total expenditure		**(44 310 149)**	**(39 605 541)**
Deficit for the year		**(9 452 872)**	**(845 277)**

STATEMENT OF **CHANGES IN NET ASSETS**

FOR THE YEAR ENDED 31 MARCH 2025

FIGURES IN RAND	Other NDR	Accumulated surplus / (deficit)	Total net assets
Restated* Balance at 01 April 2023	**446 748**	**21 784 667**	**22 231 415**
Changes in net assets			
Surplus for the year	-	(845 277)	(845 277)
Refund of retained surplus funds	-	(6 053 209)	(6 053 209)
Disposal of transferred assets	(446 748)	446 748	-
Total changes	**(446 748)**	**(6 451 738)**	**(6 898 486)**
Balance at 01 April 2024	**-**	**15 332 929**	**15 332 929**
Changes in net assets			
Deficit for the year	-	(9 452 872)	(9 452 872)
Total changes	**-**	**(9 452 872)**	**(9 452 872)**
Balance at 31 March 2025	**-**	**5 880 057**	**5 880 057**
Note(s)	9		

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

FIGURES IN RAND	Note(s)	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS			
Sale of goods and services		1 787 249	1 192 434
Grants		31 902 000	34 082 000
Interest income		1 089 865	1 923 694
Other receipts		60 929	79 425
		34 840 043	**37 277 553**
PAYMENTS			
Employee costs		(24 864 623)	(22 016 112)
Suppliers for goods and services		(17 148 082)	(17 592 945)
Refund to National Revenue Fund		-	(6 053 209)
		(42 012 705)	**(45 662 266)**
Net cash flows from operating activities	20	**(7 172 662)**	**(8 384 713)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	5	(1 668 796)	(1 934 559)
Proceeds from sale of property, plant and equipment		43 068	-
Purchase of other intangible assets	6	(4 000)	(47 219)
Net cash flows from investing activities		**(1 629 728)**	**(1 981 778)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance lease payments		-	(325 921)
Finance costs		-	(12 349)
Net cash flows from financing activities		**-**	**(338 270)**
Net increase/(decrease) in cash and cash equivalents		**(8 802 390)**	**(10 704 761)**
Cash and cash equivalents at the beginning of the year		14 791 825	25 496 586
Cash and cash equivalents at the end of the year	4	**5 989 435**	**14 791 825**

FOR THE YEAR ENDED 31 MARCH 2025

FIGURES IN RAND	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actuals
STATEMENT OF FINANCIAL PERFORMANCE					
REVENUE					
REVENUE FROM EXCHANGE TRANSACTIONS					
Rendering of services	2 577 400	-	2 577 400	1 865 412	(711 988)
Interest received - investment	1 416 480	-	1 416 480	1 089 865	(326 615)
Total revenue from exchange transactions	**3 993 880**	**-**	**3 993 880**	**2 955 277**	**(1 038 603)**
REVENUE FROM NON-EXCHANGE TRANSACTIONS					
TRANSFER REVENUE					
Government grants & subsidies	31 902 000	-	31 902 000	31 902 000	-
Total revenue	**35 895 880**	**-**	**35 895 880**	**34 857 277**	**(1 038 603)**
EXPENDITURE					
Employee related costs	(25 895 105)	-	(25 895 105)	(24 564 920)	1 330 185
Operating Expenses	(10 000 775)	(11 144 751)	(21 145 526)	(18 812 917)	2 332 609
Capital expenditure	-	(301 169)	(301 169)	(1 668 796)	(1 367 627)
Total expenditure	**(35 895 880)**	**(11 445 920)**	**(47 341 800)**	**(45 046 633)**	**2 295 167**
Operating deficit	**-**	**(11 445 920)**	**(11 445 920)**	**(10 189 356)**	**1 256 564**
Loss on disposal of assets and liabilities	-	-	-	(112 950)	(112 950)
Deficit before taxation	**-**	**(11 445 920)**	**(11 445 920)**	**(10 302 306)**	**1 143 614**
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	**-**	**(11 445 920)**	**(11 445 920)**	**(10 302 306)**	**1 143 614**

RECONCILIATION

BASIS DIFFERENCE

Capital assets	1 668 796
Depreciation	(984 170)
Debt impairment	164 808
Actual Amount in the Statement of Financial Performance	**(9 452 872)**

ACCOUNTING **POLICIES**

1. SIGNIFICANT ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999), and are based upon appropriate accounting policies consistently applied and supported by reasonable judgements and estimates.

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

These accounting policies are consistent with the previous period.

1.2 PRESENTATION CURRENCY

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

1.3 GOING CONCERN ASSUMPTION

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months. As at 31 March 2025, ASA had an accumulated surplus and the total assets exceeds the total liabilities.

1.4 MATERIALITY

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

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

The annual financial statements have been prepared taking into account the materiality principles as outlined in the approved materiality and significance policy.

The amount determined for materiality purposes is according to the approved materiality and significance policy. This amount was determined to be 0.5% of the prior year total expenditure (which excludes capital expenditure) and which amounts to R198,033 for this financial year.

1.5 SIGNIFICANT JUDGEMENTS

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

TRADE RECEIVABLES

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

IMPAIRMENT TESTING

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

ALLOWANCE FOR DOUBTFUL DEBTS

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows, computed at initial recognition.

Debtors which are outstanding for a period of ninety days and less are not considered to be impaired. Debtors that are outstanding for longer than ninety days the impairment will be calculated as follows: Older than 90 days - 25% of the debtors impaired.

Older than 120 days - 50% of the debtors impaired. Older then 150 days - 60% of the debtors impaired.

PROPERTY, PLANT AND EQUIPMENT

In determining the useful life of each category of property, plant and equipment, management took into consideration the nature and use of each asset. In determining the useful lives of items of plant and equipment, consideration is given to the physical condition and the likelihood of obtaining funding to replace individual assets. In re-assessing useful lives, the depreciation charge in the statement of financial performance is adjusted

INTANGIBLE ASSETS

In determining the useful life of computer software, management took into consideration that the software will have to be upgraded from time to time. The residual value of computer software is regarded as zero due to the fact that computer software is not resalable.

1.6 ESTIMATION UNCERTAINTY

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

Key assumptions concerning the future, and other key sources of estimation uncertainty that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities did not exist at the reporting date.

1.7 PROPERTY, PLANT AND EQUIPMENT

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

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 ASA; 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 and any impairment losses except for major laboratory which is carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

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

Item	Depreciation method	Average useful life
Leasehold improvement	Straight-line	5 Years
Furniture and fixtures	Straight-line	6 - 10 years
Office equipment	Straight-line	8 - 12 Years
Computer equipment	Straight-line	3 - 5 Years
Laboratory equipment	Straight-line	5 - 15 Years

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

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

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

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

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

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

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

ASA separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 5).

1.8 INTANGIBLE ASSETS

ASA intangible assets relate to Computer software and trademarks.

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 ASA; and
- the cost or fair value of the asset can be measured reliably.

ASA 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.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred. Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

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

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

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

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

Item	Depreciation method	Average useful life
Trademarks	Straight-line	10 Years
Computer software	Straight-line	3 Years

Intangible assets are derecognised:

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

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised.

1.9 FINANCIAL INSTRUMENTS

ASA's Financial instruments consist of cash and cash equivalents, receivables from exchange transactions, payables from exchange transactions and which are financial instruments.

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

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.

CLASSIFICATION

ASA 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 (Note 3)	Financial asset measured at amortised cost
Cash and cash equivalents (Note 4)	Financial asset measured at amortised cost

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

Class	Category
Payables from exchange transactions (Note 8)	Financial liability measured at amortised cost

DERECOGNITION

FINANCIAL ASSETS

ASA derecognises financial assets using trade date accounting, and this is only when:

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

ASA removes a financial liability (or part of a financial liability) from its Statement of Financial Position when it is extinguished - i.e., when the obligation specified in the contract is discharged, cancelled, expires, or is waived.

PRESENTATION

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

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

1.10 CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits. Cash and cash equivalents for ASA comprises of short-term deposits and petty cash.

Cash equivalents are short-term highly liquid investments in the form of cash deposits held with the Reserve Bank. The investment tenure does not exceed a period of twelve months.

ASA limits its counterparty exposures from its money market investment operations by investing all the surplus funds with the Corporation of Public Deposits

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

1.11 LEASES

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

OPERATING LEASES - LESSEE

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

1.12 COMMITMENTS

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

Disclosures are required in respect of unrecognised contractual commitments.

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);
- 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; and
- ASA has elected to disclose commitments relating to the operating expenses. The total outstanding contract or purchase order value will be disclosed as a commitment in the financial statements.

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. ASA generates revenue from certification fees, annual fees and licensee fees.

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

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

MEASUREMENT

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

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

RENDERING OF SERVICES

ASA provides certification services for non-standardised construction related products and systems. Project fees are paid in advance and recognised as income received in advance. The revenue for service provided is recognised when the certification has been concluded. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to ASA;
- 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.

INTEREST, ROYALTIES 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 ASA, and
- The amount of the revenue can be measured reliably.

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

1.14 REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners. ASA receives a transfer from the Department of Public Works and Infrastructure to enable ASA to carry out its mandate.

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

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

RECOGNITION

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

MEASUREMENT

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

Receivables that arise from statutory (non-contractual) arrangements are initially measured in accordance with this accounting policy, as well as the accounting policy on Statutory Receivables. The entity applies the accounting policy on Statutory Receivables for the subsequent measurement, derecognition, presentation and disclosure of statutory receivables.

1.15 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.

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

1.16 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
b. the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act

National Treasury Instruction No. 4 of 2022/2023 PFMA Compliance and reporting framework defines how irregular expenditure should be disclosed.

1.17 BUDGET INFORMATION

ASA 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 ASA shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

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

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

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

Comparative information is not required.

1.18 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.

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 annual financial statements.

1.19 SEGMENT INFORMATION

ASA manages its operations as a single segment with the Board of Directors and the Chief Executive(CEO) making financial decisions based on combined operations combined operations for its programmes (refer to the performance report). Resource allocation, assets and liabilities are also managed on a combined basis. Geographical information not provided as there are no distinct economic benefits derived from different geographical segments.

ASA delivers services throughout the country but does not measure and manage resources on that basis. Information reported about this segment is used by the management as a basis for evaluating the segment's performances and for making decisions about the allocation of resources. The disclosure of information about this segment is also considered appropriate for external reporting purposes.

1.20 RESERVES

ASA reserves comprises of financial assets and/or liabilities originating from prior year reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Included in the reserves is Non Distributable Reserve emanating from a revaluation of property plant and requirement upon the transfer of assets from CSIR to ASA.

2. NEW STANDARDS AND INTERPRETATIONS

2.1 STANDARDS AND INTERPRETATIONS ISSUED, BUT NOT YET EFFECTIVE

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

STANDARD/ INTERPRETATION:	EFFECTIVE DATE: YEARS BEGINNING ON OR AFTER	EXPECTED IMPACT:
GRAP 107 Mergers	To be determined	Unlikely there will be a material impact
GRAP 106 Transfer of Functions Between Entities Not Under Common Control	To be determined	Unlikely there will be a material impact
GRAP 105 Transfer of Functions Between Entities Under Common Control	To be determined	Unlikely there will be a material impact
GRAP 2023 Improvements to the Standards of GRAP 2023	01 April 2025	Unlikely there will be a material impact
GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	To be determined	Unlikely there will be a material impact
GRAP 103 (as revised): Heritage Assets	To be determined	Unlikely there will be a material impact
GRAP 104 (as revised): Financial Instruments	01 April 2025	Unlikely there will be a material impact

FIGURES IN RAND

3. RECEIVABLES FROM EXCHANGE TRANSACTIONS

	2025	2024
Trade debtors	716 066	579 492
Deposits	1 601 515	1 601 515
Prepaid expenses	1 128 453	1 129 806
Staff Debtors	24 015	4 317
	3 470 049	**3 315 130**
Non-current assets	185 221	185 221
Current assets	3 284 828	3 129 909
	3 470 049	**3 315 130**

A deposit of R185 221 has been raised for the office accommodation occupied by ASA, in line with the lease agreement.

The prepayments are based on contractual obligations with suppliers of goods and services and includes the upfront payment for insurance services. The prepaid expenses amount also includes the portion of the annual licenses paid during the current financial year but relates to the next financial year.

A deposit of R1,416,294 has been paid into the attorney's trust account. This amount relates to the on-going litigation with a former employee. Refer to the contingent liability note (Note 22).

The deposit into the Trust account has been pledged as a security for the contingent liability. No other trade and other receivables from non-exchange transactions have been pledged as security.

FIGURES IN RAND

3. RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)

	2025	2024

CREDIT QUALITY OF TRADE AND OTHER RECEIVABLES

The credit quality of trade and other receivables that are neither past due nor impaired have been assessed with reference to historical payment patterns. The credit quality rating based on historical payment information is assessed to be high.

TRADE AND OTHER RECEIVABLES IMPAIRED

As of 31 March 2025, trade and other receivables of R 789 754 (2024: R 957 346) were impaired and provided for.

The ageing of these debtors is as follows:

3 to 6 months	9 201	82 496
Over 6 months	780 553	874 849

RECONCILIATION OF PROVISION FOR IMPAIRMENT OF TRADE AND OTHER RECEIVABLES

Opening balance	957 346	525 560
Unused provision reversed	(957 346)	-
Provision for impairment	789 754	431 786
	789 754	**957 346**

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Cash on hand	5 225	2 216
Bank balances	2 983 186	3 555 677
Short-term deposits	3 001 024	11 233 932
	5 989 435	**14 791 825**

The cash and cash equivalents held by ASA may only be used in accordance with its mandate. No restrictions have been placed on the use of cash and cash equivalents for the operations of ASA.

CREDIT QUALITY OF CASH AT BANK AND SHORT TERM DEPOSITS, EXCLUDING CASH ON HAND

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings. ASA banks with ABSA which ranks in the top four most reputable banks in South Africa, with a credit rating of BB. ASA surplus operational funds are banked in a CPD account with the South African Reserve Bank. The external credit rating of the bank is BB-, which is good rating according to the credit rating agencies.

CREDIT RATING

BB	2 983 186	3 555 677
BB-	3 001 024	11 233 932
	5 984 210	14 789 609

FIGURES IN RAND

5. PROPERTY, PLANT AND EQUIPMENT

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and fixtures	1 136 231	(715 161)	421 070	1 190 971	(600 429)	590 542
Office equipment	1 874 784	(358 049)	1 516 735	1 017 684	(316 598)	701 086
Computer equipment	1 866 777	(839 814)	1 026 963	2 079 078	(667 882)	1 411 196
Leasehold improvements	1 097 589	(138 287)	959 302	656 160	(7 055)	649 105
Cellphones	-	-	-	683 380	(683 380)	-
Laboratory equipment	394 392	(35 057)	359 335	394 392	(8 764)	385 628
Total	**6 369 773**	**(2 086 368)**	**4 283 405**	**6 021 665**	**(2 284 108)**	**3 737 557**

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	590 542	-	(25 089)	(144 383)	421 070
Office equipment	701 086	1 074 360	(115 516)	(143 195)	1 516 735
Computer equipment	1 411 197	153 007	(15 415)	(521 826)	1 026 963
Leasehold improvements	649 105	441 429	-	(131 232)	959 302
Laboratory equipment	385 628	-	-	(26 293)	359 335
	3 737 558	**1 668 796**	**(156 020)**	**(966 929)**	**4 283 405**

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 2024

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	734 925	-	-	(144 383)	590 542
Office equipment	476 408	329 848	-	(105 170)	701 086
Computer equipment	567 955	1 210 319	(4 300)	(362 777)	1 411 197
Leasehold improvements	-	656 160	-	(7 055)	649 105
Cellphones	313 216	-	-	(313 216)	-
Laboratory equipment	-	394 392	-	(8 764)	385 628
	2 092 504	**2 590 719**	**(4 300)**	**(941 365)**	**3 737 558**

PLEDGED AS SECURITY

None of ASA's property, plant and equipment have been pledged as security:

EXPENDITURE INCURRED TO REPAIR AND MAINTAIN PROPERTY, PLANT AND EQUIPMENT

EXPENDITURE INCURRED TO REPAIR AND MAINTAIN PROPERTY, PLANT AND EQUIPMENT INCLUDED IN STATEMENT OF FINANCIAL PERFORMANCE

ASSETS SUBJECT TO FINANCE LEASE (NET CARRYING AMOUNT)	2025	2024
Cell phones	--	553

FIGURES IN RAND

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	2025	2024
ASSETS WITH A ZERO NET BOOK VALUE		
Cellphones	683 380	
Computer equipment	336 861	
	1 020 241	

All these assets that have been fully depreciated and have zero net book value and are no longer being used will be disposed off within the next twelve months in line with the ASA asset management policy.

6. INTANGIBLE ASSETS

	2025			2024		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Patents, trademarks and other rights	110 678	(10 510)	100 168	106 678	(9 009)	97 669
Computer software, other	47 219	(22 298)	24 921	47 219	(6 558)	40 661
Total	**157 897**	**(32 808)**	**125 089**	**153 897**	**(15 567)**	**138 330**

RECONCILIATION OF INTANGIBLE ASSETS - 2025	Opening balance	Additions	Amortisation	Total
Patents, trademarks and other rights	97 669	4 000	(1 501)	100 168
Computer software, other	40 661	-	(15 740)	24 921
	138 330	**4 000**	**(17 241)**	**125 089**

RECONCILIATION OF INTANGIBLE ASSETS - 2024	Opening balance	Additions	Amortisation	Total
Patents, trademarks and other rights	99 171	-	(1 502)	97 669
Computer software, other	-	47 219	(6 558)	40 661
	99 171	47 219	(8 060)	138 330

PLEDGED AS SECURITY

Carrying value of intangible assets pledged as security:

INTANGIBLE ASSETS IN THE PROCESS OF BEING CONSTRUCTED OR DEVELOPED

CUMULATIVE EXPENDITURE RECOGNISED IN THE CARRYING VALUE OF INTANGIBLE ASSETS	2025	2024
Trademarks	-	97 669

FIGURES IN RAND

7. GREEN BUILDING UNSPENT CONDITIONAL GRANT

	2025	2024
Green building unspent conditional grant	36 580	36 580

The grant was received from DPWI to fund the Green Building Rating Tool feasibility study and business plan. The revenue will be recognised when the grant conditions have been met.

CURRENT LIABILITIES

At amortised cost	36 580	36 580

8. PAYABLES FROM EXCHANGE TRANSACTIONS

Trade payables	2 937 687	945 344
Payments received in advance - contracts in progress	1 598 384	1 661 122
Accrued leave pay	1 787 586	1 808 610
Accrued expense	1 279 112	2 170 446
	7 602 769	**6 585 522**

9. OTHER NDR

The NDR arose as a result of assets transferred from CSIR to ASA. Directive 7 was followed to determine the cost of assets without a cost allocated to them at the time of the transfer. The movement in the reserve is due to the disposal of the assets that were part of the transfer as they reached their useful life and became obsolete.

Opening balance	-	446 748
Movement during the year	-	(446 748)
	-	**-**

10. GOVERNMENT GRANTS & SUBSIDIES

OPERATING GRANTS

Government grant	31 902 000	34 082 000

11. REVENUE

Rendering of services	1 652 045	2 171 545
Recoveries of costs from rendering of services	173 367	583 025
Income from exhibitions	40 000	-
Interest received - investment	1 089 865	1 923 694
Government grants & subsidies	31 902 000	34 082 000
	34 857 277	**38 760 264**

FIGURES IN RAND

11. REVENUE (CONTINUED)

	2025	2024
THE AMOUNT INCLUDED IN REVENUE ARISING FROM EXCHANGES OF GOODS OR SERVICES ARE AS FOLLOWS:		
Rendering of services	1 652 045	2 171 545
Recoveries of costs from rendering of services	173 367	583 025
Income received from exhibitions	40 000	-
Interest received - investment	1 089 865	1 923 694
	2 955 277	**4 678 264**

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

TRANSFER REVENUE		
Government grants & subsidies	31 902 000	34 082 000

12. EMPLOYEE RELATED COSTS

Basic	24 287 461	22 171 330
COIDA	34 850	113 746
SDL	221 924	18 012
Long-service awards	20 685	117 693
	24 564 920	**22 420 781**

13. DEPRECIATION AND AMORTISATION

Property, plant and equipment	966 929	941 366
Intangible assets	17 241	8 059
	984 170	**949 425**

14. FINANCE COSTS

Finance leases	-	12 349

15. LEASE RENTALS ON OPERATING LEASE

PREMISES		
Contractual amounts	3 048 131	504 143

16. OPERATING LEASE ASSET (LIABILITY)

Current liabilities	348 572	27 811

17. DEBT IMPAIRMENT

Debt impairment	(164 808)	431 786

FIGURES IN RAND

18. OPERATING EXPENSES

	2025	2024
Advertising (refer to note 18.1)	568 253	2 183 031
Assets expensed	51 560	40 617
Auditor's remuneration	670 501	393 041
Bank charges	38 357	26 381
Board remuneration	1 327 245	1 108 434
Cleaning (refer to note 18.2)	174 800	-
Computer expenses (refer to note 18.3)	2 263 502	1 440 757
Conferences and seminars	451 157	34 941
Consulting and professional fees (refer to note 18.4)	3 431 130	2 702 910
Consumables	72 733	27 823
Electricity	13 262	-
Gifts	110	-
ISO Development and implementation (refer to note 18.5)	510 393	-
IT expenses (refer to note 18.6)	1 083 173	1 159 834
Insurance	152 151	150 785
Internal audit (refer to note 18.7)	758 729	1 341 871
Office relocation (refer to note 18.8)	-	1 157 737
Postage and courier	-	2 094
Printing and stationery (refer to note 18.9)	673 753	310 660
Repairs and maintenance	7 464	553
Specification development	55 200	940 700
Meetings	40 453	8 610
Staff welfare	85 417	-
Strategic planning	472 393	297 295
Subscriptions and membership fees	66 312	53 453
Telephone and fax (refer to note 18.10)	579 824	177 709
Training	484 243	420 401
Travel - local	972 955	836 009
Travel - overseas (refer to note 18.11)	759 716	467 111
	15 764 786	**15 282 757**

18.1 The variance in advertising relates to communication and marketing initiatives undertaken during the year in effort to increase the ASA visibility in the 2023/2024 financial year.

18.2 A new cleaning contract was entered into due to ASA vacating the CSIR building and moving into a new leased building that required cleaning services.

18.3 The additional computer expenses that were incurred was for the renewal and additional computer software procured during the financial year.

18.4 ASA contracted the services of an outsourced procurement manager and finance manager to assist the finance department during the financial year.

18.5 The expense relates to the development of ISO 17065 to enable ASA to have accreditation which would allow ASA to provide and enhance value proposition is relation to certification services.

18.6 The IT expense decreased due to the appointment of the Information Technology specialist during the current financial year.

18.7 ASA required additional audits and ad hoc services of the various departments resulting in additional costs in relation to internal audits.

18.8 These costs are attributed to the moving costs incurred to move the ASA operations (office accommodation and test site) from the CSIR campus to its new office accommodation situated at 1090 Arcadia Street, Hatfield during the 2023/2024 financial year.

18.9 The printing and stationary expense increased due to ASA returning to the office after the end of the hybrid working period and the relocation to the new office accommodation.

FIGURES IN RAND

18. OPERATING EXPENSES (CONTINUED)

	2025	2024

18.10 ASA procured a telephone system that can be used through laptops and tablets to enable staff to be able to communicate with external stakeholders.

18.11 The increase relates to travel to attend WAFTAO.

19. AUDITORS' REMUNERATION

Fees	670 501	393 041

20. CASH USED IN OPERATIONS

Deficit	(9 452 872)	(845 277)
Adjustments for:		
Depreciation and amortisation	984 170	949 425
Loss on sale of assets and liabilities	112 950	4 300
Finance costs - Finance leases	-	12 349
Debt impairment	(164 808)	431 786
Changes in working capital:		
Receivables from exchange transactions	9 889	(1 227 162)
Payables from exchange transactions	1 017 248	(1 684 736)
Retained surplus payment	-	(6 053 209)
Movements in operating lease assets and accruals	320 761	27 811
	(7 172 662)	**(8 384 713)**

21. COMMITMENTS

AUTHORISED CAPITAL EXPENDITURE

ALREADY CONTRACTED FOR BUT NOT PROVIDED FOR

• Property, plant, and equipment	1 679 014	-
• Intangible assets	-	602 679
	1 679 014	**602 679**

TOTAL CAPITAL COMMITMENTS

Already contracted for but not provided for	1 679 014	602 679

This committed expenditure relates to capital and operational and will be financed by available bank facilities, retained surpluses,and existing and future cash resources.

OPERATING LEASES - AS LESSEE (EXPENSE)

MINIMUM LEASE PAYMENTS DUE

• within one year	2 503 099	2 235 621
• in second to fifth year inclusive	7 857 971	10 361 070
	10 361 070	**12 596 691**

Operating lease payments represent rentals payable by ASA for its office accommodation. The lease contract is for a period of five years and rentals escalate at a rate of 7% per year over the lease term. No contingent rent is payable.

The office accommodation is situated at Infotech Building, 1090 Arcadia Street, Hatfield, Pretoria. The lease agreement was entered into effective from 01 March 2024 to 28 February 2029.

FIGURES IN RAND

22. CONTINGENCIES

RETENTION OF SURPLUS FUNDS

In terms of section 53(3) of the PFMA, ASA may not retain cash surpluses that were realised in the previous financial year without prior written approval of National Treasury. According to Instruction Note 12 of 2020/21, a surplus is based on cash and cash equivalents, plus receivables less current liabilities at the end of the financial year. National Treasury approved the utilisation of R11 445 920 surplus funds from the 2023/24 financial year. It is anticipated that National Treasury will approve the surplus funds for retention, and accordingly the surplus amount has been disclosed as a contingent liability rather than a liability. As at 31 March 2025, ASA had an adjusted cash surplus of R1,471,563 (2024:R11 455 920).

LABOUR RELATED CASES

Litigation is in the process against a former employee relating to a labour dispute whereby the employee is seeking damages of R1,416,294.24 -. Should the action be successful, ASA will be liable to settle the total amount of the damages claimed. The entity's lawyers and management consider the likelihood of the action against the entity being successful as unlikely, and the case should be resolved within the next two years.

23. RELATED PARTIES

RELATIONSHIPS OF CONTROL

Ultimate controlling entity	National Department of Public Works and Infrastructure (DPWI)
Members of key management	Refer to key management disclosure below.

RELATED PARTY BALANCES

CONDITIONAL GRANT

	2025	2024
National Department of Public Works and Infrastructure	36 580	36 580

RELATED PARTY TRANSACTIONS

GOVERNMENT GRANT

	2025	2024
National Department of Public Works and Infrastructure	31 902 000	34 082 000

SERVICE IN-KIND

	2025	2024
Mr Mfundo Xulu Ka Dlamini (Industry Advisory Committee Chairperson)	-	25 975
Mr Andre du Plessis (Technical Committee Chairperson)	28 424	-

KEY MANAGEMENT INFORMATION

CLASS	DESCRIPTION	NUMBER
Non-executive board members	Board members	12
Executive board members	Audit and risk committee members	4
Human resource and remuneration Committee	Human resource and remuneration	5
Technical committee	Technical committee members	8
Industry advisory committee	Industry advisory committee members	4
Legal compliance and enforcement committee	Legal compliance and enforcement committee members	4
Executive committee	Executive committee members	4

FIGURES IN RAND

23. RELATED PARTIES (CONTINUED)

REMUNERATION OF MANAGEMENT

MANAGEMENT CLASS: BOARD MEMBERS: 2025	Fees for services as a member	Committee fees	Attendance for other meetings	Other benefits received	Total
Prof Jeffrey Mahachi (Acting Chairperson of the Board)	24 522	25 028	33 494	4 407	87 451
Mr Denzil Fredericks	19 364	13 222	11 334	322	44 242
Dr Ntebo Ngcobo (Human Resources & Remuneration Committee Chairperson)	19 364	18 817	24 013	2 494	64 688
Mr Xolisa Mnyani (Technical Committee Chairperson)	19 364	35 487	11 337	1 418	67 606
Adv Tokyo Nevondwe	19 364	34 330	7 558	5 684	66 936
Mariana Marneweck	19 364	33 993	7 558	456	61 371
Dr Vuyelwa Nhlapo	19 364	19 355	12 753	1 175	52 647
Viren Magan	18 342	22 512	12 506	879	54 239
Dr Bongani Mabizela **	13 655	31 639	99 042	15 092	159 428
Mr Kulani Mayayise **	11 098	25 028	30 465	1 844	68 435
Ms Buhle Tonise (Legal Compliance & Enforcement Committee Chairperson) **	11 098	25 418	22 907	2 151	61 574
Dr Lindelani Mathsidze (Board Chairperson) **	11 098	49 138	25 978	4 512	90 726
Ms Keletso Lefothane **	11 098	23 677	25 705	3 203	63 683
Ms Ursula Ntsubane **	11 098	35 244	35 657	4 519	86 518
Ms Zanele Nkosi **	10 390	15 911	37 741	2 176	66 218
Mr Phumlani Maseko (Human Resources & Remuneration Committee Chairperson) **	11 098	19 262	26 885	6 971	64 216
Mr Paul Heeger **	5 903	30 223	10 862	768	47 756
Dr Julia Petla**	11 098	38 640	37 002	3 577	90 317
Mr Thilivhali Ramawa (Independent Audit and Risk Committee Chairperson)*	7 504	7 226	12 228	2 238	29 196
	274 186	**504 150**	**485 025**	**63 886**	**1 327 247**

* Appointment on 13th of January 2025 ** Appointed on 1st of August 2024

MANAGEMENT CLASS: BOARD MEMBERS: 2024	Fees for services as a member	Committee fees	Attendance for other meetings	Other benefits received	Total
Prof. Jeffrey Mahachi (Acting Chairperson of the Board)	53 288	92 416	30 017	4 331	180 052
Mr Denzil Fredericks	32 114	55 015	10 154	1 316	98 599
Mrs Mariana Marneweck	42 504	95 200	9 142	1 768	148 614
Dr Ntebo Ngcobo (Human Resources & Remuneration Committee Chairperson)	42 504	88 308	25 303	4 173	160 288
Mr Xolisa Mnyani (Technical Committee Chairperson)	35 893	83 119	10 937	2 473	132 422
Adv Tokyo Nevondwe	32 114	69 479	14 641	10 129	126 363
Dr Vuyelwa Nhlapo	37 309	65 351	16 765	1 700	121 125
Mr Viren Magan (Independent Audit and Risk Committee Chairperson)	51 136	69 760	15 564	4 512	140 972
	326 862	**618 648**	**132 523**	**30 402**	**1 108 435**

23. RELATED PARTIES (CONTINUED)

MANAGEMENT CLASS: EXECUTIVE MANAGEMENT: 2025	Fees for services as a member of management	Other benefits received	Total
Richard Somanje (CEO)	1 839 755	13 200	1 852 955
Lebogang Dire (CFO) Resigned 30 June 2024	378 484	2 880	381 364
Simangaliso Hlengwa: (Executive Manager: Technical Services) Resigned 30 September 2024	745 835	5 760	751 595
Refilwe Selesho (Executive Manager: Corporate Services)	1 398 838	11 520	1 410 358
Malumuleli Rannzwa (CFO) Appointed 1 September 2024	879 671	6 720	886 391
Lindelani Mulaudzi (Executive Manager: Technical Services) Appointed 1 January 2025	377 002	2 880	379 882
	5 619 585	**42 960**	**5 662 545**

MANAGEMENT CLASS: EXECUTIVE MANAGEMENT: 2024	Basic salary	Other benefits received	Total
Richard Somanje (CEO)	1 754 074	13 200	1 767 274
Lebogang Dire (CFO)	1 437 363	11 520	1 448 883
Simangaliso Hlengwa: (Executive Manager: Technical Services)	1 016 132	8 640	1 024 772
Refilwe Selesho (Executive Manager: Corporate Services)	1 333 863	11 520	1 345 383
	5 541 432	**44 880**	**5 586 312**

24. RISK MANAGEMENT

FINANCIAL RISK MANAGEMENT

LIQUIDITY RISK

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

AT 31 MARCH 2025	Less than 1 year
• Payables from exchange transactions (Note 8)	6 004 385

AT 31 MARCH 2024	Less than 1 year
• Payables from exchange transactions (Note 8)	4 924 400

CREDIT RISK

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. ASA holds cash and cash equivalents with an investment grade related registered banking institution, which it regards as having an insignificant credit risk. The balance is held at the CPD, which has the same rating as the South African Reserve Bank. The funds deposited with the CPD are kept at a maximum to maximise interest earned. The interest rates on this account fluctuate in line with movements in current money market rates. The rates earned on funds deposited with the CPD are higher than those earned on funds in the short-term money market account. The credit risk for trade and other receivables is controlled through the application of the approved policies.

FIGURES IN RAND

24. RISK MANAGEMENT (CONTINUED)

	2025	2024

Financial assets exposed to credit risk at 31 March 2025 end were as follows:

FINANCIAL ASSETS AT AMORTISED COST

	2025	2024
Receivables from exchange transactions (Note 3)	2 341 596	2 185 234
Cash and cash equivalents (No 4)	5 989 436	14 791 825
	8 331 032	**16 977 059**

MARKET RISK

INTEREST RATE RISK

As the entity has no significant interest-bearing assets, the entity's income and operating cash flows are substantially independent of changes in market interest rates.

MATURITY ANALYSIS

ASA's remaining contractual maturity for all its financial liabilities are between one and three months.

CATEGORIES OF FINANCIAL INSTRUMENTS

2025	Gross carrying amounts	Amortised cost
Payables from exchange transactions (Note 8)	6 004 385	6 004 385

2024	Gross carrying amounts	Amortised cost
Payables from exchange transactions (Note 8)	4 924 400	4 924 400

2025	Gross carrying amounts	Loss allowance	Amortised cost
Receivables from exchange transactions (Note 3)	3 131 350	(789 754)	2 341 596
Cash and cash equivalents (Note 4)	5 989 436	-	5 989 436
	9 120 786	**(789 754)**	**8 331 032**

2024	Gross carrying amounts	Loss allowance	Amortised cost
Receivables from exchange transactions (Note 3)	3 142 670	(957 346)	2 185 324
Cash and cash equivalents (Note 4)	14 791 825	-	14 791 825
	17 934 495	**(957 346)**	**16 977 149**

25. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSS THROUGH CRIMINAL CONDUCT

	2025	2024
Irregular expenditure	-	1 911 277
Fruitless and wasteful expenditure	7 654	-
Closing balance	**7 654**	**1 911 277**

CRIMINAL OR DISCIPLINARY STEPS TAKEN AS A RESULT OF LOSSES, IRREGULAR AND FRUITLESS AND WASTEFUL EXPENDITURE

No disciplinary actions were taken against the employees responsible for incurring the Fruitless and wasteful expenditure for the 2025 financial year, as they have all resigned before any formal action could be taken.

Warning letters were issued to employees responsible for incurring irregular expenditure incurred in 2024 financial year.

26. GOING CONCERN

We draw attention to the fact that at 31 March 2025, the entity had an accumulated surplus of R 5 880 057 and that the entity's total assets exceed its liabilities by R 5 880 057.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The Executive Authority continues to provide the grant funding, as indicated in the Medium-Term Expenditure Framework over the MTEF period, to fund the ongoing operations of ASA.

27. BUDGET DIFFERENCES

MATERIAL DIFFERENCES BETWEEN BUDGET AND ACTUAL AMOUNTS

Quantitative and qualitative material differences between the final budget and the comparable actual amount are disclosed in the notes below. The amount determined for materiality purposes is according to the approved materiality and significance policy. This amount was determined to be 0.5% of the prior year total expenditure (which excludes capital expenditure) and which amounts to R198 033 for this financial year. The materiality amount for assets was determined to be R219 817, based on 1,0% of the prior year Total Assets balance.

27.1 The revenue from rendering of services is lower than budgeted due to the delays in implementing the eco-ASA programme which was as a result of not having a conformity body in place.

27.2 The interest in the current financial year was lower than budgeted due to the low bank balances as a result of accelerated expenditure due to improved supply chain processes.

27.3 The budget for the financial year was prepared on the assumption that ASA would have a full staff complement throughout the year. The employee cost budget was underspent as a result of vacancies. As at year-end, most of the vacancies were filled. The recruitment processes are currently underway for the remaining vacant positions.

27.4 The underspending on operating expenses is as a result of the delays in finalising projects, which will be completed in the next financial year.

27.5 The variance is due to the procurement of IT equipment that is critical to the functionality of the ASA IT environment and to reduce costs for hosting software with external sources.

DIFFERENCES BETWEEN BUDGET AND ACTUAL AMOUNTS BASIS OF PREPARATION AND PRESENTATION

The amounts in the annual financial statements were recast from the accrual basis to the cash basis and reclassified by functional classification to be on the same basis as the final approved budget. In addition, adjustments to amounts in the annual financial statements for timing differences associated with the continuing appropriation and differences in the entities covered were made to express the actual amounts on a comparable basis to the final approved budget.

CHANGES FROM THE APPROVED BUDGET TO THE FINAL BUDGET

The changes between the approved and final budget are a consequence of reallocations within the approved budget parameters and the retention of surplus funds.

PART G

ANNEXURES

ANNEXURE A

PROJECT HIGHLIGHTS AND INFORMATION

ASA continued to fulfil its mandate by assessing and certifying innovative and non-standardised products and systems. During the 2024/25 financial year, 13 Agrément certificates were issued. The products and systems where certificates were issued include road products, building systems, sanitation, and cold mix. The process involved confirmation that evaluations were completed per the assessment programme or contracts with favourable results and assessments from external experts and testing laboratories, and reviewing the draft certificates. It also included ensuring that approved, documented quality systems are in place and on record with ASA. The certificates were ratified by the Board. During the 2024/25 financial year, the following 13 Agrément certificates were issued:

	CERTIFICATE NUMBER	CERTIFICATE NAME
1.	2023/642 (Final Certificate)	Composite Recycled Composite Brick
2.	2021/630 (Final approval September 2024)	NATPatch® Cold Mix Asphalt
3.	2022/634 (Amended June 2024)	Amalooloo/MyLoo Urine Diversion and Low Volume Multi-Flush Toilet System
4.	2023/642 (Amended June 2024)	Kwikspace Modular Building System
5.	2023/645 (Amended September 2024)	Africa Tanks
6.	2023/647	EcoPanel building system
7.	2024/652	PHP Fabricated system
8.	2019/598(Amended December 2024)	Propelair Toilet System
9.	2024/649 (Final Certificate)	NATGrip UTFC
10.	2012/419 (Amended December 2024)	EcoTanks Water and Liquid Storage Tanks
11.	2018/588 (Final certificate)	Roadsaver Coldlay Surfacing System
12.	2025/653	SHOCRETE MARK 2 (MK2) PRECAST TOILET TOP STRUCTURE
13.	2025/654	SHOCRETE MARK 3 (MK3) PRECAST TOILET TOP STRUCTURE

ANNEXURE B

APPROVED CERTIFICATES FOR THE 2024/25 FY

	TYPE	CERTIFICATE NUMBER	COMPANY NAME
1	Access Control Doors	2015/479: ITAS Access Control Doors	I.T.A Security Co (Pty) Ltd
2	Bathroom and Toilet Units	2020/614: The Adaptable Toilet Pedestal and Handwash System	Integrum Design (Pty) Ltd t/a I-Design
3	Bridge Deck Joints	2002/293: Thormajoint Bridge Deck Expansion Joint System (DS	DSC-Zendon cc
4	Bridge Deck Joints	2004/305: Thormajoint Bridge deck Expansion Joint System	Bridge Jointing & Rehabilitation Contractors
5	Bridge Deck Joints	2004/306: Maurer D80C (FP) Bridge Deck Expansion Joint	DSC-Zendon cc
6	Bridge Deck Joints	2004/307: Maurer Multi-element Bridge deck expansion Joint	DSC-Zendon cc
7	Bridge Deck Joints	2004/308: BSP 40 Bridge Deck Expansion Joint	DSC-Zendon cc
8	Bridge Deck Joints	2004/309: BSP 80 Bridge Deck Expansion Joint	DSC-Zendon cc
9	Bridge Deck Joints	2004/311 (Amended August 2021): Honel E80 Bridge Deck Expansion Joint	Honel Structural Products (Pty) Ltd
10	Bridge Deck Joints	2004/312 (Amended August 2021): Honel GAM 80 - 480 Series Bridge Deck Expansion Joint	Honel Structural Products (Pty) Ltd
11	Bridge Deck Joints	2013/440 (Reappraisal July 2024): Febajoint Bridge Deck Expansion Joint System	StonCor Africa (Pty) Ltd
12	Bridge Deck Joints	2013/441 (Reappraisal July 2024): Britflex (BEJ) Bridge Deck Expansion Joint System	StonCor Africa (Pty) Ltd
13	Bridge Deck Joints	2016/510: Tensa Finger RSFD Bridge Deck Joint	Mageba SA
14	Bridge Deck Joints	2017/544: Aluminium Elastomeric Bridge Deck Joint BSP 65AE & BSP 80AE	DSC-Zendon cc
15	Bridge Deck Joints	2024/651: Maurer Sanfield Finger Type Bridge Deck Joint	DSC-Zendon cc
16	Ceilings	2006/323: Isoboard Nail Up Insulated Ceilings	Isofoam (South Africa) (Pty) Ltd
17	Cold Mix Asphalt	2018/588: Roadsaver Coldlay Surfacing System	Universal Blending (Pty) Ltd
18	Cold Mix Asphalt	2021/630 (Final certificate): NATPatch® Cold Mix Asphalt	National Asphalt (Pty) Ltd
19	Cold Mix Asphalt	2023/641: Pothole Glue Cold Mix	Zingeni Consulting Engineers and Associates
20	Concrete Additives	2017/546: Geotex 500 and 600 Series Macro-Synthetic Fibres	Plusnet/ Geotex[a division of Carolline Investments (Pty) Ltd
21	Damp-proofing	2018/565: ECO Damp-Proof Course and Membrane	African Global Plastics (Pty) Ltd
22	Damp-proofing	2021/627: Essa Damp-Proof Course and 2021/622: Essa Damp-Proof Membrane	Essa Plastics (Pty) Ltd
23	Damp-proofing	2021/627: Essa Damp-Proof Course and 2021/622: Essa Damp-Proof Membrane	Essa Plastics (Pty) Ltd
24	Insulation	2001/287: Isoboard Over Purlin Roof Insulation	Isofoam (South Africa) (Pty) Ltd
25	Insulation	2000/276: Isoboard Cavity Wall Insulation	Isofoam (South Africa) (Pty) Ltd
26	Insulation	2000/277: Isoboard Inverted Roof Insulation	Isofoam (South Africa) (Pty) Ltd
27	Insulation	2005/320: Isotherm Thermal Insulation	Brits Nonwoven
28	Insulation	2010/382: IsoBoard Over Rafter and Truss Insulation	Isofoam (South Africa) (Pty) Ltd
29	Non-traditional soil stabiliser	2015/496 Ecobond: Non-Traditional Soil Stabilizer	Techneco (Pty) Ltd
30	Non-traditional soil stabiliser	2017/543 Polymer Modified Bitumen Stabilising Material (PMBSM)	New Age Road Solutions (Pty) Ltd
31	Non-traditional soil stabiliser	2019/597 (Finalised in March 2024) SOILTECH MK III: Non-Traditional Soil Stabilizer	Polyroads Pavements (Pty) Ltd
32	Non-traditional soil stabiliser	2019/599: Perma-Zyme Soil Stabiliser	MRT Energy(Pty) Ltd
33	Non-traditional soil stabiliser	2018/564: Polymer Modified Bitumen Stabilising Material (PMBSM)	NEW AGE ROAD SOLUTIONS(Pty) Ltd
34	Plumbing	1996/241: Contactim	Contactim (Pty) Ltd
35	Plumbing	2017/540: Seaqual Full-Bore Drainage System	Seaqual (Pty) Ltd
36	Plumbing	2017/541: Seaqual F-Box WetFloor Drainage System	Seaqual (Pty) Ltd

	TYPE	CERTIFICATE NUMBER	COMPANY NAME
37	Products	2012/415: Calcamite Water and Liquid Storage Tanks	Calcamite Sanitary Services (Pty) Ltd
38	Products	2012/419 (Amended December 2024): EcoTanks Water and Liquid Storage Tanks	Ecopolymers cc t/a EcoTanks
39	Products	2014/461: Yebo Water and Liquid Storage Tanks	Quick Traders 1029cc
40	Products	2014/462: KRM Water and Liquid Storage Tanks	KRM Plastics (Pty) Ltd
41	Products	2015/493: Makoro Water and Liquid Storage Tanks	Makoro Tank Technologies (Pty) Ltd
42	Products	2017/542 (Amended August 2021): Flomac Water and Liquid Storage Tanks	Flomac Industries (Pty) Ltd t/a Flomac Tanks
43	Products	2017/545 (Reappraisal October 2024): Polyfibre Awning Window frames	Polyfibre (Pty) Ltd
44	Products	2020/617 Samac Thermal Storage Tank	Samac Engineering Solutions
45	Products	2015/476 (Amended November 2020): High Density Polymer Envirodoor	Envirosan Sanitation Solutions
46	Products	2020/616: NMC Precast Concrete Channels	Contru Solutions (Pty) Ltd
47	Products	2021/621: Water Wheelbarrow Tank	Virgin Creatives (Pty) Ltd
48	Products	2015/489: TCE Plastic Water Storage Tanks	Tariosync (Pty) Ltd t/a TCE Plastics
49	Products	2023/644: Tri-Fluid Spray System	Fire Design House (Pty) Ltd
50	Products	2023/645 (Amended September 2024): Africa Tanks	Africa Tanks (Pty) Ltd
51	Products	2023/646: Waterreserve Tank	WR Tanks (Pty) Ltd
52	Products	2009/359 (Amended December 2012): Jojo Septic Tank	JoJo Tanks (Pty) Ltd
53	Road Products	2017/552: Roller Compacted Concrete (RCC) Ready Mix	Cosal Consultants cc
54	Roads Products	2010/375: Enviro Prime	Tarspray cc
55	Roads Products	2012/408: Pro-Phalt Infrared Road Repair System	Pro-Phalt SA (Pty) Ltd
56	Roads Products	2013/446 (Reappraisal April 2024): Non-tacky Tack Coat (nt-cote)	Tarspray cc
57	Roads Products	2016/516: THE ROAD REJUVENATOR	Tarspray cc
58	Roads Products	2018/589 (Finalised 2021): GB5 High Modulus Asphalt System	Much Asphalt (SA)
59	Roofing Products	2020/605 Economy Double Sided Foil Under-Lay Membrane	Spunchem International (Pty) Ltd
60	Roofing Products	2019/591 Ecolay Undertile Membrane	Brits Bag Manufactures
61	Roofing Products	2009/366:Spunsulation 3 Roofing Radiant Barrier	Spunbond Holdings (Pty) Ltd t/a Spunchem Interna
62	Roofing Products	2009/367: Spunsulation 5 Roofing Radiant Barrier	Spunbond Holdings (Pty) Ltd t/a Spunchem Interna
63	Roofing Products	2009/369: Spunsulation 5 Light Roofing Radiant Barrier	Spunbond Holdings (Pty) Ltd t/a Spunchem Interna
64	Roofing Products	2011/384: Spunsulation Roofing Undertile Membrane	Spunbond Holdings (Pty) Ltd t/a Spunchem Interna
65	Roofing Products	2011/387: Spunsulation 4 Contractors Choice	Spunbond Holdings (Pty) Ltd t/a Spunchem Interna
66	Roofing Products	2012/425: Spunsulation Illumina Roofing Radiant Barrier	Spunbond Holdings (Pty) Ltd t/a Spunchem Interna
67	Roofing Products	2018/572: Spunsulation Contractors membrane	Spunbond Holdings (Pty) Ltd t/a Spunchem Interna
68	Roofing Products	2018/579: Sisalation Fireshield DS Roofing Radiant Insulation Barrier	Afripack Consumer Flexibles (Pty) Ltd
69	Roofing Products	2018/585 (Reappraisal January 2025): Tereco Roof Tiles	Tereco (Pty) Ltd
70	Roofing Products	2021/624: Harvey Eco Tile	Harvey Roofing Products, a division of Macsteel Service Centres SA (Pty) Ltd
71	Roofing Products	2014/469: Gundle UT Woven 118 Roof Tile Underlay	Gundle API (Pty) Ltd
72	Roofing Products	2020/606: Heavy Industrial New Generation Foil Under-Lay Membrane	Spunchem International (Pty) Ltd
73	Sanitation System	2015/491(Reappraisal October 2024): Jets Vacuum Sanitation System	SA Biotech (Pty) Ltd
74	Sanitation System	2018/582 (Reappraisal October 2024): Rocla Precast Lightweight Concrete Toilet Top Structure	Rocla (Pty) Ltd

	TYPE	CERTIFICATE NUMBER	COMPANY NAME
75	Sanitation System	2018/589 (Amended November 2020): Eaziflush Sanitation Systems	Envirosan Sanitation Solutions
76	Sanitation System	2019/598 (Amended December 2024): Propelair Toilet System	Phoenix Product Development Limited
77	Sanitation System	2020/611 - Khusela Dry Sanitation System	Waco Africa (Pty) Ltd t/a Abacus Space Solutions
78	Sanitation System	2015/475 (Amended November 2020): Ventilated Improved Pit and Urine Diversion Toilet System	Envirosan Sanitation Solutions
79	Sanitation System	2021/631: Eldoloo VIP Top & Pit Structure system	ELDOFOX (PTY) LTD
80	Sanitation System	2022/634 (Amended June 2024) : Amalooloo Urine Diversion Toilet System	Betram (Pty) Ltd
81	Sanitation System	2022/633: Shocrete Pre-cast Concrete Toilet Top Structure	SHOCRETE (PTY) LTD
82	Sanitation System	2022/636 (Amended October 2024): Eldocrete Eldoloo Top and Pit Structures	Eldocrete (Pty) Ltd
83	Sanitation System	2025/653: Shocrete Mark 2 Precast Concrete Toilet Top Structure System	SHOCRETE (PTY) LTD
84	Sanitation System	2025/654: Shocrete Mark 3 Precast Concrete Toilet Top Structure System	SHOCRETE (PTY) LTD
85	Sanitation System	2003/299 (Amended March 2021) -Cemforce Eazy Loo VIP Toilet System	Cemforce cc
86	Software	2012/412: BSIMAC (Version 9) Building Energy Analysis Software	Alec Johannsen Consulting Engineers
87	Software	2013/443: StarFront Software for designing compliant aluminium windows and doors	Wispeco (Pty) Ltd
88	Software	2014/470: Crealco U-Solve Whole Window and Door	Wispeco (Pty) Ltd
89	Software	2018/584 (Reappraisal October 2024): Designbuilder (Version 5) Building Energy Analysis Software	Greenplan Consultants (Pty) Ltd
90	Software	2012/413 (Amended December 2021): DesignBuilder 4.0 Building Energy Analysis Software	Greenplan Consultants (Pty) Ltd
91	Software	2023/648: Designbuilder (Version 6.1) Building Energy Analysis Software	Greenplan Consultants (Pty) Ltd
92	Thin Bituminous Surfacing	2013/448 (Reappraisal July 2024): FrictionPave Thin Bituminous surfacing system	FrictionPave Partnership JV
93	Thin Bituminous Surfacing	2016/515 Polo-Pave Thin Bituminous Road Surfacing System	Polokwane Surfacing (Pty) Ltd
94	Thin Bituminous Surfacing	2007/334 (Reappraisal October 2024): NOVACHIP Thin bituminous surfacing system	Concor Construction (Pty) Ltd
95	Thin Bituminous Surfacing	2017/442: AquaFRICTIONCourse road surfacing system	Aqua Transport and Plant Hire (Pty) Ltd
100	Thin Bituminous Surfacing	2019/593 Dura-Tech Surfacing System	At Road Construction (Pty) Ltd
101	Thin Bituminous Surfacing	2024/649 (Final certificate): Natgrip UTFC	National Asphalt (Pty) Ltd
102	Traffic Monitoring Systems	2015/501: Permanent Axle Traffic Monitoring System with PICOTEL8	Mikros Systems (Pty) Ltd t/a Syntell Group Company
103	Traffic Monitoring Systems	2015/502: Permanent Axle Traffic Monitoring System with WYPROS I PWIM	Mikros Systems (Pty) Ltd t/a Syntell Group Company
104	Traffic Monitoring Systems	2015/503: TES Non-Intrusive Loop Traffic Monitoring System	TES Trust
105	Traffic Monitoring Systems	2016/518: Permanent Axle Traffic Monitoring System Type A1 with PICOTEL8-SDT	Mikros Systems (Pty) Ltd t/a Syntell Group Company
106	Traffic Monitoring Systems	2017/549: TES Infra-Red Beam Axle Sensors Traffic Monitoring System Type B1	TES Trust
107	Traffic Monitoring Systems	2016/522: TES Intrusive Loop Traffic Monitoring System Type C1	TES Trust
108	Traffic Monitoring Systems	2018/566: Mikros Manual Traffic Monitoring System Type M1	Mikros Systems (Pty) Ltd t/a Syntell Group Company
109	Wall Coatings	2019/602: Nexus Skin Coating System	Laminin Coatings (Pty) Ltd
110	Wall Coatings	2009/352 (Reinstated December 2023): Prominent Paints Waterproofing Wall Coating	Prominent Paints (Pty) Ltd
111	Wall Coatings	2011/399: Sheerflex Coating System	Dekro Paints (Pty) Ltd
112	Wall Coatings	2012/420: Valamanzi Coating System	Optima Coatings (Pty) Ltd
113	Wall Coatings	2014/459: Africote One Coat PVA Wall Coating	Africote International (Pty) Ltd
114	Wall Coatings	2014/472: Plascon Wallseal Coating System	Kansai Plascon (Pty) Ltd
115	Wall Coatings	2014/473: Nucover Wall Coating	Xeracote cc t/a Olympia International Paints
116	Wall Coatings	2015/480: Sutherland Sheen Coating System	O`Grady Coatings (Pty) Ltd
117	Wall Coatings	2015/481: Sutherland Tex Coating System	O`Grady Coatings (Pty) Ltd
118	Wall Coatings	2016/512: Amoriguard Wall Coating System	Amoriguard (Pty) Ltd

	TYPE	CERTIFICATE NUMBER	COMPANY NAME
119	Wall Coatings	2018/577: 5-in-1 Wall Coating System	Promac Paints (Pty) Ltd
120	Wall Coatings	2020/615: Eco Wallchem All Paint	Greencoat CC
121	Wall Coatings	2020/618 Strongcoat Wall Coating System	Promac Paints (Pty) Ltd
122	Wall Coatings	2020/619: All in One White and Standard Colours Paint	O`Grady Coatings (Pty) Ltd
123	Wall Coatings	2005/318: Kolorcote T Wall Coating System	Africote International (Pty) Ltd
124	Wall Coatings	2023/639: Plascon Professional Textured Acrylic Coating	Kansai Plascon (Pty) Ltd
125	Wall Coatings	2018/569 (Reinstated December 2023): Medal Acryloseal PVA Paint	Medal Paints Manufactures (Pty) Ltd
126	Wall Coatings	2024/650: Promac Design Wall Coating System	Promac Paints (Pty) Ltd
127	Walling and Building Systems	2018/587: Monl Frames Building System	Monl Frames Steel (Pty) Ltd
128	Walling and Building Systems	1989/191 (Reassessment 2000): National and Overseas Factory Built Buildings	National and Overseas Modular Construction
129	Walling and Building Systems	1989/194 (Reappraisal July 2024): KwikFrame Building System	OHM Asset Holdings (Pty) Ltd
130	Walling and Building Systems	1990/205 (Amended April 2019): FSM Building System	Fabricated Steel Manufacturing Co (Pty) Ltd
131	Walling and Building Systems	1996/237 (Amended October 2020): Hydraform Building System	Hydraform Developments (Pty) Ltd
132	Walling and Building Systems	1999/272 (Reappraisal April 2024): Robust Building System	Robust Structures (Pty) Ltd
133	Walling and Building Systems	2007/336:Automapolyblock Building System	Automa Building Products (Pty) Ltd
134	Walling and Building Systems	2009/354 (Reappraisal October 2024): Banbric Building System	Banbric Building cc
135	Walling and Building Systems	2009/358 (Reappraisal July 2024): ITAS Modular Building System	I.T.A Security Co (Pty) Ltd
136	Walling and Building Systems	2009/M56: Bright-Kid Container Conversions	Breidert Education Development cc
137	Walling and Building Systems	2010/372 (Reappraisal April 2024):Blast Building System	Didutex (Pty) Ltd
138	Walling and Building Systems	2010/376: Mi Panel 1 Building System	MiBT SA Pty (Ltd)
139	Walling and Building Systems	2011/383 (Reappraisal July 2024): Prefab Sprout Building system	Prefab Sprout
140	Walling and Building Systems	2011/397 (Amended December 2016): Compressed Earth Blocks Building System	Use-It
141	Walling and Building Systems	2011/398 (Reappraisal April 2024):Sandbag Building System	Avranex (Pty) Ltd Trading As Ubuhle Bakha Ubuhle (UBU)
142	Walling and Building Systems	2011/400: Mi Panel 2 Building System	MiBT SA Pty (Ltd)
143	Walling and Building Systems	2012/424: Tutungeni Building System	Tutungeni Precast cc
144	Walling and Building Systems	2012/426 (Reappraisal October 2024): Khaya Readykit Building System	Khaya Readykit (Pty) Ltd
145	Walling and Building Systems	2013/439: Specialised Insulated Panel Building System	Specialised Panel Manufacturing cc
146	Walling and Building Systems	2013/445 (Reappraisal July 2024): UkuZwana Building System	UkuZwana Project Management Solutions (Pty) Ltd
147	Walling and Building Systems	2014/450 (Reappraisal April 2024): Power Profile Building System	Shell Case (Pty) Ltd

	TYPE	CERTIFICATE NUMBER	COMPANY NAME
148	Walling and Building Systems	2014/456 (Reinstated December 2024): Legna Solid Wall Building System	Legna Creative Enterprises cc
149	Walling and Building Systems	2014/458: RIC Prefabricated Building System	Rodger Ian Carter Technical Servi
150	Walling and Building Systems	2014/471: Benex Masonry Building System	GARDEN CITIES NPC (RF)
151	Walling and Building Systems	2014/474 (Reappraisal April 2024): FSM FR Polycore Building System	Fabricated Steel Manufacturing Co (Pty) Ltd
152	Walling and Building Systems	2015/477 (Reappraisal April 2024): Green Crete Building System	Get Connected Holdings (Pty) Ltd.
153	Walling and Building Systems	2015/478: Modular Fibre Reinforced Concrete Building System	Malopo Construction SA
154	Walling and Building Systems	2015/482 (Reappraisal October 2024): Besta Board Building System	Fast Track Contracting Africa (Pty) Ltd
155	Walling and Building Systems	2015/487 (Amended June 2024): Kwikspace Modular Building System	Kwikspace Modular Buildings (Pty) Ltd
156	Walling and Building Systems	2015/490 (Reappraisal July 2024): Abacus EzeeSpace Building System	Waco Modular a division of Waco Africa (Pty) Ltd
157	Walling and Building Systems	2016 / 517: Abscon Prefabricated Building System	Absolute Containers (Pty) Ltd
158	Walling and Building Systems	2016/509 (Re-Instated June 2022): Everite Hebel AAC Building System	Lonsa Everite (Pty) Ltd t/a Everite Building Products
159	Walling and Building Systems	2016/511: Afripanel Modular Building System	Aboard Group
160	Walling and Building Systems	2016/530: African Modular Building System	African Modular Building Solutions cc
161	Walling and Building Systems	2017/555 (Re-Instated June 2022): Everite Hebel AAC Block Building System	Lonsa Everite (Pty) Ltd t/a Everite Building Products
162	Walling and Building Systems	2017/558: Greenlite Concrete Jumbo Blocks Building System	Greenlite Concrete (Pty) Ltd
163	Walling and Building Systems	2018/575 (Reappraisal October 2024): Ikhaya Futurehouse Building Systems	Ikhaya Futurehouse Systems (Pty) Ltd
164	Walling and Building Systems	2018/576: AAC Precast Modular Housing System	Century Construction Supply LLC
165	Walling and Building Systems	2018/583 (Reappraisal October 2024): Premod Building System	Premod Systems cc
166	Walling and Building Systems	2019/592 WBT Rocktec Panel Building System	Water Berry Trading 44 (Pty) Ltd
167	Walling and Building Systems	2019/600 CITRA BUILDING SYSTEM	Citra Construction (Pty) Ltd
168	Walling and Building Systems	2019/603 Cool Maintenance Building System	Arnott Panels (Pty) Ltd
169	Walling and Building Systems	2020/608 A-SIP Building System	Absolute Containers (Pty) Ltd
170	Walling and Building Systems	2020/609 (Amended March 2021): Litecore Building System	Technopol SA (Pty) Ltd
171	Walling and Building Systems	2020/613 (Amended June 2022): Envirolite Blocks Building System	Envirolite Concrete (Pty) Ltd
172	Walling and Building Systems	2018/567 (Amended August 2021): Housezero Building System	Housezero Commercial (Pty) Ltd
173	Walling and Building Systems	2021/628: ASLA Concrete Framed Building System	ASLA Construction (Pty) Ltd

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174	Walling and Building Systems	2021/629: GREEN CRETE SMART BLOCK	Get Connected Construction
175	Walling and Building Systems	2020/623: Lambuilt Building System	Lambuilt (Pty) Ltd
176	Walling and Building Systems	2014/463 (Amended March 2022): Sterling Building System	Sanjo FABTECH Sterling (Pty) Ltd
177	Walling and Building Systems	2022/632: Living Home MgO SIP Building System	Square Foot Developments CC
178	Walling and Building Systems	2019/601 (Reappraisal October 2024): Envirocrete Building system	Envirocrete (Pty) Ltd
179	Walling and Building Systems	2013/436 (Reappraisal July 2024): Exelis Development Building System	Exelis Development (Pty) Ltd
180	Walling and Building Systems	2022/635: Hempcrete Block Building System	AFRIMAT Hemp (Pty) Ltd
181	Walling and Building Systems	2022/637 (Amended March 2024): Monl Frames Solid Wall Building System	Monl Frames Steel (Pty) Ltd
182	Walling and Building Systems	2022/638: Block Solutions Building System	Block Solutions Oy
183	Walling and Building Systems	2023/639 (Amended January 2024) : Glasroc X Exterior Wall Cladding System	St Gobain Construction Systems SA (Pty) Ltd
184	Walling and Building Systems	2014/465 (Re-instated July 2023): Everite Nutec Fibre Cement Panel System	Lonsa Everite (Pty) Ltd
185	Walling and Building Systems	2023/642: Composite Recycle Plastic Brick Building System	Ramtsilo Trading
186	Walling and Building Systems	2023/643: Punku H Block Building System	HWV Projects (Pty) Ltd
187	Walling and Building Systems	2023/647: Ecopanel Building System	Ecopanel (Pty) Ltd
188	Walling and Building Systems	2024/652: PHP Fabricated System	Southey Contracting (Pty) Ltd t/a Parkhome Projects
189	Walling and Building Systems	2016/526 (Reappraisal October 2024): Stumbelbloc Building System	Stumbelbloc Exports (Pty) Ltd
190	Walling and Building Systems	2013/430 (Amended December 2024): Greenbuild Building System	Greenbuild SA (Pty) Ltd
191	Walling and Building Systems	2012/405 (Amended October 2017): Envirowall Building System	Habitat Modular Construction (Pty) Ltd
192	Waterproofing	2018/574 Polyglass Spider P & Spider P Mineral Waterproofing Membrane	Polyglass SPA
193	Waterproofing	2014/464: Optiflash Waterproofing System	Optima Coatings (Pty) Ltd
194	Waterproofing	1992/219 (Reappraisal 1997): Derbigum SP Waterproofing	Derbigum Manufacturing (Pty) Ltd
195	Waterproofing	2017/551 (Reappraisal October 2024): S50 Fibre Reinforced Crack Repair & Waterproofing System	Geotech Nano Chemicals (Pty) Ltd
196	Waterproofing	2017/557: Polyglass Evolight S & Evolight S Mineral Waterproofing Membranes	Polyglass SPA
197	Weigh-In-Motion Monitoring Systems	2016/519: Class I Weigh-in-Motion Monitoring System Type B1 with WYPROS II BP for CZL Bending Plate Sensors	Mikros Systems (Pty) Ltd t/a Syntell Group Company
198	Weigh-In-Motion Monitoring Systems	2016/520: Class II Weigh-in-Motion Monitoring System Type B1 with WYPROS I Kistler WIM for Kistler Lineas Sensors	Mikros Systems (Pty) Ltd t/a Syntell Group Company
199	Weigh-In-Motion Monitoring Systems	2016/521:Class II Weigh-in-Motion Monitoring System Type B1 with WYPROS II BP for PAT Bending Plate Sensors	Mikros Systems (Pty) Ltd t/a Syntell Group Company
200	Weigh-In-Motion Monitoring Systems	2017/548:TES Class I Weigh-in-Motion Monitoring System Type B1	TES Trust
201	Weigh-In-Motion Monitoring Systems	2017/550: TES Class II Weigh-in-Motion Monitoring System Type B1	TES Trust

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