Transport Education Training Authority

Driven by Vision

Transport Education and Training Authority

2024/25

ANNUAL REPORT

Transport Education Training Authority

Driven by Vision

2024/25 ANNUAL REPORT

Minister of **Higher Education and Training**

Mr Buti Manamela
Minister of Higher Education

Deputy Minister of **Higher Education and Training**

Dr Mimmy Gondwe
Deputy Minister of Higher Education

Deputy Minister of **Higher Education and Training**

Dr Nomusa Dube-Ncube
Deputy Minister of Higher Education

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PART A
General Information
Driven by Vision

The Public Entity's **General Information**

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Postal and physical address:	Sixth Floor, MB House, 635 to 641 Peter Mokaba Road, Overport, Durban, 4001
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Postal and physical address:	Newlands on Main, Ground Floor, Mariendahl House, 13 Main Road, Newlands, Cape Town, 7700
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PUBLISHER:	TETA: Chief Executive Officer
EDITING AND DISTRIBUTION:	TETA: Marketing and Communication Department

LIST OF ABBREVIATIONS/ACRONYMS

4IR:	Fourth Industrial Revolution
AASA:	Airline Association of Southern Africa
ACSA:	Airport Company of South Africa
AET:	Adult Education and Training
AGSA:	Auditor-General of South Africa
AI	Artificial Intelligence
APP:	Annual Performance Plan
AR:	Annual Report
ARC	Audit and Risk Committee
ATNS:	Air Traffic and Navigation Services
ATR:	Annual Training Report
AUSA:	Aviation Union of South Africa
BCG:	Boston Consulting Group Matrix
BRT:	Bus Rapid Transit
CAASA:	Commercial Aviation Association of Southern Africa
CBO:	Community-Based Organisation
CoS:	Centers of Specialisation
CPUT:	Cape Peninsula University of Technology
DETAWU:	Democratised Transport Logistics and Allied Workers Union
DG:	Discretionary Grant
DHET:	Department of Higher Education and Training
DoT:	Department of Transport
DPWRT:	Department of Public Works, Roads and Transport
DSD:	Department of Social Development
DUT:	Durban University of Technology
ERRP:	Economic Reconstruction and Recovery Plan
ESP:	Economic Stimulus Programmes
ETQA:	Education and Training Quality Assurance
EXCO:	Executive Committee
GDP:	Gross Domestic Product
GNU:	Government of National Unity
GRAP:	Generally Recognised Accounting Practice
HEI:	Higher Education Institution
HET:	Higher Education and Training
HRD:	Human Resources Development
IMC:	Independent Management Committee
IPAP:	Industrial Policy Action Plan
IRSE:	Institute of Railway Signal Engineers

LRA:	Labour Relations Act (66 of 1995)
M&E:	Monitoring and Evaluation
MG:	Mandatory Grant
MTSF:	Medium-Term Strategic Framework
NASASA:	National Stevedoring Association of South Africa
NBCRFLI:	National Bargaining Council for the Road Freight and Logistics Industry
NDP:	National Development Plan
NEASA:	National Employers Association of South Africa
NGO:	Non-Governmental Organisation
NGP:	New Growth Path
NLPE:	Non-Levy-Paying Enterprise
NMU:	Nelson Mandela University
NQF:	National Qualifications Framework
NSA:	National Skills Authority
NSDP 2030:	National Skills Development Plan 2030
NUMSA:	National Union of Metalworkers of South Africa
NWU:	North-West University
PAJA:	Promotion of Administrative Justice Act (3 of 2000)
PESTEL	Political, Economic, Social, Technology, Environment and Legal
PFMA:	Public Finance Management Act (29 of 1999)
PIVOTAL:	Professional, Vocational, Technical and Academic Learning
PM&E:	Performance Monitoring and Evaluation
PRASA:	Passenger Rail Agency South Africa
PSET:	Post School Education and Training
PTWU:	Professional Transport Workers Union
QAS:	Qualification Assessment Specifications
QCTO:	Quality Council for Trades and Occupations
RFA:	Road Freight Association
RPL:	Recognition of Prior Learning
RRA:	Railroad Association
RSR:	Rail Safety Regulator
SAAFF:	South African Association of Freight Forwarders
SAASOA:	South African Associations of Ship Operators and Agents
SABEA:	South African Bus Employers Association
SABOA:	Southern African Bus Operators Association
SACAA:	South African Civil Aviation Authority
SACCA:	South African Cabin Crew Association
SACCAWU:	South African Commercial, Catering and Allied Workers Union

SAEPA:	South African Express Parcel Association
SADSTIA:	South African Deep Sea Trawling Industry Association
SAIMI:	South African International Maritime Institute
SAMBF:	South African Maritime Business Forum
SAMSA:	South African Maritime and Safety Authority
SAMTRA:	South African Maritime Training Academy
SANSBOC:	South African National Small Bus Operators Council
SANTACO:	South African National Taxi Council
SAQA:	South African Qualifications Authority
SARS:	South African Revenue Service
SATA:	South African Tuna Association
SATAWU:	South African Transport and Allied Workers Union
SCM:	Supply Chain Management
SD&LP:	Skills Development and Learning Programmes
SDA:	Skills Development Act (97 of 1998)
SDF:	Skills Development Facilitator
SDLA:	Skills Development Levies Act (9 of 1999)
SETA:	Sector Education and Training Authority
SIC:	Standard Industrial Classification
SIPs:	Strategic Infrastructure Projects
SLA:	Service-Level Agreement
SLP:	Short Learning Programme
SMME:	Small, Micro and Medium Enteprises
SSP:	Sector Skills Plan
TAWUSA:	Transport and Allied Workers Union of South Africa
TETA:	Transport Education and Training Authority
TLEA:	Transport and Logistics Employers Association
TOWU:	Transport and Omnibus Workers Union
TVET:	Technical and Vocational Education and Training
UASA:	United Association of South Africa
UIF:	Unemployment Insurance Fund
UNTU:	United National Transport Union
UTATU:	United Transport and Allied Trade Unions
WIL:	Work Integrated Learning
WMU:	World Maritime University
WSP:	Workplace Skills Plan

About this **Report**

This report documents activities undertaken by the Transport Education and Training Authority (TETA) during the 2024/25 financial year. It seeks to advance the objectives of the National Skills Development Plan (NSDP) 2030, through innovation, commitment, and strategic implementation. Learning programmes were implemented in accordance with the TETA strategic plan, which guides the organisation on specific action plans to achieve long-term impact. The report adheres to legislative requirements and integrates governance with financial performance in accordance with the King IV Code on Corporate Governance for South Africa. Act 97 of 1998 (SDA) responsible for skills development in the transport sector.

About **TETA**

TETA is a Sector Education and Training Authority (SETA) established in terms of the Skills Development Act 97 of 1998 (SDA) responsible for skills development in the transport sector.

TETA's Primary Functions

- To develop a sector skills plan (SSP)
- To facilitate the development, registration, and implementation of learnerships, skills programmes and strategic initiatives
- To approve workplace skills plans (WSPs)
- To disburse grants to stakeholders
- To conduct quality assurance on education and training that falls within the sector's scope.

Eight **TETA Subsectors**

The transport sector is demarcated into eight subsectors, each falling under the relevant chamber's responsibility, namely:

Aerospace Chamber

Rail Chamber

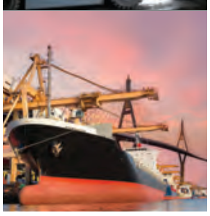
Forwarding and Clearing Chamber

Road Freight Chamber

Freight Handling Chamber

Road Passenger Chamber

Maritime Chamber



Taxi Chamber

Driven by Vision

ACCOUNTING AUTHORITY'S OVERVIEW

It is with great pride that I present the foreword for the annual report of the Transport Education and Training Authority (TETA) for the financial year 2024/25. Over 2024/25 financial year, TETA continued to make significant strides in enhancing the skills and capabilities of the South African transport sector. Our commitment to fostering a culture of learning and development has remained steadfast, and we are pleased to share our challenges, progress and achievements with our stakeholders.

High-Level Overview of the Public Entity's Strategy and Performance

TETA's strategy in the year ending in 31 March 2025 was anchored by the dictates of the National Development Plan 2030, the National Skills Development Plan, and other national imperatives such as the implementation of the District Development Model (DDM), Economic Reconstruction and Recovery Plan (ERRP). Stakeholder Engagement, Innovation and Research, coupled with Operational Excellence became the cornerstones through which the SETA delivered its mandate. Although the performance declined by 1% compared to the previous year, our performance continued to remain at 90%.

TETA strives to improve the organisation's outcome in order to revert back to its usual unqualified financial audits.

Strategic Relationships

Strategic relationships remain at the core of our operations. We have strengthened our partnerships with various stakeholders, including industry players, academic institutions, and government agencies. The increased focus in strategic partnerships with the TVET colleges has been a remarkable development which saw a number of TVET colleges signing MoUs with TETA and some launching infrastructure support received from the SETA. These partnerships with TVET colleges have expanded, leading to the introduction of new, industry-relevant programmes while serving the communities with high quality training equipment.

Challenges Faced by the Board

TETA has shown a decline in its overall internal controls, but the interim board has identified the need for further enhancement by strengthening both the internal audit function and the independent audit risk function. The board believes this will help ensure improved audit outcome.

The Strategic Focus Over the Medium to Long Term Period

Looking ahead and guided by the priorities of the GNU, our strategic focus continues to contribute towards the reduction of poverty, the reduction of unemployment levels as well as the reduction of inequalities. Our contribution was done within the scope of our mandate. To that effect, the board dentified five (5) prioritised outcomes that TETA will focus on during the 2026-2030 strategy.

Acknowledgements / Appreciation

I would like to extend my deepest gratitude to our outgoing Board members for their unwavering dedication and strategic guidance. My appreciation also goes to the executive management team and all staff of TETA, whose hard work and commitment have been instrumental in our success. To our partners and stakeholders, your collaboration and support have been invaluable, and we look forward to continuing our work together. Finally, I would like to thank beneficiaries of our programmes who inspire us every day with their determination and enthusiasm.

Mrs Maphefo Anno-Frempong
Signed on behalf of the Accounting Authority

My appreciation also goes to the executive management team and all staff of TETA, whose hard work and commitment have been instrumental in our success.

CHIEF EXECUTIVE OFFICER'S OVERVIEW

Overview of the SETA Performance with Highlights

The 2024/25 financial year marked the culmination of TETA's 2020–2025 Strategic Plan period, a journey characterised by resilience, innovation, and a commitment to transforming skills development within the transport sector. Despite a challenging macroeconomic environment and qualified audits outcome arising from completeness of expenditure and payables, TETA achieved substantial progress across key institutional outcomes. Our performance underscores the pivotal role we continue to play in building a globally competitive and future-ready transport workforce, with a final performance achievement of 90% compared to 91% in 2023/24.

General Performance Overview

In 2024/25, TETA approved 1 343 mandatory grant applications, disbursed R270 million in discretionary grants, and funded 351 unemployed bursaries. Notably, learning programme completions exceeded targets, with highlights including 1 667 unemployed learners completing skills programmes and 491 graduates placed on internships. The year also saw increased sector engagement, evidenced by 15 provincial stakeholder sessions, 48 rural career exhibitions, and over 33 million social media reach.

TETA's collaboration with TVET colleges, Higher Education Institutions, and industry partners accelerated workplace integration initiatives, supported 7 tripartite partnerships, and facilitated research that informed the 2025–2030 Sector Skills Plan.

Impact of a Slow-Growing Economy

The broader economic environment remained subdued, with national GDP contracting by -0.1% in Q1 2024 and unemployment rising to 32.9%. The transport sector itself recorded -0.5% GDP growth, but employment paradoxically increased to 1 062 million, reflecting e-commerce-driven demand and growth in road freight. Subsectoral disparities persisted: aerospace, rail, and passenger transport lagged behind pre-pandemic levels, while forwarding, freight handling, and road freight rebounded.

These economic pressures influenced levy income, which grew modestly from R1.94 billion (2023/24) to R1.98 billion, underscoring the importance of revenue diversification through co-funding partnerships (e.g., BankSETA and NYDA).

Strategic Partnerships and Collaborations

Partnerships were a cornerstone of 2024/25 achievements. TETA established high-impact collaborations including:

- NRF-CSIR tripartite agreement on New Energy Vehicles (NEVs) and skills for the green transport economy.
- Stellenbosch University EV Training Platform to provide practical electric vehicle servicing skills.
- Chinese CCIEEC exchange programme with 100

TVET learners in EV training.
- Co-funded initiatives such as the BankSETA motorbike delivery entrepreneurship project supporting 1 200 youth, aligning skills with emerging logistics trends.

Performance Output

Performance achievements include:
- 108% of occupations in high demand produced (247 vs 229 target).
- 172% increase in access to occupational programmes (26 923 beneficiaries).
- 432% over-achievement in entrepreneurship training (851 vs 50 target).

However, gaps in occupational qualifications completions (e.g., ARPL and AET delays) highlight areas for systemic improvement, particularly where QCTO backlogs impeded training providers.

ICT System – Change Management

A critical milestone was the rollout of TETA's Integrated MIS and ERP, enabling streamlined project monitoring, performance tracking, and financial oversight. The adoption of a digital learner management platform reduced manual inefficiencies and aligned with the Fourth Industrial Revolution (4IR) skills imperative.

TETA's Contribution to National Initiatives

TETA remained a key driver of NSDP 2030 priorities and ERRP interventions, including:
- Expansion of the Last-Mile Delivery Project, linking motorbike licence training to e-commerce logistics.
- Supporting Just Transition skills through smart shipping and green mobility short learning programmes.
- Partnering with adopted schools to provide over 1 500 Grade 12 learners with tablets for digital learning.

Risk Management Framework

Risk governance was robust, with quarterly updates to the Enterprise Risk Register presented to the Audit and Risk Committee. Mitigation efforts included tighter financial controls to address audit findings, ICT security upgrades, and enhanced contract management. Despite progress, the qualified audit opinion for 2024/25 highlights the imperative for rigorous expenditure monitoring.

Research and Knowledge Management

Research outputs included:
- 7 sectoral studies (e.g., 4IR's impact on transport, green skills readiness).
- 2 tracer studies evaluating leadership development and entrepreneurship programme outcomes.
- Launch of the Smart Shipping Short Course training 95 professionals in IoT and AI-driven maritime logistics.
- The approved 2025–2030 SSP positions TETA to anticipate future skills shifts, including AI, EV technology, and supply chain resilience.

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Key Highlights
- Issued learner statements of results: 300% of the target.
- External moderations: 359 (159 above target).
- R32.3 million AVE in social media presence, reaching 33 million users.
- 82% completion rate in workplace-integrated learning programmes, improving graduate employability.

Capacity Constraints and Challengestrends:

Persistent constraints included:
- High dependence on SMMEs (89% of employers) with low WSP/ATR compliance (11%).
- TVET college participation gaps due to capacity and awareness limitations.
- QCTO accreditation backlogs delaying occupational qualification rollouts.
- Infrastructure bottlenecks (e.g. rail vandalism, port congestion) limiting industry growth and skills absorption.

Discontinued Activities

No programmes were discontinued; however, legacy qualifications were phased out on 30 June 2024, necessitating alignment to QCTO occupational standards

General Financial Review

The entity is primarily funded from skills development levies, which is constituted of the eighty percent (80%) that registered companies paid to the SARS as the legislated one percent (1%) of the total payroll cost. The funds are mainly directed towards mandatory grants, discretionary grants, and administration fees, which is limited to 10.5% of the levy income.

TETA has over the financial year exercised prudent financial management to ensure that funda are directed towards meeting the strategic and operational objectives of the entity.

The following are the trends on revenue:

- Total income grew from R1,018 million in the previous financial year to R1,070 million, constituting a six percent (5%) growth.
- Skills development levy income increased from R908 million in the previous financial year to R962 million, which is driven stability in the number of levy paying companies.
- Skills development levy income for discretionary grants for the period under review was R595,2 million while the income for mandatory grants recorded an amount of R240,5 million. Skills development levy income related to the funding of administration expenditure was R126,2 million.
- Investment income increased by two percent (2%) from R84,1 million to R85,4 million.

Spending Trends

TETA spend strives to direct its spending in line with the legislative framework, which stipulate the thresholds for utilization of funds toward mandatory grants, discretionary grants and administrative expenditure. To that extent, TETA spending is aligned to its strategic priority, which is the implementation of skills development and training initiatives in the transport sector. A significant portion of the budget has been allocated discretionary grants projects, focusing on pivotal and non-pivotal programmes, which include learnerships, bursaries, internships and other key training interventions.

Measures have been put in place to manage the administration expenditure to be within the threshold, amid the increasing high cost of doing business.

The following are the highlights on expenditure trends:

- Mandatory grants expenditure increased by twelve percent (11%) from R179,5 million in the previous financial year to R199,5 million. This represent an increase in the number of stakeholder participation on the WSP/ATR processes.
- Discretionary increased from R592,3 million in the previous financial year to R741,7 million, constituting a 25% increase. This is attributable to the improve rate of project execution and accounting for expenses when the service is rendered.
- Administration expenditure increase to R143,7 million in 2024/2025, from R142,3 million in the previous financial year, which is a marginal increase of one percent (1%). TETA applied for and obtained approval to exceed the legislated cost limit of 10,5% in line with the SETA Grant Regulations, and administration costs are within the approved limit.

Request for rollover of funds

TETA had accumulated surplus find of R942 million for the year ended March 2024, of which approval for in its retention was granted by National Treasury. The surplus funds are primarily for the continued execution and implementation of projects as TETA apply a multi-year funding for its projects. A cash surplus of R865,3 million was recorded for the period, of which R735,7 million of it related to funds committed and/or contracted discretionary grants projects. The application for the retention of the surplus funds for the year under review has been submitted to the National Treasury and the Department of Higher Education and Training.

Supply Chain Management

TETA continues to strengthen its supply chain management processes to ensure adherence to prescripts and enhanced transparency, cost effectiveness, competitiveness, equity and efficiency. The Supply Chain Management policy was reviewed and updated to align with the latest instruction notes and workshops were conducted to create compliance awareness to staff.

SCM Processes and Systems

TETA maintain a robust SCM process and systems, which include an automated procurement system, vendor management process and internal audits activities to ensure compliance with SCM prescripts. SCM process and procedures are tailormade to minimise risk of non-compliance while enhancing operational efficiency. The entity will continue to implement improvement plans to address audit findings which have been noted in this area.

Audit Report Matters in the previous year and how they will be addressed

TETA received qualified audit outcomes for the 2022/23, 2023/24 and 2024/25 financial years on annual financial statements. In the audit of predetermined objectives for 2023/24 no material mistatements were identified, however in 2024/25 material misstatements were identified by the AGSA. Desides the audit outcomes, areas of improvement were identified in both financial reporting and compliance, which are impacted by project management processes. A detailed root cause analysis was undertaken, and measures were identified for implementation to address identified weaknesses in the operating environment. Measures were implemented which included a detailed line-by-line assessment of all the discretionary grants transactions recorded in the two previous financial years, to correct prior year errors in line with the date of services rendered. Management was of the view that corrective measures were adequately implemented, however the audit team raised findings which impacted negatively on the audit outcome of the current year. In this regard, audit matters were escalated for resolution in line with established protocol of the Office of the Audit General.

Management is committed to resolving the negative audit outcomes through implementation of robust internal controls, including automating business processes to ensure seamless integration between business operations and financial management and to eliminate manual submission by training providers.

Events after the reporting date

Post the reporting date, the Executive Authority, in consultation with the Minister of Finance, appointed the Chief Executive Officer as an Accounting Authority in line with Section 49 of the Public Finance Management Act. This is was due to the expiration of the term of office for the Board members. The terms of office for the Board ended 0n 31 March 2025.

New members of the Audit and Committee were also appointed effective form May 2025 as the term the term of the Audit Committee members has also expired in March 2025.

New or Proposed Key Activities

Looking ahead, TETA will:

- Roll out EV and NEV skills platforms nationwide.
- Launch integrated occupational qualification pathways.
- Expand rural development interventions to improve inclusivity in underserved regions.

Events After the Reporting Date

Post-year developments include implementation of the 2025–2030 Strategic Plan.

Economic Viability

With R1.07 billion revenue collected and a stable surplus, TETA remains financially viable. Co-funding strategies and revenue diversification will remain critical to offsetting levy volatility.

Acknowledgements/Appreciation

I extend sincere gratitude to the Office of the Auditor-General for its guidance and oversight in strengthening governance. My appreciation goes to TETA's outgoing Accounting Authority, executives, staff, stakeholders, and partners whose dedication ensures our mandate continues to transform the transport sector.

Mrs Maphefo Anno-Frempong
TETA Chief Executive Officer

> ***We extend our sincere appreciation to the TETA outgoing Board, management team, and staff for their dedication and hard work. Special thanks to our stakeholders, including industry partners, government bodies, and training providers, for their unwavering support and collaboration.***

Statement of Responsibility and Confirmation of Accuracy for the Annual Report

To the best of my knowledge and belief, I confirm the following:
All information and amounts disclosed in the annual report is consistent with the annual financial statements audited by AGSA.

The annual report is complete, accurate and is free from any omissions.
The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

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

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

The Accounting Authority is responsible for establishing and implementing a system of internal control has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements. In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2025.

Yours faithfully

Mrs Maphefo Anno-Frempong
TETA Chief Executive Officer
Date: 30 September 2025

Mrs Maphefo Anno-Frempong
Signed on behalf of the Accounting Authority
Date: 30 September 2025

Transport Education Training Authority
Driven by Vision

higher education & training
Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

1. Strategic **Overview**

PHILOSOPHY STATEMENT

Enhancing economic development and financial sustainability through globally aligned skills development, rural development, industry transformation, strategic partnerships, research and innovation

VISION STATEMENT

Global leader in transport skills innovation

MISSION STATEMENT

Enhancing transport skills through strategic collaborations for sustainable inclusive economic growth

VALUES

- Trust
- Respect
- Responsibility
- Accountability
- Positive attitude
- Commitment

PROGRAMMES ALIGNMENT TO NATIONAL IMPERATIVES

Strategic Goals	Interventions
Administrative support services	• Contract support services • Administration services
Skills planning and research	• Industry labour research • Impact studies • Sector skills planning • Research chair/collaborations • Research on the impact of 4th industrial revolution
Access to occupationally directed programmes	• Bursaries • Apprenticeships • Skills programmes • Learnerships • Internships/work experience • Small business support
Strengthening quality assurance systems	• Technical and Vocational Education and Training/ Community Education and Training (TVET/CET) training equipment • TVET and CET support • Assessor and moderator training • Accreditation

National Imperatives

NDP	MTSF	NSDP	ERRP	Nine-Point Plan	SIPs	SONA February 2024	ERRP SS	JET IP

2. Legislative and **Other Mandates**

TETA is a schedule 3A, Public Entity as per the Public Finance Management Act (29 of 1999) (PFMA) and was established in terms of the Skills Development Act (97 of 1998) (SDA) and is mandated to:

- Facilitate equitable skills development in the transport sector to cultivate empowered workers;
- Ensure access to training, education, and work placement opportunities for graduates and the unemployed;
- Align skills development initiatives to emergent needs and national imperatives;
- Facilitate workplace learning and partnerships between employers and educational institutions;
- Collaborate with and support Technical and Vocational Education and Training (TVET) capacitation;
- Collaborate with Higher Education Institutions (HEIs); and
- Implement training on road safety to alleviate road carnage.

2.1 Legislative Mandates

2.1.1 Constitutional Mandate

The sections within the Constitution of the Republic of South Africa (No. 108 of 1996) that guide the operations of the Transport SETA include the following:

- Promoting and maintaining high standards of ethics;
- Providing service impartially, fairly, equitably and without bias;
- Utilising resources efficiently and effectively;
- Responding to people's needs – the citizens are encouraged to participate in policymaking; and
- Rendering an accountable, transparent and development-oriented administration.

2.1.2 Updates to Institutional Policies and Strategies

Constitutional

- The Constitution of the Republic of South Africa (No. 108 of 1996), section 29(1)
- National Development Plan 2030
  - National Skills Development Plan 2030
  - New Growth Path

Substantive

- Skills Development Act (No. 97 of 1998)

Financial

- Skills Development Levies Act (No. 9 of 1999)
  - Grant Regulations No. 35940 of December 2012
- Public Finance Management Act (No. 1 of 1999)
  - National Treasury Regulation
- Income Tax Act (No. 58 of 1962)

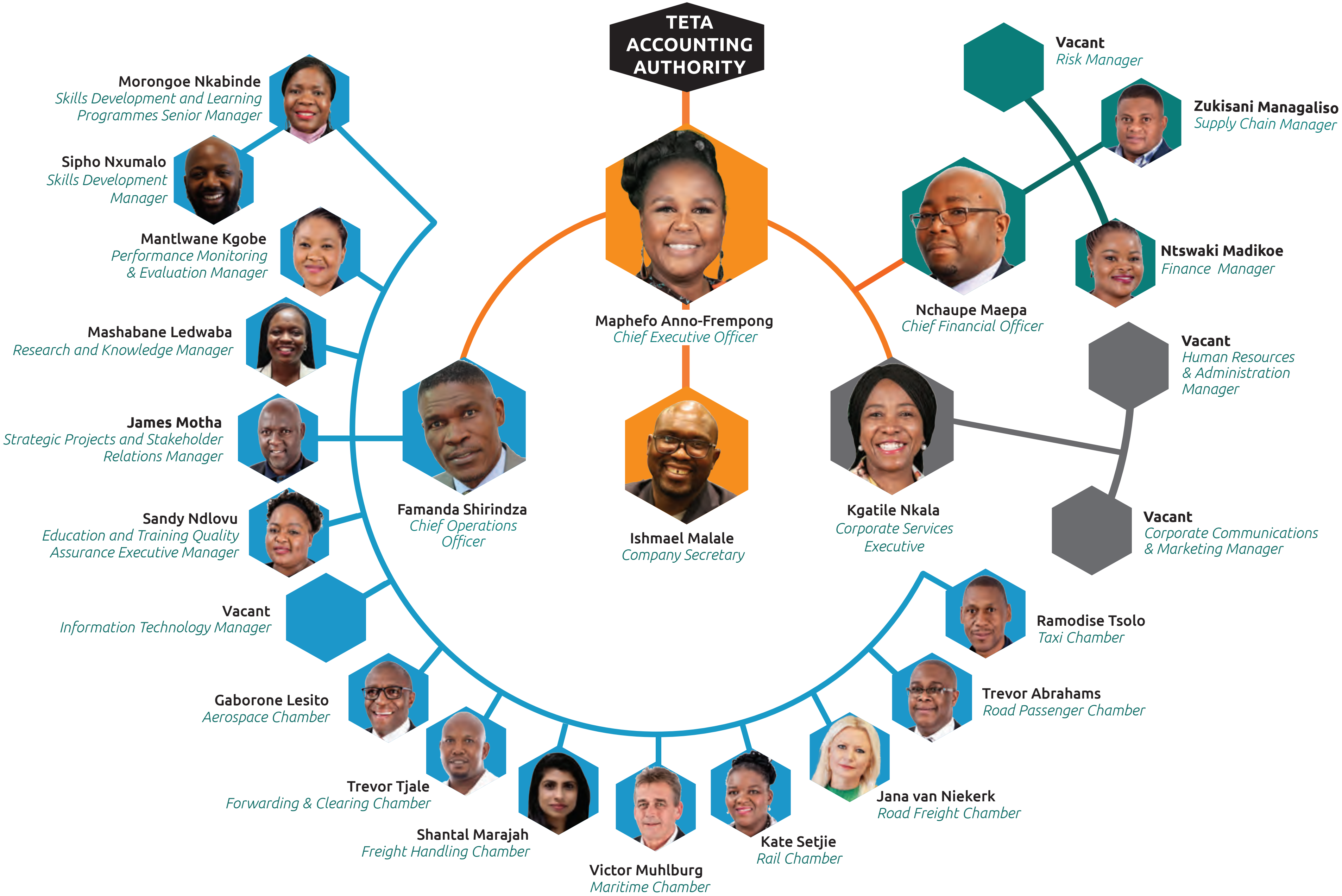
Supporting

The list below is not exhaustive:

- National Qualifications Framework Act (No. 67 of 2008)
- Higher Education Act (No. 101 of 1997)
- Further Education and Training Act (No. 98 of 1998)
- White Paper for Post-School Education and Training
- Labour Relations Act (No. 66 of 1995)
- Employment Equity Act (No. 55 of 1998)
- Broad-Based Black Economic Empowerment Act (No. 53 of 2003)
- Promotion of Access to Information Act (No. 2 of 2000)
- The Promotion of Administrative Justice Act (No. 3 of 2000)
- Protection of Personal Information Act (No. 4 of 2013)
- Disaster Management Act; 2002 Act (No. 57 of 2002)
- Administrative Adjudication of Road Traffic Offences (AARTO)
- Corporate Governance of Information and Communication Technology Policy Framework (CGICTPF)
- Economic Recovery and Reconstruction Plan (ERRP)

Other Frameworks

- National Transport Master Plan 2050
- Human Resources Development Strategy of South Africa
- Medium-Term Strategic Framework (MTSF)
- Industrial Policy Action Plan (IPAP)
- National Skills Accord
- Strategic Integrated Projects
- National Digital Future Skills Strategy
- Job Summit Framework Agreement 2018
- Framework for Strategic Plans and Annual Performance Plans
- Framework for Managing Programme Performance Information
- Presidential Youth Employment Initiative (PYEI)


TETA ACCOUNTING AUTHORITY
Maphefo Anno-Frempong
Chief Executive Officer
Ishmael Malale
Company Secretary
Famanda Shirindza
Chief Operations Officer
Kgatile Nkala
Corporate Services Executive
Nchaupe Maepa
Chief Financial Officer
Vacant
Risk Manager
Zukisani Managaliso
Supply Chain Manager
Ntswaki Madikoe
Finance Manager
Vacant
Human Resources & Administration Manager
Vacant
Corporate Communications & Marketing Manager
Morongoe Nkabinde
Skills Development and Learning Programmes Senior Manager
Sipho Nxumalo
Skills Development Manager
Mantlwane Kgobe
Performance Monitoring & Evaluation Manager
Mashabane Ledwaba
Research and Knowledge Manager
James Motha
Strategic Projects and Stakeholder Relations Manager
Sandy Ndlovu
Education and Training Quality Assurance Executive Manager
Vacant
Information Technology Manager
Gaborone Lesito
Aerospace Chamber
Trevor Tjale
Forwarding & Clearing Chamber
Shantal Marajah
Freight Handling Chamber
Victor Muhlburg
Maritime Chamber
Kate Setjie
Rail Chamber
Jana van Niekerk
Road Freight Chamber
Trevor Abrahams
Road Passenger Chamber
Ramodise Tsolo
Taxi Chamber

PART B

Performance Information

Driven by Vision

1. Auditor's **Report: Annual Performance**

The AGSA performed 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 110 of the Report of the Auditors, published as Part F: Financial Information.

2. Overview of **TETA Performance**

2.1 Service Delivery Environment

2.1.1 Environmental Analysis

During the 2024/25 financial year, TETA operated within a complex and rapidly evolving external environment influenced by a combination of political, economic, social, technological, environmental, and legal (PESTEL) factors. These external conditions played a significant role in shaping the context within which TETA implemented its Strategic Plan and Annual Performance Plan. To provide a comprehensive overview of this environment, TETA undertook a PESTEL analysis to identify key external trends and risks that could impact its ability to deliver on its mandate.

Table 1: External factors that have a bearing on the effective delivery of skills development (PESTEL)

Political	Economic	Socio-cultural and Ethical
• New government mandates affecting targets • Possible reconfiguration of SETAs • Labour policies • Changes in government structure and leadership • Trade agreements • Geopolitical tensions impacting mandate execution • Reconfiguration of transport entities • Transport sector transformation	• High inflation impacting operational costs • Closure of companies and training centres • Increased competition and barriers to entry • Unstable global economy • Budget constraints despite expanded mandate • High unemployment • Energy shortages • Supply chain disruptions • Financial distress in SOEs	• Prevalence of pandemics • Conflict of interest concerns • Urban-rural development disparities • Labour unrest and protests • Vandalism of transport infrastructure • Transport industry disputes and road fatalities • Substance abuse and mental health concerns • Low matric pass rate and weak foundational skills • Lack of workplace skills transfer and entrepreneurship • Fraud and corruption
Technology and Information	**Environmental (Natural)**	**Legal and Regulatory**
• Autonomous and electric vehicles transforming training • Telematics, IoT, and smart infrastructure • Blockchain and AI adoption • Increased cybersecurity and green tech training needs	• Growth of green transport economy • Shift to hybrid transport modes • Climate change impacts on infrastructure and operations	• Legal and policy amendments requiring operational shifts • Regulation for green economy and emerging technologies

2.1.2 Overall Performance Overview

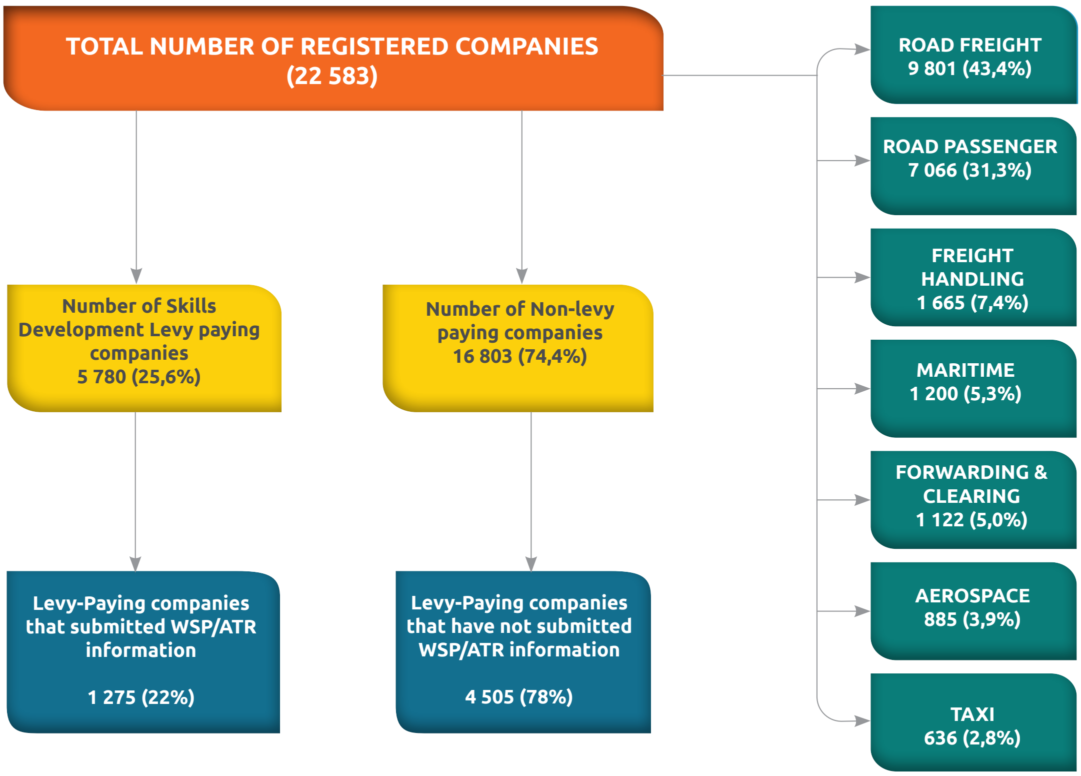
Despite the challenges posed by the external environment, TETA remained committed to its mandate of facilitating skills development in the transport sector. Notable achievements during the year included the awarding and management of discretionary grants to the value of R270m, the approval of 1343 mandatory grants applications.

2.1.3 Employer Profile

According to the SARS levy file of March 2025, the transport sector comprises 22 583 registered companies. Of these, 5 780 companies pay the skills development levy, while 16 803 are non-levy paying employers. Notably, about 98% of these non-levy paying companies are SMMEs, which suggests they are exempted from paying the levy in terms of the Skills Development Levies Act, 1999 (Act No. 9 of 1999). By 30 April 2025, only 1 275 companies had submitted WSP/ATR information, representing just 22.0% of the levy-paying companies.

The largest number of companies are in the Road Freight subsector, which accounts for 43.4% (9 801) of the sector. This is followed by Road Passenger at 31.3% (7 066). Freight Handling is the third largest subsector, comprising 7.4% (1 665) of all companies. The smallest subsectors are Taxi (2.8% or 636) and Rail (0.8% or 177). The figure below illustrates the distribution of companies across the sector and its subsectors.

Figure 1: Number of companies represented in the sector and its subsectors.



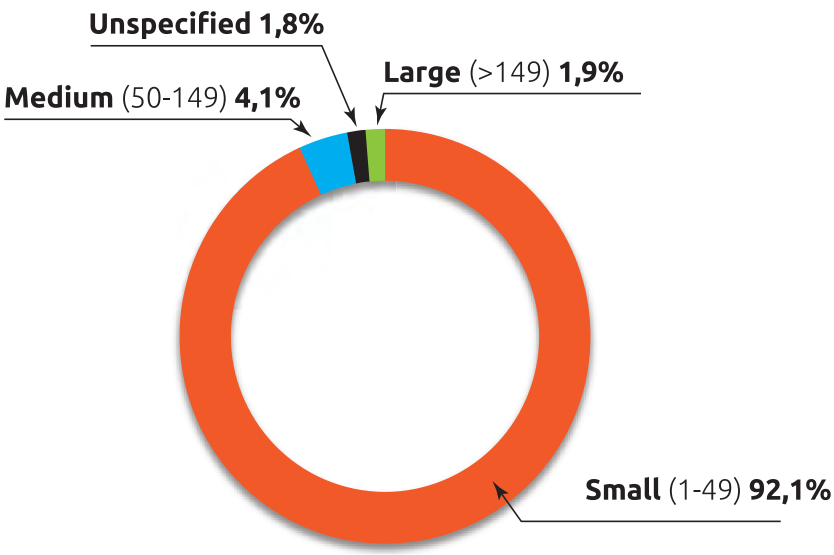
Source: Data summarised from SARS Levy File (2025) and WSP/ATR data (April 2025)

2.1.4 Transport sector employer sizes

Understanding the distribution of Transport Sector employers by company size is essential, as it influences the sector's capacity for skills development, employment creation, and the implementation of targeted support interventions.

The sector is overwhelmingly dominated by small enterprises: those with 1–49 employees make up 92.1% (20 801) of all employers. Medium-sized companies (50–149 employees) account for 4.1% (933), while large enterprises (>149 employees) comprise only 1.9% (432). For 1.8% of the registered companies, company size data is not specified in the SARS levy file. The chart below illustrates this distribution.

Figure 2: Transport sector companies by size



Source: Data summarised from SARS Levies File (2025)

2.1.4 Employers geographical spread

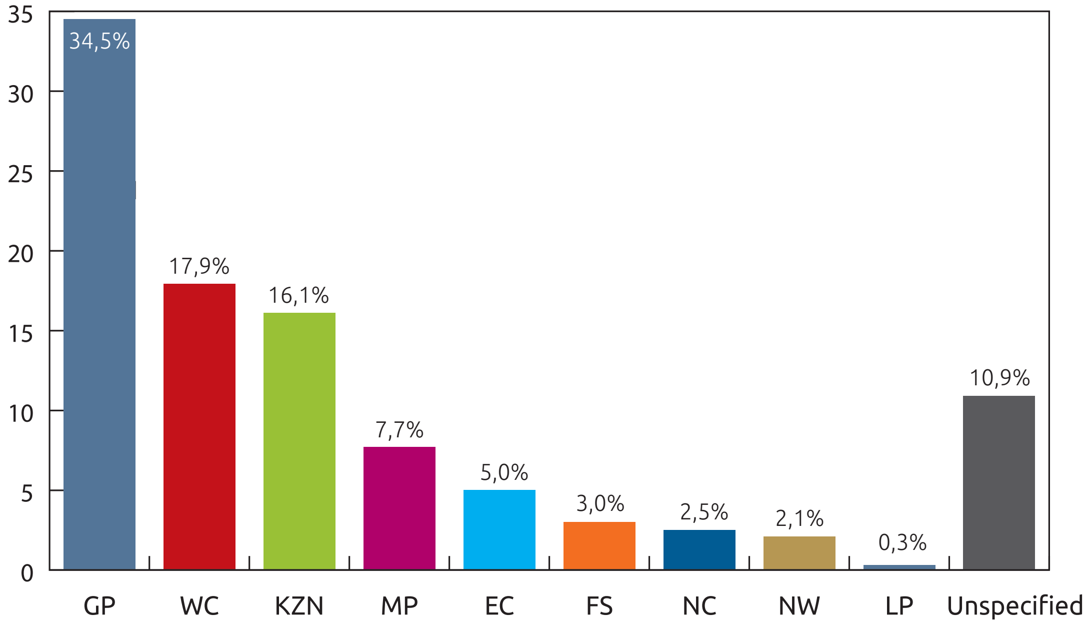
The geographic distribution of Transport Sector employers, based on SARS levy file of March 2025, highlights a strong concentration in economically active provinces. Gauteng accounts for the largest share, with 34.5% of employers (7 795), followed by the Western Cape at 17.9% (4 051) and KwaZulu-Natal at 16.1% (3 644). Together, these three provinces represent more than 60% of all recorded employers in the Sector, underscoring their central role in South Africa's transport and logistics economy. Other provinces show varying levels of employer representation: Mpumalanga at 7.7% (1 733), Eastern Cape at 5.0% (1 123), Free State at 3.0% (675), Northern Cape at 2.5% (555), and North West at 2.1% (472). Limpopo shows the lowest representation with only 0.3% (77 employers), while 10,9% of the data (2 458 employers) did not specify a province.

2.1.4 Employment by Subsectors

Table 5 below shows the employee distribution from 2020 to 2024 based on data generated from the WSP/ATR. During 2020 and 2021, the largest employers were in the Road Freight, Freight Handling, and Rail subsectors. In 2022, the Road Passenger subsector became the largest employer, comprising 28,6% of the transport sector labour market. This was followed by the Rail and Road Freight subsectors, which employed 23,1% and 18,6% of the sector's employees, respectively.

There was a notable shift in employee distribution across subsectors in 2024. The majority of employees were in the Road Freight subsector, which accounted for 37,7% of the workforce. This was followed by the Rail subsector at 17,2% and the Road Passenger subsector at 10,2%. The Road Freight subsector saw a significant increase in the number of employees, rising from 87 697 in 2023 to 181 051 in 2024. The substantial growth in the Road Freight subsector is driven by the increasing demand for e-commerce, which has boosted the need for delivery services, including motorbike drivers. This trend reflects broader economic changes and consumer behaviour, resulting in more employment opportunities and a larger workforce to meet the demand for efficient and rapid delivery.

Figure 3: Geographical distribution of Transport sector companies



Source: SARS Levies File (2025)

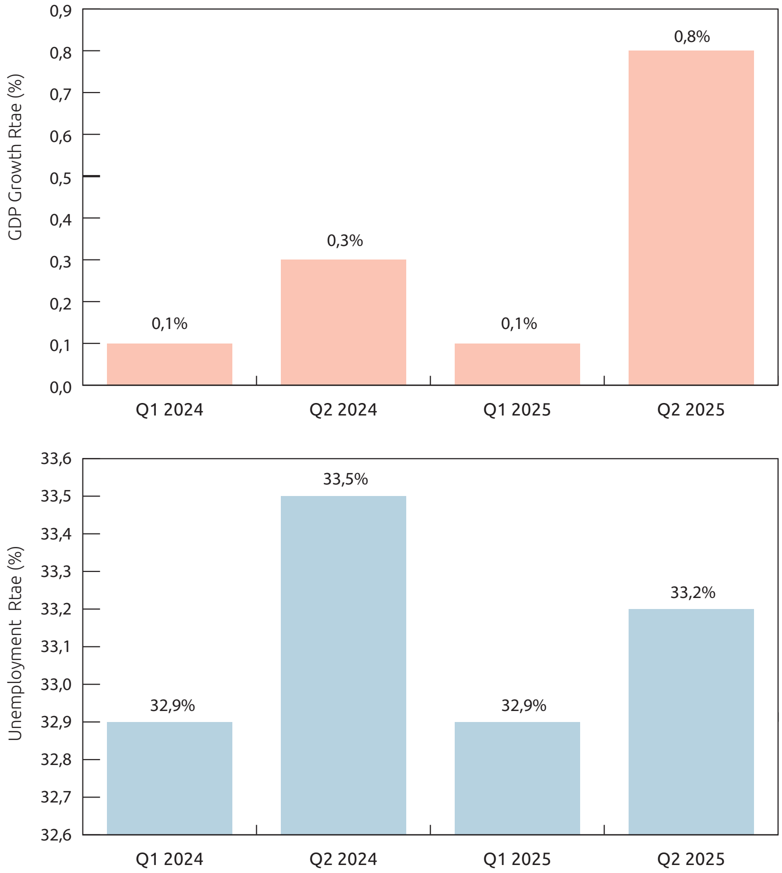
2.1.5 Economic performance of the sector in relation to the Labour market performance

South Africa's economy has remained weak but showed some signs of recovery in the first half of 2025. After recording modest growth of 0.1% in Q1 2024 and 0.3% in Q2 2024, GDP slowed again in Q1 2025 (0.1%) before strengthening to 0.8% in Q2 2025. This reflects a fragile but improving recovery trajectory.

Unemployment continues to pose a structural challenge. The official unemployment rate remained above 30% throughout the period, fluctuating between 32.9% and 33.5%. Although the rate eased slightly from Q2 2024 (33.5%) to Q1 2025 (32.9%), it rose again to 33.2% in Q2 2025, highlighting persistent labour market weaknesses.

These dynamics have direct implications for the transport sector. Weak growth constrains investment and job creation, while persistently high unemployment underscores the urgency of targeted skills development to enhance employability and sector readiness for digitalisation, automation, and the green transition.

Figure 4: South Africa's Economic Growth Rate and Unemployment Rate



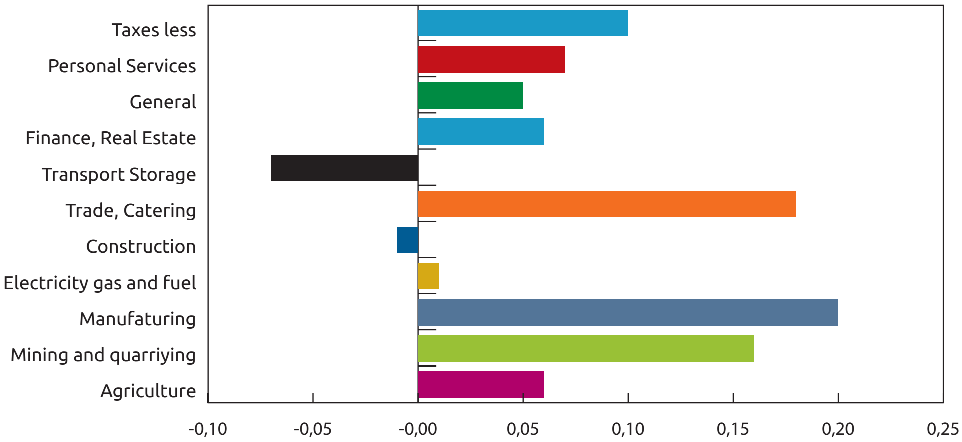
Source: Statistics South Africa, 2025

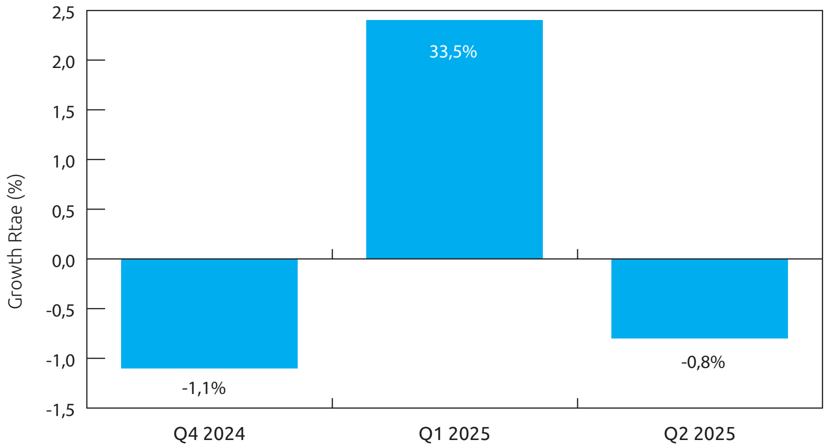
In Q2 2025, the transport, storage and communication industry contracted by 0.8%, contributing –0.1 percentage points to overall GDP growth. This decline follows a rebound of 2.4% in Q1 2025, after a contraction of 1.1% in Q4 2024, pointing to continued volatility in the sector.

The contraction in Q2 2025 was mainly driven by decreased economic activity in land transport and transport support services, which remain critical components of South Africa's logistics value chain. These weaknesses highlight the sector's vulnerability to rising operating costs and softer demand across the economy.

For TETA, this highlights the need to build sector resilience through targeted skills development. Focusing on logistics efficiency, operational management, and workforce capacity can enhance productivity and help create a more resilient transport sector in the coming quarters.

Figure 5: Contribution to growth in GDP (% points) and Sector growth rate (%)

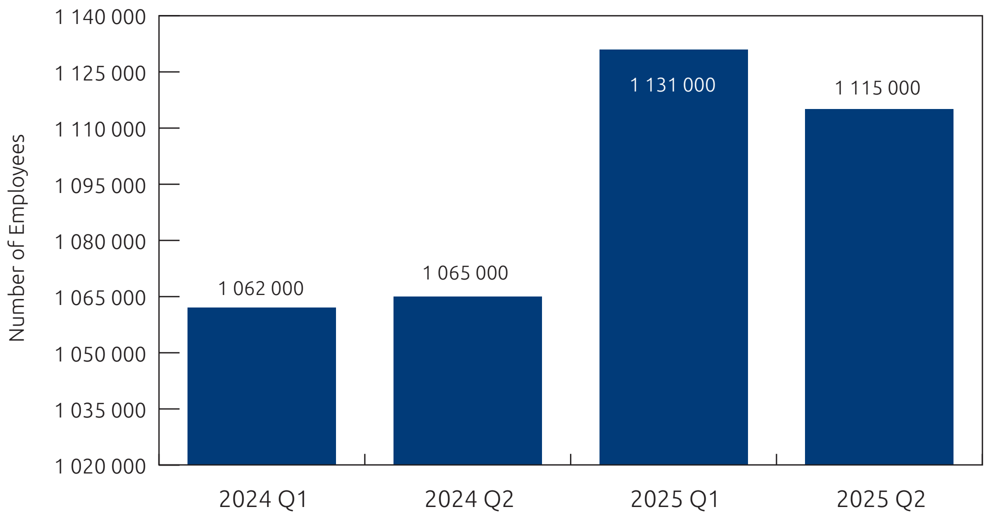




Source: Source: Statistics South Africa 2025. Gross Domestic Product 2025: Quarter 2.

Employment in the Transport Sector grew steadily from early 2024 to mid-2025. From 1 062 000 in Q1 2024, it rose slightly to 1 065 000 in Q2 2024. In Q1 2025, employment surged to 1 131 000, an annual gain of 69 000 jobs, before a slight decline to 1 115 000 in Q2 2025. Overall, these figures reflect a significant expansion in sector employment, particularly in early 2025.

Figure 6: Number of employees in the Transport sector



Source: Statistics South Africa 2025. Quarterly Labour Force Survey 2025: Quarter 2

2.1.6 Employment by Subsectors

In 2025, the Transport Sector employed a total of 316 066 workers across its subsectors. The rail subsector accounted for the largest share at 40.4% (127 832 employees), followed by road freight at 26.5%, and road passenger at 8.2%. Other notable subsectors include freight handling (7.9%) and forwarding and clearing (7.0%). Aerospace and maritime each contributed smaller shares at 6.3% and 3.5% respectively. The taxi subsector reported the fewest workers among WSP/ATR-submitting companies, at 0.2% of total employment; however, this figure does not capture the full extent of employment in the largely informal taxi industry, which operates outside formal reporting structures.

These trends point to the importance of tailoring skills development programmes to the specific needs of each subsector, ensuring training initiatives address both formal and informal employment contexts and strengthen workforce capacity across the Transport Sector.

Table 2: Employment Distribution by Transport subsectors in 2024

Subsector	Number of Employees	% of Employees
Aerospace	19 935	6,3
Forward and Clearing	22 006	7,0
Freight Handling	25 006	7,9
Maritime	11 195	3,5
Rail	127 832	40,4
Road Freight	83 611	26,5
Road Passenger	25 850	8,2
Taxi	631	0,2
Total	**316 066**	**100.0**

Source: WSP/ATR 2025

2.1.7 Employment by gender

Men continue to dominate employment in the Transport Sector. In Q2 2025, 932 000 men were employed compared to 183 000 women. While men's employment increased, women experienced declines: from Q1 to Q2 2025, women's employment fell by 40 000 jobs (-17.9%), while men's rose by 24 000 jobs (2.6%). Year-on-year, women's employment decreased by 8 000 jobs (-4.2%), whereas men's increased by 58 000 jobs (6.6%). These figures indicate that women remain underrepresented and have not shared equally in recent employment gains, while men have experienced steady growth both quarter-to-quarter and year-on-year.

These trends underscore the need to prioritise targeted skills development and support programmes that increase women's participation in the Transport Sector, helping to promote gender equity and inclusive growth.

Due to the persistently low employment rate of women in the Transport Sector, TETA commissioned a study to explore the systemic barriers hindering women's entry and advancement in leadership and technical roles within the industry. The study aims to recommend targeted skills development programmes that equip women with the technical and leadership competencies needed to succeed, ultimately promoting greater inclusion, retention, and gender equity across the Sector.

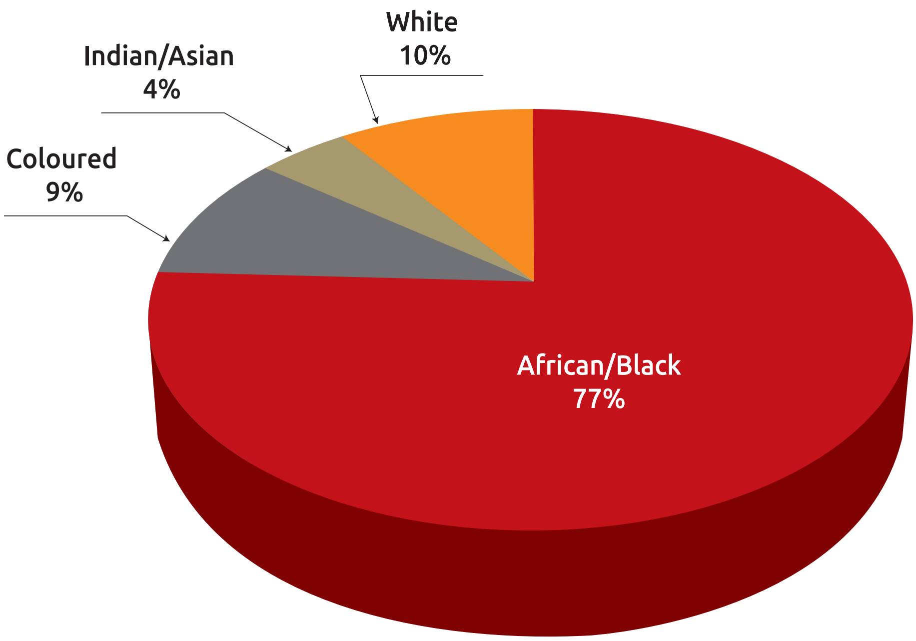
Table 3: Employment by Gender

	Apr-Jun 2024	Jan-Mar 2025	Apr-Jun 2025	Quarter-to-Quarter Change	Year-on-year Change	Quarter-to-Quarter Change	Year-on-year change
	Thousand					Percent	
Total	**1 065**	**1 131**	**1 115**	**-16**	**50**	**-1,4**	**4,7**
Women	191	223	183	-40	-8	-17,9	-4,2
Men	874	908	932	24	58	2,6	6,6

2.1.8 Employment by age

In Q2 2025, the largest share of workers in the Transport Sector fell within the 35 to 54 years age group, accounting for 58.5% of the workforce. Workers aged 34 years or younger comprised 31.9% of the sector, reflecting significant participation by younger individuals early in their careers. Those aged 55 years or older represented 9.6% of the workforce. These figures highlight the importance of providing targeted skills development programmes for both younger workers entering the sector and experienced employees, ensuring knowledge transfer, career progression, and a sustainable, skilled workforce across all age groups.

Figure 7: Employment in the Transport sector by Age Group



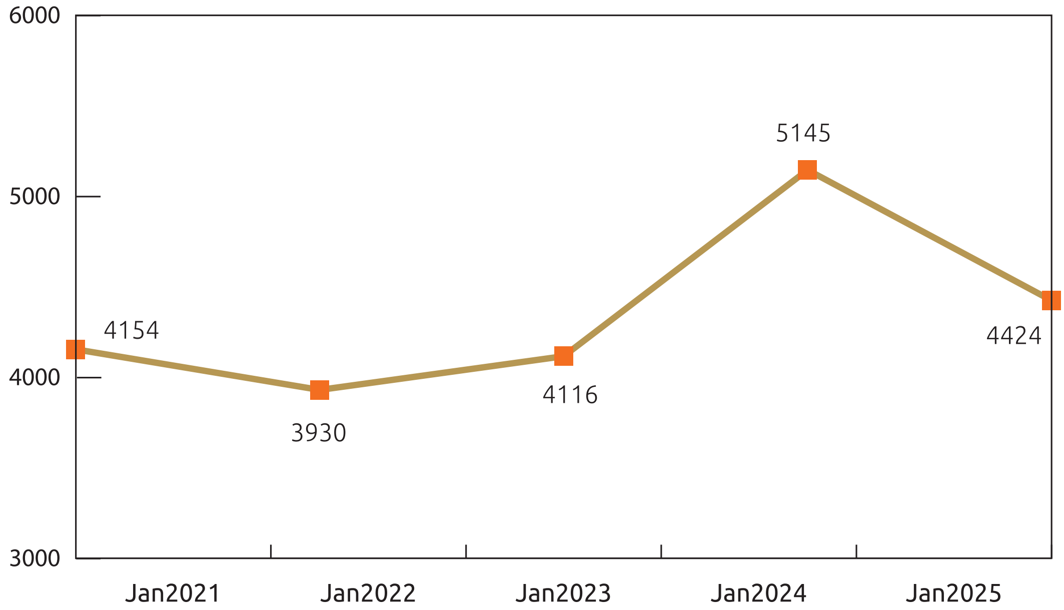
Source: Statistics South Africa 2025. Quarterly Labour Force Survey 2025: Quarter 2.

2.1.9 Employment of persons with disability

The April WSP/ATR (2025) indicates a decline in employment of persons with disabilities (PWDs) in the Transport Sector, from 5 145 in 2024 to 4 424 in 2025. This represents a persistently low share of the workforce, falling short of both the historic 2% target under the Employment Equity Act and the new 3% target mandated in April 2025. Overall representation stands at only 1.4%.

Within subsectors, rail and road freight employ the largest numbers of PWDs, yet their proportional representation remains low at 1.8% and 1.4% respectively. Other subsectors, including aerospace, maritime, road passenger, and taxi, show minimal inclusion, with the taxi subsector reporting no employees with disabilities. These figures underscore the urgent need for more inclusive skills development and employment initiatives. For TETA, this highlights the importance of targeted programmes to improve accessibility, support equitable workforce participation, and build an inclusive transport sector that better reflects the full diversity of South Africa's population.

Figure 8: Number of Persons with Disabilities employed by companies who submitted the WSP

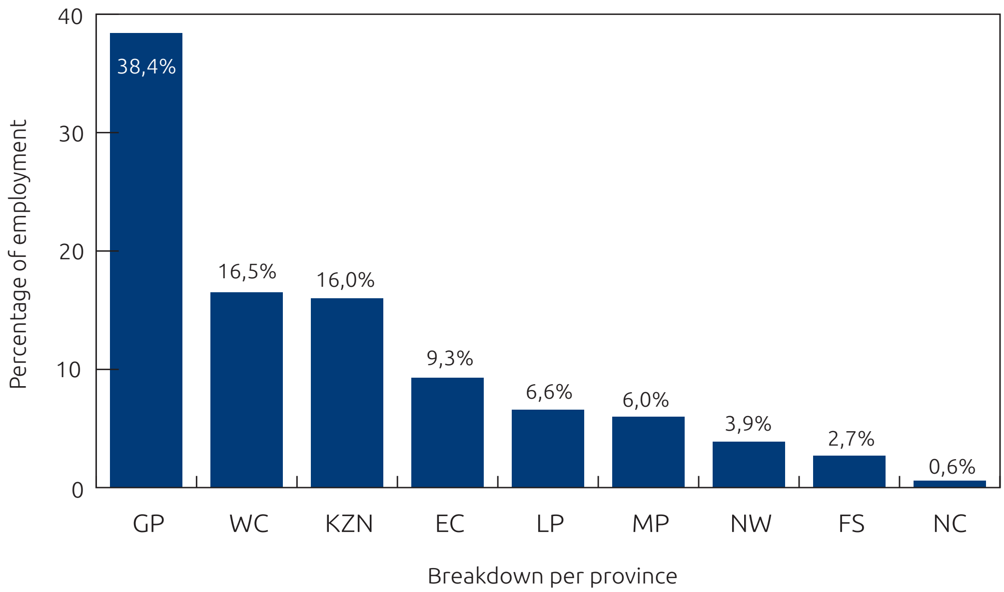


Source: WSP/ATR, April 2025

2.1.10 Provincial Distribution of Employees

The April WSP/ATR (2025) indicates a decline in employment of persons with disabilities (PWDs) in the Transport In Q2 2025, the provincial distribution of the Transport Sector workforce showed notable variation. Gauteng employed the largest share at 38.4%, followed by the Western Cape (16.5%) and KwaZulu-Natal (16.0%). The Eastern Cape accounted for 9.3%, Limpopo 6.6%, Mpumalanga 6.0%, North West 3.9%, Free State 2.7%, and the Northern Cape the smallest share at 0.6%. These patterns highlight the need for targeted skills development and training initiatives in provinces with smaller workforce representation, ensuring equitable access to opportunities and supporting balanced sector growth across the country.(8%), the Eastern Cape (6,5%), the Free State (3%), Northern Cape (2,6%), North West (2,5%) and Limpopo (1%).

Figure 9: Transport sector employment by province



Source: Statistics South Africa 2025. Quarterly Labour Force Survey 2025: Quarter 2

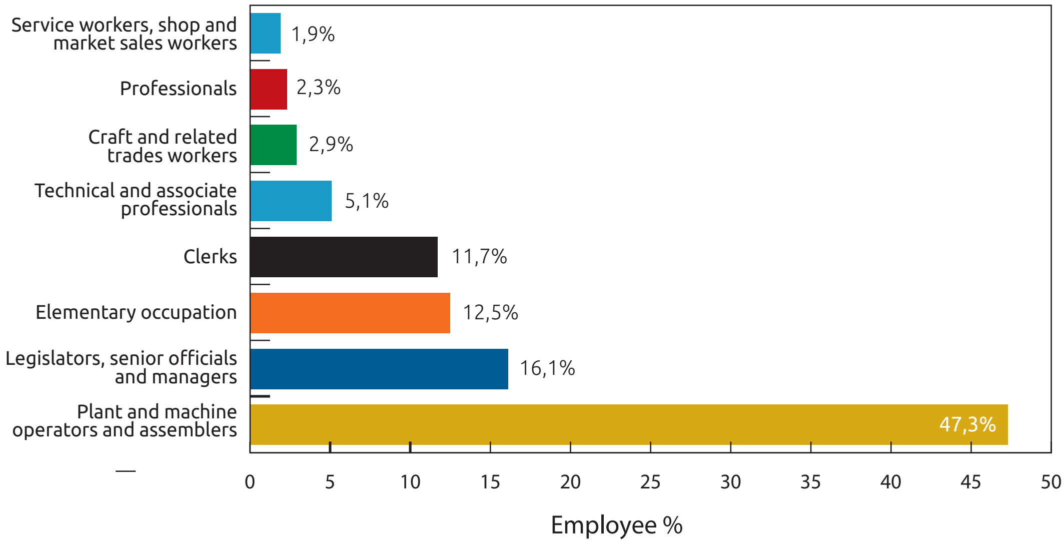
2.1.11 Employment by Occupational Group

The Transport Sector is dominated by four main occupational groups. Plant and Machine Operators and Assemblers constitute the largest group at 47.3% of the workforce. This is followed by Legislators, Senior Officials, and Managers at 16.1%, Elementary Occupations at 12.5%, and Clerks at 11.7%.

Other occupational groups have smaller representation: Technical and Associate Professionals (5.1%), Craft and Related Trades Workers (2.9%), Professionals (2.3%), and Service Workers, Shop, and Market Sales Workers (1.9%).

These figures indicate that the Transport Sector relies heavily on operational roles, while technical and professional positions form a smaller proportion of the workforce. This highlights the importance of targeted skills development programmes to enhance technical, managerial, and professional capacity alongside operational training.

Figure 10: Trends in the Number of Employees by Gender, 2020-2023



Source: Statistics South Africa 2025. Quarterly Labour Force Survey 2025: Quarter 1

2.3. Organisational environment

During the year under review, TETA experienced a stable internal environment with no significant changes in key personnel or operational disruptions. To assess its internal organisational dynamics, TETA applied the McKinsey 7s framework, which provides a comprehensive analysis of both the "hard" elements (strategy, structure, systems) and "soft" elements (shared values, style, staff, skills). This holistic diagnostic approach allowed TETA to ensure strategic alignment, enhance operational coherence, and support continuous improvement efforts.

The framework helped identify internal strengths that continue to position TETA as a capable and responsive SETA, such as strong leadership, a robust governance structure, and a culture of performance accountability. Simultaneously, it revealed areas for improvement, including the need for enhanced interdepartmental coordination and capacity building in certain operational units. These insights informed targeted interventions and ongoing strategic alignment to ensure the effective implementation of the Strategic Plan and Annual Performance Plan.

Table 4: McKinsey 7S Framework: SWOT Analysis

ELEMENT	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Strategy	• Support for SMMEs to drive growth and innovation in the transport sector. • Contribution towards socio-economic development through targeted activations and partnerships. • Responsive in implementing strategic priorities and national initiatives like Just Transition, DDM, and ERRP to ensure sector-wide impact. • Effective and responsive governance through the Accounting Authority	• Inadequate measurement of ROI • Dependency on external to implement projects/mandate • Lack of alignment with emerging trends - technological advancements or shifts in market demand. • Lacking a clear, actionable plan for execution of strategy, including defined milestones and performance metrics.	• Embracing Technological Innovations - automating business processes, using AI to enhance operational efficiency and service offerings. • Expanding market reach – strategic partnerships and revenue diversification to drive growth. • Enhancing workforce skills and investing in training and development programmes to build expertise in emerging technologies.	• Climate change affecting infrastructure (road and ports infrastructure) • Rapid technological change could outstrip TETA's ability to adapt or integrate new solutions effectively. • Regulatory changes could impose operational challenges. • Economic downturns or instability could impact funding, and overall industry demand for skills
Structure	• TETA's driven, structured stakeholder engagement process ensures alignment with sector needs and strengthens industry collaboration. • A well-defined structure with clear lines of authority and responsibility enhancing decision-making and operational efficiency. • Strong internal communication systems facilitating coordination and collaboration across different departments or teams.	• Lack of sufficient office space and parking. • Excessive layers of management approvals slowing down decision-making and reducing responsiveness. • Inadequate due diligence – procurement process raised as weakness (changes to contract management weakness) • Lack of integration between departments leading to silos, miscommunication, and inefficiencies. • Inadequate resource Allocation: resulting in other overutilisation or underutilisation of talent. • Reliance on external parties on key manadate delivery • Lack of enforcement of contract monitoring • Lack of control on quality assurance processes outside TETA	• Using the office space more effectively by introducing flexible working stations • Strengthening project Management and compliance systems • Revising the organisational structure to enhance flexibility and responsiveness • implementing cross-functional teams to drive innovation and improve problem-solving by leveraging diverse expertise. • Adopting new technologies for organisational management and communication to streamline operations and improve efficiency.	• Changes in the grant regulations impacting operations • Organisational changes or restructuring may face resistance from employees, affecting morale and productivity. • Unexpected disruptions due to integration of new systems/processes into an existing structure • Structural changes or updates might lead to increased operational costs exceeding the 10.5 administration, impacting overall financial stability.

ELEMENT	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Staffing	• Highly Committed Workforce to the organisation's core values, driving accountability, trust, and responsibility across projects. • Expertise in Transport Sector Development related training, innovation, and SMME development, supporting the strategic goals of the organisation. • Focus on Capacity Building	• High number of performance indicators resulting in stretched targets for employees • Over-reliance on interns for core business functions, leading to gaps in expertise and continuity. • Limited career progression and lack of structured training, particularly in labour relations for staff and managers. • Inflexible organisational structure reviews, causing role misalignment, overwork, and lack of agility. • Insufficient focus on capacity building and tracking diversity metrics across the organisation. • Underutilisation of the HR policy provisions.	• Attracting Top Talent: Leveraging new recruitment strategies or employer branding can attract skilled professionals, enhancing organizational capabilities. • Upskilling and Reskilling: Investing in training programs to upskill or reskill current employees helps address emerging industry needs and technological advancements. • Diversity and Inclusion: Focusing on diversity and inclusion initiatives can create a more innovative and adaptable workforce, fostering different perspectives and problem- solving approaches.	• Inability to find or retain qualified professionals, especially in specialised areas, could hinder organisational growth. • Frequent employee turnover disrupting operations, reduce morale, and increase recruitment and training costs.
Skills	• Moderate expertise, giving TETA a slight competitive edge and the ability to deliver high-quality services. • Continuous learning culture ensuring that employees stay updated with the latest industry trends and technological advancements. • Strong leadership and management skills contributing to effective decision-making, strategic direction, and employee engagement.	• Insufficient capacitation of staff members on TETA processes • Skills gaps in emerging technologies due to rapidly evolving technologies, limiting TETA's ability to innovate or compete in a changing skills development environment. • Reliance on temporary staff and interns exposes insufficient soft skills crucial to service excellence • Reliance on outdated knowledge or practices reducing TETA's ability to keep up with industry standards or technological advancements.	• Investing in digital literacy and advanced technology skills (e.g., AI, data analytics) improving efficiency to leverage technological advancements. • Building leadership skills through targeted training and mentorship programme to enhance decision- making, innovation, and adaptability to changing business environments. • Encouraging employees to acquire a broader range of skills (e.g., cross-functional capabilities) to increase flexibility, improve problem-solving, and boost overall organisational resilience.	• Changes in the grant regulations will reduce the discretionary grant allocation • Lack of accredted SDP's as a result of QCTO accreditation backlog. • Increased competition for talent resulting in delays filling critical positions or exodus of experienced staff living a knowledge vacuum for TETA.

ELEMENT	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Systems	• Tools like SharePoint and Papertrail, though underutilised, provide a foundation for improving document management and collaboration if properly leveraged. • The lack of rigid, fully integrated systems offers flexibility to adopt best-fit solutions tailored to specific organisational needs. • Current staff have familiarity with existing processes, which can ease transitions to new systems if introduced.	• Disconnected systems for learner management, project management, and performance monitoring lead to inefficiencies and difficulty in tracking TETA's progress in implementation of projects. • The reliance on manual paper based and underutilisation of tools like SharePoint and papertrail creates inconsistencies, delays, and potential data loss. • The absence of synchronised business processes results in time- consuming manual tasks, reducing overall operational efficiency. • Dependency on outsourced systems poses a risk to TETA's information integrity or availability	• Introducing integrated systems for project management, learner management, bursary, and performance monitoring can improve coordination, streamline operations, and provide better visibility into organisational performance. • Moving from paper dependency to fully digital document management using tools like papertrail, and SharePoint can enhance efficiency, reduce errors, and improve information accessibility. • Automating routine tasks and workflows through integrated systems can save time, reduce human error, and improve productivity.	• Climate change - Collapse of ICT infrastructure • Transition to integrated systems could face resistance from staff, require significant training, and lead to short-term disruptions in operations. • As TETA moves towards digital systems, inadequate security measures could expose the organisation to data breaches or loss. • Initial setup, customisation, and maintenance of integrated systems may lead to increased operational costs, straining TETA's already constrained budget.
Style (Leadership/ Culture)	• High-performance culture • Encouraged teamwork and open communication fosters a positive work environment and collaborative problem-solving. • Commitment to core values like responsibility, trust, and respect creates a strong foundation for TETA's organisational cohesion and direction. • Involving various levels governance and leadership in decision-making promotes engagement and ensures diverse perspectives are considered.	• Lack accounting authority's presence in strategic stakeholder engagements • Variations in management styles in governance and across different levels may cause confusion and lead to inconsistent application of policies and processes. • Historical knowledge and traditional leadership styles may stifle adaptation to necessary changes, such as technological upgrades or process improvements. • The current leadership style induced by high levels of compliance and audit alignment stifle creativity and innovation, limiting organisational growth and adaptability.	• Embracing a more agile, forward- thinking leadership style can drive innovation and help the organisation adapt to future challenges. • Investing in leadership development programmes can foster more adaptive and effective management practices across all levels. • Encouraging continuous learning and experimentation within leadership can inspire the workforce and improve overall performance.	• Variations in governance structures and management styles across different levels may cause confusion and lead to inconsistent application of policies and processes. • A traditional leadership style may struggle to adapt to necessary changes, such as technological upgrades or process improvements. • A leadership style that emphasises risk aversion may stifle creativity and innovation, limiting organisational growth and adaptability.
Shared Values	• The bonus incentive contributes to the motivation of TETA staff • Transform the transport industry through training initiatives • Strong shared values like commitment, accountability trust, positive attitude, responsibility, and respect guide decision-making and promote ethical behaviour across the organisation. • Having well-defined values ensures that employees are aligned with TETA's mission, improving teamwork and collaboration. • A commitment to shared values fosters a culture of mutual respect, creating a more positive and supportive workplace.	• Reports on employee engagement and satisfaction survey not shared with the accounting authority • If shared values are not consistently upheld or reinforced by leadership, it can lead to confusion or disengagement among staff. • Shared values may not be effectively integrated into daily operations or performance metrics, limiting their practical influence on outcomes. • A strong emphasis on traditional values may create resistance to new ideas, technologies, or operational changes that challenge the status quo.	• Recognition awards and incentives geared towards strengthening shared values can further solidify the organisation's identity, helping to attract like-minded partners, clients, or employees. • Aligning strategic initiatives with core values can enhance employee buy-in and make organisational goals more attainable. • Shared values can serve as a unifying force across different teams or business units/chambers, especially in times of organisational change or growth.	• If there is a disconnect between stated values and actual behaviours or decisions, it could lead to employee cynicism and a loss of trust in leadership leading to reputational damage. • As the organisation grows or partners with external entities, differences in values may create conflicts, leading to challenges in collaboration or integration. • Strong adherence to traditional values could limit adaptability and openness to innovative ideas, hindering the organisation's ability to evolve with changing industry demands.

Figure 6 below depicts employment within major occupational groups from 2020 to 2023, comparing the fourth quarter of each year. Plant and machine operators and assemblers have been the dominant occupational groups over the years. This group includes jobs such as truck, train, bus, and taxi drivers, forklift operators, and ship operators. Following this group are legislators, senior officials and managers, and clerks. The group with the least employees is the craft and related trades workers, which includes occupations that involve skilled manual work and often require specialized training or apprenticeships, such as automotive mechanics, diesel mechanics, welders, and electricians.

2.3. Key policy developments and legislative changes

During the 2024–25 reporting period, there were no major changes to relevant policies or legislation that directly affected TETA's operations.

3. Progress towards achievement of **institutional Impacts and Outcomes**

The NSDP 2030 challenged us as an organisation to move towards delivering services that are impactful bearing in mind the national priorities that may arise during the MTSF period. The table below gives an account of the progress made towards achieving outcomes as set out in our 5-year strategy. The second year of our MTSF period presented challenges emanating from COVID-19 outbreak that necessitated the review of our annual performance plans. The performance on these outcomes is affected by the review. In addition, Outcome 3 was mainly affected by the retrenchments that were taking place within the transport sector for the past two financial years. TETA is delighted that the NSDP outcomes have been realised at the end of the MTSF period.

It must also be noted that some of the outcomes were already achieved before the end of the MTSF period and specific attention is drawn to Outcome 5 where the support of the Economic Reconstruction and Recovery Plan contributed to the over-achievement.

Table 5: Institutional Impact and Outcomes

OUTCOME NUMBER	OUTCOMES	5 YEAR TARGET	4-YEAR ACHIEVEMENT	% ACHIEVEMENT
Outcome 1	Identify and increase production of occupations in high demand	229	247	108%
Outcome 2	Linked education institutions and the workplace	425	612	144%
Outcome 3	Improving the level of skills in the South African workforce	10 695	10 682	100%
Outcome 4	Increase access to occupationally directed programmes	15 631	26 923	172%
Outcome 5	Support the growth of the public college institutional type as a key provider of skills required for socio-economic development	14	19	136%
Outcome 6	Skills development support for entrepreneurship and cooperative development	546	2 359	432%
Outcome 7	Encourage and support worker- initiated training	14	14	100%
Outcome 8	Support career development services	182	798	438%
Outcome 9	Support transport safety interventions	32	84	263%
Outcome 10	Provide administrative support services	93%	72%	197%

4. Institutional Performance **Information by Programme**

4.1. Performance on entered targets (2024/25)

PROGRAMME 1: ADMINISTRATION

Outcomes and outputs

Programme 1 contributes to the following institutional outcome and output:

- Institutional mandate met

PURPOSE: To provide administrative support services and enable TETA to deliver on its mandate and ensure compliance with all government imperatives

Outcome	Outputs	Output Indicators	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 2024/2025	Reasons for Deviations
Institutional mandate met	Unqualified audit opinion	(1.1a) Achieve unqualified audit opinion on the annual financial statements at the end of the financial year	Unqualified audit opinion from the Auditor General for 2021-22	Qualified audit opinion from the Auditor General for 2022-23	Unqualified audit opinion from the Auditor General for 2023-24	Qualified audit opinion from the Auditor General for 2023-24		Completeness of Discretionery Grant expenditure and related Payables as well as understatement of contigencies resulted in a qualified opinion
	Administration expenditure within 10.5% ceiling	(1.1b) Percentage levy income used towards administration expenditure	12.7%	12.7%	10.5%	11.78%	1.28%	The DHET approved TETA to exceed the 10,5% ceiling by R21m. The 1,28% is still within the approved limit.
	Discretionary grant allocations for PIVOTAL Programmes	(1.1c) Percentage of discretionary grant funding allocated to PIVOTAL programmes	91%	80%	80%	81%	1%	Overachievement due to a higher demand by industry for PIVOTAL programmes through special projects proposals
	Procurement plan achieved	(1.1d) Percentage achievement of TETA procurement plan	100%	100%	80%	67%	-13%	1 Non award, 1 cancellation, while 4 awards were rolled over to 2025/26 Financial year
	Retained staff	(1.2a) Percentage of annual permanent and fixed term staff retained	85%	93%	85%	93%	8%	Target overachieved due to employees who remained in the employment of TETA

PURPOSE: To provide administrative support services and enable TETA to deliver on its mandate and ensure compliance with all government imperatives								
Outcome	**Outputs**	**Output Indicators**	**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 2024/2025**	**Reasons for Deviations**
Institutional mandate met	Reviewed Organisational Structure	(1.2b) Review of Organisational Structure	Reviewed Organisational structure Approved	Reviewed organisational structure Approved	Approved Reviewed organisational structure	Approved Reviewed organisational structure	Nil	N/A
	WSP/ATR for TETA submitted	(1.2c) Submission of TETA Workplace Skills Plan and Annual Training Report to ETDP SETA	Submission of TETA Workplace Skills Plan and Annual Training Report by 30 April	Submitted TETA Workplace Skills Plan and Annual Training Report by 30 April	Submission of TETA Workplace Skills Plan and Annual Training Report by 30 April	Submitted TETA Workplace Skills Plan and Annual Training Report by 30 April	Nil	N/A
	Wellness activities conducted	(1.2d) Number of wellness activities conducted	7	6	4	8	4	Target overachieved due to an increased need to support employees on wellness activities
	Surveys conducted	(1.2e) Number of stakeholder satisfaction surveys conducted	2	3	2	2	Nil	N/A
	Systems report	(1.3) Percentage availability of ICT systems achieved	100%	74%	90%	92%	2%	Target overachieved due to improved efficiencies

PROGRAMME 2: SKILLS PLANNING AND RESEARCH

Purpose of programme 2: To establish mechanisms for skills planning and research capacity Outcomes and outputs. Programme 2 contributes to the following institutional outcomes:

- Increased access to Occupations in high Demand through skills interventions
- Identify and increase production of occupations in high demand

PURPOSE: To provide administrative support services and enable TETA to deliver on its mandate and ensure compliance with all government imperatives

Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Reasons for Deviations
			2022/23	2023/24	2024/25		2024/2025	
Increased access to occupations in high demand through skills interventions	Research reports	(2.1) Number of research studies conducted	6	3	3	5	2	Two of the research studies completed in 2024/25 were initiated in prior years but completed in the year under review, resulting in the overachievement of the target.
	Sector Skills Plan (SSP)	(2.2a) Produce an approved TETA Sector Skills Plan (SSP)	Approved TETA SSP	Approved TETA SSP	Approved TETA SSP	Approved TETA SSP	Nil	N/A
	Tracer study report	(2.2b) Number of Tracer study conducted	1	1	1	2	1	Target overachieved due to one additional tracer study completed in 2024/25 reporting year.
	Partnerships	(2.3a) Number of research partnerships supported	2	4	2	3	1	The implementation of the research agenda necessitated the increase in research partnerships
Identify and increase production of occupations in high demand	Approved mandatory grants for large firms	(2.4a) Number of mandatory grants approved for large firms	218	215	150	247	97	Target overachieved due to stakeholder capacitation workshops conducted and additional support provided
	Approved mandatory grants for medium firms	(2.4b) Number of mandatory grants approved for medium firms	252	272	170	291	121	Target overachieved due to stakeholder capacitation workshops conducted and additional support provided
	Approved mandatory grants for small firms	(2.4c) Number of mandatory grants approved for small firms	709	744	600	805	205	Target overachieved due to stakeholder capacitation workshops conducted and additional support provided
	Mandatory grants paid	(2.4d) Percentage of mandatory grants paid	90%	93%	80%	91%	11%	This target was exceeded as a result of more Mandatory Grants applications being approved and subsequently paid

PURPOSE: To establish mechanisms for skills planning and research capacity

Outcome	Outputs	Output Indicators	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 2024/2025	Reasons for Deviations
Identify and increase production of occupations in high demand	Capacitation workshops	(2.4e) Number of provincial capacitation workshops conducted	10	10	10	10	Nil	N/A
	Skills Development Facilitator Capacitation	(2.4f) Number of learners enrolled on Skills Development Facilitator training	80	83	70	72	2	Target overachieved due to more trainees enrolled on the programme by the provider within available budget
	Monitoring visits and due diligence	(2.4g) Number of verifications conducted for mandatory grants/ discretionary grants/ due diligence	281	196	140	310	170	Target overachieved due to legacy contracts being monitored
	Discretionary grants for bursaries	(2.5a) Percentage of discretionary grants budget allocated to developing high level skills	17%	13%	13%	14%	1	Target overachieved due to allocation to more beneficiaries for bursaries within the available budget
	Discretionary grants for skills programmes, learnerships, apprenticeships, and internships	(2.5b) Percentage of discretionary grants budget allocated to developing intermediate skills	63%	51%	47%	70%	24%	Implementation of partnerships resulted in an increase for allocations on learnerships, apprenticeships and led to over-achievement of target
	Discretionary grants for AET	(2.5c) Percentage of discretionary grants budget allocated to developing elementary skills	1%	1%	1%	1%	Nil	N/A
	Research Agreements for TVET Growth Occupationally Directed Programmes	(2.5d) Number of Sector Research Agreements Signed for TVET Growth Occupationally Directed Programmes	N/A	N/A	1	1	Nil	N/A

PROGRAMME 3: LEARNING PROGRAMMES AND PROJECTS

Programme 3's outcomes are:

- Improved level of skills in the South African workforce
- Increased access to occupationally directed programmes
- Linked education institutions and the workplace
- Increased support to TVET and CET colleges as the key providers of occupational skills
- Stakeholder engagement sessions
- Supported career development services
- Increased access to business development programmes

Note, indicators in the Blue Colour are completions

PURPOSE: To increase access to occupationally directed programmes within the transport sector

Outcome	Outputs	Output Indicators	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 2024/2025	Reasons for Deviations
Improved level of skills in the South African workforce	Learners on bursaries	(3.1a) Number of employed learners on bursaries	71	111	70	70	Nil	N/A
		(3.1a) Number of employed learners on bursaries completed	24	41	25	47	22	Overachievement due to more learners contracted in prior years completing in the financial year under review
		3.1b Number of employed learners on bursaries (continuing)	N/A	N/A	40	50	10	Target overachieved due to multi-funded year learners continuing in the year under review
	Learners on skills programmes	(3.1c) Number of employed learners on skills programmes	615	752	430	549	119	Target overachieved due implementation of prior year contract in the current financial year
		(3.1c) Number of employed learners on skills programmes completed	483	422	215	580	365	Target overachieved due to completion of prior year contracts in the current financial year
	Learners on learnerships	(3.1d) Number of employed learners on learnership programmes	747	823	670	922	252	Target overachieved due implementation of prior year contract in the current financial year
		(3.1d) Number of employed learners on learnerships programme completed	871	916	320	762	442	Target overachieved due prior year contracts completed in current year

Note, indicators in the Blue Colour are completions

PURPOSE: To increase access to occupationally directed programmes within the transport sector

Outcome	Outputs	Output Indicators	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 2024/2025	Reasons for Deviations
Improved level of skills in the South African workforce	Learners on occupational qualifications	(3.1e) Number of learners enrolled for occupational qualifications	73	350	60	175	115	Target overachieved due implementation of prior year contract in the current financial year
		(3.1e) Number of learners completed for occupational qualifications	47	Nil	30	5	-25	Learners are still in the programme and not yet completed
	Learners on AET	(3.1f) Number of employed learners on AET programmes	461	50	50	0	-50	Delayed awarding of target shortfall led to target not achieved
		(3.1f) Number of employed learners on AET completed	26	45	25	4	-21	Delayed awarding of target shortfall led to target not achieved
	Learners on apprenticeships	(3.1g) Number of employed learners on apprenticeship programmes	116	20	20	20	Nil	N/A
		(3.1g) Number of employed learners on apprenticeship completed	51	50	10	30	20	Target overachieved due to completion of prior year contracts in the current financial year
	Learners on ARPL	(3.1h) Number of learners on ARPL programmes	71	60	70	233	163	Target overachieved due to prior year contracts implemented in the year under review as well as through special project allocations
		(3.1h) Number of learners on ARPL programmes completed	100	100	30	74	44	Target overachieved due to improved efficiencies in implementation

Note, indicators in the Blue Colour are completions

PURPOSE: To increase access to occupationally directed programmes within the transport sector								
Outcome	Outputs	Output Indicators	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 2024/2025	Reasons for Deviations
Improved level of skills in the South African workforce	Learners on Leadership Development Programmes	(3.1i) Number of learners on RPL programme	110	20	20	20	Nil	N/A
		(3.1i) Number of learners on RPL programme completed	10	12	10	18	8	Overachievement due to more learners contracted in prior years completing in the financial year under review
		(3.1j) Number of candidates on leadership development programmes	15	15	15	15	Nil	N/A
		(3.1j) Number of candidates on leadership development programme completed	15	13	10	11	1	Target overachieved due to more learners meeting completion requirements than planned
		(3.1k) Number of candidates on executive leadership development programmes	15	15	15	15	Nil	N/A
		(3.1k) Number of candidates on executive leadership development programmes completed	15	15	10	15	5	Target overachieved due to more learners meeting completion requirements than planned
		(3.1l) Number of women on leadership development programmes	15	15	15	15	Nil	N/A
		(3.1l) Number of women on leadership development programmes Completed	15	15	10	14	4	Target overachieved due to more learners meeting completion requirements than planned

Note, indicators in the Blue Colour are completions

PURPOSE: To increase access to occupationally directed programmes within the transport sector								
Outcome	**Outputs**	**Output Indicators**	**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 2024/2025**	**Reasons for Deviations**
Improved level of skills in the South African workforce	Learners on Leadership Development Programmes	(3.1m) Number of candidates on masters programmes in maritime affairs	5	5	5	5	Nil	N/A
		(3.1m) Number of candidates on masters programme in maritime completed	5	5	4	5	1	Target overachieved due to an additional learner meeting completion requirement
Increased access to occupationally directed programmes	Learners on bursaries	(3.2a) Number of unemployed learners on bursaries	274	215	200	263	63	Target overachieved due to overallocation within the same budget
		(3.2a) Number of unemployed learners on bursaries completed	95	96	80	88	8	Target overachieved due to more learners meeting completion requirements
		(3.2b) Number of unemployed learners on bursaries continuing)	N/A	N/A	150	82	-68	Some multi-year funded learners declined bursary award in the final year, while others cancelled due to failing modules.
	Learners on skills programmes	(3.2c) Number of unemployed learners on skills pro-grammes	1 672	1 137	800	1 667	867	Target overachieved due prior year contracts reported in current year as well additional learners emanating from special projects
		(3.2c) Number of unemployed learners on skills programmes completed	1 215	1 245	400	852	452	Target overachieved due to more learners meeting completion requirements than planned
	Learners on learnerships	(3.2d) Number of unemployed learners on learnership programmes	1 001	1 233	820	1203	383	Target overachieved due prior year contracts reported in current year including surplus DG allocations
		(3.2d) Number of unemployed learners on learnership programmes completed	1 532	911	400	773	373	Target overachieved due to more learners meeting com-pletion requirements than planned

Note, indicators in the Blue Colour are completions

PURPOSE: To increase access to occupationally directed programmes within the transport sector								
Outcome	Outputs	Output Indicators	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 2024/2025	Reasons for Deviations
Increased access to occupationally directed programmes	Learners on AET	(3.2e) Number of unemployed learners on AET programmes	265	270	200	200	0	N/A
		(3.2e) Number of unemployed learners on AET programmes completed	43	145	100	150	50	Target overachieved due to more learners meeting com-pletion requirements
	Learners on apprenticeships	(3.2f) Number of unemployed learners on apprenticeship programmes	167	292	250	349	99	Target overachieved due implementation of prior year contract in the current financial year as well as through special project alloca-tions
		(3.2f) Number of unemployed learners on apprenticeship programmes completed	165	205	100	160	60	Target overachieved due to more learners meeting com-pletion requirements than planned
	Learners on candetships	(3.2g) Number of learners on cadetships	89	58	75	54	-21	Challenges in meeting entry requirements (medical) and employer commitment for 2 – 3 years in a seasonal industry
		(3.2g) Number of learners on cadetships completed	7	10	25	16	-9	An external quality assurance entity has had difficulties appointing examiners. Learners are not yet competent requiring extended sea time and reassessment
	Learners on candidacy programmes	(3.2h) Number of learners on candidacy programmes	15	25	15	14	-1	Target not achieved due to identified learners not meeting entry level required documents
		(3.2h) Number of learners on candidacy programmes completed	2	3	7	9	2	Target overachieved due to more learners meeting completion requirements than planned

Note, indicators in the Blue Colour are completions

Outcome	Outputs	Output Indicators	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 2024/2025	Reasons for Deviations
PURPOSE: To increase access to occupationally directed programmes within the transport sector								
Increased access to occupationally directed programmes	Learners on grade 12 improvements	(3.2i) Number of out-of- school youths trained on grade 12 improvement programmes	70	70	70	70	Nil	N/A
Increased access to occupationally directed programmes	Learners on grade 12 improvements	(3.2i) Number of out-of- school youths trained on grade12 improvement programmes completed	70	29	35	50	15	Target overachieved due to more learners meeting completion requirements
Increased access to occupationally directed programmes	Learners on Regulatory pro-grammes	(3.2j) Number of unemployed learners on regulatory programmes	N/A	286	100	249	149	Target overachieved due implementation of prior year contract in the current financial year as well as through special project allocations
Increased access to occupationally directed programmes	Learners on Regulatory pro-grammes	3.2j) Number of unemployed learners on regulatory programmes completed	N/A	0	50	253	203	Target overachieved due to an increase in the need for qualifying candidates in maritime sec-tor especially in cruise liners
Increased access to occupationally directed programmes	Learners on Occupational Qualifications	(3.2k) Number of Unemployed learners on Occupational Qualifications	N/A	N/A	60	60	Nil	N/A
Increased access to occupationally directed programmes	Learners on Occupational Qualifications	(3.2k) Number of Unemployed learners on Occupational Qualifications	N/A	N/A	30	0	-30	Target not achieved due to the fact that learn-ers are still in the programme and not yet completed
Linked education institutions and the workplace	Partnerships established	(3.3a) Number of partner-ships established with employers	2	3	2	3	1	Target overachieved due to interest from employers to partner with TETA
Linked education institutions and the workplace	Partnerships established	(3.3a) Number of part-nerships implemented with employers	1	1	1	3	2	Target overachieved due to proactive participation by employers
Linked education institutions and the workplace	Partnerships established	(3.3b) Number of partnerships established with TVET colleges	4	4	4	4	Nil	Target overachieved due to interest from TVET Colleges to partner with TETA
Linked education institutions and the workplace	Partnerships established	(3.3b) Number of partnerships implemented with TVET colleges	3	3	2	2	Nil	N/A

Note, indicators in the Blue Colour are completions

PURPOSE: To increase access to occupationally directed programmes within the transport sector								
Outcome	**Outputs**	**Output Indicators**	**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 2024/2025**	**Reasons for Deviations**
Linked education institutions and the workplace	Partnerships established	(3.3c) Number of partnerships estab-lished with universities	2	1	2	4	2	Target overachieved due to inter-est from universities to partner with TETA
		(3.3c) Number of partnerships im-plemented with universities	1	1	1	4	3	Target overachieved due to proac-tive participation by universities
		(3.3d) Number of partnerships estab-lished with CET colleges	3	2	2	2	Nil	N/A
		(3.3d) Number of partnerships im-plemented with CET colleges	2	2	2	2	Nil	N/A
		(3.3e) Number of tripartite partner-ships established (education institu-tions, workplaces, and TETA)	7	6	5	7	2	Target overachieved due to in-terest from industry players to partner with TETA
		(3.3e) Number of tripartite partnerships Implemented (education institutions, work-places, and TETA)	7	5	5	7	2	Target overachieved due to pro-active participation by industry players
Improved level of skills in the South African workforce	Graduates on internships	(3.4a) Number of graduates placed on internship programmes	477	365	350	491	141	TETA funded more learners for Internships and additional funding was allocated as it became available
		(3.4a) Number of graduates placed on internship programmes (Internship) completed	205	439	150	302	152	Target overachieved due to more learners meeting com-pletion requirements than planned

Note, indicators in the Blue Colour are completions

Outcome	Outputs	Output Indicators	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 2024/2025	Reasons for Deviations
PURPOSE: To increase access to occupationally directed programmes within the transport sector								
Improved level of skills in the South African workforce	Learners in employment	(3.4b) Number of learners who have completed workplace based learning programmes absorbed in employment or self employment	289	60	100	188	88	Target overachieved due to employers absorbing more learners than planned
	HEI learners on workplace experience programmes	(3.4c) Number of Higher Education Institute (HEI) learners on workplace experience programmes (Internship Category A)	103	107	100	110	10	TETA funded more learners for HEI and additional funding was allocated as it became available
		(3.4c) Number of Higher Education Institute (HEI) learners on workplace experience programmes (Internship Category A) completed	93	80	40	106	66	Target overachieved due to more learners meeting com-pletion requirements than planned
	Learners on workplace experience (TVET)	(3.4d) Number of TVET learners placed on workplace experience programmes (Internship for N Diploma)	279	764	700	735	35	TETA funded more learners for WIL and additional funding was allocated as it became available
		(3.4d) Number of TVET learners placed on workplace experience programmes (Internship for N Diploma) Completed	160	131	350	274	-76	Target not achieved as learn-ers are still on the pro-gramme.
	Learners on workplace experience (TVET)	(3.4d) Number of TVET learners placed on workplace experience programmes (Internship for N Diploma)	279	764	700	735	35	TETA funded more learners for WIL and additional funding was allocated as it became available
		(3.4d) Number of TVET learners placed on workplace experience programmes (Internship for N Diploma) Completed	160	131	350	274	-76	Target not achieved as learn-ers are still on the pro-gramme.

Note, indicators in the Blue Colour are completions

PURPOSE: To increase access to occupationally directed programmes within the transport sector								
Outcome	Outputs	Output Indicators	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 2024/2025	Reasons for Deviations
Linked education institutions and the workplace	Graduates on work readiness programmes	(3.4e) Number of graduates on work readi-ness programmes	200	200	200	200	Nil	N/A
		(3.4e) Number of graduates on work readi-ness programmes completed	116	157	180	248	68	Target overachieved due to more learn-ers meeting completion requirements than planned
	Workplace approvals for Apprenticeships	(3.4f) Number of workplaces approved	69	107	100	100	Nil	N/A
	Stakeholders in Limpopo assisted	(3.5) Number of stakeholders assisted in TETA's Limpopo-based offices	110	112	100	224	124	Target overachieved due to increased number of skills development stakehold-ers in Limpopo requiring assistance
	Contract management workshops	(3.6a) Number of TETA stakeholder capacitation workshops on contract management	21	24	9	22	13	A hybrid approach in the roll-out of workshops reduced the estimated budget and increased number of work-shops conducted
	Empowerment seminars	(3.6b) Number of women empowerment seminars conducted	3	3	3	3	Nil	N/A
	Stakeholder engagement sessions	(3.6c) Number of provincial stakeholder engagement ses-sions conducted	6	18	6	15	9	Target overachieved due to an increased need for awareness and engagement of stakehold-ers on legislative, audit and project management modali-ties
	Consultative Forums	(3.6d) Number of provincial stakeholder consultative forums conducted	N/A	15	15	16	1	Target over-achieved due to additional skills HRDC forums in KZN & the Freight Logis-tics forum in Mpumalanga

PURPOSE: To increase access to occupationally directed programmes within the transport sector								
Outcome	Outputs	Output Indicators	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 2024/2025	Reasons for Deviations
Supported career development services	Career platforms	(3.7a) Number of careers platforms produced or developed	4	3	3	4	1	The target was exceeded due to stakeholder demand for a platform to create and advertise career opportunities. The 'Apply for Opportunities' platform was developed and maintained during the year to meet this need
	Career Exhibitions	(3.7b) Number of TETA career exhibitions conducted for urban areas	36	37	30	34	4	Target overachieved due to an increase in the number of accepted invitations coming from various departments and social partners
		(3.7c) Number of TETA career development exhibitions in rural areas on occupations in high demand	20	43	15	48	33	Target overachieved due to an increase in the number of accepted invitations coming from various departments and social partners in Rural Development
	Capacity-building workshops	(3.7d) Number of capacity-building workshops conducted for teachers	16	11	9	9	Nil	N/A
	Promotional packs	(3.8a) Number of promotional packs procured	10 000	10 000	10 000	10 000	Nil	N/A

PURPOSE: To increase access to occupationally directed programmes within the transport sector								
Outcome	Outputs	Output Indicators	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 2024/2025	Reasons for Deviations
Supported career development services	Media information sessions	(3.8b) Number of media information sessions conducted	15	11	10	11	1	Target overachieved due to the maturity of the TETA brand which attracted an increased media presence
	Sponsored events	(3.8c) Number of events sponsored to enhance TETA brand	7	8	5	5	Nil	N/A
	Internal career guidance advisors	(3.9) Number of internal career guidance advisors capacitated	76	83	50	106	56	TETA recruits interns from time to time and these resources further form part of the support system for career development services resulting in the overachievement of the target
	Schools supported	(3.10) Number of schools supported	59	60	60	60	Nil	N/A
Increased access to business development programmes	Small and medium enterprises	(3.11a) Number of small and medium enterprises funded	490	216	100	482	382	Target over-achieved due to surplus funding allocated to address national priorities
	NLPEs funded	(3.11b) Number of small NLPEs funded	147	134	100	283	183	Target over-achieved due to surplus funding allocated to address national priorities
	Cooperatives funded	(3.11c) Number of established or emergent cooperatives trained on sector and national priority occupations or skills	3	3	3	3	Nil	N/A
		(3.11d) Number of cooperatives funded for skills that enhance enterprise growth and development	10	10	10	33	23	Target over-achieved due to surplus funding allocated to address national priorities

PURPOSE: To increase access to occupationally directed programmes within the transport sector

Outcome	Outputs	Output Indicators	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 2024/2025	Reasons for Deviations
Increased access to business development programmes	NGOs Funded	(3.11e) Number of NGOs funded	3	2	3	4	1	Target over-achieved due to more NGOs funded within budget.
	CBOs funded	(3.11f) Number of CBOs funded	4	2	3	3	Nil	Contract awarded, however implementation was done after year end
	Learners on entrepreneurship training	Number of people trained on Entrepreneurship supported to start their businesses (new venture creations)	20	20	50	851	801	Target over-achieved due to the last mile delivery project implemented
	Rural development projects	(3.11h) Number of rural development projects supported	7	8	4	8	4	Two contracts from the prior year were implemented in the current year, while the additional two were awarded within budget.
Improved worker initiated training	Trade unions funded	(3.12) Number of trade unions funded	3	3	2	2	Nil	N/A
Increased transport safety interventions	Partnerships	(3.13a) Number of road safety partnerships implemented	2	3	2	2	Nil	N/A
Increased transport safety interventions	Safety awareness initiatives	(3.13b) Number of Safety initiatives funded in the Transport Sector	3	3	3	4	1	Target over-achieved due to additional awareness campaigns being conducted within the same budget.
	Learners on accident prevention programmes	(3.14) Number of learners on accident prevention training programmes	40	40	40	40	Nil	N/A
	Pandemic awareness programmes	(3.15) Number of pandemic awareness programmes supported	3	3	3	3	Nil	N/A

PROGRAMME 4: QUALITY ASSURANCE SYSTEM

Programme 4 contributes to the following institutional outcome:

- Increased access to occupationally directed programmes
- Increased support to TVET and CET colleges as key providers of occupational skills

PURPOSE: To strengthen the quality assurance system

Outcome	Outputs	Output Indicators	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 2024/2025	Reasons for Deviations
Increased access to occupationally directed programmes	Occupational qualifications developed	(4.1a) Number of curricula developed / reviewed for occupational qualifications	3	17	3	7	4	Re-alignment of skills programmes with the QCTO model resulted in over-achievement of targets
	QAS Addenda and RPL toolkit	(4.1b) Number of qualification assessment specifications (QAS) developed / reviewed	3	16	2	3	1	Re-aligned from prior year required Qualifications Assessment Specification for implementation purposes
	Learning materials	(4.1c) Number of learning materials developed for approved occupational qualification	1	1	2	1	-1	The development of qualification delayed the development processes of the learning material
	Occupational qualifications conducted	(4.1d) Number of occupational qualifications with EISA exams conducted	1	2	2	11	9	The re-examination of learners on EISA as well as the request from training providers resulted in overacheivement
	Training providers capacitated	(4.2a) Number of skills development providers (SDPs) capacitated on quality assurance systems (QA)	241	277	200	335	135	More training providers than expected attended the capacity building workshop resulting in the overachievement of the target
	ETD Practitioners supported	(4.2b) Number of ETD practitioners capacitated on QA systems	200	109	100	150	50	Target overacheived due to more practitioners capacitated by the provider at no extra cost

Note, indicators in the Blue Colour are completions

PURPOSE: To strengthen the quality assurance system								
Outcome	Outputs	Output Indicators	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 2024/2025	Reasons for Deviations
Increased access to occupationally directed programmes	Training providers monitored	(4.2c) Number of training providers (SDPs) monitored	174	160	150	170	20	The need to support training provider to align with quality assurance requirements resulted in over-achievement
	External moderations	(4.3) Number of external moderations conducted	409	359	200	359	159	Addressing the backlogs created by the lack of system in the prior year accounted for the over-achievement.
	Candidates on mentorship and coaching	(4.4) Number of candidates on mentorship and coaching programmes	122	101	100	100	Nil	N/A
Increased support to TVET and CET Colleges as key providers of occupational skills	TVET/CET lecturers trained	(4.5a) Number of TVET/CET lecturers trained on TETA quality assurance system	100	299	100	100	Nil	N/A
		(4.5a) Number of TVET/CET lecturers trained on TETA quality assurance system completed	86	156	50	100	50	Target over-achieved due to more learners found competent on unit stand-ards than planned
		(4.5b) Number of TVET/CET Managers trained on Curricu-lum related studies	50	20	20	20	Nil	N/A
		(4.5b) Number of TVET/CET Managers trained on Curriculum related studies complet-ed	47	20	0	0	Nil	N/A

Note, indicators in the Blue Colour are completions

PURPOSE: To strengthen the quality assurance system

Outcome	Outputs	Output Indicators	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 2024/2025	Reasons for Deviations
Increased support to TVET and CET colleges as key provides of occupational skills	TVET/CET lecturers in the industry	(4.5c) Number of TVET/CET lecturers exposed to the industry	50	75	50	140	90	Over-achievement due to con-tract awarded in the previous year and implemented in the current year
		(4.5c) Number of TVET/CET lecturers exposed to the industry implemented	0	75	0	0	Nil	N/A
	TVET /CET college support through infrastructure	(4.5d) Number of TVET / CET colleges infrastructure development supported	2	2	2	3	1	Contract signed in previous year implemented in the current year.
	Support the TVET Colleges	(4.5e) Number of Centres of Specialisation supported	N/A	N/A	2	1	-1	No suitable applications received to close off the target.

Linking performance with budgets

Programme/activity/objective	2023/2024			2024/2025		
	Budget (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)	Budget (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)
Programme 1: Admin	1 550	0	1 550	1 150	400	750
Programme 2: Research	15 283	7 725	7 558	14 977	12 430	2 547
Programme 3: Learning Programmes	584 695	560 433	24 262	618 649	688 553	-69 904
Programme 4: ETQA	50 635	24 146	26 489	51 281	40 350	10 931
Total DGs	**652 163**	**592 304**	**59 859**	**686 057**	**741 733**	**-55 676**

The budget allocation was increased by approved rollover of surpluses in terms of Section 53(3) of the PFMA, which resulted a total expenditure budget of R2 042 billion for 2024/2025.

Strategy to overcome areas of under performance

The Transport Education and Training Authority (TETA) remains committed to achieving its strategic objectives and delivering on its mandate to enhance skills development within the transport sector. While we achieved several key indicators, certain targets were not met due to factors such as delays in procurement processes, learner progression challenges, and external dependencies. The strategies proposed below are designed to mitigate recurring risks and ensure alignment with our goals.

Output Indicator	Planned Annual Target	Actual Achievement	Deviation	Reasons for not achieving the target	Strategies to achieve the Planned Annual Target
(1.1a) Achieve unqualified audit opinion on the annua financial statements at the end of the financial year	Unqualified audit opinion from the Auditor General for 2023-24	Qualified audit opinion from the Auditor General for 2023-24		Completeness of Discretionery Grant expenditure and related Payables as well as understatement of contigencies resulted in a qualified opinion	Implement rigorous monthly reviews of expenditure and payables to ensure compliance and completeness before year-end.
(1.1d) Percentage achievement of TETA procurement plan	80%	67%	-13%	1 Non award, 1 can-cellation, while 4 awards were rolled over to 2025/26 Financial year	Commence the procurement processes earlier in the financial year to avoid rollovers.
(3.1e) Number of learners com-pleted for occupational qualifica-tions	30	5	-25	Learners are still in the programme and not yet completed	Work with training providers early in the financial year to identify and address bottlenecks
(3.1f) Number of employed learners on AET programmes	50	0	-50	Delayed awarding of target shortfall led to target not achieved	Publish special projects advert targeting shortfalls within Q1 of the financial year and implement projects within Q2
(3.1f) Number of employed learners on AET completed	25	4	-21	Delayed awarding of target shortfall led to target not achieved	Publish special projects advert targeting shortfalls within Q1 of the financial year and implement projects within Q2
(3.2b) Number of unemployed learners on bursaries (continuing)	150	82	-68	Some multi-year funded learners de-clined bursary award in the final year, while others can-celled due to failing modules.	Monitor multi-year learners' progress biannually
(3.2g) Number of learners on cadetships	75	54	-19	Challenges in meet-ing entry require-ments (medical) and employer commit-ment for 2 – 3 years in a seasonal indus-try	Implement programme early and introduce measures to address similar challenges
(3.2g) Number of learners on cadetships completed	35	16	-19	SAMSA has had diffi-culties appointing examiners.	36 695
(3.2h) Number of learners on candidacy programmes	15	14	-1	Some NYC (Not yet competent) requiring extended sea time and re- assessment.	Implement programme early and introduce measures to address similar challenges

Output Indicator	Planned Annual Target	Actual Achievement	Deviation	Reasons for not achieving the target	Strategies to achieve the Planned Annual Target
(3.2k) Number of Unemployed learners on Occupational Qualifi-cations	30	0	-30	Target not achieved due to the fact that learners are still in the programme and not yet completed	Work with training providers early in the financial year to identify and address bottlenecks
(3.4d) Number of TVET learners placed on workplace experience programmes (Internship for N Diploma) Completed	350	274	-76	Target not achieved as learners are still on the programme.	Publish special projects advert targeting shortfalls within Q1 of the financial year and implement projects within Q2
(4.1c) Number of learning mate-rials developed for approved occupational qualification	2	1	-1	The development of qualification delayed the development processes of the learning material	Adopt a phased approach for material development, with stakeholder feedbacks to avoid delays. Include the indicator on Special Projects Advert for 2025/26 to source applicants. Contract and service provider can start with development of learning material.
(4.5e) Number of Centres of Specialisation supported	2	1	-1	No suitable applica-tions received to close off the target.	Target eligible institutions and initiate partnerships with them

5. Revenue **Collection**

SOURCES OF REVENUE	2023/24			2024/25		
	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
Revenue from non-exchange transactions	1 961 279	933 907	1 027 372	1 938 096	984 882	953 214
Revenue from exchange transactions	53 949	84 222	(30 273)	83 442	85 567	(2 125)
Total	**2 015 228**	**1 018 129**	**117 244**	**2 021 538**	**1 070 449**	**951 089**

*** Revenue from non-exchange transactions grew by 5,4% to R984million in the year under review.
The levy income was less than the budgetted figure.
The SETA does not have any direct control over the levy contributions.
Revenue from exchange transactions is primarily due to favourable interest rate invested with CPD.

6. Capital **Investment**

INFRASTRUCTURE PROJECTS	2023/2024			2024/2025		
	BUDGET R'000	ACTUAL EXPENDITURE R'000	(OVER)/UNDER EXPENDITURE R'000	BUDGET R'000	ACTUAL EXPENDITURE R'000	(OVER)/UNDER EXPENDITURE R'000
No infrastructure programmes	0.00	0.00	0.00	0.00	0.00	0.00
Total	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

** The Transport Education and Training Authority invests cash in the Reserve Bank through the account of Corporation for Public Deposit in line with the treasury regulations. Therefore, the Transport Education and Training Authority does not have capital investment /or infrastructure projects for the year under review.

7. Business **Performance**

Research and Knowledge

In the 2024/25 financial year, the Research and Knowledge Unit continued to play a pivotal role in supporting the Transport Education and Training Authority's strategic objectives through evidence-based research and insights. The unit served as a knowledge hub, driving data-informed decision-making and facilitating sectoral intelligence to inform skills planning, policy development, and programme implementation across the transport sector.

Key achievements

- Sectoral Research Projects: Successfully conducted and completed several research studies aligned with sector priorities and the TETA Research Agenda. These included investigations into emerging occupations and skills in the transport sector driven by technological advancements and the Just Energy Transition.
- Sector Skills Plan (SSP): Developed a high-quality, research-informed Sector Skills Plan (SSP) for 2025–2030, which received official approval from the Department of Higher Education and Training (DHET).
- Skills Development through Innovation: Designed and implemented a Short Learning Programme (SLP) in Smart Shipping.
- Labour Market Intelligence: Provided timely and relevant labour market insights, including employment patterns, skills gaps, and occupational trends, to inform planning.
- Collaborative Research Partnerships: Strengthened relationships with academic institutions and industry experts to support commissioned research and enhance the quality of research outputs.
- Knowledge Dissemination Platforms: Delivered research presentations during key platforms such as chamber committee meetings, strategic planning sessions, mandatory grant roadshows, and stakeholder feedback engagements.

The following research studies and tracer studies were completed in the year 2024/25

- A study towards the development of an agile and open transportation industry.
- The impact of 4IR on job security/losses in the transport sector.
- The state of readiness of the transport sector to embrace green transport in the context of skills development.
- Innovative approaches to enhance industry participation levels in the submission of workplace skills Plan/ Annual training report information.
- A study to investigate the enhancement of the current process for qualifications development and accreditation.
- A tracer study on beneficiaries of TETA funded Leadership Development programmes 2019 to 2022.
- A tracer study on beneficiaries of the TETA funded Last mile delivery and entrepreneurship progmamme.

Short Learning Programmes to Address Technological Advancement Skills

The Smart Shipping Non-Credit Bearing Short Course, offered by the University of KwaZulu-Natal, provided 95 employed learners with essential knowledge on the latest advancements in smart shipping technologies, including Artificial Intelligence (AI) and the Internet of Things (IoT). Over 12 weeks, participants explored topics such as autonomous ships, smart ports, cybersecurity, and regulatory challenges. The course equipped professionals in the shipping and logistics sectors with the skills needed to navigate technological changes, enhancing their ability to adapt to industry advancements and stay competitive.

Strategic Partnerships to Support New Energy Vehicles (NEV) Skills Development

In 2024/25, TETA entered into a strategic tripartite partnership with the National Research Foundation (NRF) and the Council for Scientific and Industrial Research (CSIR). This collaboration is aimed at advancing research and skills development related to New Energy Vehicles (NEVs) in the transport sector. It positions TETA at the forefront of driving innovation and preparing the workforce for emerging technologies in sustainable mobility.

As part of operationalising the MoU between TETA and Stellenbosch University, a collaborative project was initiated to establish an Electric Vehicle (EV) Training Platform. This platform provides hands-on training to support the growing need for EV servicing skills in South Africa. Beneficiaries include TVET learners, automotive technicians, and university engineering students. The initiative also includes a research component to identify critical EV-related skills and inform curriculum development. This project strengthens local capacity for sustainable mobility and supports TETA's commitment to future-focused skills development.

Unit Challenges

- Limited participation of key stakeholders (TETA-funded learners, employers, and training providers) in surveys and focus group discussions, impacting the representativeness and reliability of research findings.
- Insufficient availability of detailed employment data, including workforce demographics, at sub-sector level to effectively inform the Sector Skills Plan (SSP).

Interventions to address challenges

- Introduce a hybrid approach by combining physical engagements with virtual platforms to enhance stakeholder participation in focus group discussions.
- Collaborate with Employer Associations to access employment data within their respective constituencies.

The Education and Training Quality Assurance (ETQA)

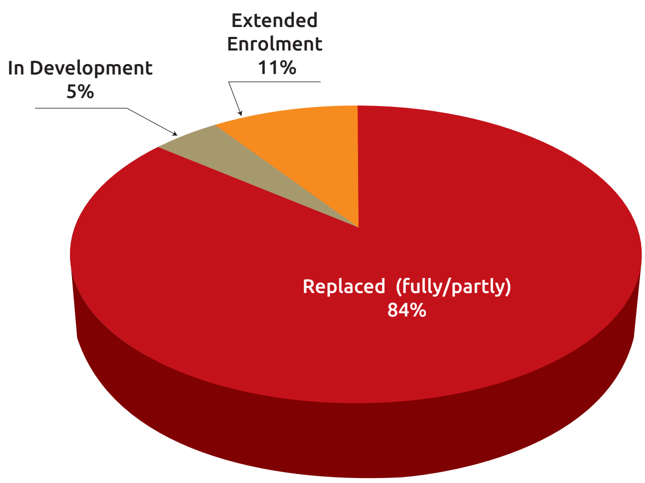
The Education and Training Quality Assurance (ETQA) unit provides strategic leadership in the development and continuous enhancement of qualifications, including trades to respond to industry needs and standards. It drives the implementation of policy frameworks that uphold the integrity of accreditation, delivery, assessment and the overall quality of education and training across the sector. In addition, the unit collaborates with the quality councils, accreditation bodies and regulatory bodies to ensure alignment of quality assurance standards with national and international standards.

For the year under review, the unit successfully navigated a complex transitional period marked by the phasing-out of pre-2009 qualifications and the system instability. This achievement was made possible through strong collaboration, with dedicated support from employers and Skills Development Providers (SDPs). Significant progress was made by the sector in securing QCTO accreditation and ensuring operational readiness for the rollout of occupational qualifications. Furthermore, strategic efforts led to the successful update of learner records, culminating in the timely issuance of learner certifications and Statements of Results.

Highlights

- Issued SORs at 300% achieved
- Issued Certificate at 100% achieved
- External Moderation at 300% achieved
- Annual Performance Plan at 94% achieved
- Capacity building of Skills Development Providers
- Issued learner statement of results at 300% achieved
- Accreditation of Skills Development providers with QCTO
- Review and development of registered occupational qualifications
- Scheduling and Coordination of External Integrated Summative Assessments (EISA)

Status of alignment for TETA pre-2009 qualifications to occupational qualifications



Performance Monitoring and Evaluation Unit (PM&E)

TETA's Monitoring and Evaluation (M&E) function plays a pivotal role in ensuring that it continuously evaluates whether progress is being made towards reaching desired organizational outcomes, identifies implementation obstacles, and highlights any unintended consequences, whether favorable or unfavorable from the execution of the Strategic Plan and the Annual Performance Plan (APP).

Key Highlights

The key objective of the Performance Monitoring & Evaluation (PM&E) Unit was to ensure that the organization's performance data was reliable and accurate for AGSA audit purposes, as well as that strategic skills development priorities and the APP's predetermined objectives were accomplished.

The Unit conducted an evaluation titled "Evaluation of the Transport Education and Training Authority (TETA) 2020 – 2025 Strategic Plan, its programmes and implementation thereof" to evaluate the organisational performance from 2020–2025. The evaluation results provided insights into the effectiveness, efficiency, relevance and impact of the TETA funded programmes and will be used for evidence-based planning to enhance the organisation's operations and ultimately to achieve the strategic objectives.

The PM&E unit complied with the regulations and principles governing M&E in the public sector set out by the Department of Planning, Monitoring, and Evaluation (DPME) to be relevant and aligned while performing its operational mandate.

In addition, TETA also fulfilled the DPME's requirement to submit and record the quarterly performance in the national electronic quarterly performance reporting system (EQPRS). 2024-2025 marks the final year of our strategic period 2020-2025, and the organization's strategic priorities for 2024–2025 are summarized in the table below:

TETA Strategic Skills Development Priorities.

STRATEGIC PRIORITIES	ACHIEVED / NOT ACHIEVED	DESCRIPTION
Fourth Industrial Revolution / Digitalisation	Achieved	Research Studies looking at how 4IR impacts the transport industry were carried out, and the SETA will use the research results to guide its strategic planning for the upcoming fiscal years. The 4IR state-of-the-art computer equipment infrastructure was provided by TETA to a TVET College to facilitate online learning. The QCTO and training providers have worked together with TETA to make sure simulation training is accredited and current with developments in the worldwide training environment.
Strategic Partnerships	Achieved	TETA established alliances with businesses and academic institutions. Through these partnerships, graduates will find employment and other opportunities to gain workplace experience, which will help them get ready for the workforce. Universities, TVET colleges, and CET colleges were among the other PSET sector organizations with whom new strategic partnerships were formed. The last mile delivery project, which addressed ERRP priority, was implemented through a co-funding collaboration with the NYDA.

STRATEGIC PRIORITIES	ACHIEVED / NOT ACHIEVED	DESCRIPTION
Road Safety Initiatives	Achieved	With remarkable success, TETA and the assigned service provider carried out a "Motorbike Road Safety Campaign" in a number of Gauteng districts. The goal of the project was to raise motorcycle riders' road safety awareness, especially for those who use their bikes to transport food and other goods. TETA also funded a traffic safety program called "Rest to save lives." Truck drivers learned fundamental driving principles and improved their driving behaviors through the use of media platforms and simulation programs.
Employer Participation	Achieved	More firms are now partaking and submitting WSP/ATR due to TETA's various efforts, which include increased stakehold-er support and stakeholder engagements, to invite more participants in the Mandatory Grant system. To expand the number of workplace-based interventions, a significant number of workplace approvals were conducted.
Transformation	Achieved	The rural development strategy was created and implemented to aid in the execution of relevant and suitable initiatives in rural areas. TETA has increased its efforts when awarding Discretionary Grants and focus on the transformational agenda facing the transport sector, including the employment of women, particularly African women and people with disabilities, to achieve transformational imperative targets. Leadership development Programmes have been implemented to uplift women in the transport sector.
SMME/ Entrepreneurship	Achieved	Through funding a variety of skills development initiatives, TETA keeps creating strategies that help small businesses prosper, be sustainable, and operate effectively. TETA supported unemployed youth on motorbike licenses and connected individuals with acquired skills with logistics firms to transport goods to assist small businesses in accessing the growing logistics sector that underpins the e-commerce industry.
Pandemics	Achieved	The pandemic has made virtual learning a reality. Continued support to 60 TETA Adopted Schools across the 9 provinces through provision of tablets for matriculants attest to the achievement of this priority. HIV/AIDS as a pandemic has also been addressed through awareness campaigns in the transport sectors as well as in communities. Gender Based Violence is also a pandemic that TETA has addressed in the 2024-25 financial year through training Programmes and awareness campaigns.
Revenue Diversification	Achieved	In response to decline levy income, co-funding alternatives have been considered by the organization to support the rising mandate and to augment the restricted 10,5% regulated administration cost. Examples of diversified revenue to help TETA achieve its strategic goals include co-funding partnerships with BANKSETA, NYDA, Department of Rural Development and Land Reform etc. on a range of skills development projects.
Africa Free Trade Agreements	Achieved	As part of AU Vision 2063, which seeks to use education and skills to further Africa's development, TETA continued to work with African countries (such as Angola) to execute the Africa Free Trade agreements. Through training and development assistance, the partnership with Angola aims to promote seamless commerce and supply chain management throughout the continent.
TVET Partnership	Achieved	TETA has collaborated with and provided support to TVET colleges through specific programs in several provinces to improve efficient skill development in these institutions. For effectively developing skills, these programs comprise curriculum development, infrastructure development, lecturer development, and student placement.

Performance of the organisation

Throughout the year under review, TETA demonstrated adaptability, competency, and resilience in carrying out a variety of skills development programs and interventions. The SETA's performance in the year under review was 90%, compared to 93% in the previous year, due to various reasons including limited budgets and the organization's struggles with the absence of an integrated Management Information System for the better part of the financial year. Completion targets where learners were deemed not yet competent is one the primary cause of the performance drop. In addition, the performance of some of the entered learners was impacted by stakeholders declining Discretionary Grant awards in the middle of the financial year. Despite the SETA's proactive redistribution of the DG awards to other interested stakeholders, this performance could not be reported since learner enrolment and recruitment could not be finalised before the end of the year.

Sector Challenges

- The PSET sector's Monitoring and Evaluation (M&E) role is not clearly defined, and SETAs use M&E in different ways depending on how they understand and interpret the function.
- The various techniques and methods utilized in M&E implementation within SETAs make it more challenging to standardize M&E tools, benchmark with other SETAs, and look for best practices for improvement.
- Strategic intervention: Initial discussions with other SETAs regarding the use and interpretation of the monitoring and evaluation function should be held to enhance efficiency of the M&E role and service delivery.
- Manual data mining usually produces erroneous information when working with big amounts of data, which is then utilized for research studies and evaluation projects. - Strategic intervention: To decrease human error and boost the effectiveness of our services as a SETA, we need to acquire an integrated, efficient, and effective information system solution to collect, store, and validate data

Skills Development and Learning Programmes Unit

The unit is responsible for guiding compliance to key skills development legislation. The unit execute the key responsibility by coordination and delivery of organisational strategic planning, coordination of grant processes, performance information collection, consolidation, validation and reporting. The unit is also responsible for administration of unemployed bursary programme.

Key Highlights

- The unit led the development of TETA's 2025–2030 Strategic Plan and the 2025/26 Annual Performance Plan (APP), ensuring alignment with the Department of Planning, Monitoring, and Evaluation (DPME) frameworks and the Medium-Term Development Plan (MTDP) 2030.
- A total of 351 bursaries were awarded to unemployed individuals for studies at Higher Education Institutions (HEIs), Technical and Vocational Education and Training Colleges (TVETs), including diving and flying schools, with 233 learners successfully registering at the institutions for 2025 academic year.
- The above achievement reflects improved performance over the previous year, driven by increased funding, with entry and completion targets exceeded by 16.5% and 10% respectively, continuing TETA's trend of surpassing SETA targets.
- TETA received a total of 1 378 mandatory grant (MG) applications, of which 1 343 were approved. This represents a 31% increase above the set target of 920 approved applications.
- The number of MG application submissions and approvals increased by 7.91% and 8.34%, respectively, compared to the previous financial year ending 31 March 2024.
- Furthermore, TETA funded 81% of Professional, Vocational, Technical, and Academic Learning (PIVOTAL) programmes, surpassing the 80% national benchmark and reinforcing its commitment to critical skills development in the transport sector.

Challenges

- A high number of incomplete, non-compliance or non-submission of applications on the online system;
- System limitations, slow processing speeds, or user-unfriendly interfaces contribute to delays in workflows, hampering overall productivity and stakeholder satisfaction.
- Participation rates from public Technical and Vocational Education and Training (TVET) colleges remain below expectations, which may reflect challenges such as lack of awareness, motivation, or capacity within these institutions.
- A major challenge is the high volume of discretionary grant applications compared to limited available funding, which makes it difficult to prioritize and allocate resources effectively and fairly.

Project Office

The project office delivered projects and supported the organisation to achieve its objectives through the implementation of the interventions described in the following sections:

Highlights

Adopted schools

A total of 1500 grade 12 learners from 60 adopted schools were supported with tablets to access e-learning material and maximise chances of success in Grade 12 final examination.

Strategic partnerships

- National Society of Black Engineers (NSBE) Partnership on mentoring, coaching and candidacy programmes in engineering related fields. To implement this partnership, 60 learners are currently being funded by TETA on candidacy programmes.
- Chinese Culture and International Education Exchange Centre (CCIEEC) partnership with TETA on international exchange programmes, TETA in supporting the implementation of this partnership with 100 unemployed TVET learners enrolled on Electrical Vehicles practical training programmes.
- Dept of Agriculture, Land Reform and Rural Development partnership is currently being implemented via a contract with 1731 learners from all 9 provinces being trained on drivers' licence programme.
- Partnership between TETA, Letaba TVET College and World Skills SA where 28 learners being supported to participate on transport sector related skills.
- The Co-funding Partnership with BankSETA, at a value of R84 million, to train 1200 unemployed youth to acquire motorbike driver's licenses and kickstart delivery service businesses. A total of 883 learners have completed NVC training and acquired motorbike drivers' licenses.
- TETA and SAIGA (Southern African Institute of Government Auditors) Partnership on Audit Interns is being implemented, with a total of 30 learners currently enrolled on the SAIGA learnership programme to obtain Registered Government Auditor RGA qualification NQF 8.

Aerospace Chamber

Representation of the employer profile in the Aerospace sub-sector

Number of registered and active companies	Number of companies paying levies	Number of companies not paying levies	Number of companies submitting WSPs	Number of levy paying companies not submitting WSPs
867	482	241	81	160

Growth and decline of the sub-sector

- The Aerospace subsector recorded 867 registered companies, and 482 registered and active companies according to the March 2024 SARS levy file;
- Number of Registered and Active Companies in the Aerospace subsector increased from 494 in March 2023 to 482 in March 2024 with a decline of 12 companies;
- The African aerospace market is operating at 93% of where the industry was in 2019, prior to COVID-19, as such, the passenger numbers, both domestic and international, are at pre-COVID levels;
- There was a slight decline in the number of levy-paying companies, from 262 in March 2023 to 241 in March 2024;
- The Aerospace subsector is ranking the sixth employer compared to the other sub-sectors, contributing 8.9% to the Transport sector workforce;
- The labour market profile indicates a total of 42, 476 employees in the subsector which is made up of 80% Africans, 9% White, 8% Coloured and 3% Indian/Asian;
- The sub-sector saw reduced operational capacity of South African Airways and the placement of Comair under business rescue that led to the suspension of flights;
- The effects of the pandemic and the war between Ukraine and Russia have disrupted shipping and air freight, negatively impacting the aerospace sub-sector; and
- The number of companies in the sub-sector participating in the submission of WSP/ATR increased from 77 (April 2022 WSP/ATR) to 81 (April 2023 WSP/ATR).

Highlights

- Beneficiaries who enrolled on a Pilot programme, were employed as First Officers;

Opportunities in the sector

- Development of Remote Piloted Aircraft Systems (RPAS) Maintenance Technicians;
- Small Business Development; and Conversion of more Aviation Maintenance Technicians and Pilots to Drone technology.

Forwarding and Clearing Chamber

Representation of the employer profile in the Forwarding and Clearing sub-sector.

Number of registered and active companies	Number of companies paying levies	Number of companies not paying levies	Number of companies submitting WSPs	Number of levy paying companies not submitting WSPs
674	518	156	164	354

The total number of registered companies within the forwarding and clearing sub-sector is 674 which is 6.1% of total transport registered companies in South Africa.

The Forwarding and Clearing Sub-sector Employer Organisation Size

Employer Organisation Size-Forwarding & Clearing subsector	
Small Companies (1-49)	573
Medium (50-149)	48
Large (>149)	39
Unspecified	14
Total Active Companies	**674**

The Forwarding and Clearing Sub-sector Provincial Representation

Province	No of F&C Companies	%
Gauteng	341	50,6%
KwaZulu-Natal	181	26,9%
Western Cape	115	17,1%
Eastern Cape	15	2,2%
Mpumalanga	8	1,2%
Northwest	4	0,6%
Free State	1	0,1%
Limpopo	1	0,1%
Total Active Companies	**674**	**100%**

Employment in the transport sector increased from 1 023 million in 2023Q4 to 1 062 million in 2024 Q1, despite negative GDP growth in 2024 Q1. The rise in employment may be due to the positive GDP growth in 2023Q4 (3.1%) and the growing uptake of online business models. The Forwarding and Clearing subsector capture 9,4% of the transport sector employee base. The transport sector remains male-dominated, with 80% of employees being men, while in the forwarding and clearing subsector 65% of the employees are male and 35% are females.

In 2024 Q1, African employees dominated the transport sector workforce, comprising 80% of the total. White employees made up 9%, Coloured employees 8%, and Indian/Asian employees 3%. This racial distribution aligns with the national demographic patterns of South Africa. African employees dominate in the forwarding and clearing subsector by 59%, followed by white employees 18%. The forwarding and clearing subsector is dominated by employees within the 35-54 age group. While the Employment of Persons with Disabilities in the forwarding and clearing subsector is 11.5%.

The Forwarding and Clearing Chamber – 2024/25 Workplace Skills Plans (WSP)

Mandatory grant (MG) window for the 2024-25 cycle officially closed on the 30th of April 2024. Applications were evaluated by the Chamber and submitted for approval. The MG processes were finalized in June 2024, with several companies Recommended for approval, approved but not payable and declined levy payers.

Applications received for the chamber were 177.

- Recommended for Approval = 154
- Approved but not payable = 21
- Declined = 2

Highlights of the chamber in the 2024-2025 financial year Opportunities in the sector

Registration of the occupational qualifications with QCTO to enable the chamber to be in line with the changes in the training environment. The following qualifications registered with QCTO:

NLRD	NLRD Title	DHET Learnership No.	Qualification
96396	Occupational Certificate: Freight Handler	32Q3201201412 23	Occupational Certificate: Freight Handler
96368	Occupational Certificate: Clearing and Forwarding Agent	32Q3201191512 05	Occupational Certificate: Clearing and Forwarding Agent
99111	Occupational Certificate: Supply Chain Practitioner	32Q3204418145 5	Occupational Certificate: Supply Chain Practitioner
110934	Occupational Certificate: Shipping Agent	32Q3202301624 05	Occupational Certificate: Shipping Agent
110942	Occupational Certificate: Supply Chain Practitioner	32Q3202251715 05	Occupational Certificate: Supply Chain Practitioner

- Technological advancements: In Forwarding and clearing subsector, automation in warehousing and cargo handling is increasing, thereby enhancing efficiency, reducing errors, and improving demand management for freight forwarders.
- Promoting gender diversity: Increasing opportunities for women in transport sector is not only a matter of equity but also a strategic opportunity. Women bring unique perspectives, skills, and leadership styles that can drive innovation, improve decision-making, and enhance service delivery. To support this shift, targeted initiatives such as mentorship programmes, gender-sensitive recruitment practices and skills development are essential. Creating awareness about career opportunities, addressing workplace culture, and showcasing female role models in transport can also help attract and retain more women in the industry.

Challenges in the Sector

- The Fourth Industrial Revolution and technological advancements are compelling transport subsectors to evolve, disrupt established business models, and embrace new methods of operation. Consequently, there is an urgent need for reskilling and upskilling within the sector
- Port and Border Inefficiencies: Congestion and delays at key ports, coupled with border delays and non-tariff barriers, have disrupted supply chains, increasing operational costs for freight companies.
- Infrastructure Deterioration: Damaged and poorly maintained roads, ports border posts infrastructure hampers efficient import and export of goods,
- Cybersecurity: Cybersecurity Specialists: Growing need to protect sensitive data and infrastructure as the transport sector becomes more digitized.
- Information Technology- There is a high demand for IT specialists within the subsector in various categories of IT.
- Hard-To-Fill-Vacancies in the Forwarding and Clearing subsector-The identified Occupational shortages and skill gaps have huge implications for Sector Skills Planning. The optimum functionality

of the sector relies on the availability of suitably qualified, skilled and experienced individuals, amongst other factors. These shortages and gaps negatively affect the sector's productivity and innovation.

Freight Handling Chamber.

Representation of the employer profile in the Freight Handling sub-sector..

Number of registered and active companies	Number of companies paying levies	Number of companies not paying levies	Number of companies submitting WSPs	Number of levy paying companies not submitting WSPs
852	564	288	131	433

Skills Development Trends in the Freight Handling Sector

The freight handling sector has seen a greater demand for skilled professionals, particularly in areas like supply chain management and IT-driven logistics. The sector continues to evolve with the introduction of new technology and the Fourth Industrial Revolution (4IR). For instance, automation is transforming storage and distribution, while digitalization is improving efficiency by reducing errors and speeding up processes.

As the industry adapts, new skills are emerging to meet the changing demands. Here are some of the ways (4IR) is influencing the sector:

1. Data Analytics & AI Integration – The ability to analyze large datasets to optimize supply chain efficiency is becoming crucial.
2. Automation & Robotics – Understanding automated warehousing systems and robotic process automation (RPA) is increasingly valuable.
3. Cybersecurity Awareness – As digital systems expand, protecting sensitive freight data from cyber threats is essential.
4. IoT & Smart Logistics – Knowledge of Internet of Things (IoT) applications in tracking shipments and monitoring cargo conditions is in demand.
5. Sustainable Logistics Practices – Skills related to eco-friendly transportation and energy-efficient warehousing are gaining importance.
6. Automated Warehousing – Robotics and AI-powered sorting systems are revolutionizing storage and distribution.

Through industry collaboration, the Chamber has been able to strengthen partnerships between business and educational institutions.

The Chamber supported various TVET Colleges and businesses through initiatives focused on Work-integrated learning (WIL). Learners were given an opportunity to develop industry-specific skills, gain workplace exposure, and build professional networks. By participating in these programs, students enhance their employability and transition more smoothly into the workforce.

The Chamber continues to work with industry in identifying skills needs for qualification development.

Maritime Chamber.

Representation of the employer profile in the Maritime sub-sector

Number of registered and active companies	Number of companies paying levies	Number of companies not paying levies	Number of companies submitting WSPs	Number of levy paying companies not submitting WSPs
638	442	196	156	288

Growth and decline of the sub-sector

- South Africa has almost 3 000km of coastline that provides an exclusive economic zone, making the maritime industry a critical vein of the country's economy. Up to 90% of the country's global trade is by sea through ports;
- The subsector constitutes 5,8% of the total registered companies in the Transport sector, ranking fifth among all 8 sub-sectors;
- The Maritime subsector recorded 638 registered and active companies according to the March 2024 SARS levy file, which is a decrease from the 661 in March 2023;
- There was an increase in the number of levy paying companies, from 394 in March 2023 to 442 in March 2024;
- Contributing 6,3% to the transport sector's workforce, the Maritime sub-sector is the seventh employer, recording 30 094 employees in 2024.

Trends & Highlights

Various trends, ranging from grassroots / developmental awareness programmes to specialised skills for direct workplace absorption to high-level occupational qualifications, have emerged in the chamber activities of previous years. These have culminated, in year under review, to the following projects and activities:

- *Youth Development:* TETAs support for an outreach programme for maritime awareness and career guidance, aimed at preparing school-going youth for an introduction to the maritime industry through the SA Sea Cadets. The programme reached in excess of 650 school-going youth and provided both awareness and basic maritime discipline. The success of this project resulted in a continuation of the programme which entails further expansion into both coastal and inland regions.

Various interventions have also been delivered through the regional Yacht Clubs, in the form of a youth development programmes for unemployed learners for entry into maritime careers. The programme includes, amongst others, swimming, sail training, competent crew, skippers, radio, boat safety and instructor courses:

- *Community Development:* Both rural (the creation of new economic activity in coastal fishing villages) and urban (township) communities have benefited from a host of interventions delivered in the form of alternative livelihood or poverty alleviation programmes. Some of these have included formal skills programmes or regulatory training, and others again focusses on business coaching and mentoring for fishing co-operatives in regions.
- *Centres of Specialisation (CoS) and TVET support:* TETA has annually supported the implementation of a centre of specialisation with regional colleges. The programme originally started with the fitter and turner qualification but has been expanded over the years to include boilermakers and electricians, amongst others. In addition, other colleges in the Western Cape have also shown interest in the CoS programme and TETA has further supported False Bay College in implementing various trades. TETA has also delivered in supporting some colleges in the placement for workplace learning to N6-certified learners and supporting a college with an infrastructural development programme, focussed on developing an IT learner management system.
- *Cruise line industry:* Various international cruise line companies have identified South Africa as a source of labour for catering, hospitality and entertainment related graduates on board its vessels and provides a guaranteed nine-month work contract for recipients. Over the period, various awards were made to support unemployed learners to find employment in the cruise line industry through a relatively low-cost initiative which provides training for unemployed learners

readying them for recruitment on cruise vessels.

- *MSc: Maritime Affairs:* The chamber continues to manage TETA's prestigious World Maritime University (WMU) scholarship project. During the period under review, five South African learners were given scholarships for a Masters in Maritime Studies in Malmo Sweden, while another five graduated from the previous academic year.

Challenges in the sector

The sectors adoption of occupational qualifications remains a challenging space and an area for improvement. Challenges relating to the integration of STCW and the NQF remain a problem. The upshot is that, while the industry demand for occupational qualifications remains, there are few opportunities when it comes to seafarer qualifications – and the obvious downside of this is that there are few learnerships available to the sector

Rail Chamber

Representation of the employer profile in the Rail sub-sector

Number of registered and active companies	Number of companies paying levies	Number of companies not paying levies	Number of companies submitting WSPs	Number of levy paying companies not submitting WSPs
86	64	139	30	14

Growth and decline of the sub-sector

- Employment in the transport sector increased from 1.023 million in 2023Q4 to 1.062 million in 2024Q1, despite negative GDP growth in 2024Q1. The Rail subsector is the second highest employer in the sector, contributing 23,1% to the Transport sub-sector workforce with 82 451 employees. The Rail Chamber also makes up about 17,2 % of the total employees in the sector.
- The transport sector remains male-dominated, with 80% of employees being men. In the rail subsector, 66% of the employees are male.
- 84 % of employees in the rail subsector are African employees followed by Coloured employees that represent 8%.
- PwDs now make up 1.6% of the total workforce in transport sector with 16,8 % (highest) of employees working in the Rail subsector being Persons with Disabilities (PwDs)
- The subsector constitutes 1,6% of the total registered companies in the Transport sector, ranking last among all 8 subsectors, yet the biggest levy income contributor;
- The Rail subsector recorded 86 registered and active companies according to the March 2025 SARS levy file.

Highlights

Following are the milestones in the year under review:

- Registration of the Skills programme, SP-250207 Dangerous Goods Rail Handler with 10 credits, NQF level 3 after was approval by the QCTO.
- A study conducted on employee skills in the railway sector amid 4IR (2024), revealing significant transformation due to advanced technologies and digitalization. 4IR technologies deemed applicable to the rail subsector were found to be digitisation; robotics and automation; AI; VR; IoT; 3D printing; and computational technologies. The stakeholders emphasized strategic investment in infrastructure and technology for modernization and efficiency.
- Successful completion of scoping and profiling sessions by the rail industry Subject Matter Experts as well as reviews and development for Qualification Assessment Standards(QAS) for occupational trade: Wagon fitter, OFO code 653303 on the 19th September 2024 and for Train driver and Functional yards qualifications on the 7th March 2025.
- Participation (ongoing) at the Railway Safety Regulator(RSR) to develop a draft Framework for Evaluation and Registering of Training Service Providers/institutions, and Licensing of Safety Critical Grades for the Railway Industry which mainly in supports of the requirements captured in the Railway Safety Bill (2021

- Successful completed and entered learners among others reported to DHET are as follows:
- Maluti TVET College learners work placement - 60 completed
  - Gibela Rail Consortium Apprenticeship for the unemployeds-94 learners completed
  - Central University of Technology HEI placements - 60 entered
  - Transnet TVET Placement 90 learners entered

Opportunities in the sectorr

- Transnet offers training programs for third-party access companies (which opened in 2024) to help them prepare for using the South African rail network. These programs aim to ensure that operators are operationally ready, understand the network, and comply with safety and operational requirements. The training includes various aspects, such as understanding the network statement, application processes, technical requirements, and operational procedures. Funding/Collaboration for such training from various Partners like TETA was indicated by Transnet in various platforms to be key. This includes sharing of best practices in training delivery and learner competencies.
- The National Rail Policy (NRP) supports the rail sub-sector by delivering and promoting third-party access to the railway network. It also mandates that private operators on the rail network must have access to Transnet Freight Rail for the purpose of conducting business in logistics.
- Accessibility and Inclusivity: More work is required to make railway services and infrastructure more inclusive and accessible to passengers with disabilities, and to ensure that these passengers' requirements are met.

Challenges in the sector

- The subsector is facing a challenge of vandalization of the railway infrastructure.
- Capacity Restraints: Companies by size and province indicates that about 70% of the companies in rail are small. Some Black-owned businesses may find it difficult to meet the requirements and standards of the railway industry due to their low capacity and resources, which could have an effect on the quality and delivery of services.
- Continuity and Succession Planning: In order to guarantee the long-term viability of BEE programs in the railroad industry, steps must be taken. Creating effective succession planning methods is part of this.
- Some of the Skills Development Providers in the year under review, were driven by financial gain as compared to addressing topical issues in the sector. The implication was that in such cases, the subsector loose skills and competencies at the time they are required as training end up taking too long to be completed.

Road Freight Chamber

Representation of the employer profile in the Road Freight sub-sector.

Number of registered companies	Number of registered and active companies	Number of companies paying levies	Number of companies not paying levies	Number of companies submitting WSPs	Number of levy paying companies not submitting WSPs
8678	5082	3367	1715	609	2758

- The subsector constitutes 46.1% of the total registered companies in the Transport sector, ranking first among all 8 subsectors.
- Number of registered and active companies in the Road Freight decreased slightly from 5 145 in 2023 to 5 082 in 2024 which can be attributed to several key factors, primarily driven by economic strain and operational complexity:
  - Rising operational costs: Soaring fuel prices, maintenance expenses, and higher labour costs

have significantly impacted profitability, particularly for small to medium-sized operators with limited margins.

- Persistent economic pressures: Ongoing macroeconomic instability, inflation, and inconsistent demand patterns have placed financial stress on many businesses, leading to closures or reduced activity.
- Market saturation and competition: While the sector has seen growth in recent years, increased competition—particularly from larger, more technologically advanced players—has squeezed smaller operators out of the market.
- Supply chain disruptions: Global and regional disruptions, including port congestion, delays in goods movement, and geopolitical instability, have made logistics operations increasingly unpredictable and costly.
- Regulatory and compliance burdens: Stricter regulations related to safety, emissions, and labour practices have introduced additional compliance costs, which many smaller or under-resourced companies struggle to meet.
- Limited access to capital: Many companies face challenges in securing funding or credit facilities to upgrade fleets, invest in technology, or weather short-term economic shocks, leading to a decline in operational capacity.

- There was an increase in the number of levy paying companies, from 2180 in 2023 to 3367 in 2024.
- The Road Freight subsector is the highest employer, contributing 37,7% to the Transport sector workforce.
- The WSP/ATR 2024 data recorded 181 051 persons employed in the sub-sector, an increase from 87 697 employees reported in the WSP/ATR 2023. The rise in employment may be due to the positive GDP growth in 2023 Q4 (3.1%) and the growing uptake of online business models.
- 74% of employees in the Road Freight subsector are African employees, followed by White employees that represent 12%. 53% of the employees fall withing the 35-54 age group.
- The transport sector remains male-dominated, with 80% of employees being men. In the Road Freight subsector 81% of the employees are male.
- The number of companies in the sub-sector participating in the submission of WSP/ATR information increased from 581 (April 2023 WSP/ATR) to 609 (April 2024 WSP/ATR).

Highlights

Opportunities in the sector

- Participation in strategic task teams: Engagement in initiatives like the Road freight and logistics task team, established by the Minister of Transport, allows stakeholders to influence policy and drive sector improvements.
- Professional development for drivers: There is a growing emphasis on upskilling truck drivers, particularly in handling dangerous and hazardous goods, through specialized training programs. This not only enhances safety but also elevates professional standards within the industry.
- Focused road safety campaigns: The rollout of targeted road safety initiatives aims to reduce accidents and improve overall safety standards in the trucking industry.
- Growth in E-commerce: The expansion of e-commerce has increased demand for efficient last-mile delivery services, creating opportunities for logistics companies to innovate and expand their operations.
- Technological advancements: Adoption of digital tools and automation in logistics operations is improving efficiency and tracking capabilities, enabling companies to better manage their supply chains.
- Promoting gender diversity: Increasing opportunities for women in transport sector is not only a matter of equity but also a strategic opportunity. Women bring unique perspectives, skills, and leadership styles that can drive innovation, improve decision-making, and enhance service delivery. To support this shift, targeted initiatives such as mentorship programmes, gender-sensitive recruitment practices and skills development are essential. Creating awareness about career opportunities, addressing workplace culture, and showcasing female role models in transport can also help attract and retain more women in the industry.

Challenges in the sector

- Port and Border Inefficiencies: Congestion and delays at key ports, coupled with border delays and non-tariff barriers, have disrupted supply chains, increasing operational costs for freight companies.
- Security Concerns: There has been a surge in hijackings, particularly affecting last-mile delivery vehicles, which has significantly raised security costs for logistics companies.

- Infrastructure Deterioration: Damaged and poorly maintained road infrastructure hampers efficient transportation, increases vehicle maintenance costs, and poses safety risks to road users.

Road Passenger Chamber

Representation of the employer profile in the Road Passenger Chamber.

Number of registered and active companies	Number of companies paying levies	Number of companies not paying levies	Number of companies submitting WSPs	Number of levy paying companies not submitting WSPs
6 596	1 096	5 500	256	840

Growth and decline of the sub-sector

- The subsector constitutes 25,7% of the total registered companies in the Transport sector, ranking second among all 8 subsectors. This is a 1,2% decrease from the previous year;
- The Road Passenger subsector recorded 6 596 registered companies.
- There was a notable decrease in the number of levy paying companies, from 2 091 in February 2024 to 1 096 in March 2025.
- The Road Passenger subsector is the third highest employer, contributing 10,2% to the Transport sector workforce.
- The WSP/ATR 2024 data recorded 49 041 people employed in the sub-sector, an increase from 20 085 employees reported in the WSP/ATR 2023.
- The number of companies in the sub-sector participating in the submission of WSP/ATR information increased from 188 (April 2023 WSP/ATR) to 256 (April 2024 WSP/ATR).

Key strategic partnerships

The Chamber entered Memorandum of Understanding with the following entities from the Eastern Cape:

- Buffalo City College
- Eastern Cape Office of the Premier
- Lovedale TVET College
- Port Elizabeth TVET College
- University of Fort Hare
- Eastern Cape Community Education and Training College
- Eastcape Midlands College
- Provincial Department of Social Development

Challenges in the sector

The legacy qualifications expired on 30 June 2024. As a result there were no skills programmes for the sub-sector during the financial year. QCTO is still in the process of registering skills programmes.

Key Achievements

Chamber contribution in addressing strategic imperatives of TETA

The Chamber is also responsible for and oversees TETA's activities in the Eastern Cape province. This responsibility is implemented through the assistance of the Office of the Premier and the Provincial Skills Development Forum

Chamber Challenges

The passenger industry is also heavily affected by the fuel and parts increases experienced by South Africa. Buses are under attack in certain provinces. Bus companies requested assistance from SAPS and the Department of Transport.

Road Passenger Chamber

Representation of the employer profile in the Taxi sub-sector

Number of registered and active companies	Number of companies paying levies	Number of companies not paying levies	Number of companies submitting WSPs	Number of levy paying companies not submitting WSPs
377	193	20	173	840

Growth and decline of the sub-sector

The taxi subsector continues to be the backbone of public transport in South Africa, transporting approximately 84% of the 73% of households that rely on public transport. It plays a significant role in the economy because it provides employment and mobility to many South Africans.

The subsector faced ongoing challenges because of the slow economic growth, including rising fuel prices, persistent load shedding, and peak-hour traffic congestion.

Notably, levy-paying companies rose from 76 to 193, with WSP/ATR submissions increasing from 15 to 20, indicating modest but meaningful progress in the formalisation efforts and participation in skills development.

Encouragingly, formal employment in the subsector grew significantly, from 612 to 1,731 employees compared to last year, demonstrating increased inclusion, opportunities, and formalization.

However, the sector remains the lowest contributor to TETA levy income due to its informal nature and fragmented structure, which continue to inhibit large-scale participation in the formal skills development system.

Highlights

The Taxi Chamber, led by the accounting authority, engaged proactively with employer bodies and organised labour to explore pathways for fiscal formalisation and to promote greater participation in skills development initiatives.
Chamber played a meaningful role in shaping policy directions

The state President signed the National Land Transport Bill into law, representing a critical milestone, as it introduced formal regulation for e-hailing and non-motorised transport.

Encouragingly, uptake of the Occupational Certificate: Taxi Driver qualification is steadily increasing, showing growing interest in professionalisation.

Opportunities in the sector

The express parcel delivery initiative presents a strategic diversification opportunity for the taxi subsector, as passenger numbers are decreasing.

Embracing digital tools—such as cashless fare collection and onboard surveillance technologies—offers a pathway to safer, more efficient, and customer-centric services.

Developing targeted skills programmes aligned with the Occupational Qualification Taxi Driver further supports efforts to build a competent and professional workforce.

Furthermore, the Government of National Unity's prioritisation of challenges within the subsector, including informality, lack of subsidies, the need for unity, and road safety, presents a policy window for strategic reform through partnerships.

Key strategic partnerships

The strengthened collaboration between SANTACO, NTA, SATDWU, and TETA is commendable and indicative of a unified commitment to the subsector transformation.

The initial resistance to e-hailing platforms is diminishing, and the involvement of SAMTEA in TETA initiatives bears testimony.

Key Achievements

The passenger industry is also heavily affected by the fuel and parts increases experienced by South Africa.

Buses are under attack in certain provinces. Bus companies requested assistance from SAPS and the Department of Transport.

Challenges in the sector

Sporadic incidents of killings, unsafe driving, and bad customer service continue to undermine the otherwise commendable efforts undertaken within the subsector.

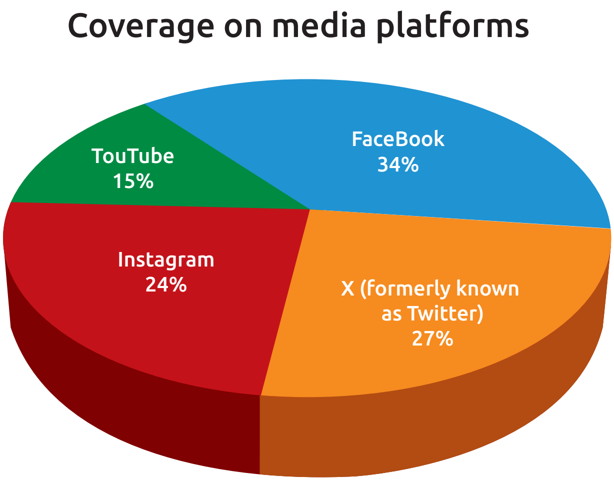
The persistent informality of the subsector remains a major challenge to broader participation in skills development and it is a critical priority area for redress.

The Taxi Chamber is committed to driving collaborative efforts to formalize, professionalize, and skill the subsector.

9.14 Marketing Communications

Overall Social Media Presence Value for 2024/25 Financial Year

TETA generated 519 items of social media coverage, an AVE of R32,375,268.68 and an accumulative reach of 33,332,975. Facebook dominated social media coverage in the 2024/25 year compared to 2023/24, Instagram and YouTube. There were 12 (2%) negative, 314 (61%) neutral and 193 (37%) positive mentions across all social media platforms in the2024/25 year.



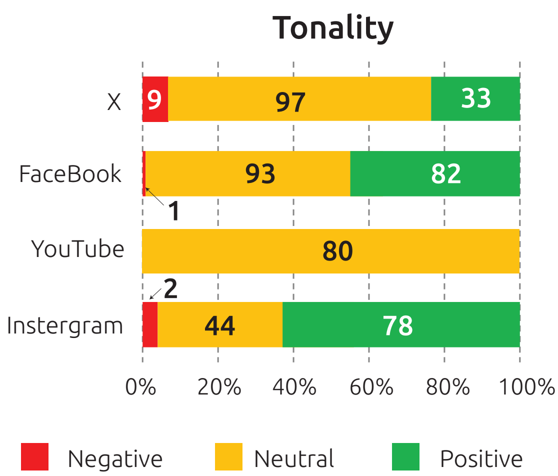
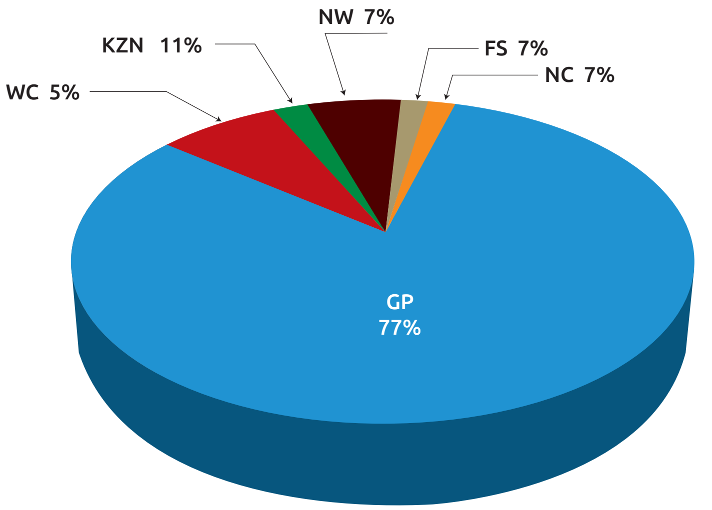


Figure 12: Overall Editorial Media Value for 2024/25 Financial Year

Province	Volume
South Africa	56
Gauteng	33
Western Cape	4
North West	3
Kwa-Zulu Natal	1
Free State	1
Nothern Cape	1

Broadcast Regions Share of Voice (SOV)



Reputation Management Index

TETA received a total of 519 items of social media coverage - 193 were positive, 314 neutral and 12 were negative. Therefore, according to the Reputation Index calculation, TETA's Index score for social media is 61% positive for 1 April 2024 to 29 March 2025. Figure below demonstrates Social Media Reputation for TETA.

April 2024 to March 2025

519 Items of social media coverage
193 were positive
314 were neutral
12 were negative

TETA received a total of 291 items of social media coverage - 62 were positive, 218 were neutral and 11 were negative. Therefore, according to the Reputation Index calculation, TETA's Index score for traditional media is 17% positive for 1 April 2024 to 29 March 2025. Figure below demonstrates Social Media Reputation for TETA.

April 2024 to March 2025

62 were positive
218 were neutral
11 were negative

Reputation management index is calculated by taking articles with a positive tone and subtracting articles with a negative tone. This number is then divided by the total coverage of the organisation (positive, neutral, and negative) and multiplied by 100. This results in a score between -100, only negative coverage, or 100, only positive coverage

Driven by Vision

PART C

Governance

Mr Roland N. Setlako
Acting Board Chairperson

Mr Saki Tlou
Board Member

Mr Irvin Phenyane
Board Member

Ms Olivia Maponya
Board Member

Mr Matthew Ramosie
Board Member

Ms Dina Maleka
Board Member

Ms Norah Munyai
Board Member

Mr Solomon Mahlangu
Board Member

Mr Anele Kiet
Board Member

Ms Fezeka Ntlemeza
Board Member

Mr Hardhaw Tikum
Board Member

Mrs Maphefo Anno-Frempong
Chief Executive Officer

Ms Nokuthula Sifunda
Board Member

Mr Famanda Shirindza
Chief Operations Officer

Ms Zonke Cebekhulu
Board Member

Mr Nchaupe Maepa
Chief Financial Officer

Mr Wilfred Mogudi
Board Member

Adv. Ishmael Malale
TETA Company Secretary

1. Governance

INTRODUCTION

Corporate governance entails processes and systems by which TETA, a public entity established in terms of Section 9 of the Skills Development Act (Act No. 97 of 1998) (SDA), facilitates public accountability. In addition to legislative requirements derived from the SDA and Skills Development Levies Act (Act No. 9 of 1999) (SDLA), corporate governance pertaining to public entities is effectuated through the precepts of the Public Finance Management Act (Act No. 1 of 1999) (PFMA), and related Treasury regulations and relevant directives. The principles contained in the King Report on Corporate Governance are also applicable. Parliament, through its committee system, as well as the Executive and the TETA Accounting Authority are responsible for corporate governance and public accountability.

1.1. PORTFOLIO COMMITTEES (if applicable)

In the year under review, TETA has not appeared before the Portfolio Committee and SCOPA. These committees have not raised any specific challenges and concerns relating to the organisation..

1.2. EXECUTIVE AUTHORITY

The PFMA empowers the Executive Authority to hold oversight of TETA. The Accounting Authority is appointed by and is accountable to the Executive Authority. The TETA Accounting Authority concludes overarching governance instruments with the Executive Authority that set out organisational objectives and aspirations that appropriately relate to the compact between the Executive Authority and TETA. The TETA concluded an SLA with the Director-General pursuant to section 10A of the Skills Development Act. The SDA contemplates that the SETA should produce an SSP, and the transport SSP was produced and submitted for ministerial approval on 31 August 2024. The plan was approved. The TETA also submitted planning documents for the subsequent year (2025-2030 strategic plan and 2025-26 Annual performance plan) as prescribed by the EA. The TETA submits quarterly performance reports and governance reports to the DHET highlighting organisational compliance with provisions of the PFMA. The organisation received positive feedback on its efforts to attain government imperatives as set out in the instruments described above.

2. Accounting Authority/Board

INTRODUCTION

The overall performance of the SETA against the predetermined targets, comprehensive reporting on the financial health and performance of the SETA shall be encapsulated in the 2024/25 Annual Report to be tabled in Parliament of the Republic of South Africa.

The role of the Board is as follows:

The Transport and Education Training Authority (TETA) is a Schedule 3A public entity as listed in the Public Finance Management Act. The entity was established in terms of the Skills Development Act (Act No.97 of 1998) by the Minister of Labour on 20 March 2000, and its five year operating licence subsequently extended to 31 March 2010. The operating licences of all SETA's were further extended to March 2016 under the Minister of Higher Education and Training. Subsequently the Minister re-established SETAs from 1 April 2016 to 31 March 2018. The operating licence was further extended to 31 March 2020 and subsequently to March 2030. The broad mandate of TETA is to develop skills in and for the Transport Industry in South Africa and include the following:

- Facilitate equitable skills development in the transport sector to cultivate empowered workers;
- Ensure access to training, education and work placement opportunities for graduate and the unemployed;
- Align skills development initiatives to emergent needs and national imperatives;
- Facilitate workplace learning and partnerships between employers and educational institutions;
- Collaborate with and support Technical and Vocational and Training (TVET) capacitation;
- Collaborate with Higher Education Institutions (HEIs); and
- Implement training on road safety to alleviate road carnage.

The skills development and training programmes and initiatives are rolled out in the following sectors, which fall within the scope of TETA:

- Aerospace
- Forwarding and Clearing
- Freight Handling
- Maritime
- Rail
- Road Freight
- Road Passenger
- Taxi

Board Charter

Provide commentary on the board's charter and comment on the progress made on complying with the charter.

2.1 Composition of the Acounting Authority

NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE	DATE APPOINTED	DATE RESIGNED	QUALIFICATION	AREAS OF EXPERTISE	BOARD DIRECTORSHIPS (LIST THE ENTITIES)	OTHER COMMITTEES OR TASK TEAMS (e.g.: AUDIT COMMITTEE/ MINISTERIAL TASK TEAM	NO. OF MEETINGS ATTENDED
Mr. Saki Tlou	Accounting Authority Member	1 April 2020	31 March 2025	• MPhil (GIBS- in progress) • Post Grad Diploma Management Practice (Henley) • MSc in Business and Strategic Leadership	Aviation and Skills Development	• Neutrino Investments, • Deverneux Dynamics • S.A Aviation Chamber of Commerc	• Chair: TETA Governance and Strategy Committee • Board EXCO Chair: Aerospace Chamber	5 4 3
Mr. Anele Kiet	Accounting Authority Member	1 April 2020	31 March 2025	Labour Law certificate	Labour Union and Skills Development	• Kamvuzwa Projects • Xhathisa Investments • Shandiz Lounge and Liquor • Maphango • Ubuhlanti Bethu Holdings • Unity in Corporation • Setsing Financial Services	• Governance and Strategy Committee (Member) • Chair: Rail Chamber	5 3
Mr. Matthew Ramosie	Accounting Authority Member	1 April 2020	31 March 2025	• MPhil Corporate Strategy (GIBS) • Post Grad Diploma (Henley)	Labour Union and Skills Development	• Transport Security and Cleaning Workers Union	• Finance and Human Resource (FINHRRC) Committee Member • Audit and Risk (ARC) Committee Member • Chair: Road Freight Chamber	7 5 3
Ms. Norah Munyai	Accounting Authority Member	1 April 2020	31 March 2025	• Advanced Professional Business Coaching (GIBS) • Masters in Industrial Psychology	Training and Skills Development	• Thai Enablement	• Finance and Human Resource (FINHRRC) Committee Member	7

2.1 Composition of the Acounting Authority

NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE	DATE APPOINTED	DATE RESIGNED	QUALIFICATION	AREAS OF EXPERTISE	BOARD DIRECTORSHIPS (LIST THE ENTITIES)	OTHER COMMITTEES OR TASK TEAMS (e.g.: AUDIT COMMITTEE/ MINISTERIAL TASK TEAM	NO. OF MEETINGS ATTENDED
Ms. Olivia Maponya	Accounting Authority Member	1 April 2020	31 March 2025	• Post Grad Diploma(GIBS) In progress • BTech, Diploma in Transport Management • Bookkeeping and HR Diploma	Finance and Skills Development	• Kopano Bus Service • Blue Sands Trading • Limpopo Farming Co-op. • Polokwane Bus Repairs • AI Driving Metaverse S.A • K2021989344 S.A • Rolt Technologies • SANSBOC National • Naledzani and Polokwane Kopano Properties	• Finance and Human Resource (FINHRRC) Committee Member • Chair: Road Passenger Chamber	7 3
Mr. Solomon Mahlangu	Accounting Authority Member	1 April 2020	31 March 2025	• Advanced Diploma in General Management (GIBS) • Labour Law certificate, Introduction to Financial Management	Labour Union and Skills Development	• None	• Finance and Human Resource (FINHRRC) Committee Member	7
Mr. Irvin Phenyane	Accounting Authority Member	1 April 2020	31 March 2025	• MPhil GIBS • Masters in public development and management	• Business Consulting, Aviation and Skills Development	• Sodika Drones • Drone Council S.A • Rivulets Co-op. • Mawulu Nguni Co-op.	• Governance and Strategy Committee member • Chair: Taxi Chamber	5 3
Ms. Fezeka Ntlemeza	Accounting Authority Member	1 April 2020	31 March 2025	• MPhil GIBS • B Juris, MBA	Governance and Business Development	• KEC Kgalagadi Engi-Consultants	• Audit and Risk (ARC) Committee Member • Chair: Forwarding and Clearing Chamber	4
Mr. Hardhaw Tikum	Accounting Authority Member	1 April 2020	31 March 2025	• Advanced Diploma GIBS • Diploma in Business Management	Labour Union and Skills Development	• Voetplaatpark	• Governance and Strategy Committee member	6
Mr. Roland N. Setlako	Accounting Authority Member	1 April 2020	31 March 2025	• MPhil Corporate Strategy (GIBS) • Maritime certificates and Training Management Certificate	Maritime and Skills Development	• Southern Seas Institute • Setlas Group • Innovation Artisan Academy • Craft Juice Co.	• Board EXCO member • Chair: Finance and Human Resource (FINHRRC) Committee • Chair: Maritime Chamber	4 7 3

NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE	DATE APPOINTED	DATE RESIGNED	QUALIFICATION	AREAS OF EXPERTISE	BOARD DIRECTORSHIPS (LIST THE ENTITIES)	OTHER COMMITTEES OR TASK TEAMS (e.g.: AUDIT COMMITTEE/ MINISTERIAL TASK TEAM	NO. OF MEETINGS ATTENDED
Ms. Zonke Cebekhulu	Accounting Authority Member	1 April 2020	31 March 2025	• MPhil Business Management (GIBS) Post Grad Diploma (Henley) • Diploma in Management Development and Logistics	Labour Union and Skills Development	• Yombuzo Life Coaching	• Board EXCO Member	4
Ms. Nokuthula Sifunda	Accounting Authority Member	1 April 2020	31 March 2025	• Advanced Diploma In Gen-Management In progress • Labour Law Certificate,	Labour Union and Skills Development	• Msekelave Busn. Enterprise	• Board EXCO Member	4
Ms. Dinah Maleka	Accounting Authority Member	1 April 2020	31 March 2025	• Business Coaching GIBS • Masters in Public Administration	Transport, Governance and Skills Development	• None	• Governance and Strategy Committee member	6
Mr. Wilfred Mogudi	Accounting Authority Member	1 April 2020	31 March 2025	• Mphil GIBS In progress • Masters in Business Leadership	Labour Union	• Megatrend Int. Investments • African Premier Airlines • Sebowa Trading Ent.	• Chair: Freight Handling Chamber	3

Committees

COMMITTEE	NO. OF MEETINGS HELD	NO. OF MEMBERS	NAME OF MEMBERS
TETA Board/Accounting Authority	8	14	Mr Roland N. Setlako (Acting Board Chairperson), Mr Saki Tlou, Mr Anele Kiet, Mr Matthew Ramosie, Ms Norah Munyai, Ms Olivia Maponya, Mr Solomon Mahlangu, Mr Irvin Phenyane,Ms Fezeka Ntlemeza, Mr Hardhaw Tikum,Ms Zonke Cebekhulu,Ms Nokuthula Sifunda, and Mr Wilfred Mogudi

Board Attendance 2024/25

NAME OF MEMEBER	CONSTITUENCY	27 May 2024	9 July 2024	13 Sept 2024 (Special)	16-17 Oct 2024 (Special)	21 Nov 2024	27-28 Jan 2025	24 Feb 2025 (Special)	25 Mar 2025
Mr Roland N. Setlako	Accounting Authority Member (Acting Chair)	P	P	P	P	P	P	P	P
Mr. Saki Tlou	Accounting Authority Member	P	P	P	P	P	P	P	P
Ms Nokuthula Sifunda	Accounting Authority Member	P	P	P	P	P	P	P	P
Mr Anele Kiet	Accounting Authority Member	p	P	P	P	P	P	P	P
Mr Matthew Ramosie	Accounting Authority Member	P	P	P	P	P	P	P	P
Ms Norah Munyai	Accounting Authority Member	P	P	P	P	P	P	P	P
Ms Olivia Maponya	Accounting Authority Member	P	P	P	P	P	P	P	P
Mr Solomon Mahlangu	Accounting Authority Member	P	P	P	P	P	P	P	P
Ms Dinah Maleka	Accounting Authority Member	P	P	P	AP	P	P	P	P
Mr Irvin Phenyane	Accounting Authority Member	P	P	P	P	P	P	P	P
Ms Fezeka Ntlemeza	Accounting Authority Member	P	P	P	P	P	P	P	P
Mr Hardhaw Tikum	Accounting Authority Member	P	P	P	P	P	P	P	P
Ms Zonke Cebekhulu	Accounting Authority Member	P	P	P	P	P	P	P	P
Mr Wilfred Mogudi	Accounting Authority Member	P	P	P	P	P	P	P	P

EXCO attendance in 2024/25

COMMITTEE	NO. OF MEETINGS HELD	NO. OF MEMBERS	NAME OF MEMBERS
Exco Committee	4	4	Mr Ronald N Setlako (Acting Chair), Mr Saki Tlou, Ms Zonke Cebekhulu, Ms Nokuthula Sifunda

NAME OF MEMEBER	CONSTITUENCY	26 April 2024	12 Aug 2024	28 Oct 2024	24 Jan 2025
Mr Roland N. Setlako	Committee Member	P	P	P	P
Mr. Saki Tlou	Committee Member	P	P	P	P
Ms Zonke Cebekhulu	Committee Member	P	P	P	P
Ms Nokuthula Sifunda	Committee Member	P	P	P	P

Finance, Human Resources and Remuneration Committee attendance in 2024/25

COMMITTEE	N/A	NO. OF MEETINGS HELD	NO. OF MEMBERS	NAME OF MEMBERS
Finance, Human Resources and Remuneration Committee	7	6	5	Mr Roland Setlako, Ms Norah Munyai, Mr Matthew Ramosie, Ms Olivia Maponya, Mr Solomon Mahlangu

NAME OF MEMEBER	CONSTITUENCY	19 Apr 2024	20 May 2024 (ARC -Joint Sitting)	16 July 2024	21 Oct 2024	13 Nov 2024 (Special)	22 Jan 2025	20 Mar 2025 (Special)
Mr Roland Setlako	Committee Chairperson	P	P	P	P	P	P	P
Ms Norah Munyai	Committee Member	P	P	P	P	P	P	P
Mr Matthew Ramosie	Committee Member	P	P	P	P	P	P	P
Ms Olivia Maponya	Committee Member	P	P	P	P	P	P	P
Mr Solomon Mahlangu	Committee Member	P	P	P	P	P	P	P

Audit and Risk Committee attendance in 2024/25

COMMITTEE	NO. OF MEETINGS HELD	NO. OF MEMBERS	NAME OF MEMBERS
Audit and Risk Committee	6	5	Mr Pasculis Mokupo, Mr Thiru Mudaly, Mr Mlamli Magigaba, Mr Mathews Ramosie, Ms Fezeka Ntlemeza

NAME	CONSTITUENCY	23 April 2024	20 May 2024 (FINHRRC Joint Meeting)	24 July 2024	25 Oct 2024	24 Jan 2025
Mr Pascalis Mokupo	Independent Chairperson	P	P	P	P	P
Mr Thiru Mudaly	Independent Member	P	P	P	P	P
Mr Mlamli Magigaba	Independent Member	P	P	P	AP	AP
Mr Mathews Ramosie	Board Member	P	P	P	P	P
Ms Fezeka Ntlemeza	Board Member	P	AP	P	P	AP

P = Present; AP = Apology

Governance and Strategy Committee attendance in 2024/25

COMMITTEE	NO. OF MEETINGS HELD	NO. OF MEMBERS	NAME OF MEMBERS
Governance and Strategy Committee	6	5	Mr Saki Ndlovu, Mr Irvin Phenyane, Mr Anele Kiet, Ms Dinah Maleka, Mr Anele Kiet

NAME	CONSTITUENCY	12 April 2024	23 May 2024 (Special)	11 July 2024	11 Oct 2024	06 Feb 2 025	24 March 2025 (Special)
Mr Saki Tlou	Committee Chairperson	P	P	P	P	P	P
Mr Irvin Phenyane	Committee Member	P	P	P	AP	P	P
Mr Anele Kiet	Committee Member	P	P	P	P	AP	P
Ms Dinah Maleka	Committee Member	P	P	P	P	P	P
Mr Hardhaw Tikum	Committee Member	P	P	P	P	P	P

P = Present; AP = Apology

Remuneration of board members

NAME	Remuneration	Other allowance	Other re-imbursements	Total
Mr. Saki Tlou	R317 014,00	Included	R6 015,15	R323 029,15
Ms Nokuthula Sifunda	R172 919,00	Included	R11 558,83	R184 477,83
Mr Anele Kiet	R223 321,00	Included	R565,31	R223 886,31
Mr Matthew Ramosie	R289 382,00	Included	R5 002,00	R294 386,00
Ms Norah Munyai	R204 255,00	Included	R950,28	R205 205,28
Ms Olivia Maponya	R271 263,00	Included	R1 226,00	R272 489,00
Mr Solomon Mahlangu	R196 921,00	Included	R5 546,64	R202 467,64
Ms Dinah Maleka	R0.00	Included	R0,00	R0,00
Mr Irvin Phenyane	R219 316,00	Included	R0,00	R219 316,00
Ms Fezeka Ntlemeza	R0.00	Included	R15 133,80	R15 133,80
Mr Hardhaw Tikum	R188 235,00	Included	R0,00	R188 235,00
Mr Roland N. Setlako	R407 149,00	Included	R3 224,50	R410 373,50
Ms Zonke Cebekhulu	R182 026,00	Included	R4 138,00	R186 164,68
Mr Wilfred Mogudi	R183 271,00	Included	R638,88	R183 909,88

The amount for allowance and reimbursements for travel and toll gate fees are inclusive of Board meetings and its committees

2.2 RISK MANAGEMENT

Board of TETA takes overall accountability for risk management within the organisation. The organisation operated within the approved enterprise-wide risk management framework that guides risk management activities within TETA.

The Board, through the Audit and Risk Committee (ARC) has ensured that management regularly conduct risk assessments and monitor the implementation of risk mitigation strategies to ensure that identified risks are effectively mitigated. The strategic risk register and the report of the Audit and Risk Committee are presented to the Board on a quarterly basis.

2.3. INTERNAL CONTROL UNIT

Internal control function is performed under the risk management unit. Internal control function is integral to the establishment of a conducive control environment, and it is fulfilled by TETA management. The primary focus of internal control function for the year under review was to facilitate risk management processes, review progress made by management in addressing audit findings and to oversee the fraud hotline. The unit is also responsible for administration oversight of an outsourced internal audit function, which reports functionally to the ARC and administratively to the CEO.

2.3. INTERNAL AUDIT AND AUDIT COMMITTEES

The internal audit function provide assurance to the Board, through the Audit and Risk Committee, on the effectiveness of the risk management, governance, financial and non-financial management within the organization. The approved annual internal audit plan was executed by the Internal Auditors during the year under review. The following audits were conducted::

- Review of the Strategic plan and the Annual Performance Plan;
- Audit of Pre-determined objectives (Q2, Q3 and Q4);
- Project Governance Review – Learner Management system;
- Projects Contract and Commitments;
- Learning Programmes;
- Internal Financial Controls
- Risk Assessment Workshop
- Follow up on Management Action Plans; and
- Supply Chain Management.

The ARC's key activities and responsibilities are outlined in the approved charter and include overseeing:

- Quality and integrity of TETA's financial statements;
- The independence and performance of external auditor and integrity of the external and internal audit processes including the approval of non-audit services;
- Effectiveness of the system of internal control, financial management and risk management; and
- Effectiveness of governance and assurance processes within TETA, including controls relating to safeguarding of assets.

The table below discloses relevant information on the audit committee members

Name	Qualifications	Internal or external	If internal, position in the public entity	Date appointed	Date Resigned	No. of Meetings attended
Mr Pascalis Mokupo	Chartered Accountant (CA)	External ARC member		15 May 2020	31 March 2025	5
Mr Thiru Mudaly	Chartered Accountant (CA)	External ARC member		15 May 2020	31 March 2025	5
Mr Mlamli Magigaba	B Juris (LLB)	External ARC member		15 May 2020	31 March 2025	4
Mr Mathews Ramosie	Labour Union and Skills Development	External		1 April 2020	31 March 2025	5
Ms Fezeka Ntlemeza	BJuris, MBA MPhil Evidence Based Management	External		1 April 2020	31 March 2025	3

P = Present; AP = Apology

2.4. INTERNAL AUDIT AND AUDIT COMMITTEES

State what the public entity has done in order to ensure compliance with regulations.

2.5. INTERNAL AUDIT AND AUDIT COMMITTEES

- TETA implement a Fraud Prevention Plan which promote a zero tolerance towards fraud, corruption, and unethical conduct. The plan is supported by a Whistleblowing Policy which provides for the establishment of an anonymous fraud hotline as a mechanism to report to report incidents of fraud and corruption:
- Reports received from an outsourced hotline service provider registered on a tracking register managed by the risk management unit. The incidents are analysed and distributed to the relevant line functions for the initial assessment and resolution. Where necessary, the incidents are investigated with the support of the Risk Management Office.

2.6. MINIMISING CONFLICT OF INTEREST

The TETA Accounting Authority members disclosed and avoided any potential and actual conflicts of interest at the commencement of their tenure and during each meeting dealing with substantive matters. The culture of disclosure of conflicts of interest is practiced by the Accounting Authority, its four (4) committees, and the eight (8) subsector committees. TETA SCM Policy is strictly executed to guarantee the integrity of the organisation. The following are some of the aspects covered by the policy:

- Prohibitions on awards to state employees, advisors or consultants contracted with TETA; and
- Declaration-of-interests forms are to be completed and submitted by the authorised representative of the service provider, as stipulated in Treasury Instruction note no. 32 dated 31 May 2011.

The SCM Policy further makes provision to regulate and prohibit awards to close family members of persons within the service of the state.

2.7. CODE OF CONDUCT

All members of the governance structure are required to subscribe to and abide by the TETA Code of Conduct, as outlined in the Governance Charter and the TETA Constitution. No misconduct was recorded during the year under review. The SETA has provisions within its policy and Accounting Authority Charter to regulate any misconduct.

2.8. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Provide a brief description and nature of Health, Safety and Environmental issues and the effect it has on the public entity.

2.9.. COMPANY /BOARD SECRETARY (IF APPLICABLE)

Discuss the role and responsibilities of the company secretary and the reports and returns as required by the Companies Act are lodged. and the returns are complete and accurate.

2.10. SOCIAL RESPONSIBILITY)

- Provide a summary of what the public entity has accomplished during the year in meeting its social responsibility.

3. Audit and Risk Committee Report

I am pleased to present you with the report of TETA Audit and Risk Committee for the financial year ended 31 March 2025.

3.1. Audit Committee Responsibilitye

The Audit Committee reports that it has complied with its responsibilities arising from Section 51 (1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 27.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with its charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

3.2. The Effectiveness of Internal Controls

Management's efforts to strengthen the system of internal controls, which include financial controls and project management are acknowledged. Internal Audit provides the Committee and Management with assurance that the internal controls are designed appropriately and are operating effectively. Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the public entity revealed some areas of weaknesses, which are being attended to by management.

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

- Review of the Strategic plan and the Annual Performance Plan;
- Audit of Pre-determined objectives (Q2, Q3 and Q4);
- Project Governance Review – Learner Management system;
- Projects Contract and Commitments;
- Learning Programmes;
- Internal Financial Controls
- Follow up on AGSA Management Letter; and
- Supply Chain Management.

Audit Committee noted management efforts to enhance internal controls around project management reporting and accounting, particularly the need for project management automation.

Audit Committee Members and Attendance.

The Audit and Risk Committee consisted of members listed hereunder and is required to meet at least four times per annum as per its approved terms of reference. During the current year five meetings were held by the Audit and Risk Committee.

Audit Committee Attendance 2024/2025

NAME	CONSTITUENCY	23 April 2024	20 May 2024 (FINHRRC Joint Meeting)	24 July 2024	25 Oct 2024	24 Jan 2025
Mr Pascalis Mokupo	Independent Chairperson	P	P	P	P	P
Mr Thiru Mudaly	Independent Member	P	P	P	P	P
Mr Mlamli Magigaba	Independent Member	P	P	P	AP	P
Mr Mathews Ramosie	Accounting Authority Member	P	P	P	P	P
Ms Fezeka Ntlemeza	Accounting Authority Member	P	AP	P	P	AP

Chairperson P=Present AB=Absent AP=Apology R=Resigned N/A=Not Applicable

As shown in the table above, the majority of the audit committee members are independent from the board. The committee has met all legal and regulatory requirements from a composition and independence perspective. The term of term of office of members stated above ended on 31 March 2025. In May 2025, new committee members were appointed led by Mr Semenya as the chairperson.

In-Year Management and monthly/quarterly report

Management prepared and presented its financial and non-financial reports to the Audit Committee on a quarterly basis, which were also subsequently approved by the Board. The public entity has complied with the reporting requirements to the Executive Authority and National Treasury as outlined in the Public Finance Management Act, Treasury regulations and its enabling act and related regulations.

3.1. Evaluation of Financial Statements

The Committee has evaluated and reviewed the Annual Financial Statements of the entity and recommended them to the Accounting Authority for approval before submission to the Auditor-General South Africa. The Annual Financial Statements were prepared on a going-concern basis.

3.2. Auditors Report

The external audit function is performed by the Auditor-General South Africa (AGSA) and the Committee is satisfied that the external auditor is independent of the entity and exercised its duties in an independent and objective manner. The Committee reviewed the entity's implementation plan for audit issues raised in the prior year and management is implementing measures to resolve the findings, particularly as they relate to the audit qualification. Management is encouraged to develop, review and implement audit action plans and enhance internal control environment, particularly with regard to management and reporting of discretionary grants projects. The Committee has concluded on the effectiveness of control in this area upon finalization of the audit by the AGSA.

The Audit Committee is satisfied with the the conclusions of the Auditor-General South Africa on the annual financial statements and the annual performance report for the year ended 31 March 2025.

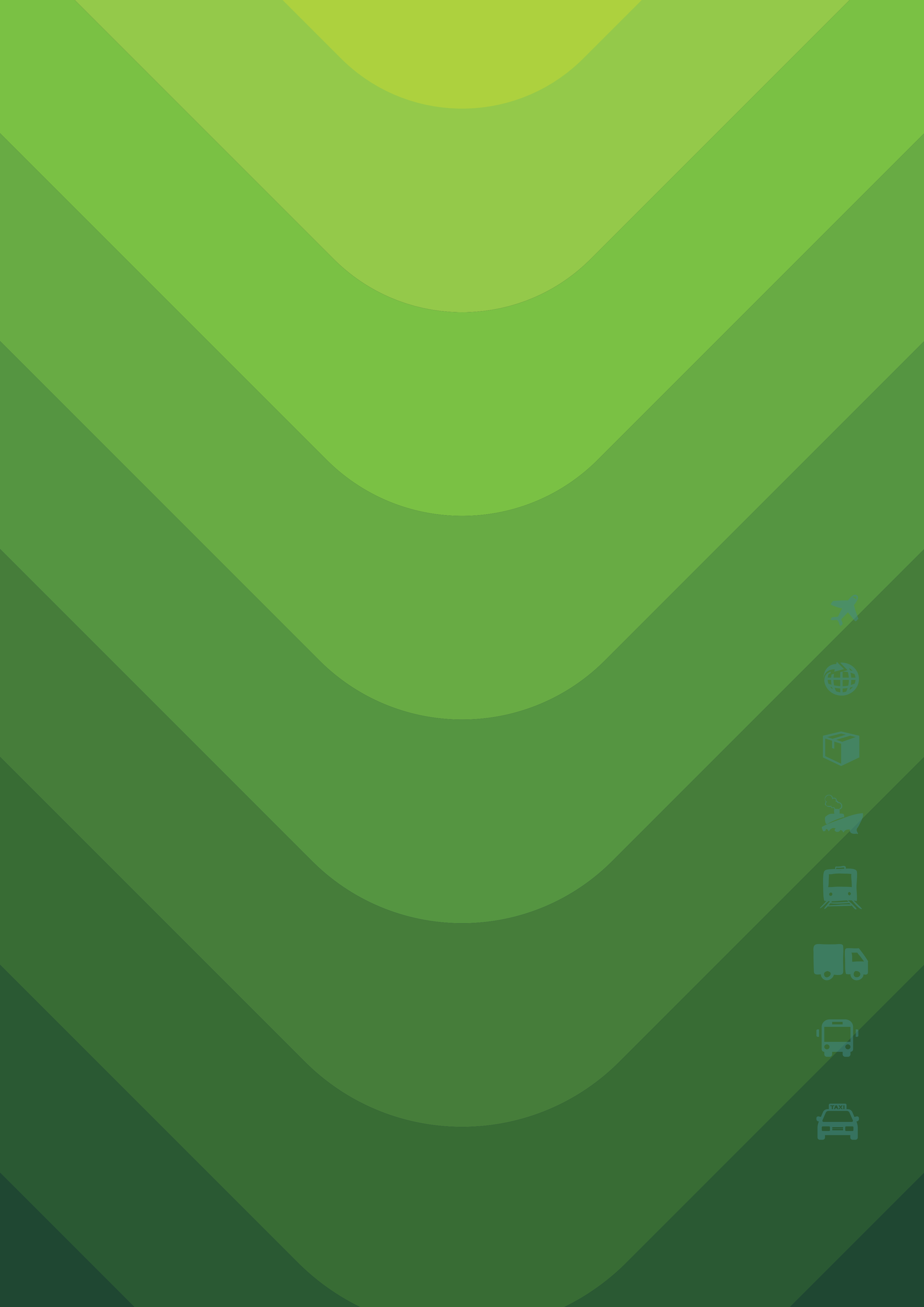
Mr Phuti Semenya
Audit and Risk Committee Chairperson
Date: 30 Sepetember 2025

B-BBEE Compliance **Performance Information**

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

Application of relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
CRITERIA	**RESPONSE YES / NO**	**DISCUSSION (INCLUDE A DISCUSSION ON YOUR RESPONSE AND INDICATE WHAT MEASURES HAVE BEEN TAKEN TO COMPLY)**
TETA follows the SANAS guideline in determining its BBBEE Status Level Certificate. For the period ending August 2025, TETA was rated as a level two (2) contributor. The entity is currently undergoing BBBEE verification for the new certificate, the process which was impacted by delayed finalization of the audit.		
Developing and implementing a preferential procurement policy?	Yes	In its supply chain management practices, TETA applies the Broad Based Black Economic Empowerment Act, Act No. 53 of 2003, Preferential Procurement Policy Framework Act, Act No. 5 OF 2000 and its Regulations (2022) to comply with the preferential procurement policy. The SCM Policy is approved by TETA Board and revised when new policy changes arise.
Determining qualification criteria for the sale of state-owned enterprises?	No	TETA is not involved in the sale or procurement of state-owned enterprises.
Developing criteria for entering into partnerships with the private sector?	Yes	TETA procures its goods and services through a competitive bidding process. Any other partnerships are conducted through the Independent Management Committee (IMC) for the awarding of discretionary grants for skills and training interventions.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	Yes	The SCM legislation does not allow for such processes, preferential points as per the BEE Act and PPPFA are used to promote black economic empowerment.

NB: The BBBEE report will be submitted to the Commission within prescribed timeframe after the conclusion of the audit.



PART D
Human Resources

Driven by Vision

Human **Resources**

1. INTRODUCTION

1.1. An Overview of Human Resource Matters

In our quest to crystallize human capital management as the vehicle that transforms the traditional administrative functions within the organisation and to optimise overall performance, our human resources department in the year under review continued to support the organisation in areas such as recruitment, training and development, payroll, and performance management.

For the year under review, the Human Resource Department ensured succinct implementation of the of its strategy and overall organisational goals through:

- Managing TETA's structure and implementing the HR plan to capacitate the organisation to meet its business performance imperatives;
- Timeous selection and recruitment to ensure that vacant positions are filled;
- Training and development of TETA staff, aligned with personal development plans;
- Continuous improvement of HR policies, plans and strategies to eliminate uncertainties in the workplace;
- Devolution of sound employment relations to all business units of the organisation;
- Creating awareness of the importance of living a healthy lifestyle;
- Ensuring effective and efficient performance management systems are in place;
- Recognition of the National Education, Health and Allied Workers' Union (NEHAWU) as the employees' voice in the workplace and continuous improvement of the relationship with the union

1.2. HR Priorities and their Impact

- Training and development of personnel remained a high priority for TETA in the year under review and this improved organisational performance, staff confidence and skills;
  - Internal staff bursaries (Pivotal and Informal training) to improve employee qualifications and increase relevance in the delivery of the job;
  - Workshops aligned with personal development plans and industry-specific matters, such as trend updates to increase knowledge capacity and optimise employee performance;
  - Personal uplifting and wellness related training to support overall welfare of employees
- Submission of the WSP/ATR to the ETDP SETA to ensure that TETA's overall training is accounted for and supports the dictates of skill development and training.

1.3. Workforce Planning Framework

TETA HR plan provided guidance for the workforce planning framework, which is aligned with the institution's overall strategy.

1.4. Employee Performance Management Framework

TETA's performance management framework assisted in setting objectives for all TETA employees at the beginning of every financial year. Achievement was measured quarterly.

1.5. Employee Wellness Programmes

TETA prides itself in being a caring employer. Thus, the promotion of healthy living – physical, emotional and mental – were significant during the year under review. Employees had access to professional assistance in social, psychological, legal, and professional matters.

1.6. Policy Development

The organisation reviewed and updated its HR policies as and when required in line with the TETA Policy on Policy, amendments to legislation and operational changes.

Highlights

The HR department made notable strides and achievements in the reporting year in the following areas:

- An increase in the training expenditure owing to the number of training interventions ranging from formal qualifications and various skills programmes benefiting the employees;
- Increased uptake and number of workshops

focused on policy awareness to improve the quality of service and overall compliance to service delivery;
- Focused interventions aligned to the upkeep and wellness of employees in areas such as financial management, general welfare and provision of overall wellness support through accredited wellness providers;
- Strategic support towards Internship holders hosted by TETA with special focus on social inclusion, emotional intelligence and overall capacitation on service excellence to optimise learning and performance.

Challenges

- Striking a balance between the new world of work and preserving the organisational culture will continue to challenge the organisation to pay close attention to any deviations that may occur and come up with appropriate interventions to augment the organisational culture in the new dispensation;

1.7. Plans/goals

- Prioritise the implementation of employment equity plan through recruitment with special focus on people with disabilities;
- Continue to prioritise transformation in the organisation;
- Ensure more employees enroll in pivotal training and development programs;
- Introduce recognition and reward programmes for performance management;
- Introduce succession planning; and
- Intensify the rollout of employee wellness programmes

2. Human Resource **Oversight Statistics**

Personnel Cost by programme/ activity/ objective

ramme/activity/objective	TOTAL EXPENDITURE FOR THE ENTITY (R'000)	PERSONNEL EXPENDITURE (R'000)	PERSONNEL EXPENDITURE AS A % OF TOTAL EXPENDITURE (R'000)	No. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Administration	143 801	107 366	74.7%	159	675

**1 employees includes terminations and appointments during the year under review*

Personnel cost by salary band

LEVEL	PERSONNEL EXPENDITURE (R'000)	% OF PERSONNEL EXPENDITURE TO TOTAL PERSONNEL COST (R'000)	No. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Top management	9 923	9.23%	3	3 308
Senior management	32 164	29.96%	20	1 608
Professional qualified	27 518	25.61%	29	948.90
Skilled	10 012	9.32%	17	588.94
Semi-skilled	19 906	18.52%	43	462.93
Unskilled	7 711	7.18%	47	164.06
TOTAL	**107 234**	**100%**	**159**	**7 092.83**

**Total Personnel Expenditure as per the financials is R107 366. The difference of R132 is in compliance with the Workmen's Compensation Act (WCA)*

Performance rewards

LEVEL	PERFORMANCE REWARDS (R'000)	PERSONNEL EXPENDITURE (R'000)	% OF PERFORMANCE REWARDS TO TOTAL PERSONNEL
Top management	0.00	0.00	0.00
Senior management	0.00	0.00	0.00
Professional qualified	0.00	0.00	0.00
Skilled	0.00	0.00	0.00
Semi-skilled	0.00	0.00	0.00
Unskilled	0.00	0.00	0.00
TOTAL	**0.00**	**0.00**	**0.00**

**Total Personnel Expenditure as per the financials is R107 366. The difference of R132 is in compliance with the Workmen's Compensation Act (WCA)*

Training costs

PROGRAMME	PERSONNEL EXPENDITURE (R'000)	TRAINING EXPENDITURE (R'000)	TRAINING EXPENDITURE AS A % OF PERSONNEL COST	No. OF EMPLOYEES TRAINED	AVERAGE TRAINING COST PER EMPLOYEE R'000
Administration and project monitoring for Programme 3	27 777	0	0	0	0

**Total Personnel Expenditure as per the financials is R107 366. The difference of R132 is in compliance with the Workmen's Compensation Act (WCA)*

Employment and vacancies

LEVEL	2022/23No. OF EMPLOYEES	2023/24 APPROVED POSTS	2023/24 No. OF EMPLOYEES	2023/24 VACANCIES	% OF VACANCIES
Top management	3	3	3	0	0%
Senior management	16	25	19	7	28%
Professional qualified	29	35	28	7	21%
Skilled	13	20	17	3	15%
Semi-skilled	43	53	42	12	22%
Unskilled	16	8	31	1	14%
TOTAL	**121**	**144**	**140**	**30**	**21%**

The total number of employees at the end of financial year 31 March 2025 includes 26 employees approved as additional resources to the structure.
1 Senior Manager, 1 Semi-skilled, 24 Unskilled
Filling of the vacant positions will be as at the operations requirements and depending on budget availability and aligning to the Employment Equity Plan

Employment change

SALARY BAND	EMPLOYMENT AT THE BEGINNING OF THE PERIOD	APPOINTMENTS	TERMINATIONS	EMPLOYMENT AT THE END OF THE PERIOD
Top management	3	0	0	3
Senior management	16	2	1	19
Professional	29	2	1	28
Skilled	13	2	0	17
Semi-skilled	43	2	1	42
Unskilled	16	30	16	31
TOTAL	**120**	**38**	**19**	**140**

The total number of employees at the end of financial year 31 March 2025 includes 26 employees approved as additional resources to the structure.

1. 1 Senior Manager
2. 1 Semi-skilled
3. 24 Unskilled

Filling of the vacant positions will be as at the operations requirements and depending on budget availability and aligning to the Employment Equity Plan

Reasons for staff leaving

REASON	NUMBER	% OF TOTAL No. OF STAFF LEAVING
Death	0	0%
Resignation	7	5%
Dismissal	0	0%
Retirement	0	0%
Ill health	0	0%
Expiry of contract	12	9%
Other	0	0%
Total	**19**	**14%**

Labour relations: misconduct and disciplinary actions

NATURE OF DISCIPLINARY ACTION	NUMBER
Verbal warning	0
Written warning	0
Final written warning	0
Dismissal	0
TOTAL	**0**

Equity target and employment equity status

TETA has over representation of African Females. The use of Recruitment agencies is being used for recruitment to assist TETA to ensure that the employment equity imbalances are addressed

LEVEL	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top management	2	0	0	1	0	0	0	0
Senior management	8	0	1	0	0	1	1	0
Professional qualified	12	0	2	0	0	0	2	0
Skilled	2	0	1	0	0	1	0	0
Semi-skilled	14	0	0	1	0	1	0	0
Unskilled	10	0	0	1	0	1	0	0
TOTAL	**48**	**0**	**4**	**3**	**0**	**4**	**3**	**0**

LEVEL	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top management	1	0	0	0	0	1	0	0
Senior management	7	0	0	1	1	0	1	0
Professional qualified	11	0	1	0	0	1	0	1
Skilled	12	0	1	0	0	1	1	0
Semi-skilled	26	0	1	0	0	1	1	0
Unskilled	21	0	0	1	0	0	0	1
TOTAL	**78**	**0**	**3**	**0**	**1**	**0**	**3**	**0**

LEVEL	DISABLED STAFF			
	MALE		FEMALE	
	CURRENT	TARGET	CURRENT	TARGET
Top management	0	0	0	0
Senior management	0	0	0	0
Professional qualified	0	0	0	0
Skilled	0	0	0	0
Semi-skilled	0	0	1	0
Unskilled	0	0	0	0
TOTAL	**0**	**0**	**1**	**0**

The zero targets are due to the current targets being met.

PART E

PFMA Compliance Report

Driven by Vision

Information on Irregular, Fruitless and Wasteful Expenditure and Material Losses

IRREGULAR EXPENDITURE

a) Reconciliation of irregular expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	92 112	92 112
Adjustment to opening balance	0	0
Opening balance as restated	0	0
Add: Irregular expenditure confirmed	0	0
Less: Irregular expenditure condoned	(92 112)	0
Less: Irregular expenditure not condoned and removed	0	0
Less: Irregular expenditure recoverable	0	0
Less: Irregular expenditure not recoverable and written off	0	0
Closing Balance	**0**	**92 122**

The amount of R92 112 000 included in irregular expenditure in the prior year, relates to an amount identified by AGSA as irregular. There was a variance between the budget and actual expenditure of R92 112 000 in the 2021/2022 financial year. The variance represented payments for historical commitments from the rollover surplus approved by National Treasury in terms of section 53(3) of the PFMA. . The irregular expenditure was subsequently condoned by the Accounting Authority

Reconciling notes – irregular expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure that was under assessment	0	0
Irregular expenditure that relates to the prior year and identified in the current year	0	0
Irregular expenditure for the current year	0	0
Total	**0**	**0**

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

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under assessment	0	5 213
Irregular, fruitless and wasteful expenditure under assessment	0	0
Irregular, fruitless and wasteful expenditure under assessment	0	0
Total	**0**	**5 213**

(c) Details of irregular expenditure condoned

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure condoned	92 112	0
Total	**92 112**	**0**

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

Description	2024/2025 R'000	2023/2024 R'000
Irregular expenditure Not condoned and removed	0	0
Irregular expenditure under investigation	0	0
Irregular expenditure under determination	0	0
Total	**0**	**0**

(e) Details of current and previous year irregular expenditure recovered

Description	2024/2025 R'000	2023/2024 R'000
Irregular expenditure recovered	0	0
Total	**0**	**0**

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

Description	2024/2025 R'000	2023/2024 R'000
Irregular expenditure written off	0	0
Total	**0**	**0**

FRUITLESS AND WASTEFUL EXPENDITURE

(a) Reconciliation of fruitless and wasteful expenditure

Description	2024/2025 R'000	2023/2024 R'000
Opening balance	5 213	0
Adjustment to opening balance		0
Opening balance as restated		
Add: Fruitless and wasteful expenditure confirmed/ under assessment	0	5 213
Less: Fruitless and wasteful expenditure recoverable	0)	0
Less: Fruitless and wasteful expenditure not recoverable and written off		0
Less: Fruitless and wasteful expenditure removed - previously under assessment	5 213	
Closing balance	**0**	**5 213**

The fruitless and wasteful expenditure under assessment in the previous year represented payments on contract for discretionary grants in cases where the stakeholder either did not fulfil the obligations and/or where they met the obligations, however there was no indication that learners received any training, resulting in no further funds disbursed for the next tranches.

In terms of paragraph 10 and 11 of the Fruitless and Wasteful Expenditure Framework, the entity performed an assessment on where the expenditure identified meets the criteria of a fruitless and wasteful expenditure.

The outcome of the assessment as based on the following criteria as outlined in the framework:

1. *Application of reasonable care and due diligence:* Throughout the entirety of the award process for DG funding, TETA exercised reasonable care in the appointment of training providers and payment of tranches. This involved adhering strictly to established processes and procedures for both the assessment and appointment of providers, as well as for the payment of tranche deliverables by:
   - Conducting thorough initial assessment to ensure that providers met all the necessary qualifications and standards relevant to the DG funding and in line with the applicable DG guidelines.
   - Evaluating the deliverables submitted by providers before authorising payments, ensuring compliance with contractual obligations and quality standards.

2. *Evaluation of expenditure:*
   - The expenditure was not made in vain as it was directed towards achieving the intended outcomes and delivering value to the institution through effective utilization of the DG funding as learners were enrolled in various skills development initiatives.
   - Reasonable care and due diligence was exercised throughout the award and the payment process,

indicating that the expenditure could not have been avoided through better foresight or management, including contractual obligations met by stakeholders.

Based on the assessment, the expenditure under review does not fulfil the conditions of the definition of fruitless and wasteful expenditure and is deemed justified and compliant with TETA financial management policies and applicable legislation. Some of the learners completed the training intervention, while in some instances learners dropped out or resigned from the employer.

Additional disclosure relating to Inter-Institutional Arrangements

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

Description
Total

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

Description	2024/2025 R'000	2023/2024 R'000
	0	0
Total	**0**	**0**

(d) Additional disclosure relating to material losses in terms of PFMA Section 55(2)(b)(i) &(iii)) 6

Details of material losses through criminal conduct

Material losses through criminal conduct	2024/2025 R'000	2023/2024 R'000
Theft	0	0
Other material losses	0	0
Less: Recoverable	0	0
Less: Recoverable	0	0
Total	**0**	**0**

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

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

(e) Information related to material losses must also be disclosed in the annual financial statements.

Description	2024/2025 R'000	2023/2024 R'000
None	0	0
Total	**0**	**0**

(f) Other material losses not recoverable and written off

Nature of losses	2024/2025 R'000	2023/2024 R'000
None	0	0
Total	**0**	**0**

LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	2023/2024 R'000
Valid invoices received	4 029	82 290
Invoices paid within 30 days or agreed period	4 016	82 743
Invoices paid after 30 days or agreed period	13	177
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)	0	0
Invoice queries between TETA and the service providers.		

INFORMATION ON SUPPLY CHAIN MANAGEMENT

Procurement by other means

Project Description	Name of Supplier	Contract Modification Type (Expansion or Variation)	Contract Number	Value of current contract expansion or variation
Provision of Management Information System (MIS) for a period of Two (2) years.	Solugrowth (Pty) Ltd	Emergency Procurement	TETA2405POH00000367	R7 664 985,03
Scholar Prepaid data packages for three (3) months – Adopted Schools	MTN Pty Ltd	TETA Participates on the Transversal Contract no. RT-15- 2021	TETA2409POH00000142	R1 113 750,00
Tablets, Android 7.0 MT8321 Quad Core, 1.3 Ghz/1GB/16GB/3G plus Dual Sim/Folio/Black – TETA Adopted Schools	MTN Pty Ltd	TETA Participates on the Transversal Contract no. RT-15- 2021	TETA2411POH00000173	R4 245 000,00
Total				**R13 023 735,03**

Contract variations and expansions

Project Description	Name of Supplier	Contract Modification Type (Expansion or Variation)	Contract Number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
Provision of an Integrated Digital Communication Solution for TETA (Website)	The Brand Conglomerate	Variation	TETA19/COO/0013C/WEBSITE	R5 204 418,36	R0,00	R378 810,00
Rendering of Insurance Services for TETA Assets – to cover additional assets and increased premiums	Sankofa Insurance Brokers (Pty) Ltd	Variation	TETA21/FINANCE/0006/ INSURANCE	R1 500 000,00	R0,00	R49 076,39
Rendering of Insurance Services for TETA Assets – additional one month extention to allow conlusion of the bidding process	Sankofa Insurance Brokers (Pty) Ltd	Variation	TETA21/FINANCE/0006/ INSURANCE	R1 549 076,39	R49 076,39	R80 462,00
Integrated Enterprise Resource Planning (ERP), support and maintenance for TETA's complete financial management business processes	Breitech Pty Ltd	Variation	TETA22/COO/0006/ERP	R8 735 107,00	R0,00	R724 500,00
Total				**16 988 601,75**	**R49 076,39**	**R1 232 848,39**

PART F
Financial Information

Driven by Vision

Report of the Auditor-General to Parliament on Transport Education and Training Authority

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

INTRODUCTION

Qualified opinion

1. I have audited the financial statements of the Transport Education Training Authority (TETA) set out on pages 120 to168, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, except for the effects of the matter described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the TETA as at 31 March 2025, and financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act of 1999 (PFMA) and the Skills Development Act of 1998 (SDA).

Basis for qualified opinion

Payable from non-exchange transactions

3. I was unable to obtain sufficient appropriate audit evidence for skills development grants payable – discretionary, as adequate systems were not in place to maintain records of discretionary grants and project expenses that were not yet paid. Consequently, I was unable to determine the full extent of the misstatement to the comparative figures for skills development grants payable – discretionary stated at R179 925 000 in note 15 to the financial statements.

4. Furthermore, the prior year skills development grants payable – discretionary was not recognised in accordance with GRAP 1, Presentation of financial statements, as transactions were accounted for in the incorrect financial periods. Consequently, I was unable to determine whether any adjustment was necessary to the comparative figures for skills development grants payable – discretionary stated at R179 925 000 in note 15 to the financial statements. There is a consequential impact on the following line items in the financial statements:
    - Discretionary grants and project expenses stated at R592 304 000 in note 6 to the financial statements
    - Discretionary reserve commitments stated at R518 044 000 in note 23 to the financial statements
    - Prior year adjustment to discretionary grants accruals stated at R61 852 000 in note 33 to the financial statements.
    - There was also an impact on the accumulated surplus in the financial statements.

Employer grant and project expenses

5. The public entity did not correctly account for discretionary grants and project expenses in compliance with GRAP 1, Presentation of financial statements, as transactions were recorded in the incorrect financial periods. Consequently, the disbursements on discretionary grants disclosed in note 6 to the financial statements were overstated by R33 853 752 and skills development grants payable - discretionary were understated by the same amount.

6. In addition, I was unable to obtain sufficient appropriate audit evidence that discretionary grants and project expenses had been properly accounted for, due to the status of the accounting records. I could not confirm that the expenditure disclosed in note 6 to the financial statements had occurred by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to discretionary grants and project expenses stated at R7 41 733 000 (2023-24: R592 304 000) in the financial statements.

Irregular expenditure

7. The irregular expenditure incurred during the current financial year under audit and related information on irregular expenditure was not included in the notes to the financial statements, as required by section 55(2)(b)(i) of the PFMA. Expenditure was incurred in contravention of the supply chain management requirements, resulting in irregular expenditure. I was unable to determine the full extent of the irregular expenditure that occurred during the financial year as it was impracticable to do so.

Context for opinion

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

9. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

Responsibilities of the accounting authority for the financial statements

11. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the PFMA and the SDA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

12. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

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

13. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 116, forms part of my auditor's report.

Report on the audit of the annual performance report

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

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

17. I evaluated the reported performance information for the selected programmes against the criteria

Programmes	Page Purpose numbers	Purpose
Programme 2: Skills planning and research	42 - 43	To establish mechanisms for skills planning and research capacity. It further contributes to the following institutional outcomes: • Increased access to occupations in high demand through skills interventions • Identification and increase of production of occupations in high demandd
Programme 3 – learning programmes and projects	44 - 55	To increase access to occupationally directed programmes within the transport sector. The programme aims to: • Improve the level of skills in the South African workforce • Increase access to occupationally directed programmes • Link education institutions and the workplace • Increase support to technical and vocational education and training (TVET) and community education and training (CET) colleges as the key providers of occupational learning interventions

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

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

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

20. The material findings on the reported performance information for the selected programme are as follows::

Programme 3: Projects and learning programmes

3.2d Number of unemployed learners on learnership programmes

21. An achievement of 1 203 was reported against a target of 820. I could not determine the actual achievement, but I estimated it to be materially more than reported. Consequently, it is likely that the achievement against the target was higher than reported.

Other matters

22. I draw attention to the matter below.

Achievement of planned targets

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

24. The table that follows provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 42 to 55. This information should be considered in the context of the material findings on the reported performance information

Programme 3: Learning programmes and projects
Material misstatements

Targets achieved: 90% **Budget spent: 104%**		
Key indicator not achieved	**Planned target**	**Reported achievement**
(3.1e) Number of learners completed for occupational qualifications	30	5
3.1f) Number of employed learners on AET programmes	50	0
(3.1f) Number of employed learners on AET programmes	25	4
(3.2b) Number of unemployed learners on bursaries continuing)	150	82
(3.2g) Number of learners on cadetships	75	54
(3.2g) Number of learners on cadetships	25	16
(3.2h) Number of learners on candidacy programmes	15	14
(3.2k) Number of Unemployed learners on Occupational Qualifications	30	0
3.4d) Number of TVET learners placed on workplace experience programmes (Internship for N Diploma)	350	274

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

REPORT ON COMPLIANCE WITH LEGISLATION

26. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.

27. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

28. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
29. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements

30. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by section 55(1)(a) and (b) of the PFMA.

31. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and the supporting records could not be provided, which resulted in the financial statements receiving a qualified opinion

Procurement and contract management

32. Some of the goods and services of transactions valued above R1 000 000 were procured without inviting competitive bids and deviations were approved by the accounting officer but it was practical to invite competitive bids, as required by Treasury Regulation 16A6, 1, paragraph 3.3.1 of National Treasury Instruction (NTI) 02 of 2021/22, paragraph 4.1 of NTI 03 of 2021/11 and TR 16A6.4

33. Some of the goods and services were procured without obtaining at least three written price quotations in accordance with Treasury Regulation 16A6.1 and paragraph 3.2.1 of Supply Chain Management (SCM) Instruction note 2 of 2021/22.

OTHER INFORMATION IN THE ANNUAL REPORT

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

35. My opinion on the financial statements, audit of the annual performance report and on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
36. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

37. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

38. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

39. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the material findings on the annual performance

report and the material findings on compliance with legislation included in this report.

40. The public entity developed an audit action plan to address the internal control deficiencies; however, the plan has not been adequately monitored to ensure that there is effective implementation of corrective measures to address the internal control deficiencies. As a result, there were recurring and significant new findings with similar root causes as those that were previously reported.

41. The public entity did not prepare accurate and complete financial statements that were supported and evidenced by reliable information. This is evidenced by material misstatements identified on various financial statement line items.

42. The public entity did not ensure that the financial statements and annual performance report were adequately reviewed and supported by complete and accurate supporting documents, resulting in material misstatements being identified during the audit.

43. The public entity did not adequately review and monitor compliance with applicable laws and regulations, which resulted in non-compliance with legislation being identified during the audit.

44. Oversight responsibility regarding financial and performance reporting and compliance was not adequately exercised, as the controls in place did not prevent or detect internal control deficiencies, resulting in material misstatements and non-compliance.

Auditor - General

Pretoria
23 September 2025

AUDITOR-GENERAL
SOUTH AFRICA
Auditing to build public confidence

ANNEXURE – TO THE AUDITOR'S REPORT

The annexure includes the following:

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

AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance.

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

LEGISLATION	SECTIONS OR REGULATIONS
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1){b)(ii); 51{1)(e)(iii);.53(4); Section 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); Section 55(1)(c)(i); 56(1); 57{b); 66(3)(c)
Treasury Regulations, 2005	Regulation 8.2.1; 8.2.2; 16A3.2; 16A3.2(a); Regulation 16A6.1; 16A6.2(a); 16A6.2(b); Regulation 16A6.3(a); 16A6.3(a); 16A6.3(b); Regulation 16A6.3{c); 16A6.3(e); 16A6.4; 16A6.5; Regulation 16A6.6; 16A.7.1; 16A.7.3; 16A.7.6; Regulation 16A.7.7; 16A8.3; 16A8.4; 16A9.1(b)(ii); Regulation 16A 9.1 (d); 16A9.1 (e); 16A9.1 (f); Regulation 16A9.2; 16A9.2(a)(ii); 30.1.1; 30.1.3(a); Regulation 30.1.3{b); 30.1.3{d); 30.2.1; 31.2.1. Regulation 31.2.5; 31.2.7(a); 32.1.1{a); 32.1.1{b); Regulation 32.1.1(c); 33.1.1; 33.1.3
Companies Act 71 of 2008	Section 45(2); 45(3)(a)(ii); 45(3)(b)(i); 45(3)(b)(ii); Section 45(4); 46(1)(a); 46(1)(b); 46(1)(c); Section 112(2)(a); 129(7)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Second amendment National Treasury Instruction note. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction note. 5 of 202/21	Paragraph 2
National Treasury instruction note 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
National Treasury instruction note 1 of 2021/22	Paragraph 4.1
National Treasury instruction note 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction note 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction note 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17; 7.2; Paragraph 7.6
National Treasury SCM instruction note 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
Practice note 11 of 2008-9	Paragraph 2.1; 3.1 (b)
Practice note 5 of 2009-10	Paragraph 3.3
Practice note 7 of 2009-10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; Regulation 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; 7.6; 7.8; Regulation 8.2; 8.5; 9.1; 9.2; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

Transport Education Training Authority

Driven by Vision

Transport Education and Training Authority Annual Financial Statements for the year ended 31 March 2025

The Annual Financial Statements for the period ended 31 March 2025, set out on pages 124 to 174, have been approved by the Accounting Authority on 30 September 2025 in terms of section 51(1) of the Public Finance Management Act (PFMA), No 1 of 1999 as amended, and are signed on their behalf by:

Mrs Maphefo Anno-Frempong
Chief Executive Officer
Transport Education and Training Authority
Date: 30 September 2025

Mrs Maphefo Anno-Frempong
Signing on behalf of the Accounting Authority
Transport Education and Training Authority
Date: 30 September 2025

Transport Education and Training Authority

Annual Financial Statements for the year ended 31 March 2025

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

Transport Education and Training Authority

Annual Financial Statements for the year ended 31 March 2025

Statement of Financial Position as at 31 March 2024

	Note(s)	2025 R'000	2024 Restated R'000
Assets			
Current Assets			
Receivables from non-exchange transactions	11	10 818	66 670
Receivables from exchange transactions	12	2 173	1 883
Inventories	13	367	165
Cash and cash equivalents	14	1 115 778	1 061 490
		1 129 136	**1 130 208**
Non-Current Assets			
Property, plant and equipment	9	21 299	21 118
Total Assets		**1 150 435**	**1 151 326**
Liabilities			
Current Liabilities			
Payables from exchange transactions	15	231 113	216 718
Payables from non-exchange transactions	16	9 246	10 431
Provisions	17	23 034	22 457
		263 393	**249 606**
Total Liabilities		**263 393**	**249 606**
Net Assets		**887 042**	**901 720**
Reserves			
Administration reserve		21 299	21 118
Employer grant reserve		2 015	574
Discretionary reserve		863 728	880 028
Total Net Assets		**887 042**	**901 720**

Statement of Financial Performance

	Note(s)	2025 R'000	2024 Restated R'000
Revenue			
Revenue from Exchange Transactions			
Other income	5	68	104
Interest received - investment	3	85 499	84 118
Total Revenue from Exchange Transactions		**85 567**	**84 222**
Revenue from Non-Exchange Transactions			
Transfer Revenue			
Other income	5	15 839	6 201
Skills Development Levy transfer	4	962 082	908 138
Skills Development Levy penalties and interest	4	6 961	19 568
Total revenue from non-exchange transactions		**984 882**	**933 907**
Total revenue		**1 070 449**	**1 018 129**
Expenditure			
Employee related costs	8	(79 589)	(84 842)
Grants and project expenses	6	(941 330)	(771 856)
Loss on disposal of assets		(108)	(293)
Administration Expenses	7	(64 104)	(57 509)
Total expenditure		**(1 085 131)**	**(914 500)**
Surplus/ (Deficit) for the Year		**(14 682)**	**103 629**

The Deficit of (R14 682) (2024:Restated Surplus of R103 629) forms part of the Discretionary Grant Reserve.

Transport Education and Training Authority

Annual Financial Statements for the year ended 31 March 2025

Statement of Changes in Net Assets

	Administration reserve R'000	Mandatory grant reserve R'000	Discretionary grant reserve R'000	Total reserves R'000	Accumulated surplus/ (deficit) R'000	Total net assets R'000
Balance at 01 April 2022 as previously reported restated	**24 280**	**145**	**945 333**	**969 758**	**-**	**969 758**
Changes in net assets						
Deficit for the year as per Statement of Financial Performance as previously reported Note 32	-	-	-	-	(23 274)	(23 274)
Allocation of unappropriated Surplus /(Deficit) as previously reported	((24 221)	60 589	(59 642)	(23 274)	23 274	-
Excess reserves transferred to discretionary reserves as previously reported Note 33	22 232	(60 403)	38 171	-	-	-
Prior year adjustments -discretionary grant expenditure and administration expenditure erroneously omitted - 31 March 2023 33	(359)	-	(148 029)	(148 388)	-	(148 388)
Balance at 01 April 2023 restated	**21 932**	**331**	**775 833**	**798 096**	**-**	**798 096**
Changes in net assets						
Surplus for the year	-	-	-	-	95 548	95 548
Allocation of unappropriated Surplus / (Deficit) as per note 2 as previously reported Note 32	(21 197)	47 081	69 664	95 548	(95 548)	-
Excess reserves transferred to Discretionary grant reserve as previously reported	20 383	(46 838)	26 455	-	-	-
Prior year adjustments - Discretionery grant expenditure errorneuosly omitted Note 33	-	-	8 076	8 076	-	8 076
	-	-	-	-	-	-
Restated Balance at 01 April 2024	**21 118**	**574**	**880 028**	**901 720**	**-**	**901 720**
Changes in net assets						
Surplus for the year	-	-	-	-	(14 682)	(14 682)
Allocation of unappropriated surplus	(15 710)	40 987	(39 959)	(14 682)	14 682	-
Excess reserves transferred to Discretionary reserve	15 891	(39 546)	23 658	3	-	3
	-	-	-	-	-	-
Balance at 31 March 2025	**21 299**	**2 015**	**863 728**	**887 041**	**-**	**887 041**

Cash Flow Statement

	Note(s)	2025 R'000	2024 Restated R'000
Cash flows from operating activities			
Receipts			
Levies, interest, penalties received and other		1 038 785	869 738
Interest income		85 499	84 118
		1 124 284	**953 856**
Payments			
Employee costs		(79 589)	(84 842)
Suppliers		(60 394)	(52 947)
Grants and projects payments		(926 015)	(760 286)
		(1 065 998)	**(898 075)**
Net cash flows from operating activities	18	**58 286**	**55 781**
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(4 000)	(3 563)
Proceeds from sale of property, plant and equipment	9	2	-
Net cash flows from investing activities		**(3 998)**	**(3 563)**
Net increase/(decrease) in cash and cash equivalents		**54 288**	**52 218**
Cash and cash equivalents at the beginning of the year		1 061 490	1 009 272
Cash and cash equivalents at the end of the year	14	**1 115 778**	**1 061 490**

Transport Education and Training Authority

Annual Financial Statements for the year ended 31 March 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Actual Basis

	Approved budget R'000	Adjustments R'000	Final budget R'000	Actual amounts on comparable basis R'000	Difference between final budget and actual R'000	Reference as per note 19
Statement of financial performance						
Revenue						
Revenue from exchange transactions						
Other income	-	-	-	68	68	Note 19.4
Interest received - investment	69 535	13 907	83 442	85 499	2 057	Note 19.3
Total revenue from exchange transactions	**69 535**	**13 907**	**83 442**	**85 567**	**2 125**	
Revenue from non-exchange transactions						
Transfer revenue						
Other income	34 484	(20 559)	13 925	15 839	1 914	Note 19.4
Retention of surplus	-	942 289	942 289	-	(942 289)	Note 19.1
Skills Development Levy Transfer	964 347	-	964 347	962 082	(2 265)	Note 19.1
Skills Development penalties and interest	17 535	-	17 535	6 961	(10 574)	Note 19.2
Total revenue from non-exchange transactions	**1 016 366**	**921 730**	**1 938 096**	**984 882**	**(953 214)**	
Total revenue	**1 085 901**	**935 637**	**2 021 538**	**1 070 449**	**(951 089)**	
Expenditure						
Personnel	(85 054)	-	(85 054)	(79 589)	5 465	Note 19.7
Roll over surplus expenses	-	(942 289)	(942 289)	-	942 289	Note 19.1
Grant and project expenses	(924 911)	(13 907)	(938 818)	(941 330)	(2 512)	Note 19.5
Administration expenses	(75 936)	-	(75 936)	(64 104)	11 832	Note 19.6
Total expenditure	**(1 085 901)**	**(956 196)**	**(2 042 097)**	**(1 085 023)**	**957 074**	
Operating surplus	**-**	**(20 559)**	**(20 559)**	**(14 574)**	**5 985**	
Loss on disposal of assets	-	-	-	(108)	(108)	Note 19.8
Surplus /(Deficit)	-	(20 559)	(20 559)	(14 682)	5 877	
Actual amount on comparable basis as presented in the budget and actual comparative statement	**-**	**(20 559)**	**(20 559)**	**(14 682)**	**5 877**	

The annual budget is prepared on accrual basis, that is all planned costs and income are presented in single statement to determine the needs of the TETA. As result of the adoption of accrual basis for budgeting purposes, there are no basis, timing or entity differences that would require reconciliation between actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts. Explanatory comments are provided in the notes to the annual financial statement for variances.

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

Significant Accounting Policies

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

1. Presentation of Financial Statements

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

The financial statements have been prepared on accrual basis of accounting and are in accordance with the historical cost conversion as the basis of measurement unless specified otherwise.

These accounting policies are consistent with the previous period, except when indicated otherwise.

1.1 Presentation currency

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

1.2 Revenue from non-exchange transactions

Non-exchange revenue transactions result in resources being received by the TETA, usually in accordance with a binding arrangement.

When TETA receives levies as a result of a non-exchange transaction, it recognises an asset and revenue in the period that the arrangement becomes binding and when it is probable that TETA will receive economic benefits or service potential and it can make a reliable measure of the resources transferred in accordance with GRAP 23.

Where the resources transferred to TETA are subject to the fulfilment of specific conditions, it recognises an asset and a corresponding liability. As and when the conditions are fulfilled, the liability is reduced and revenue is recognised. The asset and the corresponding revenue are measured on the basis of the fair value of the asset on initial recognition.

Non-exchange revenue transactions include the receipt of levy income from levy paying companies, income from the National Skills Fund, and grants from the national government as per DPSA.

In terms of the DPSA circular, circular HRD 1 of 2013, departments are required to set aside a minimum of 1% of the total department's annual personnel budget for training and development of personnel and potential employees. 30% of this amount is appropriated to the SETA with which the department is affiliated. For departments belonging to more than one SETA, 30% levy is apportioned proportionally. TETA receives contributions in this regard from the Department of Transport across the 9 provinces.

- Discretionary 2/3 received contribution
- Administration 1/3 received contribution

1.3 Levy income

Levy Income

The accounting policy for the recognition and measurement of skills development levy income has been amended on the basis of a revised interpretation of the Skills Development Act, Act No 97 of 1998 as amended and the Skills Development Levies Act, Act No 9 of 1999 as amended.

Skills Development Levy (SDL) transfers are recognized when it is probable that future economic benefits will flow to the SETA and these benefits can be measured reliably. This occurs when the Department of Higher Education and Training (DHET) either makes an allocation or payment, whichever comes first, to the SETA, as required by Section 8 of the Skills Development Levies Act, 1999 (Act no 9 of 1999) as amended.

In terms of section 3(1) and 3(4) of the Skills Development Levies Act, 1999 (Act No. 9 of 1999) as amended, registered member companies of the SETA pay a skills development levy of 1% of the total payroll cost to the South African Revenue Services (SARS), who collects the levies on behalf of the Department of Higher Education and Training (DHET). Companies with an annual payroll cost less than R500 000 are exempted in accordance with Section 4 (b) of the Levies Act as amended, effective 1 August 2005.

80% of skills development levies are paid over to the SETA (net of the 20% contribution to the National Skills Fund). The SETA was not in a position to verify that SARS has collected all potential skills levy income.

Accounting Policies

Levy income (continued)

A receivable / payable is recognised for SARS adjustments. An estimate as a result of retrospective adjustments by SARS due at year end is based on historical trends and actual data where these amounts are available subsequent to year end.

TETA refunds an amount to the employer in the form of grants, based on information received from SARS. Where SARS retrospectively amends the information on levies collected, it may result in grants that have been paid to certain employers that are in excess of the amount the TETA is permitted to have granted to the employers.

A receivable relating to the overpayment to the employer in earlier periods is raised as the amount of such grant overpayment, net of bad debts and provision for irrecoverable amounts. TETA recognises a payable in respect of Skills Development Levy refunds due to levy exempt employers. Levy exempt income is monies received from employers who are exempt from paying SDL levies, as per the Skills Development Circular 09/2013. This payable is a provision based on the levies received from possible levy exempt entities.

TETA transfers all monies received from levy exempt employers to discretionary grant income after the expiry date of five years from date of receipt of the funds, if not refunded to the respective employer through the SARS system. Employer's levy payments are set aside in terms of the Skills Development Act and the regulations issued in terms of the Act for the purpose:

- Administration costs - 10,50%
- Employer grant levy - 20,00%
- Discretionary projects and grants - 49,50%.

Receivables from non - exchange

Revenue is adjusted for interSeta transfers due to employers changing SETA's. Such adjustments are separately disclosed as interSeta transfers. The amount of the interSeta adjustment is calculated according to the most recent Standard Operating Procedure issued by the Department. Skills Development Levy (SDL) transfers are recognised on an accrual basis when it isprobable that future economic benefits or service potential will flow to the SETA and these benefits can be measured reliably.

This occurs when the Department makes an allocation to the TETA, as required by Section 8 of the Skills Development Levies Act, 1999 (Act No. 9 of 1999) as amended.

When a new employer is transferred to the SETA, the levies transferred by the former SETA are recognised as revenue and allocated to the respective category to maintain its original identity.

Impairment

TETA assess its receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or loss, TETA determines whether there is observable data indicating a measurable decrease in the estimated future cashflows from a financial asset.

The impairment for receivables is calculated on an individual basis based on historical data, adjusted for conditions.

1.4 Interest and penalties

Interest and Penalties on the skills development levy is recognised when it accrues based on the amount received or allocation made by DHET. Interest and penalties received from SARS as well as the interest received on investments are utilised for discretionary grants and projects unless otherwise approved by the minister in terms of the grant regulations.

1.5 Revenue from exchange transactions

Revenue from exchange transactions is recognised when it is probable that future economic benefits or service potential will flow to the SETA and these benefits can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable.

1.6 Investment income

Cash and cash equivalents comprise bank balances and cash on hand, current and savings bank accounts and money market investments, call account and fixed deposits held by the TETA at the Corporation of Public Deposits (CPD) and at domestic banks. Cash and cash equivalents are initially recognized at cost and subsequently stated at amortised cost, which is due their short term nature, closely approximate their fair value.

1.7 Grants and project expenditure

A registered employer may recover a maximum of 20% of its total levy payment as a mandatory employer grant (excluding interest and penalties) by complying with the grant criteria in accordance with the Skills Development Act, 1998 as amended SETA Grant Regulations regarding monies received and related matters (The SETA Grant Regulations).

Mandatory grants expenditure

The grant expenditure is recognised when the employer has submitted an ATR/WSP application for a grant in the prescribed form within the legislated cut off period and the application has been approved by TETA. Grants are equivalent to 20% of the total levies contributed by employers to the SETA during the corresponding financial period.

Discretionary project expenditure

A SETA may out of surplus monies and in accordance with criteria as defined in the SETA Grant Regulations allocate funds to employers and other associations or organisations. The criteria for allocating funds are approved by the SETA Board /delegated authority. Where necessary it can be required of interested employers, associations or organisations to complete and submit a funding application for consideration and approval by the TETA.

Grants and project expenditure (continued)

A SETA allocates discretionary grants to employers and other organanisations who have submitted an application for a discretionary grant in the prescribed form within the agreed upon cut-off period. Discretionary grant expenditure is recognised as expenses in the period in which they are incurred, in which the conditions are met.

Project expenditure comprise:

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

Such costs are allocated using methods that are systematic and rational and are applied consistently to all cost having similar characteristics.

Retrospective adjustments by SARS

The SETA refunds amounts to employers in the form of grants, based on information from SARS. Where SARS retrospectively amends the information on levies collected, it may result in grants that have been paid to certain employers that are in excess of the amount the SETA is permitted to have granted to employers. A receivable relating to the overpayment to the employer in earlier periods is raised as the amount of such grant overpayment, net of bad debts and provision for irrecoverable amounts.

Adjustments to revenue already recognised, arise from the completion of a South African Revenue Services (SARS) internal review process, and/or the outcome of an external appeal or objection process undertaken by employer companies. Adjustments to revenue include any refunds that become payable as a result of the completion of a review, appeal or objection process. Refunds are recovered directly from monthly revenues by SARS, and the SETA recognises revenue on net basis as and when it becomes receivable. The SETA has no access to or control to the appeal or review process carried on by SARS, and hence could not reasonable be expected to have access to reliable information at the initial stage of recognition.

Discretionary Grants Commitments

A SETA may out of surplus monies and in accordance with criteria as defined in the SETA Grant Regulations allocate funds to employers and other associations or organisations. The criteria for allocating funds are approved by the SETA Board / delegated authority. Where necessary it can be required of interested employers, associations or organisations to complete and submit a funding application for consideration and approval by the TETA.

A SETA allocates discretionary grants to employers and other organanisations who have submitted an application for avdiscretionary grant in the prescribed form within the agreed upon cut-off period. Discretionary grant expenditure is recognisedvas expenses in the period in which they are incurred, in which the conditions are met.

Project expenditure comprise:

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

Such costs are allocated using methods that are systematic and rational and are applied consistently to all cost having similar characteristics.

Retrospective adjustments by SARS

The SETA refunds amounts to employers in the form of grants, based on information from SARS. Where SARS retrospectively amends the information on levies collected, it may result in grants that have been paid to certain employers that are in excess of the amount the SETA is permitted to have granted to employers. A receivable relating to the overpayment to the employer in earlier periods is raised as the amount of such grant overpayment, net of bad debts and provision for irrecoverable amounts.

Adjustments to revenue already recognised, arise from the completion of a South African Revenue Services (SARS) internal review process, and/or the outcome of an external appeal or objection process undertaken by employer companies.

Adjustments to revenue include any refunds that become payable as a result of the completion of a review, appeal or objection process. Refunds are recovered directly from monthly revenues by SARS, and the SETA recognises revenue on net basis as and when it becomes receivable. The SETA has no access to or control to the appeal or review process carried on by SARS, and hence could not reasonable be expected to have access to reliable information at the initial stage of recognition.

Discretionary Grants Commitments

Commitments are disclosed where TETA, in the normal course of operations, entered into contractual agreement with entities relating to grants on project expenses which are not yet due for payment. Commitments are measured at the amount the entity would pay to settle future obligations as per contractual relationship with the beneficiaries. Commitments are included in the disclosure note to the annual financial statements. Commitments are derecognised when either the grant programmes are terminated through a signed termination agreement, or when the contractual obligation is fully paid. Commitments are accounted for as contingent liabilities in terms of GRAP 19.

Accounting Policies

1.8 Irregular, fruitless and wasteful expenditure

Irregular, fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular, fruitless and wasteful expenditure incurred , unless it is impractical to determine, in which case reasons therefore must be provided in the notes.

Irregular expenditure receiveables are measured at the amount that is expected to be recovered and are derecognised when settled or written-off as irrecoverable.

Irregular expenditure receivables are measured at the amount that is expected to be recovered and are derecognised when settled or written-off as irrecoverable. Irregular expenditure must be removed from the balance of Irregular expenditure notes when it is either:

a) condoned by the revelant authority if no official was found to be liable in law;
b) recovered from and official liable in law;
c) written-off if it's irrecoverable from an official liable; or
d) written-off it it's not condoned and not recoverable.

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

All irregular and fruitless and wasteful expenditure is recognised against the respective class of expense in the period in which they are incurred.

1.9 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and deposits held by TETA in CPD and domestic banks. Cash and cash equivalents are measured at amortised costs. Cash includes cash on hand and cash with banks. Cash equivalents are short term.

1.10 Property, plant and equipment

Property, plant and equipment is stated at historical cost less any subsequent accumulated depreciation and accumulated impairments. Depreciation is charged so as to write off the costs of the assets over their estimated useful lives, using the straight line method.

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

Land is not depreciated as it is deemed to have an indefinite life. Property, plant and equipment (owned and leased) are stated at cost less any subsequent accumulated depreciation and accumulated impairments. Depreciation is calculated on the straight line-method to write off the cost of each asset to estimated residual value over its estimated useful life.

Items of property, plant and equipment are derecognized 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 derecognized. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

In the application of the SETA's accounting policies management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Key sources of estimation uncertainty

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

The SETA reviews the estimated useful lives of Property, plant and equipment at the end of each annual reporting period for the carrying values of Property, plant and equipment.

1.10 Property, plant and equipment (continued)

Management determined, consistent with the prior year, that the useful life of assets should not be limited by the SETA's establishment.

Item method	Depreciation	Average Useful Life
Land	Straight line	Indefinite
Buildings	Straight line	20 years
Motor Vehicles	Straight line	5 years
Computer equipment	Straight line	3 years
Office Furniture and fixtures	Straight line	10 years
Other Building cost	Straight line	5 years
Office equipment	Straight line	5 years

Impairment testing

Management makes judgement to designate assets as non-cash generating assets or cash generating assets. Cash generating assets are used with the objective of generating a commercial return. TETA assets are non-cash generating assets.

1.11 Intangible assets

Intangible assets are stated at cost less any subsequent accumulated amortisation and accumulated impairments. Amortisation is charged so as to write off the cost of assets over their estimated useful lives, using the straight line method.

The estimated useful lives, residual values and amortisation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (i.e. impairment losses are recognised).

The gain or loss on disposal of intangible assets is determined as the difference between the sale proceeds and the carrying amount and are taken into account in determining operating surplus.

Useful lives of Intangible assets

The SETA reviews the estimated useful lives of Intangible assets at the end of each annual reporting period for the carrying values of Intangible assets.

The following useful life is used in the calculation of amortisation:

Description	Useful Life
Computer Software, Other	2 years

1.12 Leasing

Finance leases consistent with the definition set out in the Treasury Regulations refer to a contract that transfers the risks, rewards, rights and obligations incidental to ownership to the lessee and is recorded as a purchase of equipment by means of long-term borrowing. All other leases are classified as operating leases.

Payments made under operating leases (leases other than finance leases) are charged to the Statement of Financial Performance on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

1.13 Provisions and Contingencies

Provisions are recognised when the SETA has a present obligation as a result of a past event and it is probable that this will result in an outflow of economic benefits that can be estimated reliably.

Contingent liabilities are possible obligations whose existence will be confirmed by the occurrence or non-occurrence of an uncertain future event not wholly within the control of TETA. Contingent liabilities are not recognised but are disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised in the statement of financial position but must be disclosed in the notes to the statements where an inflow of benefits is probable.

Accounting Policies

Significant judgements and sources of estimation uncertainty

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note

1.14 Employee costs

The cost of employee benefits is recognised during the period in which the employee renders the related service. Employee entitlements are recognised when they accrue to employees. A provision is made for the estimated liability as a result of services rendered by employees up to the Statement of Financial Position date. Provisions included in the Statement of Financial Position are provisions for leave (based on the current salary rates).

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

No provision has been made for retirement benefits as the Alexander Forbes Retirement Fund is a defined contribution fund.

1.15 Grants and projects liabilities

Mandatory and Discretionary Grant Payments

A liability is recognised for grant payments once the specific criteria set out in the SETA Grant Regulation has been complied with by member companies and it is probable that the SETA will approve the payment. The liability is measured at the net present value of the expected future cash outflow as determined in accordance with the Act. This measurement involves an estimate, based on the amount of levies received.

Discretionary Projects

No provision is made for projects approved at year-end, unless the service in terms of the contract has been delivered. Where a project has been approved, but has not been accrued for or provided for, it is disclosed as approved and allocated for future projects in the notes to Annual Financial Statements under commitments note 23.

1.16 Administration expenditure

TETA present separately each administration line item by nature, in terms of GRAP 1:104. The amounts are presented on an accrual basis in the accounting period when they are incurred rather than payment basis.

1.17 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.

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

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

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

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.

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

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

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

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

Classification

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

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

Cash and cash equivalents, receivables from exchange transactions and other receivables are catergorised as financial assets measured at amortised cost,, which due to their short term nature, closely approximate their fair values.

TETA 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 transaction	Financial asset measured at amortised cost
Payables from non-exchange transaction	Financial asset measured at amortised cost

1.18 Reserves

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

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

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

	2025 %	2024 %
Administration costs of the SETA	10.50	10.50
Employer grant levy	20.00	20.00
Discretionary projects and grants	49,50	49,50
Received by the SETA	80.00	80.00
Contribution to the National Skills Fund	20.00	20.00
	100.00	100.00

In addition, contributions received from public service employers in the national or provincial spheres of government may be used to fund the SETA's administration costs.

Interest and penalties received from SARS as well as interest received on investments are utilised for discretionary grant projects.

Surplus funds in the administration and unallocated funds in the employer grant reserves are moved to the discretionary fund reserve. Provision is made in mandatory grant reserve for newly registered companies, participating after the legislative cut off date.

1.19 Comparative figures

Where necessary, comparative figures have been restated, adjusted or reclassified to achieve fair presentation and to conform to changes in presentation that arise due to changes in accounting policies, errors, reporting standards and legislation.

1.20 Tax

Taxation

No provision has been made for taxation, as the SETA is exempt from income tax in terms of Section 10 of the Income Tax Act, 1962 (Act 58 of 1962).

The amount reflected as VAT due to or from the South African Revenue Services is in accordance with the dispensation prescribed by the South African Revenue Service. In accordance with this, the SETA was deregistered for VAT with effect 1 April 2005.

Accounting Policies

1.23 Inventories

Consumables are recognised as an asset on the date of acquisition and they are measured at the cost of acquisition. It is subsequently recognised in surplus or deficit as it is consumed. Subsequent to initial recognition inventory is measured at lower of cost and current replacement cost.

1.22 Payables

Trade payables from exchange transactions

Trade payables from exchange transactions are stated at their nominal value. The carrying amount of these payables approximates fair value due to the short maturity period of the instruments.The insurance fund is accounted for at net of cost, and any liability thereto, and adjustments are made only where there are valid claims to the fund.

Trade payables from non-exchange transactions

Trade payables from non-exchange transactions are due to employers and are stated at nominal value. The carrying amount of these payables approximates fair value due to the short maturity period of the instruments.

1.23 Related party transactions

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.

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. TETA operates in an economic environment currently dominated by the entities directly or indirectly owned by the South African Government. Transactions with DHET and other related parties not at arms length are disclosed.

Notes to the Annual Financial Statements

Figures in Rand thousand

2. Allocation of surplus for the current year to reserves

Total revenue	Total per Statement of Financial Performance March 2024 Restated	Total per Statement of Financial Performance March 2025	Administration Reserve	Employer Grant Reserve	Discretionary Grant Reserve
	R'000	R'000	R'000	R'000	R'000
Other income Exchange Transactions	104	68	68	-	-
Interest received - investment	84 118	85 499	-	-	85 499
Other Income - Non Exchange Transactions	6 201	15 839	1 751	-	14 088
Levy Transfer Administration 10.5%	119 201	126 272	126 272	-	-
Levy transfer Employer Grants and Projects (69.5%)	788 937	835 810	-	240 584	595 226
Skills Development Levy : Penalties and Interest	19 568	6 961	-	-	6 961
Total revenue	**1 018 129**	**1 070 449**	**128 091**	**240 584**	**701 774**
Total expenses					
Employee related costs	(84 842)	(79 589)	(79 589)	-	-
Employer Grant and Project Expenses	(771 856)	(941 330)	-	(199 597)	(741 733)
Loss on disposal of assets	(293)	(108)	(108)	-	-
Administration expenses	(57 509)	(64 104)	(64 104)	-	-
Total expenses	**(914 500)**	**(1 085 131)**	**(143 801)**	**(199 597)**	**(741 733)**
Net (Deficit) /Surplus per Statement of Financial Performance allocated	**103 629**	**(14 682)**	**(15 710)**	**40 987**	**(39 959)**

The Deficit of (R14 682) (2024: The Restated Surplus of R103 629) forms part of the Discretionary Grant Reserve.

Notes to the Annual Financial Statements

	20255 R'000	2024 R'000
3. Investment income		
Interest revenue		
Bank Deposits	78 269	78 865
Accrued interest on bank deposit	7 230	5 253
	85 499	**84 118**

4. Skills development levy transfer from non-exchange transactions

The total levy transfer per statement of financial performance is as follows:

Levy transfer: administration		
Levies received	126 272	119 201
Levies received from DHET	126 272	119 201
Levy transfer: employer grants		
Levies received	240 584	226 633
Levies received from DHET	240 584	226 633
Levy transfer: discretionary grants		
Levies received	595 226	562 304
Levies received from DHET	595 226	562 304
	962 082	**908 138**
Skills development levy: Penalties and Interest	6 961	19 568

5. Other income

5.1 Other Income - Exchange Transactions

Other income comprises:

Administrative income	68	104

5.2 Other Income - Non-Exchange Transactions

Income from other goverment departments is to be allocated as follows:

Other income		
Other income non-exchange transactions		
33.3% allocated to Administration Government levies	1 751	2 142
66.7% Allocated for Discretionary Grants Government levies	3 638	3 828
Other income from non exchange	10 450	231
	15 839	**6 201**

	2025 R'000	2024 Restated R'000

6. Employer grant and project expenses

Mandatory grants	**199 597**	**179 552**
Disbursed	199 504	177 800
Movement in provisions and accruals	93	1 752
Discretionary grants and project expenses	**741 733**	**592 304**
Disbursed on project admin	36 964	21 331
Disbursed on DG	704 769	570 973
Employer grant and project expenditure	**941 330**	**771 856**

Notes to the Annual Financial Statements

	2025 R'000	2024 Restated R'000
7. Administration expenses		
Advertising, marketing and promotions, communication	1 844	1 441
Audit Committee Costs	406	451
Bad debt	25	97
Bank charges	291	256
Board costs and committee costs	5 656	5 135
Building Expenses	4 399	4 075
Committee catering expenses	20	37
Consultancy and service provider fees	19 544	18 107
Corporate membership	38	58
Depreciation and amortisation	3 710	4 465
External auditor remuneration	5 507	4 161
Insurance	675	504
Internal audit fees	844	428
Lease rentals on operating lease	3 718	3 392
Legal fees	156	59
Motor vehicle expenses	74	45
Other administration expenses	2 756	2 333
Postage and courier	554	304
Printing and stationery	821	820
Quality Council For Trade Occupations (QCTO)	6 362	5 696
Recruitment fees	187	283
Repairs and maintenance buildings	1 340	336
Seminars and workshops	148	272
Staff training and development	1 617	1 660
Staff wellness	457	477
Travel and subsistence	2 955	2 617
	64 104	**57 509**

7.1 Repairs and maintenance building

Included in the repairs and maintenance cost, is the cost incurred at the head office as below:

Repairs and maintenance	1 340	336

Notes to the Annual Financial Statements

	2025 R'000	2024 R'000
8. Employee-related costs		
Basic	66 061	59 800
Bonus	-	12 672
UIF	285	376
WCA	132	112
SDL	961	921
Leave payments	1 530	381
Alexander Forbes Retirement Fund	4 946	4 489
Other allowances	5 674	6 091
	79 589	**84 842**

Employee costs for an amount of R27 777 000 (2024: R21 048 000) has been allocated to discretionary grant project administration expenditure and is not included in the amount disclosed above.

9. Property, plant and equipment

	2025			2024		
	Cost/ Valuation R'000	Accumulated depreciation and accumulated impairment R'000	Carrying value R'000	Cost/ Valuation R'000	Accumulated depreciation and accumulated impairment R'000	Carrying value R'000
Land	2 600	-	2 600	2 600	-	2 600
Buildings	21 621	(9 600)	12 021	21 621	(8 372)	13 249
Furniture and fixtures	8 927	(6 388)	2 539	8 917	(5 711)	3 206
Motor vehicles	450	(450)	-	450	(450)	-
IT equipment	9 755	(5 616)	4 139	8 237	(6 174)	2 063
Total	**43 353**	**(22 054)**	**21 299**	**41 825**	**(20 707)**	**21 118**

Notes to the Annual Financial Statements

9. Property, plant and equipment *(continued)*

Reconciliation of property, plant and equipment - 2025

	Opening balance R'000	Additions R'000	Disposals R'000	Depreciation R'000	Total R'000
Land	2 600	-	-	-	2 600
Buildings	13 249	-	-	(1 228)	12 021
Furniture and fixtures	3 206	119	(6)	(780)	2 539
IT equipment	2 063	3 881	(104)	(1 701)	4 139
	21 118	**4 000**	**(110)**	**(3 709)**	**21 299**

Reconciliation of property, plant and equipment - 2024

	Opening balance R'000	Additions R'000	Disposals R'000	Depreciation R'000	Total R'000
Land	2 600	-	-	-	2 600
Buildings	13 737	898	(197)	(1 189)	13 249
Furniture and fixtures	2 775	1 379	(88)	(860)	3 206
IT equipment	2 457	1 286	(8)	(1 672)	2 063
	21 569	**3 563**	**(293)**	**(3 721)**	**21 118**

Notes to the Annual Financial Statements

	2025 R'000	2024 R'000

9. Property, plant and equipment *(continued)*

Depreciation rates

Asset description	Depreciation method	Average useful life
Land	Straight line	Indefinite
Buildings	Straight line	20 years
Furniture and fixtures	Straight line	10 years
Motor Vehicles	Straight line	5 years
Office equipment	Straight line	5 years
IT equipment	Straight line	3 years
Other building cost	Straight line	5 years

Property, plant and equipment cost fully depreciated and still in use at cost value

	2025 R'000	2024 R'000
Furniture and Fittings	1 391	428
Office Equipment	1 114	1 093
Motor Vehicle	450	450
IT Equipment	3 476	2 128
	6 431	**4 099**

None of TETA assets have been pledged as security.

TETA's building is located at 344 Pretoria Avenue, Ferndale, Randburg. The building was revalued to a market value of R27,5 million as at 31 March 2025.

Notes to the Annual Financial Statements

10. Intangible assets

	2025			2024		
	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value
	R'000	R'000	R'000	R'000	R'000	R'000
Computer software, other	2 704	(2 704)	-	2 877	(2 877)	-

Reconciliation of intangible assets - 2025

	Opening balance		Amortisation	Total
	R'000		R'000	R'000
Computer software, other	-	-	-	

Reconciliation of intangible assets - 2024

	Opening balance	Amortisation	Total
	R'000	R'000	R'000
Computer software, other	744	(744)	-

	2025	2024
	R'000	R'000
Intangible assets cost fully depreciated and still in use at cost value		
Computer software, other	2 704	2 877

Computer softwares with a cost amounting to R173 679.69 and fully depreciated were disposed off for the reporting period ending March 2025.

Notes to the Annual Financial Statements

	2025 R'000	2024 R'000

11. Receivables from non-exchange transactions

Other Receivables	10 725	64 918
Employer Receivables	93	1 752
	10 818	**66 670**
Sundry receivables		
Opening balance	64 918	112
Add/less: receivables	(54 193)	64 806
	10 725	**64 918**

Included in the amount on other receivables is an of R9 156 000, is a receivable due to TETA it relates to a contractual relationship beween TETA & Bank SETA

Employer Receivables		
Overpayment to employers	1 583	3 711
Allowance for Doubtful debts	(1 490)	(1 959)
	93	**1 752**

12. Receivables from exchange transactions

Staff debtors	37	53
Interest receivables	748	500
Prepaid expenses	400	377
Other Receivables	68	25
Deposits	920	879
Accrued Income	-	49
	2 173	**1 883**

Notes to the Annual Financial Statements

	2025 R'000	2024 R'000
13. Inventories		
Inventory consists of stationery on hand and consumables at the end of the financial year	367	165
14. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	8	4
Bank balances	81 717	55 702
Short-term deposits	1 034 053	1 005 784
	1 115 778	**1 061 490**

As required in Treasury Regulation 31.2, National Treasury approved the institutions where the bank accounts are held.
The weighted average interest rate on short term bank deposits was 7.99% (2024: 8.17%).

The Skills Development Act Regulations state that a SETA may, if not otherwise specified by the Public Finance Management Act, invest the monies in accordance with the investment policy approved by the relevant SETA.

TETA surplus funds are invested with CPD in line with the National Treasury Regulation 31.3.

Notes to the Annual Financial Statements

	2025 R'000	2024 Restated R'000

15. Payables from non exchange transactions

Skills development grants payable - mandatory	15 793	25 875
Skills development grants payable - discretionary	169 340	179 925
Income received in advance - BankSeta	735	6 478
Employer Payable SARS	1 251	2 202
Levy Creditors	43 994	2 238
	231 113	**216 718**

16. Payables from exchange transactions

Trade payables	5 866	7 526
Accrued leave pay	3 283	2 819
Other payables	97	86
	9 246	**10 431**

Notes to the Annual Financial Statements

17. Provisions

Reconciliation of provisions - March 2025

	Opening balance R'000	Additions R'000	Utilised during the year R'000	Total R'000
Provision for exempt levies	8 737	1 665	(1 958)	8 444
Provision for leave pay	1 048	6 888	(6 018)	1 918
Provision for performance bonus	12 672	-	-	12 672
	22 457	**8 553**	**(7 976)**	**23 034**

Reconciliation of provisions - March 2024

	Opening balance R'000	Additions R'000	Utilised during the year R'000	Total R'000
Provision for levies from exempt employers	8 661	1 798	(1 722)	8 737
Provision for leave pay	1 551	6 841	(7 344)	1 048
Provision for performance bonus	15 895	12 672	(15 895)	12 672
	26 107	**21 311**	**(24 961)**	**22 457**

Provisions for levies received from exempt employers

An amount of R8 444 000 (2024: R8 737 000) relates to levies incorrectly contributed by employers, and paid over by SARS and DHET, after being exempted from contributing skills development levies due to legislation requirements which came into effect from 1 August 2005.

In terms of Section 190(4) of the Tax Administration Act, a person is entitled to a refund under subsection 1(b) only if the refund is claimed by a person within three years, in the case of assessment by South African Revenue Services (SARS) or five years, in the case of an assessment from the date of assessment.

Therefore, where the Skills Development Levies Act has exempted employers from paying the Skills Development Levy (SDL), if their remuneration/leviable amount does not exceed R 500 000 per annum, it will be treated in terms of Section 190 (1)(b) in that a person is entitled to a refund by SARS of the amount erroneously paid in respect of a self assessment in excess of the amount payable in terms of the assessment.
.
TETA will then in terms of Section 190(4) be able to utilise the provision of R1 958 000 (2024: R1 722 000) levy income, which has exceeded the five year period, for discretionary grants.

Notes to the Annual Financial Statements

	2025 R'000	2024 R'000

17. Provisions *(continued)*

Provision for Leave

An amount of R1 918 000 (2024: R1 048 000) relates to annual leave entitlements provided for.

Provision for Performance Bonus

An amount of R12 672 000 (2024: R12 672 000) relates to performance bonuses provision based on employee estimated performance and in contract ratings. Employees are assessed quarterly and bonus is paid post year end depending on the performance of the organisation at the discretion of management. For the financial year end 2023/2024, no performance bonus were paid and therefore carried over to 2024/2025..

18. Cash generated from (used in) operations

	2025 R'000	2024 R'000
Surplus / (deficit)	(14 682)	103 629
Adjustments for:		
Loss on disposal of assets	108	293
Movements in provisions	2 236	(5 125)
Depreciation	3 710	4 465
Changes in working capital:		
Inventories	(202)	58
Receivables from exchange transactions	(290)	637
Sundry receivables from non-exchange transactions	54 192	(64 813)
Payables from exchange transactions	(1 181)	2 597
Payables from non exchange	14 395	14 040
	58 286	**55 781**

Notes to the Annual Financial Statements

19. Statement of comparison of budget and actual amounts

REVENUE

19.1. Skills development levy: income from non-exchange transactions

An amount of R2 265 000 under collection on the levies was due to transfer outs of participation companies.

The amount of R942 289 000 is the rollover of surpluses included in the adjustment budget as approved by the National Treasury.

19.2. Skills development levy: Penalties and interest from non-exchange transactions

An under collection of R10 574 000 against the budget, is due to levy paying companies making SDL payments to SARS on the expected submission date.

19.3. Investment income

The over collection of R2 057 000 on interest income is due to a favourable interest rate offered by the South African Reserve Bank.

19.4. Other income

The over collection of R1 914 000 on other Income from non-exchange comprises of levies received from transport government departments.

An amount of R68 000 in other income from exchange transactions is as a result of disposed assets received on disposed assets during the period under review and other income from other admin related business activities.

EXPENSES

19.5. Grant and project expenses

Grants and Project expenditure is behind budget due to planned targets not fully executed for entered programmes.Mandatory grant expenditure has increased by R20 045 000 from the previous financial year in line with the stakeholder participation on the WSP and ATR process.

Discretionary grant expenditure has increased by R149 429 000 from the previous financial year based on the projects disbursements for the period which includes an estimate of R924 289 000 as part of the rollover of surpluses.

19. Statement of comparison of budget and actual amounts *(continued)*

19.6. Administration expenses

Administration expenditure is limited to 10.5% of levies received. The legislation limit has been exceeded by 1,3%. TETA has obtained approval to exceed the 10.5% threshhold as per the grant regulations.

TETA has spent below the administration budgeted amount by R11 832 000 as a consequence of implementation of the principles of cost containment.

19.7. Employee Costs

An under expenditure of R5 465 000 on employee costs is due to the vacancies not yet filled as per TETA approved structure as only critical positions were prioritised to curb employee costs.

20. Contingencies

20.1 First-time employer registrations

The Skills Development legislation allows for an employer, registering for the first time, 6 months to submit an application for mandatory grants.

At the reporting date it is estimated that, as a result, additional mandatory grant expenditure of R 2 015 000 will be payable.
The amount is contingent on the number of submissions received and approved.

20.2 Contingent liability

TETA may be liable on the BUSA vs The Minister of Higher Education and Training case on the legislated mandatoy grant percentage. The effect of the ruling is that the Minister would have to decide on the percentage for mandatory grants in consultation with the sector.

The Minister has not yet made the decision in regard to the mandatory grant percentage. DHET continued to show the mandatory levies portion as 20% in 2023/24 year in the levy download information. The SETA continued to pay and accrue mandatory grants at 20% in 2023/24 financial year in the absence of a decision. The Accounting Authority has approved this action. Therefore, the amount and timing is still uncertain.

Mabatimi Management Services CC (“Mabatimi”) instituted an action against the Transport Education and Training Authority (“TETA”) for, amongst others, payment in the amount of R176 000.00 based on the alleged breach of contract by the TETA, as well as costs on the attorney and client scale.

TETA entered into a contractual obligation with Mpumalanga Community Education and Training College, in which they performed work based on the contract. However, the contract expired and TETA is expecting potential future claim. The balance on the contract was R 352 800.

20. Contingencies *(continued)*

Below are contingent liabilities restated as a prior period ommission at reporting period 31 March 2024.

TETA entered into a contractual obligation with Ekurhuleni Artisan and Skills Training Centre (Pty) Ltd, in which they performed work based on the contract. The project was being assessed to acertain if, the contract could be revived to enable possible continuation of the implementation as the contract had expired. The balance on the contract was R2 999 531.25.

TETA entered into a contractual obligation with Industrial (Pty) Ltd Trading as Iletha, for new business venture and motorbike training. TETA has assesed that there is a possibility of future claims from the stakeholderwhich might amount to R 4 440 000.00.

TETA entered into a contractual obligation with Lusisizwe Trading Enterprise (Pty) Ltd The contract expired and the stakeholder did not provide deliverables for the subsequent tranches. TETA has assesed that there is a possibility of future claims from the stakeholder which might amount to R5 270 000.00

TETA entered into a contractual obligation with Onecart (Pty) Ltd and the contract expired by effluxion as the stakeholder failed to honour the obligations by the 31st of March 2023. TETA has assesed that there is a possibility of future claims from the stakeholder which might amount to R 5 125 000.00.

TETA entered into a contractual obligation with with Eastern Cape College. The stakeholder did not submit adequate evidence for remaining tranches. TETA has assesed that there is a possibility of future claims from the stakeholder. TETA has assesed that there is a possibility of future claims from the stakeholder which might amount to R 1 450 000.00

TETA entered into a contractual obligation with Ethical Arrow NPC and the contract expired by effluxion as the stakeholder failed to submit the required deliverables. TETA has assesed that there is a possibility of future claims from the stakeholder which might amount to R2 840 800.

20.3 Contingent Assets

TETA has appointed a firm of legal practitioners to defend the matter of Mabatimi Management Services cc v TETA, in addition, the TETA has filed a counterclaim for the erroneous overpayment of invoices amounting to R116 000.

TETA entered into a contractual obligation with with Invisible Footsteps The stakeholder did not submit adequate evidence for remaining tranches. The internal assessment conducted by management shows a possible recovery of R41 062.50.

	2025 R'000	2024 Restated R'000

20. Contingencies *(continued)*

TETA entered into a contractual obligation with with Limpompo Chamber of Commerce and Industry. The stakeholder did not submit adequate evidence for remaining tranches of the training. The internal assessment conducted by management shows a possible recovery of R120 000.00.

20.4 Retention of Surplus

TETA notes that the National Treasury sent instruction note no. 12 of 2020/2021 dated 02 September 2020 which has excluded the commitments in the computation of surplus. The following details the new template for computation of surplus.

Calculation in terms of Paragraph 3.2 of the National Treasury Instruction No 12 of 2020/2021

	2025 R'000	2024 Restated R'000
Cash and cash equivalents at the end of the year	1 115 778	1 061 490
Add Receivables	2 173	1 883
Less Liabilities	(263 393)	(249 606)
	854 558	**813 767**

The surplus above excludes commitments to the amount of R735 721 000 (2024:Restated balance of R518 044 000) which TETA has included in the application for retention of surplus. TETA has disclosed the commitments as per note 23 to the financials.

21. Operating lease liability

Minimum lease payments due

	2025 R'000	2024 Restated R'000
Up to 1 year	4 276	3 987
Up to 2 to 5 years	20 423	19 046
Up to 5 to greater	108	5 759
	24 807	**28 792**

The operating leases relate to building premises used for office accommodation for all the regional offices. No provision was made for an option to renew the leases on expiry. Deposits totalling R920 230 have been paid and will be refunded upon termination of the leases. The deposit amount will be reduced by any outstanding costs. The lease smoothing is not applicable to the photocopier machines as the agreement does not have an annual escalation.

Transport Education and Training Authority

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22. Going concern

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

TETA Executive management is satisfied with adequate financial resources to continue in operation for the foreseeable future and accordingly the Financial Statements have been prepared on a going concern basis. SETAs are establishedthrough the provisions of the Skills Development Act and the TETA has been re-licensed as a SETA until 31 March 2030.

23. Commitments

Of the balance of R941 880 000 (Restated 2023: R845 763 000) available in the Discretionary Grant Reserve at the end of March 2024, R 579 520 000 (Restated 2023: R733 336 000) has been approved and allocated for future projects and skills priorities as set out below. These amounts are for contractual obligations as per GRAP 19, and expenses already incurred which are included as discretionary and project expenses in the Statement of Financial Performance as indicated below.

Description of Grant	Restated Opening balance April 2023	Approved by Accounting Authority April 2023	PY Adjustments	Reallocation contracted	Surpluses/ Cancellations	Expred Contracts	Utilised	Closing Balance March 2024	Approved by Accounting Authority April 2024	Reallocation Contracted	Surpluses/ Cancellations	Utilised	Total Contraced Funnds
Contract/Project Name	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Costed APP 2014/15	155	-	-	-	(3)	-	(148)	4	-	-	-	(4)	-
Costed APP 2015/16	338	-	-	-	(1)	-	(218)	119	-	-	(35)	(83)	-
Costed APP 2016/17	9 387	-	-	-	(1 407)	(1 263)	(1 369)	5 348	-	-	(5 203)	(146)	-
Costed APP 2017/18	4 741	-	-	-	(3 241)	(391)	(428)	681	-	-	(399)	(98)	184
Costed APP 2018/19	45 754	-	-	-	(34 802)	(5 705)	(3 938)	1 309	-	-	(942)	(358)	30
Costed APP 2019/20	63 268	-	-	148	(27 176)	(9 788)	(10 543)	15 908	-	2 850	(2 637)	(7 561)	8 514
Costed APP 2020/21	82 931	-	-	-	(23 636)	(16 713)	(22 143)	20 439	-	-	(6 821)	(6 934)	9 708
Costed APP 2021/22	138 886	-	-	26 467	(26 280)	(21 473)	(63 001)	54 599	-	-	(12 793)	(15 099)	26 707
Costed APP 2022/23	318 790	603	318 162	(14 262)	(20 321)	(1 732)	(176 011)	106 464	-	3	(23 522)	(37 206)	44 485
Costed APP 2023/24	-	-	-	(9 610)	(1 290)	(293 175)	313 172	-	11	(16 560)	(200 334)	94 543	
Costed APP 2024/25	-	-	-	-	-	-	-	-	976 796	19 026	(7 327)	(436 945)	551 550
TOTAL	**664 250**	**603 318**	**162**	**26 119**	**(146 477)**	**(58 355)**	**(570 974)**	**518 044**	**976 796**	**21 890**	**(76 239)**	**(704 768)**	**735 721**

The opening balance of R664 250 has been corrected due to correction of discretionary grant expenditure of a net movement of R69 million.

Additional adjustments to the commitment note were as follows:

Prior Year Adjustment column - An adjustment to contract balance for R162 000 due to incorrect capturing.
The reallocation contracted amount has been adjusted by R422 000 due to incorrect capturing.
An adjustments to surpluses was due to correction of the expenditure incurred at R 211 000.

	2025 R'000	2024 R'000

24. Irregular expenditure

There is no irregular expenditure to be disclosed in the current reporting period.	-	-

25. Fruitless and wasteful expenditure

The amount of R5,2 million previously disclosed as fruitless and wasteful expenditure was under assessment. The assessment concluded that the expenditure was not incurred in vain and without reasonable care. Each transaction was assessed individually and approved for removal by the Accounting Authority.

Expenditure for the expired contracts in the current year with the first tranche payments were assessed and concluded that there was no fruitless and wasteful expenditure.

26. Financial instruments

In the course of the SETA operations it is exposed to credit, liquidity and market risk. The SETA has developed a comprehensive risk strategy in terms of TR 28.1 in order to monitor and control these risks. The risk management process relating to each of these risks is discussed under the headings below.

31 March 2025	Amount R'000 Restated	Interest bearings	Non interest bearing R'000	Total R'000
Financial Assets				
Cash and cash equivalents	1 115 778	7,99%	-	1 115 786
Accounts Receivables	2 173	-	-	2 173
	1 117 951	**7,99%**	**-**	**1 117 959**

31 March 2025	Amount R'000	Interest bearings	Non interest bearing R'000	Total R'000
Financial Liabilities				
Accounts Payables	176 038	-	-	176 038

31 March 2024	Amount R'000	Interest bearings	Non interest bearing R'000	Total R'000
Financial Assets				
Cash and cash equivalents	1 061 490	8,17%	-	1 061 498
Accounts Receivables	1 883	-	-	1 883
	1 063 373	**8,17%**	**-**	**1 063 381**

31 March 2024	Amount R'000	Interest bearings	Non interest bearing R'000	Total R'000
Financial Liabilities				
Accounts Payables	194 015	-	-	194 015

26. Financial instruments *(continued)*

Liquidity risk

The SETA manages liquidity risk through proper management of working capital, capital expenditure and actual vs forecasted cash flows and its cash management policy. Adequate reserves and liquid resources are also maintained.

	Less than 1 year	Between 1 year and 2 years	Between 2 and 5 years	Over 5 years
	R'000	R'000	R'000	R'000
At 31 March 2025				
Trade and other payables	(176 038)	-	-	-
At 31 March 2024				
Trade and other payables	(194 015)	-	-	-

In case of liquidity problems, funding resources might be available in terms of DHET and National Treasury approval for borrowing requirements in the open market.

Credit risk

Financial assets, which potentially subject the SETA to the risk of non performance by counter parties consist mainly of cash and cash equivalents and accounts receivable.

The SETA limits its treasury counter-party exposure by only dealing with well-established financial institutions approved by National Treasury. The SETA's exposure is continuously monitored by the accounting authority.

Credit risk with respect to levy paying employers is limited due to the nature of the income received. The SETA's concentration of credit risk is limited to the transport industry in which the SETA operates. No events occurred in the transport industry during the financial year that may have an impact on the accounts receivable that has not been adequately provided for accounts receivable are presented net of allowance for doubtful debt.

26. Financial instruments *(continued)*

	31 March 2025		31 March 2024	
	R'000	R'000	R'000	R'000
The ageing of other receivables from exchange transactions	**Gross**	**Impairment**	**Gross**	**Impairment**
Not past due	2 173	-	1 883	-
The ageing of cash and cash equivalents				
Not past due	1 115 778	-	1 061 490	-

Interest rate risk

The SETA manages its interest rate risk by effectively investing the SETA surplus cash with SA Reserve Bank CPD.

The SETA's exposure to interest rate risk and the effective interest rates on financial instruments at reporting sheet date are as follows:

	Floating rate		Non-interest bearing	Total
Year ended 31 March 2025	Amount	Effective interest rate	Amount	
	R'000		R'000	R'000
Cash and cash equivalents	1 115 778	7,99 %	-	1 115 778
Trade and other receivables	2 173	- %	-	2 173
	1 117 951	**7,99 %**	**-**	**1 117 951**

	Floating rate		Non-interest bearing	Total
Year ended 31 March 2024	Amount	Effective interest rate	Amount	
	R'000		R'000	R'000
Cash and cash equivalents	1 061 490	8,17 %	-	1 077 658
Trade and other receivables	1 883	- %	-	1 883
	1 063 373	**8,17 %**	**-**	**1 079 541**

27. Related parties

This standard prescribe the disclosure of information relevant to draw attention to the possibility that TETA's financial position and surplus/deficit may have been affected by the existence of related parties. It is not expected that this standard will significantly impact future disclosures.

Below are the transactions that were between the TETA and other seta's representing interseta transfers as listed below:

Inter Seta Transfer	**2025**	
	Amount of the transaction	Amount Receivable
HWSETA	421	421
MERSETA	95	95
Total	516	516
	516	**516**

The senior management group consists of the SETA's Chief Executive Officer, the Chief Operations Officer and the Chief Financial Officer. The aggregate remuneration of members of the senior management group and the number of managers receiving remuneration within this category are:

Refer to the report by the Accounting Authority for detail disclosure concerning the emoluments of members of the accounting authority and the Chief Executive Officer,the Chief Operations Officer and the Chief Financial Officer.

Related party balances

The SETA is controlled by the Department of Higher Education and Training, which is controlled by the Minister of Higher Education and Training.

Transactions with the controlling entity

The SETA receives a monthly transfer of levies paid in its sector fron the Department of Higher Education. For details of the transaction amounts refer note 2. Transactions with the Department are consistent with normal operating relationships between the entities, and are undertaken on terms and conditions that are normal for such transactions.
Transactions with entities under common control

By virtue of the fact that TETA is a National Public Entity related to other entities and departments in the National sphere of government it is considered related to Telkom, Eskom, South African Airways, other SETAs and the National Skills Fund. The transactions are consistent with normal operating relationships between the entities, and are undertaken on terms and conditions that are normal for such transactions. Where there were transactions and balances arising due to the movement of funds between entities under the common control of the Department, these amounts were disclosed below.

27. Related parties *(continued)*

Key management information

The key management personnel (as defined by GRAP 20, Related Party Disclosures) of the SETA are: the members of the accounting authority and the members of the senior management group.

The aggregate remuneration of members of the accounting authority and the number of members receiving remuneration within this category, are:

The senior management group consists of the SETA's Chief Executive Officer, the Chief Operations Officer and the Chief Financial Officer. The aggregate remuneration of members of the senior management group and the number of managers receiving remuneration within this category are:

Refer to the report by the Accounting Authority for detail disclosure concerning the emoluments of members of the accounting authority and the Chief Executive Officer,the Chief Operations Officer and the Chief Financial Officer.

Remuneration of Accounting Authority and Executive Management

TETA BOARD MEMBERS
2025

Name	Appointment date	Sitting Allowance R'000	Travel claims R'000	Total R'000
Fezeka Ntlemeza	1 April 2020	-	15	15
Saki Tlou	1 April 2020	316	7	323
Roland Setlako	1 April 2020	402	8	410
Nqobizitha Irvin Phenyane	1 April 2020	219	-	219
Hardhaw Tikum	1 April 2020	188	-	188
Nokuthula Sefunda	1 April 2020	172	12	184
Wilfred Mogudi	1 April 2020	183	1	184
Anele Kiet	1 April 2020	223	1	224
Ndanduleni Munyai	1 April 2020	204	1	205
Olivia Maponya	1 April 2020	268	5	273
Solomon Mahlangu	1 April 2020	197	6	203
Evidence Cebekhulu	1 April 2020	179	7	186
Matthews Ramosie	1 April 2020	289	5	294
Total		**2 840**	**68**	**2 908**

27. Related parties *(continued)*

2024

Name	Appointment date	Sitting Allowance R'000	Travel claims R'000	Total R'000
Dr Eugenia Xoliswa Kula	1 April 2020	108	4	112
Fezeka Ntlemeza	1 April 2020	59	32	91
Saki Tlou	1 April 2020	248	1	249
Roland Setlako	1 April 2020	276	5	281
Nqobizitha Irvin Phenyane	1 April 2020	209	-	209
Hardhaw Tikum	1 April 2020	132	-	132
Nokuthula Sefunda	1 April 2020	116	9	125
Wilfred Mogudi	1 April 2020	116	-	116
Anele Kiet	1 April 2020	149	5	154
Ndanduleni Munyai	1 April 2020	128	6	134
Olivia Maponya	1 April 2020	168	11	179
Solomon Mahlangu	1 April 2020	124	14	138
Evidence Cebekhulu	1 April 2020	156	13	169
Matthews Ramosie	1 April 2020	245	9	254
Maleka Dinah	1 April 2020	-	3	3
-		**2 234**	**112**	**2 346**

TETA AUDIT AND RISK COMMITTEE MEMBERS

31 March 2025

Pascalis Mokupo	239	-	239
Mlamli Magigaba	48	-	48
Thiru Mudaly	79	-	79
Matthew Ramosie	40	-	40
	406	**-**	**406**

27. Related parties *(continued)*

TETA AUDIT AND RISK COMMITTEE MEMBERS

31 March 2024

Name	Sitting Allowance R'000	Travel claims R'000	Total R'000
Pascalis Mokupo	188	-	188
Mlamli Magigaba	92	-	92
Thiru Mudaly	99	-	99
Fezeka Ntlemeza	24	-	24
Matthew Ramosie	48	-	48
Total	**451**	**-**	**451**

Executive management

March 2024

R'000 **Name**	Basic salary	Other short-term employee benefits R'000	Other benefits received R'000	Total R'000
Maphefo Anno-Frempong - Chief Executive Officer	3 346	692	17	4 055
Famanda Shirindza - Chief Operations Officer	2 423	495	30	2 948
Alfred Nchaupe Maepa - Chief Financial Officer	2 546	373	1	2 920
	8 315	**1 560**	**48**	**9 923**

27. Related parties *(continued)*

Executive management

March 2024

Name	Basic salary R'000	Bonuses and performance related payments R'000	Other short-term employee benefits R'000	Other benefits received R'000	Total R'000
Maphefo Anno- Frempong - Chief Executive Officer	3 183	520	542	194	4 439
Famanda Shirindza - Chief Operations Officer	2 301	364	349	216	3 230
Alfred Nchaupe Maepa - Chief Financial Officer	2 424	255	326	41	3 046
	7 908	**1 139**	**1 217**	**451**	**10 715**

28. Transaction with stakeholders represented on the Accounting Authority

	31 March 2025 Payments	31 March 2025 Balance on the Contract	31 March 2023 Payments	31 March 2023 Balance on the Contract
	R'000	R'000	R'000	R'000
Transnet Engineering Zonke Cebekhulu Discretionery Grants	6 687	55 592	23 221	13 315
Kopano Bus Services Olivia Maponya Discretionery Grants	67	66	2 076	133
National Department of Transport Dinah Maleka Discretionery Grants	385	-	334	-
Madodi Bus Services Olivia Maponya Discretionery Grants	-	-	63	1
Southern Seas Institute Roland Setlako Discretionery Grants	7	74	11	82
	7 146	**55 732**	**25 705**	**13 531**

The above transactions occurred under terms that were no more favourable than those available in similar arm's length dealings.The amounts include the transactions and commitment balance.

	2025 R'000	2024 Restated R'000

29. Entities under common control of the Department Higher Education,Science and Technology

By virtue of the TETA being a National Public Entity related to entities and departments in the National spheres of government, it is considered related to DHET, National Skills Authority, QCTO, Other SETAs, public universities and TVET colleges. The transactions are consistent with normal operating relationships between the entities and are undertaken on terms and conditions that are normal for such transactions.

Discretionery Grant - Interventions Contracted with TVETS - Contract Balance		
Tlharihani TVET College	1 155	-
NCR Tvet College	-	416
Ikhala TVET College	2 452	-
Letaba College For Tvet	3 206	4 234
Esayidi Tvet College	-	1 610
South West Gauteng Tvet College	5 000	12 650
Lovedale Tvet College	9 685	499
Tvet College of Cape Town	15	15
Flavius Mareka Tvet College	969	969
Ehlanzeni TVET College	5 376	-
Elangeni Tvet College	7 953	2 973
Maluti Tvet College	2 602	7 442
Mthasahana Tvet College	182	182
East Cape Midlands TVET College	991	1 036
False Bay Tvet College	13 845	5 355
West Coast College Tvet	-	345
Northlink Tvet College	2 898	2 898
Waterberg Tvet College	1 487	1 817
Vhembe Tvet College	688	5 645
Nkangala Tvet College	964	6 002
Ingwe Tvet College	422	5 645
Mopani Tvet College	813	1 740
Orbit Tvet College	-	2 475
Tshwane South Tvet College	4 080	-
	64 783	**63 948**

	2025 R'000	2024 Restated R'000

29. Entities under common control of the Department Higher Education,Science and Technology *(continued)*

Discretionery Grant - Interventions Contracted with Universities - Contract Balance

Tswane University of Technology	7 704	12 420
University of Pretoria	1 788	4 195
University of Johannesburg	17 194	11 180
North West University	2 156	1 802
Cape Peninsula University of Technology	3 052	717
Durban University of Technology	585	198
Nelson Mandela University of Technology	8 846	2 001
Stellenbosch University	3 003	956
Vaal University of Technology	2 955	1 379
University of the Free State	2 447	1 726
University of Venda	182	1 126
University of Kwa - Zulu Natal	798	1 833
Central University of Technology	1 881	1 357
University of the Fort Hare	788	1 094
Cape Town University of Technology	5 217	1 726
Witwatersrand University	4 069	-
	62 665	**43 710**

Discretionery Grant - Interventions Contracted Other Setas - Contract Balance

Bank Seta	-	12 288
Income received in advance included in liabilities	-	(7 526)
	-	**4 762**

Sundry Receivable	9 156	-

Notes to the Annual Financial Statements

30. Events after the reporting date

There were no adjusting events after the reporting period under review.

31. New standards and interpretations

31.1 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 103 Heritage assets (revised)	01 April 2025	Unlikely there will be a material impact
• GRAP 104 Financial instruments (revised)	01 April 2025	Unlikely there will be a material impact
• GRAP 1 Presentation of financial statements	01 April 2025	Unlikely there will be a material impact
• GRAP 105 Transfer of Functions Between Entities Under Common Control	01 April 2025	Unlikely there will be a material impact
• GRAP 106 Transfer of Functions Between Entities Not Under Common Control	01 April 2025	Unlikely there will be amaterial impact
• GRAP 107 Mergers	01 April 2025	Unlikely there will be a material impact

32. Prior period errors

Prior Period Error Narrations:

During the financial year under review , Management identified errors/and or omissions in the Annual Financial Statements which were significant in nature due to understatement of approved contracts, understatement of expenditure which had an impact in both the 2023/2024 and 2024/2025 Financial Statements. These corrections impacted various sections in the Annual Financial Statements, each of these corrections have been clearly identified and indicated the impact for each line item. Refer below for details of the corrections /or omissions as a comparative information on the disclosure notes.

Notes to the Annual Financial Statements

	2025 R'000	2024 Restated R'000

32. Prior period errors *(continued)*

32.1 Financial Liabilities - Liquidity risk (Note 26)

An adjustment on financial liabilities and liquidity risk is a result of the adjustments on the payables non exchange, which is an overstatement in expenses. The adjustment in on discretionery grant expenditure for the opening balance and prior year discretionery grant accruals.

	2025 R'000	2024 Restated R'000
As previously disclosed	-	132 162
Changes due to adjustment	-	61 853
Restated Amount	**-**	**194 015**

32.2 Commitments (Note 23)

The commitment note to the Annual Financial Statements was restated as per below:

	2025 R'000	2024 Restated R'000
Audited in opening balance 2022/2023	-	664 250
2022/2023 Adjusted Approved contracts to increase by	-	162
Correction of Expenditure net movement in 2022/2023 increased by	-	(138 925)
Correction of Expenditure net movement in 2023/2024 increased by	-	(8 076)
Corrections in reallocation of contract increased by	-	633
Restated Amount	**-**	**518 044**

32.3 Retention of Surplus (Note 20)

The change in the retention of surplus amount is due to the prior period adjustments on payables on discretionery grant costs. The below table shows the details:

	2025 R'000	2024 Restated R'000
Audited in 2023/2024	-	942 289
Decrease in retention of surplus	-	(128 522)
Restated Amount	**-**	**813 767**

Notes to the Annual Financial Statements

	2025 R'000	2024 Restated R'000

32. Prior period errors *(continued)*

32.4 Entities under common control of the Department Higher Education,Science and Technology - Tvets (Note 29)

The changes in the 2023/2024 disclosure for related parties was as a result of incorrect capturing on related parties note.

	2025	2024
Audited in 2023/2024	-	86 718
Decrease in contract balance disclosed due to incorrect capturing	-	(22 770)
Restated Amount	**-**	**63 948**

32.5 Entities under common control of the Department Higher Education,Science and Technology - Universities (Note 29)

The changes in the 2023/2024 disclosure for related parties was as a result of incorrect capturing on related parties note.

	2025	2024
Audited in 2023/2024	-	52 909
Decrease in contract balance disclosed due to incorrect capturing	-	(9 708)
Restated Amount	**-**	**43 201**

32.6 Transactions with stakeholders represented on the Accounting Authority (Payments) - Note 28

The changes in the 2023/2024 disclosure for related parties was as a result of corrections on discretionery grant accruals.

	2025	2024
Audited in 2023/2024	-	39 206
Increase in payments disclosed	-	(13 424)
Restated Amount	**-**	**25 782**

	2025 R'000	2024 Restated R'000

32.7 Transactions with stakeholders represented on the Accounting Authority (Balance on Contract) - Note 28

The changes in the 2023/2024 disclosure for related parties was as a result of corrections on discretionery grant accruals and other changes on contracts.

	2025	2024
Audited in 2023/2024	-	15 334
Increase in payments disclosed	-	(1 815)
Restated Amount	**-**	**13 519**

Changes in working capital due to an adjustment in accruals/payables non exchange as per below:

	2025	2024
Audited in 2023/2024	-	55 781
Increase in payments disclosed	-	1
Restated Amount	**-**	**55 782**

33. Prior-year adjustments

Management identified errors/and or omissions in the Annual Financial Statements which were significant in nature due to understatement of approved contracts, understatement of expenditure / payables and accruals with an impact on prior year and opening balance as Audited. These corrections impacted various sections in the Annual Financial Statements.

33. Prior-year adjustments *(continued)*

Statement of Financial Position:

The discretionary grant and project expenditure was missted resulting in an adjustment as per below.

Statement of financial position
2023

	As previously reported R'000	Correction of error R'000	Restated R'000
Payables from exchange transactions	(6 673)	(359)	(7 032)
Payables from non-exchange transactions	(23 338)	(179 340)	(202 678)
Total reserves	(978 599)	179 699	(798 900)
	(1 008 610)	**-**	**(1 008 610)**

2024

	As previously reported R'000	Correction of error R'000	Restated R'000
Payables from non-exchange transactions	(154 866)	(61 852)	(216 718)
Total reserves	(963 572)	61 852	(901 720)
	(1 118 438)	**-**	**(1 118 438)**

Notes to the Annual Financial Statements

	2024 R'000	2023 Restated R'000

33. Prior-year adjustments *(continued)*

Statement of financial performance narrations and changes:
The discretionary grant and project expenditure was mistated in 2023/2024 resulting in a correction as per below.

Statement of finanical performance

March 2024

	As previously reported R'000	Correction of error R'000	Restated R'000
Grants and Project Expenses (Note 6)	(779 937)	8 081	(771 856)

Cash flow statement

2024

	As previously reported R'000	Correction of error R'000	Restated R'000
Cash flow from operating activities			
Payments to suppliers	(52 947)	-	(52 947)
Payments on grants and projects expenses	(760 286)	-	(760 286)
	(813 233)	**-**	**(813 233)**

There was no movement in the cashflow due to adjustment within the same categories of balances.

NOTES

NOTES

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TETA Annual Performance Plan 2024/2025

higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA