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PART A

GENERAL INFORMATION

1. PART A: GENERAL INFORMATION

1.1. Public entity's general information

Registered name:	Limpopo Tourism Agency
Registration numbers and / or other relevant numbers:	Schedule 3C PFMA
Registered office address:	Southern Gateway Ext. 4, N1 Main Road Polokwane 0700
Postal address:	P. O. Box 2814 POLOKWANE 0700
Contact telephone numbers:	+27 15 293 3600
Email address:	info@golimpopo.com
Website address:	www.golimpopo.com
External Auditor's name	Auditor General of South Africa
External Auditor's address	32 Dimitri Cres, Polokwane,0699
Name of Bank:	Standard Bank
Address of Bank	70 Landros Mare Street, Polokwane, 0700
Company Secretary	T.G Kotsedi
Company Secretary's profession/ Designation	Mr.

1.2 List of Abbreviations

AA -Accounting Authority

AFS -Annual Financial Statements

AGSA -Auditor -General of South Africa

CEO – Chief Executive Officer

CFO- Chief Financial Officer

CIlr. - Councillor

CoE- Compensation of Employees

CPPP – Community Private Public Partnership

CS – Corporate Services

DPSA-Department of Public Service and Administration

DSTV-Digital Satellite Television

EAP – Employee Assistant Programme

EEP – Employee Equity Plan

FC-Football club

FIFA- Federation International Football Association

GRAP-Generally Recognised Accounting Practice

ICT – Information Communication Technology

IDM- Integrated Destination Marketing

LEDET – Limpopo Economic Development, Environment and

Tourism LTA – Limpopo Tourism Agency

MEC-Member of the Executive Council

MICE – Meetings Incentives Conference and Exhibitions (Business

Tourism) MPL- Member of the Provincial Legislature

MTEF – Medium Term Expenditure Framework

NTSS – National Tourism Sector Strategy

PPP – Public-Private Partnership

SAT – South African Tourism

SATOVITO- South African Township and Village Tourism Organisation

SEDA- Small and Enterprises Development Agency

SEZ – Special Economic Zones

SMMEs – Small Medium and Micro Enterprises

SATSA- Southern Africa Tourism Services Association

STATSSA – Statistics South Africa

UNWTO - The United Nations World Tourism Organisation

VFR – Visiting Friends and Relatives

VIC- Visitor Information Centre

WTD-World Tourism Day

1.3 Foreword by the Chairperson

It is an honour and privilege to present the performance report for the 2024/25 financial year. This report reflects a year of renewed purpose and determination, where the Limpopo Tourism Agency (LTA) remained steadfast in its pursuit to market Limpopo as a globally competitive and inclusive tourism destination.

LTA continued to execute its strategic mandate of destination marketing through a dynamic portfolio of marketing campaigns, stakeholder partnerships, and trade platforms. The agency's strategy focused on sustaining Limpopo's domestic market leadership while extending regional influence through high-impact platforms like the Limpopo Championship, Limpopo Summer Experience, and national trade shows.

Through 4 campaigns and numerous collaborative events, the Agency not only expanded its market reach but also fostered inclusive participation from rural communities, emerging entrepreneurs, and previously disadvantaged groups. The consistent ranking of Limpopo in the top three domestic destinations is a testament to the effectiveness of LTA's integrated marketing and transformation efforts.

I am proud to report that the Agency received a clean audit opinion from the Auditor-General of South Africa for the 2024/25 financial year for the second year running. This achievement reflects the Agency's commitment to good governance, sound financial management, and ethical leadership. This is the milestone achievement we need to maintain as an obligation we have embraced.

The agency also made substantial progress in the rollout of Programme 5: Destination Trade and Investment Promotion, aimed at promoting tourism-linked investment opportunities, facilitating market access for local tourism products, and showcasing Limpopo as a destination with investment potential across hospitality, heritage, culture, and eco-tourism sub-sectors. This integration between tourism promotion and investment facilitation is strengthening the province's economic ecosystem.

The Board prioritised strategic partnerships that aligned with its inclusive growth agenda. Noteworthy collaborations include the following:

- Profiling 25 women-owned enterprises
- Strategic media partners
- Limpopo-based Betway Premiership teams in Limpopo and
- National agencies such as SA Tourism.

These partnerships in the main ensured amplified visibility, inclusive participation, and cross-sector alignment.

Despite remarkable progress, the Board encountered several challenges, chief among which was the persistent need to empower enterprises owned by people with disabilities and increase compliance readiness within informal tourism ventures. Infrastructural constraints such as load-reductions in some parts of the province also impacted operations, especially in rural areas. The Board remains committed to resolving these challenges through targeted support, inter-departmental collaboration, and revised implementation models.

The following policy directives remain paramount to Limpopo Tourism Agency (LTA):

- Integrating all the entity's systems
- Attaining exceptional performance
- Fighting of the triple challenges of poverty, unemployment, and inequality,
- Building strong partnerships with private sector and Local Government,
- Encouraging grading of tourism facilities,
- Intensifying efforts in research,
- Growing tourism,
- Enhancing market intelligence
- Promotion of Trade and Investments

Strategic Focus Over the Medium to Long Term

Over the next planning horizon, the Board will focus on:

- Enhancing transformation through enterprise support for women, youth, and persons with disabilities,
- Deepening integration between trade and investment under Programme 5 Promoting tourism grading and compliance across all districts.
- Expanding market intelligence, tourism data analytics, and digital visibility, and
- Strengthening partnerships with municipalities and local tourism associations to boost rural tourism.

Acknowledgement and Conclusion

I wish to extend heartfelt appreciation to:

- The Honourable MEC, Mr. Tshitereke Baldwin Matibe, for his visionary leadership and continued support, the Management and staff of LTA for their hard work and unwavering commitment. Our gratitude extends to the tourism industry stakeholders, media, and communities who champion Limpopo's tourism brand daily.

As the Board, we remain committed to responsible oversight, inclusive development, and strategic innovation. Let us continue working together to position Limpopo as a vibrant, diverse, and globally admired destination that creates opportunities and improves lives.

There is more to enjoy in Limpopo!

K.A. Dipela
Board Chairperson

1.4. Chief Executive Officer's Overview

South Africa's tourism sector showed positive performance in 2024, with notable growth in international tourist arrivals and a strong contribution to the national economy. The country welcomed 8.9 million tourists, indicating the sector's enduring appeal, although it hasn't fully recovered to pre-pandemic levels. Limpopo Tourism Agency continue to collaborate with the Private sector to position the province as a major destination for adventure, wildlife and cultural enthusiasts both domestically and internationally. These efforts have already begun to bear fruits with the numbers of arrivals especially at destinations like the Waterberg, Hoedspruit and the Kruger National Park.

In the last three years of the sixth administration, Limpopo has shown some recovery in international arrivals, from 2021 there were 112 785 international arrivals recorded; followed by 421 656 international arrivals in 2022 and 600 000 international arrivals recorded in 2023. Limpopo has recorded 640 879 international tourists' arrivals in 2024 as compared to 600 000 international tourists' arrival in 2023.

In 2024, Limpopo province has recorded 7.4 million domestic trips by destination as compared to 8.5 million in 2023. International arrivals have increased by 40 000 whilst domestic trips have declined by 900 000.

On the domestic front, Limpopo Province saw phenomenal growth in market share in 2023, and it emerged as the leading main destination province, recording the highest number of overnight trips at 7.5 million and the second highest overnight spend of R20.6 billion. Hunting remains Limpopo's draw-card for international trophy hunters, a market which will be defended since its contributions continue to grow in the province.

Limpopo is indeed Africa's Eden and the agency has put plans in place to continue to unearth the hidden gems within each Municipality through the aggressive implementation of the "TOURISM THURSDAYS'" campaign. A lot has been done in collaborating with Local and District Mayors, a program that will be continued to ensure that the Tourism Economy is enhanced in all areas including the rural areas and townships of our province.

A MICE bidding strategy aligned to the South African Tourism Bureau will be put in place to attract meetings and events that contributes towards job creation especially to the youth. The MICE Sector has a massive contribution on local economies and will be used to reduce poverty through job creation and improved living standards of the people of Limpopo. The Entity will sign memorandum of understandings with relevant sector departments and entities on areas of collaboration to drive destination trade and investments promotions.

This will in return enhance economic activities within the identified sectors such as the Heritage and Culture, Sports Tourism, the Creatives Industries, Agri- tourism, Airlift. The entity will continue to utilize key icons such as the Kruger National Park, Marakele National Park as well as Mapungubwe National Park and World Heritage Site in marketing the province as a preferred destination for safari, wildlife, and cultural experiences.

Chief Executive Officer
Mr. M Ngobeni

1.5 Statement of Responsibility and Confirmation of the Accuracy or the Annual Report

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

All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by the Auditor General of South Africa.

The annual report is complete, accurate and is free of any omissions. The annual report has been prepared in accordance with the guidelines on the annual report for Schedule 3A and 3C Public Entities as issued by the National Treasury.

The Annual Financial Statements (Part F) have been prepared in accordance with the Generally Recognised Accounting Practice (GRAP) standards 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, which 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 entity for the financial year ended 31 March 2025.

Yours faithfully

Chief Executive Officer
Mr. M Ngobeni

1.6. Strategic Overview

Vision

To position Limpopo as a leading tourism destination in Southern Africa.

Mission

To promote and offer a sustainable and diverse tourism experience through strategic marketing (destination marketing) and support and facilitate tourism development programmers, collaborations with stakeholders and sector transformation.

Values

Core Value	Description
Integrity	Conduct beyond reproach will be deployed by staff and Board
Respect	Display respect in dealing with all stakeholders, be they colleagues, other departments, business partners in the tourism industry or Limpopo, which is best displayed through
	effective listening and communication, as well as seeking first to understand them before being understood.
Excellence	The entire LTA organisation shall continually strive for service excellence delivery towards all our tourists.
Responsibility	All tourism development, management and activities shall deliver on all areas of economic, social, environmental and personal, growth sustainability
Communication	LTA will strive to communicate effectively and efficiently within and outside the organisation
Accountability	The obligation of an individual or organisation to account for its actions (Financials, Performance and Social), accepts responsibility for their disclosed results in a transparent manner.
Learning Organisation	Culture of continuous improvement by adopting best practices.

1.7 Legislative and other Mandates

Limpopo Tourism Agency falls under schedule 3C public entity in terms of PFMA

Constitutional mandate

The provisions of the Constitution of the Republic of South Africa (No. 108 of 1996): Constitution of the Republic of South Africa, Act 108/1996, Section 21 of Chapter 2 provides for the right to freedom of movement and residence.
Chapter 3, Section 41(1) sets out the relationship and principles underlying cooperation and assigning functions between the various spheres of government. Part A of Schedule 4 list tourism as functional area of concurrent national and provincial legislative competence

Legislation defining the Limpopo Tourism Agency mandate:

The National Development Plan (NDP) recognizes tourism as one of the main drivers of employment and economic growth and envisages the promotion of South Africa as a major tourist and business events destination.

The following Acts are relevant at the provincial level:

- Public Finance Management Act 1/1999 (as amended)
- Companies Act 71/2008
- The white paper on development and promotion of tourism in South Africa
- Tourism Act 3/2014

Limpopo tourism Act 2018 (Act No.4 of 2018)

Section 6 provides for the functions of the Agency. The Agency must:

- Market the province as a tourist destination
- Market provincial tourism products and facilities
- Develop and implement a marketing strategy for tourism that promotes-
    - The objects of this Act; and
    - The provincial tourism sector strategy
- Advice the MEC on any matter relating to tourism marketing; and
- Perform any other function, the MEC may assign or delegate to the Agency

Legislation informing the delivery of the core mandate:

- Various legislations pertaining to governance and control environment and institutional arrangements.
- All national and provincial legislations and regulations, and all municipal by-laws applicable to Limpopo Tourism Agency or the areas in which it operates.

Updated policy mandates

- National Development Plan, Vision 2030 (2012) (NDP) – seeks to eliminate poverty and sharply reduce inequality and unemployment by 2030. The National Development Plan (NDP) recognizes tourism as one of the main drivers of employment and economic growth and envisages the promotion of South Africa as a major tourist and business events destination.
- The Medium-Term Strategic Framework 2019-2024 (MTSF) – which gives effect to the electoral mandate and is framed around seven national priorities for the period 2024. Limpopo Tourism Agency contributes three MTSF priorities:

  a) Priority 1 - A capable, ethical, and developmental State
  b) Priority 2 – Economic transformation and job creation; and
  c) Priority 7 – A better Africa and world

- National Tourism Sector Strategy 2016-2026 (NTSS) – sets out a vision for a "rapidly and inclusively growing tourism economy that leverages Limpopo's depicted competitive edge within the Mega-Conservation of the Limpopo Tourism Growth Strategy and its unique clusters underpinned by business innovation and service excellence".
- Domestic Marketing Strategy - To grow the visitor economy by stimulating demand through effective tourism marketing and promotion in line with National Tourism Sector Strategy.
- Tourism Grading Council of South Africa (TGCSA) grading criteria 2019 – seeks to advance and maintain a recognizable, credible, and globally benchmarked system of quality assurance for accommodation and venues in South Africa.

- Public Finance Management Act 1/1999(as amended) - To regulate financial management in the national government and provincial governments, to ensure that all revenue, expenditure, assets, and liabilities are managed efficiently and effectively, to provide for responsibilities of persons entrusted with financial management in those governments and to provide for matters connected therewith.
- Limpopo Tourism Growth Strategy (2017) - The Limpopo Tourism Growth Strategy was reviewed during the 2017/2018 financial year and continues to guide tourism growth and development as outlined in the Limpopo Tourism Act 2018 (Act No. 4 of 2018) aligned to the NTSS. The Limpopo's Tourism Growth Strategy (TGS) vision is aimed at:

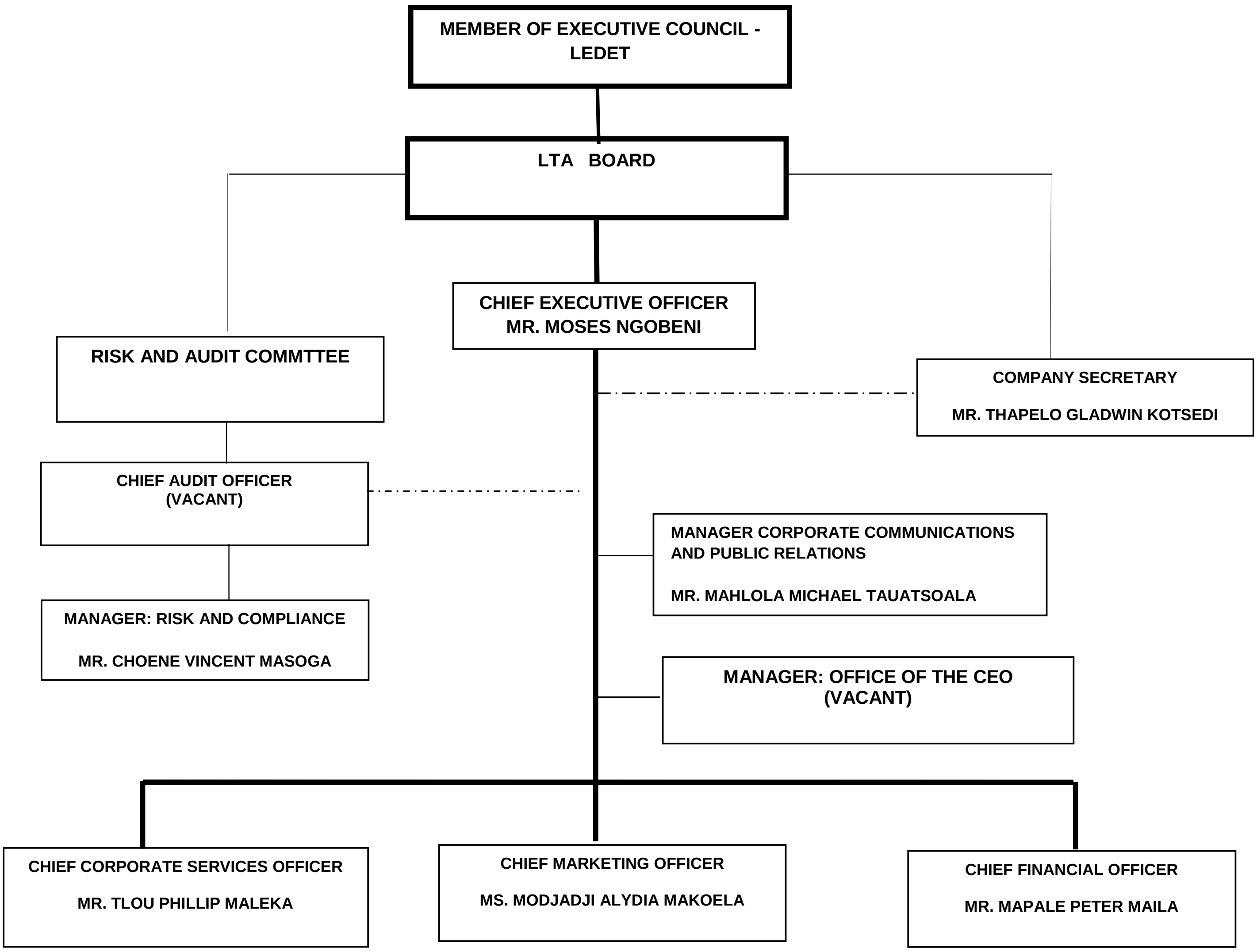
  "A rapidly and inclusively growing tourism economy that leverages Limpopo's competitive advantages in nature, culture and heritage, supported by innovative products and service excellence."

  Towards achieving the vision, the Limpopo Tourism Growth Strategy is founded on the implementation of priority actions within the six clusters embedded in the unique wildlife settings offered in the mega conservation areas of Limpopo. These clusters are:

  - Culture and Heritage
  - Family and Recreation
  - Sport and Wildlife
  - Safari and Hunting
  - Business and Events
  - Special Interest

- Limpopo Development Plan (LDP) – gives directive for the implementation of high impact growth catalytic projects across all sectors of the economy
- The White Paper on the Development and Promotion of Tourism in South Africa (1996) – sets out a framework and guidelines for tourism development and promotion in South Africa.
- Tourism Black Economic Empowerment Charter (BEE Charter) – which aims to not only make South African tourism globally competitive but to open the benefits of tourism to previously disadvantaged individuals and therefore promote inclusivity.

1.8 Organisational Structure



Executive Committee

Mr. Ngobeni M
Chief Executive Officer

Mr. Maila MP
Chief Financial Officer

Ms. Makoela MA
Chief Marketing Officer

Mr. Maleka TP
Chief Corporate Services

Mr. Masoga CV
Manager Risk & Compliance

Mr. Tauatsoala MM
Manager Corporate Communications & PR

Mr. Kotsedi TG
Company Secretary

PART B

PERFORMANCE INFORMATION

2. PART B: PERFORMANCE INFORMATION

2.1. Auditor-General's Report: Predetermined Objectives

The AGSA/auditor currently performs the necessary audit procedures on performance information to provide reasonable assurance in the form of an audit conclusion. No material findings were reported in the auditors report.

The entity has managed to sustain a clean audit opinion for two consecutive years.

Reference is made to the paragraph pg 79 - 87 in the Auditor General's report published as Part F (Annual Financial Statements) of the entity's annual report.

2.2. Overview of the entity's performance

Service Delivery Environment

Tourism was one of the most affected sectors by the COVID-19 pandemic. It threatened to undo the momentum our province had gained prior to 2020. Limpopo has recorded 640 879 international tourists' arrivals in 2024 as compared to 600 000 international tourists' arrival in 2023. In 2024, Limpopo province has recorded 7.4 million domestic trips by destination as compared to 8.5 million in 2023. International arrivals have increased by 40 000 whilst domestic trips have declined by 900 000. Whilst an effort was made through implementation of the 2024/25 Annual performance plan, several factors remained affecting growth in both international arrivals and domestic trips. These factors spread across the tourism value chain that affects the transport industry, the airline access to provinces, the food cost for the hospitality industry, unemployment rate affecting disposable income, making travel and tourism not a priority for individuals and households.

Tourism is always affected by the current state of economic activities in the country and around the world. LTA will in the 7th administration improve its efforts to support the 3 priorities. This it will do through review of its marketing strategy in particular to increase its footprint in international markets through participation at international trade shows, also to increase promotion of its iconic tourism attractions such as the Kruger National Park which is currently the second to Table Mountain in attracting international tourists.

Limpopo International Tourist Arrivals

International tourist arrivals to South Africa in 2024 reached 8 919 370 million as compared to 8.5 million in 2023. Destination Limpopo has recorded a massive increase from 600 000 in 2023 to 640 879 in 2024. In terms of bed nights, it has recorded an increase from 3.9 million in 2023 to 4.2 million in 2024. It has also declined in terms average length of stay from 7.2 nights in 2023 to 6.8 nights in 2024, as well as a decline in terms of direct spend from R6.3 billion in 2023 to R5.7 billion in 2024.

International tourists' arrivals to Limpopo continued well below the 2019 level despite promising recovery on the arrival figures settling at 0.6 million mark. Zimbabwe was the major source market during 2024 with the market share of 59.5% arrivals, followed by Botswana with market share of 11.3%, USA with 6.2%, Germany 3.2%, UK at 2.2$, Mozambique at 2.4%, The Netherlands at 1.8%, France at 1.5%, Australia at 1.9%, and eSwatini at 0.8%.

International Arrivals	2024	2023	2022	2021
Number of Arrivals to South Africa	8 919 370	8.5 million	5.7 million	2.3 million
Number of arrivals to Limpopo	640 879	600 000	421 656	112 785
Limpopo's ranking in terms of foreign arrivals	6	5	6	7
Number of bednights spent in South Africa by foreigners	114.6 million	111.8 million	69.5 million	27 510 138
Number of bednights spent in Limpopo by foreigners	4.2 million	3.9 million	2.4 million	996 592

Average length of stay in South Africa by foreign tourists	13.3 nights	13.6 nights	12.6 nights	9.1 nights
Average length of stay in Limpopo by foreign tourists	6.8 nights	7.2 nights	5.7 nights	6.8 nights
Total foreign direct spend to South Africa	91.6 billion	R94.8 billion	R59.6 billion	R20.8 billion
Limpopo share of direct spend	R5.7 billion	R6.3 billion	R4.0 billion	R753 874 640

Domestic Main Destination Province Performance

In 2024, Limpopo recorded 7.4 million trips per destination province as compared to 8.5 million trips in 2023. The province also recorded 5.9 million trips in 2024 as a decline of -23.8% as compared to 7 471 443 million trips in 2023. In terms of spending the province has declined from R12.4 billion in 2023 to R11.7 billion in 2024.

Domestic Statistics	2024	2023	2022	2021
Number of domestic trips to South Africa	40.2 million	37 900 000	34 000 000	14 800 000
Domestic trips by destination to Limpopo	7.4 million	8.5 million	6 310 853	559 461
Domestic trips by origin Province to Limpopo	5.9 million	7 471 443	5 576 219	59 830
Limpopo's ranking in terms of domestic trips	3	1	2	7
Total annual domestic spend in South Africa	R236.4 billion	R121.4 billion	R99.2 billion	R45.4 billion
Total annual domestic spend in Limpopo	R11.7 billion	R12.4 billion	R9.8 billion	R3.6 billion

Organisational environment

The entity has filled a total of forty-eight (48) positions as at the end of 2024/25 financial year of which 50% are females and 50% are males. The entity reviewed its organisational structure and added two positions namely, Monitoring and Evaluation Officer and Senior Internal Control Officer/Practitioner resulting in a total number of sixty-six (66) positions One position of Media Liaison Officer in the CEO's office was filled during the 2024/25 financial year. The position of Chief Corporate Services Officer became vacant when the fixed term contract of the previous incumbent ended on 20 October 2024. The other eighteen (18) positions could not be filled and the Board resolved that only replacement positions be filled and others pending the finalisation of the new structure to realise the implementation of EXCO decision no 20 of 2022/23 on the reconfiguration of Provincial public entities.

Key policy developments and legislative changes

The entity has updated most of the financial management policies in line with Provincial and National Treasury as guided by the Treasury guideline.

2.3 Progress towards achievement of institutional impacts and outcomes

Domestic Campaigns Implemented: LTA has implemented **4 domestic campaigns** at the end of 2024/25. These were in the form of the **Easter, Winter, Tourism Month and Summer campaigns**. The campaigns have contributed largely to LTA's brand positioning and awareness. Major iconic events, advertising and digital platforms were largely used to achieve some of these campaign objectives.

Marketing Collaborations implemented: LTA has implemented **8 marketing collaborations** as of end-year 2024/25. The highlight of these is the Limpopo Championship which was in its final year of implementation as per the contract with Sunshine Tour, this brought both domestic and international golfers and contributed to the economy of the province in several ways including creation of jobs. The event was broadcast on DSTV's SuperSport channel which yielded a huge transactions. This year LTA supported two Limpopo based teams which qualified to the PSL viz: Polokwane City FC and Sekhukhune United FC. The year under review was also blessed by hosting of SAFA's Bafana Bafana game against Lesotho which saw the New Peter Mokaba Stadium filled to the brim. Some of the marketing collaborations the entity implemented, are Boxing Tournament, Explore Limpopo Markets, Limpopo Holiday Fair, Phalaphala Royal Heritage, Thobela FM Gospel Festival, Yellow Arum Lilly, Munghana Lonene Xitsonga Music Awards.

The National Tourism Careers Expo (NTCE) is another highlight for the year under review. The NTCE is a collaborative effort between the Department of Tourism, Culture Arts, Tourism, Hospitality & Sport Education Training Authority (CATHSSETA), the Limpopo Department of Economic Development, Environment and Tourism (LEDET) and Polokwane Municipality. Targeting at grade 9 – 12 learners, TVET and University Students, and unemployed graduates, the NTCE provides an opportunity for information sharing among tourism curricula experts and stakeholders - with educators and learners on the diverse careers available in the sector. LEDET was awarded hosting rights for the NTCE 2024-2026 with the event taking place on 08-10 October 2024 at the New Peter Mokaba Stadium, Polokwane in the Capricorn District of Limpopo. LEDET appointed LTA as an implementing agent and fund manager for the NTCE. The NTCE was launched to the media on 29 September 2024 by MEC Tshitereke Baldwin Matibe of LEDET, supported by MEC Mavhungu Lerule - Ramakhanya. The NTCE was attended by a total of **6 325 learners** over the three days, surpassing the target of 6000 learners. A total of 451 educators attended the Expo and 56 exhibitors exhibited at the show. A cumulative number of guests attended were 7 240, which are made of guests who attended the opening ceremony, gala dinner and the three-day expo. Parallel to the expo, was the educator seminars in the field of Tourism, Hospitality and Consumer studies for the entire three days. There were also learner competitions in the Tourism public speaking (debate), Hospitality (cake baking), Consumer (food prep), Consumer (Soft finishing).

Trade marketing platforms implemented: Five (5) Trade marketing platforms were implemented as of end- year 2024/25. The highlights were the WTM Africa, where LTA extended its platform to the V&A Waterfront post the show. The platform was welcomed by tourists and runners of the two-ocean marathon who passed by for information on destination Limpopo. The other platforms that were aggressively utilized to promote destination Limpopo, are Africa's Travel Indaba and Meetings Africa. During these platforms Limpopo tourism products were exposed to tourism buyers through speed marketing and scheduled meetings which enables transactions on tourism packages.

SMMEs supported: 175 SMMEs were supported as of end-year of 2024/25. The trade marketing platforms reinforces marketing opportunities and profiling of SMMEs. The SMME positioning is also meant to drive tourism recovery.

Impact studies conducted: 6 Impact studies were conducted as of end-year of 2024/25. These were to determine the economic impact of the tourism value chain brought about by marketing collaborations, whilst the other studies determined the tourism consumer behaviour in the Limpopo Province. The highlights of the impact studies show tourism recovery in the province.

2.4 Institutional Programme performance information

PROGRAMME 1: OFFICE OF CHIEF EXECUTIVE OFFICE

Purpose of the programme: Provide the capacity to the entity to deliver on its mandate.

Sub-programmes:

- **Board Support**: it to ensure efficient Board Leadership of the agency in compliance with relevant legislative prescripts.
- **Monitoring and Evaluation**: it ensures effective and efficient monitoring of the performance of the entity.
- **Risk & Compliance**: it provides risk management and compliance services.
- **Corporate Communications & PR**: provides communication services internally and externally as well as coordinating with various stakeholders.

Strategic Plan Outcomes: Improved governance, oversight, and intergovernmental coordination

OUTCOMES, OUTPUTS, OUTPUTS INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

	Programme 1: Chief Executive Office								
Outcome	Outputs	Output Indicator	**Audited Actual performance 2022/2023**	**Audited Actual performance 2023/2024**	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target and Actual Achievement 2024/2025	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Improved governance, oversight, and intergovernmental coordination	Stakeholders engaged	Number of tourism stakeholders engaged	8	8	8	8	None	None	

The Office of the Chief Executive Office Programme achieved 100% of the set targets.

Linking performance with budgets

Programme / activity/ objective	2024/25			2023/24		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Board Support	900	900	-	1 273	1 273	-
Monitoring and Evaluation	1 772	1 749	23	1 848	1 920	(72)

Programme / activity/ objective	2024/25			2023/24		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Communications	553	553	-	805	805	-
Compensation of Employee	8 761	8 786	(25)	7 973	7 895	78
Capex	-	-	-	-	-	-
Total	11 986	11 988	(2)	11 905	11 899	6

The table above provides details of performance against outputs and targets.

PROGRAMME 2: CORPORATE SERVICES

Purpose of the programme: Provide effective and efficient human resources and organisational support services in the entity.

Sub-programmes:

- **Administration: render support and auxiliary services.**
- **Human Resources: provides human resources management services.**
- **Information Communication Technology: provides information technology services.**
- **Legal Services: provides strategic legal advice and support services.**

Strategic Plan Outcomes: A professional, meritocratic and ethical public administration

OUTCOMES, OUTPUTS, OUTPUTS INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

Programme 2: Corporate Services								
Outcome	Outputs	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
A professional, meritocratic and ethical public administration	Financial disclosure forms completed	Percentage compliance to disclosure of financial interest within the financial year	100%	100%	100%	100%	None	None
	Skills development programs implemented	Number of skills development programs implemented	4	6	6	6	None	None
	Received disciplinary cases adjudicated	Percentage of received disciplinary cases adjudicated within 90 days	100%	100%	100%	100%	None	None
	Information and Communication Technology Strategy implemented	Number of Information and Communication Technology strategic plan phases implemented	1	1	1	1	None	None

The Corporate Services Division achieved 100% of the planned targets during the year under review.

Linking performance with budgets

Programme /activity/objective	2024/25			2023/24		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Human Resources Management	3 666	3 675	(9)	3 903	4 072	(169)
Human Resources Development	305	305	-	268	308	(40)
Professional fees	536	819	(283)	426	624	(198)
Employee wellness	98	98	-	103	104	(1)
Information Communication Technology	1 529	1 529	-	1 530	1 599	(69)
Compensation of Employees	10 681	10 052	629	10 191	10 237	(46)
Capex	386	384	2	214	190	24
Total	17 201	16 862	339	16 635	17 134	(499)

The table above provides details of performance against outputs and targets.

PROGRAMME 3: FINANCIAL MANAGEMENT

Purpose of the programme: Responsible for sound financial governance and accountability in the entity.

Subprogrammes:

- **Financial Management:** Financial Management is responsible for expenditure management, asset and budget management and preparation of the Annual Financial statements.
- **Supply Chain Management:** provide a procurement system, which is fair, equitable, transparent, competitive, and cost-effective.

Strategic Plan Outcomes: Improved financial governance.

OUTCOMES, OUTPUTS, OUTPUTS INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

Programme 3: Financial Management								
Outcome	Outputs	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Improved financial governance	Desired audit outcome achieved	Unqualified audit opinion without material findings maintained	Unqualified audit opinion maintained	Unqualified audit opinion without matters maintained	Unqualified audit opinion without material findings maintained	Unqualified audit opinion without material findings maintained	None	None
	Allocated budget spent	Percentage of expenditure in relation to budget allocated.	95%	99%	99%	99.26%	0.26%	None
	Received undisputed invoices paid	Percentage of invoices paid within 30 days of receipt.	100%	100%	100%	98%	2%	The invoices which were for the NTCE could not be paid within the prescribed 30 days' period as the entity was still awaiting the transfer of funds

Programme 3: Financial Management								
Outcome	Outputs	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
								from the Shareholder.
	Budget spent on previously disadvantaged individuals (women, youth and persons living with disabilities	Percentage of budget spent on women -owned enterprises	Not measured	40%	40%	56.04%	16.04%	The entity 's travel agencies are 100% women owned which resulted in this high positive variance of 16.04%.
		Percentage of budget spent on youth-owned enterprises	Not measured	30%	30%	31.33%	1.33%	The over-achievement of 1.33% is because youth owned enterprises were given priority when sourcing quotations,
		Percentage of budget spent on persons with disabilities -owned enterprises	Not measured	2%	2%	2.92%	0.92%	The persons with disabilities owned enterprises were given priority in sourcing quotations.

The Financial Management Programme was able to achieve 83.33 % of the planned targets during the year under review.

Linking performance with budgets

Programme/activity/ Objective	2024/25			2023/24		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Budget & Treasury	4 696	4 639	56	3 116	3 430	(313)
Supply Chain Management	120	120	-	150	150	-
Compensation of Employees	8 812	8 853	(41)	8 512	8 552	(40)
Capex	-	-	-	-	-	-
Total	13 628	13 612	16	11 779	12 132	(353)

The table above provides details of performance against outputs and targets.

PROGRAMME 4: INTEGRATED DESTINATION MARKETING

Purpose of the programme: To market Limpopo as a leading tourism destination in domestic, regional, and international markets.

Subprogrammes:

- **Destination Marketing Services:** this sub-programme aims to market the province.
- **Destination information Services:** provide information management services and disseminate same to tourists.

Strategic Plan Outcomes: Increase the tourism sector's contribution to economic growth.

OUTCOMES, OUTPUTS, OUTPUTS INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

Programme 4: Integrated Destination Marketing								
Outcome	Outputs	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Increase the tourism sector's contribution to economic growth.	Domestic campaigns implemented	Number of domestic campaigns implemented	5	4	4	4	None	None
	Marketing collaboration implemented	Number of marketing collaborations implemented	8	8	8	8	None	None
	Trade marketing platforms activated	Number of trade marketing platforms activated	4	4	4	5	1	Exceeded the target by 1 due to Invitation for an outward mission with MEC for LEDET to Zimbabwe International Trade Fair (ZITF)
	SMMEs Supported	Number of SMMEs supported	99	70	100	175	75	The overachievement is due to stakeholder's process which were not foreseeab

								le at the development of the document, viz municipalities and private sector whose planning cycles are not aligned to the entity.
	Impact assessment studies conducted	Number of impact assessment studies conducted	4	6	6	6	None	None

The Integrated Destination Marketing Programme exceeded the planned targets during the year under review.

Linking performance with budgets

Programme/ activity/objectives	2024/25			2023/24		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
destination marketing services	26 951	26 671	280	26 011	24 653	1 358
Destination information services and research	185	184	1	250	245	5
Divisional support	505	409	96	675	711	(36)
Compensation of Employees	14 908	15 029	(121)	14 951	14 910	41
Capex	-	-	-	-	-	-
Total	42 549	42 293	256	41 887	40 518	1 369

The table above provides details of performance against outputs and targets.

Strategy to overcome areas of underperformance.

To review the evaluation criteria in the following areas:

Improvement of functionality with regard to empowerment of women, youth, and persons with disabilities.

2.5.1 Revenue Collection

	2024-2025			2023-2024		
Sources of revenue	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	-	-	-	-	-	-
Total	-	-	-	-	-	-

The entity has no revenue activity; therefore, no revenue was collected during the financial year under review except for credit interest received, as well as recoveries.

2.6 Capital Investment

Capital investment, maintenance, and assets management plan.

The asset management plan has been fully implemented. New assets to the value of R 384 240 were procured during the year under review.

There was a loss of one laptop and two cellular phones due to theft during the year. Asset verification was conducted twice in line with the asset management policy. Write offs to the value of R 158 143 were identified and approved by the accounting authority in line with the entity's asset management policy. No disposal was conducted during financial year under-review.

The assets register was updated regularly as and when assets are purchased and disposed. Depreciation was also updated quarterly. In terms of the assets assessment done, 95 % of the assets are still in good condition.

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

PART C

GOVERNANCE

3. PART C: GOVERNANCE

BOARD MEMBERS

Mr. Dipela KA
Board Chairperson

Ms. Sibara LG
Deputy Chairperson

Mr. Tseli RM
Board Member

Ms. Boshielo MJ
Board Member

Ms. Tlouane KC
Board Member

Cllr. Masoga MC
Board Member

Mr. Kovani WS
Board Member

3.1. Introduction

The entity is mainly governed by two pieces of legislation viz, the Limpopo Tourism Act 4/2018 as well as the Public Finance Management Act 1/1999 as amended. The other supporting prescripts being the King Code report and the Treasury Regulations. In the execution of its functions and responsibilities, the Board ensures that exercising of its fiduciary duties becomes central to its existence.

The guiding principles of the King Report, the relevant parts of the PFMA as well as the entity's founding legislation are the cornerstone of the operations of the Board and there is no space for lapses.

3.2. Portfolio Committees

During the year under review, the Portfolio Committee ensured that the Board takes accountability on the areas it destined itself to achieve.

The Board appeared before the Committee on the following dates: -

- 09/04/2024
- 23/04/2024
- 13/12/2024
- 14/03/2025

The Committee has, in the main, raised with the Board issues for attention as follows:

- That the entity should have practical plans that are monitored to ensure that local cooperatives and SMME's owned by blacks, women, youth and persons with disabilities benefit from procurement, and that there should be appropriate allocation for persons with disabilities.
- That the entity should enhance and monitor the developed measures to improve international tourist arrivals.
- That there should be customized action plans to ensure that the Kruger National Park and other national parks, Biosphere Reserves and world Heritage sites in the province are effectively marketed,
- That there should be a clear and monitored plan to ensure that tourists are safe when they visit Limpopo.
- These efforts should be made to intensify tourism in the townships and villages.

3.3 Executive Authority

The Limpopo Tourism Agency Board has been appointed by the Shareholder, esteemed Member of Executive Council for the Limpopo Economic Development, Environment and Tourism. The Board periodically reports to the Shareholder on its work through different forums. The Shareholder oversees the holding of its Annual General Meeting at which an intense assessment is conducted on the activities of the Board, both on financial and non-financial operations of the entity.

Four quarterly reports were submitted to the Executive Authority on the following dates:

Quarter	Date
First quarter	31st July 2024
Second quarter	31st October 2024
Third quarter	31st January 2025
Fourth quarter	30th April 2025

3.4. The Accounting Authority/Board

The Board has been established in terms of the founding legislation of the entity; section 9(1)(a) of the Limpopo Tourism Act 4/2018 bears reference. Section 9(1)(a) titled "*Appointment of Board*" states the following "*before appointment of the members contemplated on section 8(1)(a),* the letter dealing with composition of the Board, "*the MEC must, by notice in the Provincial Gazette and in two newspapers circulating throughout the province, invite such nominations for membership of the Board*".

The Board is the accounting authority for the Limpopo Tourism Agency. The Board steers the ship and is wholly accountable for the activities of the entity. Systems have been put in place by the Board in ensuring compliance with the laws, regulations and all prescripts affecting the entity.

Given its responsibility for the entity, the Board has put in place communication mechanisms to ensure that well informed and credible information is made available before it to apply its mind when decisions are taken.

The overall planning processes and documentation development is the absolute reserve of the Board and for the period under review, all efforts have been mounted to ensure compliance with this area of the Board's responsibility.

The Performance Agreement was concluded with the Shareholder. The Board has executed all the deliverables agreed to with the Shareholder.

Given that all working environments have the potential for the risk of conflict of interest, during the induction of the Board, this area of concern was adequately ventilated with the result that a guideline was put in place to manage this risk. At all meetings of the Board, conflict of interest forms are filled, over and above the annual declarations which are reviewed from time to time.

The Board at the adoption of its Audit Strategy by the External Auditors, ensures that there is consensus with the materiality level of the entity. The latter is a subject of annual assessment as circumstances and budget may dictate for review.

The Corporate Calendar of the entity has adequately provided for the date of the Annual General Meeting, which process is followed to the letter. The Calendar provides for all Committee as well Board meetings and for the year under review, there were no challenges with the plan.

Board Charter

In line with the dictates of section 55(1) (a-c) of PFMA 1/1999, the Board has overseen the development of the Annual Financial Statements as well as their review. The terms of reference of the Board had been developed and are the guiding principles of the performance of the Board.

The Board has, as its guiding document, the Charter. The latter inter alia provides for the following:-

- Give effect to the executive council resolutions.
- Determines the entity's purpose, values and stakeholders.
- Determines the entity's ability to achieve its objectives and values.
- Evaluate, approve and monitor the strategies, policies, performance criteria and business plans.
- Safeguard succession plan of the executives and senior management.
- Guide and set the pace of the entity's current operations and future development.
- Regularly review and evaluate the strengths, weaknesses, opportunities and threats to LTA.
- Communicate promptly and with substance to the Shareholder and related stakeholders.
- Define levels of materiality, reserving specific powers to the Board and delegated other matters with the necessary written authority to management.
- Ensure effective, efficient and transparent system of financial and risk management, which includes the following: -
    - System of internal audit
    - An appropriate procurement and provisioning system
    - System of property evaluating of major capital projects before a final decision taken of the project.
- Take effective and provide steps to collect review and debts prevent irregular, fruitless and wasteful expenditure, safeguard compliance with legislation, and consequence management.

The Board has ensured total compliance with the Charter.

The Board has, over and above, the afore mentioned, ensured that its Committees have well defined terms of reference that they hold their quarterly meetings and are reporting to the Board on matters falling within the threshold of the Board.

It can be confirmed that the Board in exercising its responsibilities has during the year under review been able to: -

- Adopt the strategic plans of the entity
- Monitor and give guidance on the operational performance of the entity.
- Ensured the review of the integrity of information the internal controls and overseen the risk management of the entity.

The entity has a clear communication guideline. The Board's selection is the responsibility of the Shareholder. There is an unconditional acknowledgment by the Board that learning is a process, and the orientation of the Board is a continual process.

Composition of the Board

The Board has been appointed by the Shareholder responsible for the entity, Member of the Executive Council for the Limpopo Economic Development, Environment and Tourism. The attendance of the Board meetings is not less than quarterly.

The Limpopo Tourism Agency Board is constituted as follows: -

- Five (5) independent non-executive directors
- One (1) non-executive director (Shareholder representative)
- One (1) non-executive director (South African Local Government Associations representative)
- Two (2) executive directors (Chief Executive Officer and Chief Financial Officer)

Name	Designation (*in terms of the Public Entity Board structure*)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g: Audit committee / Ministerial task team)	No. of Meetings attended
Khiba Andrew Dipela	Chairperson	01 June 2023		• Courses passed: Private Law 1 &2 Constitutional Law African Law English 1 Criminal Law Interpretation of Statutes Family Law Afrikaans Political Science 1 &2 • Professional Sports Management Graduate Module • Executive Sports Management Programme FIFA Futuro 3 Graduate	• Sports • Human Resources	• Trustee of Bokamoso Investment Trust • Revolutionary Road Solutions • RRS International • Kaborona • ADAM • Chairperson of Dipela Sports Events • Cebo Manyaapelo Foundation • Dipela Farming • Andrew Dipela Foundation	• Destination Marketing (ex - officio) Human Resources and Remunerations (ex - officio)	19
Lufuluvhi Grade Sibara	Deputy Chairperson Contracts Committee Chairperson,	01 June 2023		• Honours of Arts • Bachelor of Arts • Secondary teachers Diploma • Basic computer Literacy and Innovative teaching Methodology • Certificate in Mining and Minerals • Business Plan Management Certificate • 1000 Women Certificate Programme • Executive Development Programme for Women in Tourism	• Tourism specialist • Marketing specialist • Educationist • Business	• Hayani Guesthouse • Gracas Lifestyle and Solutions • SATOVITO • Limpopo Women in Tourism • Tshisimani Women Investments	• Destination Marketing • Human Resources and Remunerations •	22

				• Business and Financial Management Course				
Rembuluwani Moses Tseli	Destination Marketing Committee Chairperson	01 June 2023	31/03/2025	• Master's in public management • Postgraduate Diploma in Management • Senior Primary Teacher's Diploma • Diploma in Municipal Governance • The advanced certificate in Governance and Leadership	• Educationist • Corporate Governance		• Human Resources and Remunerations	20
Keleabetswe Clementine Tlouane	Member	01 June 2023		• M ED in Environmental Education • B A in Education • Bachelor of Education • Management Programme • Diploma in Computer Literacy	• Environmentalist • Educationist	• Shareholder's representative Limpopo Gambling Board	• Destination Marketing • Contracts	14
Modile Juliet Boshielo	Risk and Audit Committee Chairperson	01 June 2023		• Masters in Financial Economics • Postgraduate Diploma in Management • Post Graduate Diploma in Economics Principles • Bachelor of Arts • Secondary Teachers Diploma • Research on Education in South Africa	• Economist • Financial management specialist • Educationist • Human Resource	• Pheladi and Sons PTY Ltd • African Rainbow Minerals	• Human Resources and Remunerations Contracts	25
William Stephen Kovani	Human Resources and Remunerations Committee Chairperson	01 June 2023		• *Baccalaureus Legum* (LLB) • Certificate in Legal Training	• Legal specialist	Kovani Attorneys PTY LTD	• Destination Marketing • Contracts	20
Matome Calvin Masoga	Member	01 June 2023		• Senior Primary Teacher's Diploma	• Council • Political	• SALGA Representative	• Destination	11

				• Advance Certificate in Education • Project Management in Public and Development • HIV and AUDS, Care and Counselling		• Capricorn District Councillor	Marketing • Contracts	
Moses Ngobeni	Chief Executive Officer	01 August 2021		• Bachelor of Administration • Higher Education Diploma • Diploma in Economic Development and Management • Course in the Introduction to Marketing Management • Executive Management Programme	• Administration • Management • Tourism		•	31
Mapale Peter Maila	Chief Financial Officer	01 February 2022		• Bachelor of Commerce Degree • Post Graduate Diploma in Public Management	• Financial management	N/A	•	25

- Alternate members; not applicable.
- The appointment of the Board is processed by the Member of the Executive Council responsible for Limpopo Economic Development, Environment and Tourism. The Board on quarterly basis attends the Board meetings as prescribed by the Limpopo Tourism Act 4 of 2018 and in line with the Corporate Calander of the entity.

Committees

The LTA Board has established the following Committees: -

- Risk and Audit
- Destination Marketing
- Human Resources and Remunerations
- Contracts

Hereunder is the number of Board Committees meetings held, numerical strength of each Committee as well as the names of members.

Board / Committee	No. of meetings held	No. of members	Name of members
Board	7	9	KA Dipela (Chairperson) (appointed 01/06/2023) LG Sibara (Deputy Chairperson) (appointed 01/06/2023 RM Tseli (appointed 01/06/2023) KC Tlouane (appointed 01/06/2023) MJ Boshielo (appointed 01/06/2023) MC Masoga (appointed 01/06/2023) WS Kovani (appointed 01/06/2023) M Ngobeni (Chief Executive Officer) MP Maila (Chief Financial Officer)
Risk and Audit	9	4	MJ Boshielo (Chairperson) (appointed 08/08/2023) F Malaza (appointed 01/09/2023) JN Mpjane appointed 01/09/2023) ND Tshithavhani (appointed 01/09/2023)
Destination Marketing	7	5	RM Tseli (Chairperson) (appointed 08/08/2023) KC Tlouane (appointed 08/08/2023) LG Sibara (appointed 08/08/2023) WS Kovani (appointed 08/08/2023) Cllr MC Masoga (appointed 08/08/2023)
Human Resources and Remunerations	5	4	WS Kovani (Chairperson) (appointed 08/08/2023) RM Tseli (appointed 08/08/2023) LG Sibara (appointed 08/08/2023) MJ Boshielo (appointed 08/08/2023)
Contracts	2	4	LG Sibara (Chairperson) (appointed 08/08/2023) KC Tlouane (appointed 08/08/2023) MJ Boshielo (appointed 08/08/2023) MC Masoga (appointed 08/08/2023)

Remuneration of Board members

- The remuneration of the Board is in terms of the instrument titled "*2019 Remunerations Levels; Service Benefit Packages for Office Bearers of Certain Statutory and Other Institutions, Category C1 as determined by the National Treasury Central Evaluation Committee*" read with the recently passed policy titled "*Limpopo Remunerations Policy for the non- executive directors of public entities*".
- Tlouane K.C is from the Shareholder Department and Masoga M.C is a representative of the South African Local Government Association.

Non – Executive Members:

Name	Remuneration	Other re-imbursements	Total
Mr. Dipela KA (Chairperson)	255,006	155,247	410,253
Ms. Sibara LG (Deputy Chairperson)	135,229	16,229	151,458
Ms Boshielo MJ	133,893	18,245	152,138
Mr. Tseli RM	116,533	35,539	152,072
Mr. Kovani WS	110,017	58,636	168,653
Mr. Masoga MC (Cllr)	-	14,930	14,930
Ms. Tlouane KC (Shareholder representative)	-	-	-
Total	**750,678**	**298,826**	**1,049,504**

Risk and Audit Committee:

Name	Remuneration	Other re-imbursements	Total
Ms. Malaza F (Risk and Audit)	55,608	7,123	62,731
Mr. Mpjane JN (Risk and Audit)	53,436	23,272	76,708
Mr. Tshithavhani ND (Risk and Audit	40,404	11,409	51,813
Total	**149,448**	**41,804**	**191,252**
Grand Total	**900,126**	**340,630**	**1,240,756**

3.5. Risk Management

- The entity had an approved risk management policy and strategy in place for the year under review.
- The entity conducted risk assessments during the year under review. The main aim of conducting the assessment was to determine the effectiveness of the risk management strategy and to identify new and emerging risks. The strategic risk register was developed out of the assessment.
- The entity identified, through the assessment, five (5) strategic risks which were mitigated, reviewed and reported progress on quarterly basis.

3.6. Internal Control Unit

The entity does not have an internal control unit, however seconded an official internally to take care of the internal control functions. Currently the position is included in the approved recruitment plan, and the entity is in the process of finalizing the appointment of an Internal Control Officer.

3.7. Internal Audit and Audit Committees

The key objectives of the Risk and Audit Committee for the period under review as follows: -

- Has overseen performance of the entity.
- Ensured the risk management of the entity, that risks are mitigated and controls are in place.
- Reviewed the Financial Statements and made the necessary inputs during the review.
- Monitored and reviewed the effectiveness of the Internal Audit.
- Approved the Audit Strategy of the External Auditors which constituted of the deliverables, materiality level and the costs.
- Ensured compliance with laws and regulations relevant to the entity.

The Risk and Audit Committee meetings were held as hereunder detailed: -

- Four (4) Risk and Audit Committee meetings.
- Five (5) special Risk and Audit Committee meetings.

Summary of audit work done in 2024/25.

The entity has appointed an Internal Audit firm for a period of 36 months effective from 1 August 2024 to 31 July 2027. The following areas were covered during the period, 1 April 2024 to 31 March 2025:

- Review of ICT Governance and Security.
- Risk management.
- Integrated Destination Marketing.
- Human Resources and Payroll Management.
- National Tourism Careers Expo.
- Audit ICT.
- Asset and expenditure management.
- Supply chain and contract management
- Reviewed the annual Financial Statements
- Reviewed the performance information against the pre-determined objective (AOPO Q1 to Q4)

The key activities and objectives of the Risk and Audit Committee are as follows: -

- Oversee performance of the entity
- Responsible for the risk management of the entity.
- Review of the Financial Statements
- Monitor and review the effectiveness of the Internal Audit.
- Approves the Audit Strategy of the External Auditors.
- Ensures compliance with laws and regulations relevant to the entity.

The table below provides detailed information on the Risk and Audit Committee members as well as attendance to meetings.

Name	Qualifications	Internal or external	If the internal, position in the public entity	Date appointed	Date Resigned	No. of Meetings attended
Boshielo MJ	• Masters in Financial Economics • Postgraduate Diploma in Management • Post Graduate Diploma in Economics Principles • Bachelor of Arts • Secondary Teachers Diploma • Research on Education in South Africa	External		08 August 2023		9
Malaza F	• Chartered Accountant • Bachelor of Honours in Accounting Science • Bachelor of Accounting Science • Certificate of Theory in Accounting	External		01 September 2023		9
Mpjane JN	• Chartered Accountant • Honours • Bachelor of Accounting • Bachelor of Accounting Science	External		01 September 2023		9
Tshithavhani ND	• Chartered Accountant • Honours in Accountancy • Bachelor of Commence • BBBEE Management Development • Advanced certificate in Auditing	External		01 September 2023		7

3.8. Compliance with Laws and Regulations

The Office of the Company Secretary has ensured that the Board was appraised of the legislative and industry trends. The entity is fully compliant with all legislative prescripts governing its environment.

3.9. Fraud and Corruption

- The entity has in place a fraud prevention policy that guides in dealing with any allegation of fraud and corruption. The Entity has a zero-tolerance stance on Fraud and Corruption
- The entity has in place the whistleblowing policy which guides on reporting any fraud and corruption allegations, the policy further ensures the protection of whistle-blowers.
- The fraud and allegations are reported on the Public Service Commission fraud hotline which is managed at the National and Provincial level by the Public Service Commission. There was no suspected, alleged and/or committed or reported case of fraud during the year.

3.10. Minimising Conflict of Interest

On an annual basis, the entity requires of both staff and the Board to do their annual declarations of interest to obviate conflict. At every committee and Board meetings, attendees declare their position on the matters on the agenda.

3.11. Code of Conduct

- Strived to achieve the vision and the mission of LTA and to uphold its core values,
- Ensured that all LTA activities are in compliance with founding legislation and policies,
- Ensured proper media management.
- Acted with honesty, fairness and openness in all dealings as representatives of the entity,
- Maintained a professional level of courtesy, respect and objectivity in all LTA activities,
- Upheld, and assisted other LTA Members of the Board and staff in upholding the highest standards of professional conduct,

- Conducted themselves in a manner which does not damage or undermine the reputation of LTA or its staff, avoiding actual impropriety and any appearance of improper behavior,
- Disclosed any instance of fraud, corruption or maladministration on the Board or within LTA.
- Exercised the power vested in them as Board Members for the good of all staff members of LTA rather than to secure any benefit or advantage to the Board Member, his/her immediate family or business connection.
- Disclosed conflicts of interest promptly or when the conflict of interest arises
- Avoided accepting gifts and/or hospitality that might reasonably be thought to influence their judgment.
- Respected the appropriate confidentiality of the content of Board documentation, discussions, decisions and correspondence, accepting that open consultation is important for the Board's decision making and its engagement with all members.
- Ensured that LTA is complying with the founding Act and other relevant legislation
- Acted prudently and with probity to protect all financial assets and resources of the entity and ensure that these are used to deliver the entity's objectives.
- Maintained and reviewed a risk register for the entity and identify actions to mitigate risks.
- Ensured co-operation of all Board members to manage the Board's own operations,
- Strived to attend all Board meetings and contribute to the meetings,
- Made informative decisions and give due consideration to differing points of view on the Board and amongst members,
- Worked cooperatively with the shareholder, recognizing their role and responsibilities.
- Participated in the Board performance appraisal and succession planning.

3.12. Health Safety and Environmental Issues

No cases of health hazards were evidenced during the year under review in the work environment.

3.13. Company Secretary

The entity has a Company Secretary and under the guidance of that office, the Board is managed as follows; -

- Provided the Board collectively and individually with guidance as to their duties, responsibilities, and powers.
- Consistently made the members aware of any law relevant to or affecting the entity.
- Ensured that there were no failures on the part of the entity and members to comply with all the relevant legislation and related legislations of the entity.
- Ensured that Minutes of all meetings, Board Meetings and the Meetings of any Committees, or the entity's Risk and Audit Committees, were properly recorded.
- Ensured that the Board oversees that a copy of the entity's Annual Financial Statements was shared, following the Public Finance Management Act 1/1999 to
- the Auditor General, Provincial Treasury and Shareholder Department.

  The office has a fully capacitated Company Secretary's office. During the year under review, the Company Secretary has been able to handle with precession all the activities of the Board, guided the Board on its fiduciary responsibilities and ensured that the Board executes its fiduciary responsibilities in terms of all the legislative prescripts of the entity.

3.14. Social Responsibility

No social responsibility imperatives had been undertaken by the entity during the year under review.

3.15. Risk and Audit Committee Report

The Risk and Audit Committee is in existence and continues to carry out its responsibilities in terms of the provided for prescripts The Committee on an annual basis review its terms of reference, otherwise termed the Committee Charter. The year under review has been no exception.

The Committee has been able to execute without fail the following: -

- Maintained effective working relationships with the Board, Management, the Department, and relevant stakeholders.
- Ensured that the Board addresses all of its duties and obligations during a financial year,
- Drafted an annual work plan with clear milestones which informed the agenda items to be covered during the course of the year.
- Ensured that each Committee member for purposes of performing his or her role effectively obtained an understanding of all responsibilities of the Committee as well as business operations, operations, and risks of the Limpopo Tourism Agency.
- Evaluated whether management was setting the appropriate "*procurement culture*" by implementing sound financial procurement policies and procedures.
- Took cognisance of the Agency's policy supporting procurement from SMME businesses and historically disadvantaged businesses.
- Evaluated whether management followed appropriate tender processes as prescribed in policies and procedures.
- Oversaw the finalisation of complex and or unusual transactions such as long-term contracts.
- Regularly updated the Board about Committee activities and made appropriate recommendations.
- Performed other-oversight functions as requested by the Board.
- Ensured that the tenants and prescripts of the Public Finance Management Act 1/1999 (as amended) take precedence in case of any repugnancy with that Act.
- All aforementioned had been successfully monitored by the Committee.

In its quest to ensure good governance, the Committee has tested the entity's internal controls and satisfied itself with their effectiveness to clean administration. The internal audit reports are a testimony to the performance and effectiveness of the internal controls.

The Committee has ensured that the quarterly monitoring reports are free of inaccuracies submitted as follows: -

- Budget expenditure reports

- 30 days payments of invoices reports
- Deviations reports.
- Contract Management reports.
- Irregular and fruitless & wasteful Expenditure reports.
- Implementation of procurement plan reports

During the period under review, the Committee has reviewed the draft annual financial statements. In execution of the financial statements review, the Committee satisfied itself with the following: -

- Completeness and consistency of the information
- Ensured implementation of the new system
- No significant adjustments were made to the financial statements
- Gave due attention to the existence or otherwise of the changes in accounting
- policies and practices
- Considered assets treatments, liabilities and the litigations the entity is facing, as
- well as commitments and contingencies
- Considered the "going concern" principle
- Compliance of the financial statements with appropriate accounting principles
- Considered and reviewed the Annual Report of the entity.

The Auditor General South Africa's management report was thoroughly reviewed by the Committee.

- Ensured that the entity complies broadly with legal and all regulatory frameworks information in place.
- The entity's pre-determined objectives reviewed.
- Timeliness of submission of both the interim and annual financial statements and all quarter submissions.

The Committee has during the period under review in the main undertaken the following: -

✓ Ensured the implementation of the risk management framework and monitored accordingly this area of operative

- ✓ Reviewed the Annual Financial Statements
- ✓ Reviewed the work of the Internal audit work
- ✓ Reviewed the work of the External audit
- ✓ Ensured compliance with the laws and regulations
- ✓ Reviewed the combined assurance environment of the entity

The Internal Audit has achieved the following milestones: -

- Reviewed the Internal Audit Charter
- Reviewed the Internal Audit Coverage Plan
- Attended Risk and Audit Committee Meetings
- Performance Information reviewed.
- Human Resources Management audit reviewed.
- Information Communications Technology Audit reviewed.
- Supply Chain Management audit reviewed.
- Integrated Destination Marketing Audit reviewed.
- Inventory count and report writing reviewed.
- Draft Annual Financial Statements reviewed.
- Annual Performance Report reviewed.
- Annual Operational Plan reviewed.

Risk management

The Committee has received quarterly risk management reports and considered the mitigation factors and controls, both of which were found effective. The entity had four strategic risks which were as follows: -

- Ineffective ICT systems affecting the delivery of services
- Unqualified audit opinion with material findings
- Insufficient budget to meet the demands of the IDM programmes as per the tourism recovery plan
- Ineffective / Lack of functioning Internal Audit function

The four strategic risks were all successfully mitigated at the end of financial year.

The entity has undertaken the following investigation.
Two (2) lost cellphone and one stolen laptop and all were resolved.

The Internal Audit was found to be effective and have addressed the entity's risks.

That during its review, the Committee addressed issues with the external audit, and no unresolved issues are outstanding. No major or significant adverse incidents are worth noting.

The selflessness of the Committee members, their dedication and attention to detail will forever be appreciated. The Risk and Audit Committee appreciates the dedication of management in performing and supporting the committee.

The Committee has, on 27 May 2025, recommended for approval by the Board the Annual Financial Statements for the period ending 31 March 2025.

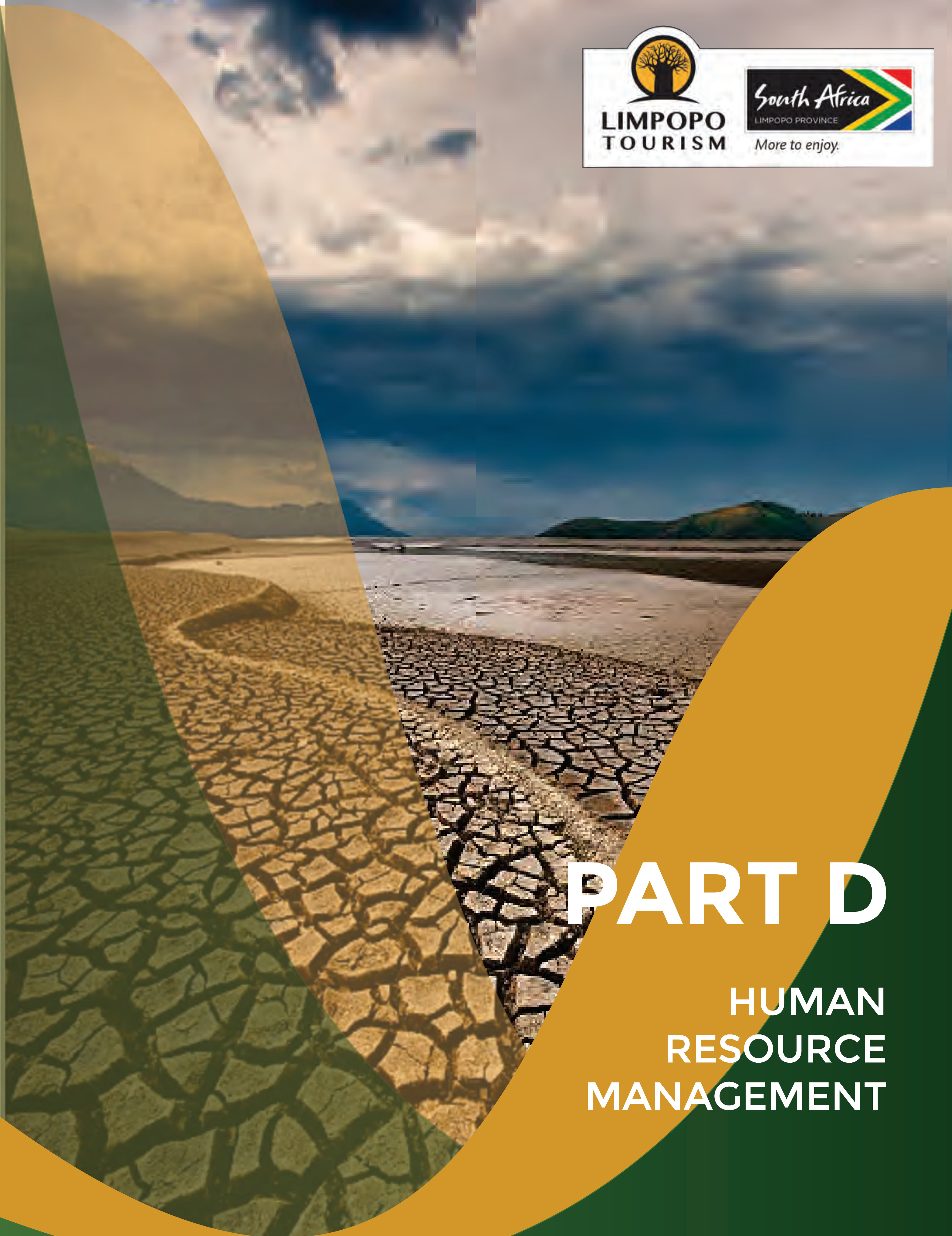
External Audit

The Committee has satisfied itself to the work of the external auditors, concurs and wholly accepts the conclusions of the Auditor General of South Africa and declares that the Annual Financial Statements be accepted, read together with the Audit Report.

Boshielo M.J
Risk and Audit Committee Chairperson
Limpopo Tourism Agency
24 July 2025

3.16 B-BBEE Compliance Performance Information

LTA applied relevant Code of Good Practice (B-BBEE Certificate Levels 1-8) with regards to the following		
Criteria	Response Yes/No	Discussion
Determining qualification criteria for the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law	N/A	N/A
Review of the preferential procurement policy	Yes	The Board has reviewed Preferential Procurement Policy
Determining qualification criteria for the sale of state -owned enterprises	N/A	N/A
Review of the gifts, donation, and sponsorship policy	The entity has reviewed a gifts, donation and sponsorship sponsorship policy as a basis for entering partnerships with the private sector	The Board has reviewed gifts, donation and sponsorship policy
Determining criteria for the awarding of incentives, grants, and investment schemes in support of Broad-Based Black Economic Empowerment Policy	Yes	Implementation of the reviewed Preferential Procurement Policy-2025



PART D

HUMAN RESOURCE MANAGEMENT

PART D: HUMAN RESOURCES MANAGEMENT

4.1 Introduction

The entity reviewed its organisational structure and added two positions namely, Monitoring and Evaluation Officer and Senior Internal Control Officer/Practitioner resulting in a total number of sixty-six (66) positions. Forty-eight (48) positions were filled as at the end of 2024/25 financial year. One position of Media Liaison Officer in the CEO's office was filled during the 2024/25 financial year. The position of Chief Corporate Services Officer became vacant when the fixed term contract of the previous incumbent ended on 20 October 2024.

The following six (6) group training and development programmes were implemented to enhance the skills of employees as per the identified skills gaps:

- Archives and Records Management training
- Sage 200 evolution training
- Advanced Microsoft Office Excel Training
- Advanced Microsoft Office PowerPoint Training
- Presentation Skills
- Workshop on the Development of Strategic Outcomes and Outputs

Performance and management instruments were completed to ensure effective monitoring of performance of staff towards the achievement of the annual targets.

A decision has been taken to appoint a transactional advisor to conduct compensation and benefits policy analysis and recommend alignment with public service including determination of cost implications.

The entity had been assured of an associated funding for the realisation of the EXCO resolution no 20 of 2022/23 in 2025/26. According to EXCO decision no. 20 of 2022/23, Limpopo Tourism Agency (LTA) has an expanded mandate to:

- Enter into the Memorandum of Understanding (MOU) with sector departments and other provincial entities to implement the destination Trade and Investment promotion.
- Take over the destination marketing and promotion function from Limpopo Economic Development Agency (LEDA), other provincial entities and sector departments to strengthen its mandate for destination marketing.

As a result of this decision, the Board has approved the establishment of the Destination Investment and Trade Promotion Division I.e. Programme 5. The entity has now commenced with the process of reorganisation towards the development of the organisational structure in line with the expanded mandate. The issue of the name change of the organization is also under investigation to accommodate the expanded mandate imperatives of the EXCO decision.

4.2 Human Resources Oversight Statistics

Personnel cost by programme

Programme	Total Expenditure for the entity (R)	Personnel Expenditure (R)	Personnel exp. as a % of total exp. (R)	No. of employees	Average personnel cost per employee (R)
Office of the CEO	11 987 539	8 785 507	73%	8	1098 188
Corporate Services	16 861 958	10 051 666	60%	13	773 205
Financial Management	13 611 695	8 852 536	65%	10	885 254
Integrated Destination Marketing	42 292 119	15 028 699	36%	17	884 041

Personnel cost by salary band

Level	Personnel Expenditure (R)	% of personnel exp. to total personnel cost (R)	No. of employees	Average personnel cost per employee (R)
Top Management	1 890 301	4%	1	1 890 301
Senior Management	6 073 936	14%	3	2 024 645
Professional qualified	18 266 418	43%	15	1 217 761
Skilled	8 715 782	20%	15	581 052
Semi-skilled	4 730 336	11%	10	473 034
Unskilled	847 638	2%	4	211 910

Stipend, Provident Fund and Salary Admin	2 193 998	5%		45 708
TOTAL	**42 718 409**	**100%**	**48**	**889 967**

Performance rewards

Programme	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	0 00	1890 301	0%
Senior Management	0 00	6073 936	0.0%
Professional qualified	0 00	18266 418	0.0%
Skilled	0 00	8715 782	0.0%
Semi-skilled	0 00	4730 336	0.0%
Unskilled	0 00	847 638	0.0%
Stipend, Provident Fund and Salary Admin	0 00	2354 022	0.0%
TOTAL	000 000	42 878 433	0.0%

Training Costs

Directorate/ Business Unit	Personnel Expenditure (R)	Training Expenditure (R'000)	Training expenditure as a % personnel cost	No. of employees trained	Avg training cost per employee
Office of the CEO	8 785 507		0.00%	4	0 000
Corporate Services	10 051 666	305 502	3.04%	10	30 550
Financial Management	8 852 536		0.00%	12	0 000
Integrated Destination Marketing	15 028 699		0.00%	12	0 000

Training programmes were paid from Corporate Services budget

Employment and vacancies

Programme	2023/2024 No. of Employees	2024/2025 Approved Posts	2024/2025 No. of Employees	2024/2025 Vacancies	% of vacancies
Office of the CEO	7	11	8	3	27%
Corporate Services	14	20	13	7	35%
Financial Management	10	15	10	5	33%
Integrated Destination Marketing	17	20	17	3	15%

Programme	2023/2024 No. of Employees	2024/2025 Approved Posts	2024/2025 No. of Employees	2024/2025 Vacancies	% of vacancies
Top Management	1	1	1	0	0%

Senior Management	4	4	3	1	25%
Professional qualified	15	20	15	5	25%
Skilled	14	24	15	9	38%
Semi-skilled	10	12	10	2	17%
Unskilled	4	5	4	1	20%
TOTAL	**48**	**66**	**48**	**18**	27%

Employment changes

Salary Band	Employment at beginning of period	Appointment	Terminations	Employment at end of the period
Top Management	1	0	0	1
Senior Management	4	0	1	3
Professional qualified	15	0	0	15
Skilled	14	1	0	15
Semi-skilled	10	0	0	10
Unskilled	4	0	0	4
Total	48	1	1	48

Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death		0%
Resignation		0%
Dismissal		0%
Retirement		0%
Ill health		0%
Expiry of contract	1	2%
Other		0%
Total	1	2%

Labour Relations: Misconduct and disciplinary action

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

Equity Target and Employment Equity Status

Levels	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Curren t	Target
Top Management	1	1	0	0	0	0	0	0
Senior Management	2	2	0	0	0	0	0	0
Professional qualified	10	12	1	1	0	0	0	0
Skilled	6	7	0	1	0	1	0	1
Semi-skilled	4	5	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	23	27	1	2	0	1	0	1

LEVELS	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	1	1	0	0	0	0	0	1
Professional qualified	4	6	0	0	0	0	0	1
Skilled	9	11	0	1	0	1	0	1
Semi-skilled	6	6	0	0	0	0	0	1
Unskilled	4	5	0	0	0	0	0	0
TOTAL	24	29	0	1	0	1	0	4

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

PART E

PFMA COMPLIANCE REPORT

5.PART E: PFMA COMPLIANCE REPORT

5.1 Information on irregular, fruitless and wasteful expenditure, and material losses

Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2024/25 R'000	2023/24 R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	-	-
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	-	-

Reconciling Notes

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

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

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-

Total	-	-

c). **Details irregular expenditure condoned.**

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

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

Description	2024/25 R'000	2023/24 R'000
Transactions incorrectly disclosed as irregular expenditure	-	-
Total	-	-

e. **Details of irregular expenditure recoverable**

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

f. **Details irregular expenditure written off (irrecoverable)**

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

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

None
Total

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

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

Fruitless and wasteful expenditure

a). Reconciliation of fruitless and wasteful expenditure.

Description	2024/25 R'000	2023/24 R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: fruitless and wasteful expenditure confirmed	-	6
Less: fruitless and wasteful expenditure recoverable	-	-
Less: fruitless and wasteful expenditure not recoverable and written off	-	(6)
Closing balance	-	-

Reconciling notes

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

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

Description	2024/25 R'000	2023/24 R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	-	-

c). Details of fruitless and wasteful expenditure recoverable

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

d). **Details of fruitless and wasteful expenditure not recovered and written off.**

Description	2024/25 R'000	2023/24 R'000
Fruitless and wasteful expenditure written off	-	6
Total	-	**6**

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

NONE

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

a) Details of material losses through criminal conduct

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

b) Details of other material losses

Nature of other material losses	2024/2025	2023/2024
	R'000	R'000
	-	-
Total	-	-

C. Other material losses recoverable.

Nature of losses	2024/2025	2023/2024
	R'000	R'000
	-	-
Total	-	-

d. Other Material losses not recoverable and written off.

Nature of losses	2024/2025	2023/2024
	R'000	R'000
	-	-
Total	-	-

5.2 information on late and / or non-payment of suppliers.

Description	Number of invoices	Consolidated value
		R'000
Valid invoices received	521	R 52 298
Invoices paid within 30 days or agreed period	510	R 48 800
Invoices paid after 30 days or agreed period	11	R 3 498
Invoices older than 30 days or agreed period (unpaid and without dispute)	-	-
Invoices older than 30 days or agreed period (unpaid and in dispute)	-	-

5.3 Information on Supply Chain Management Procurement by other means

Project description	**Name of supplier**	**Type of procurement by other means**	**Contract number**	**Value of contract R'000**
Reed Exhibitions Limited is the owner and organiser of World Travel Market (WTM) and that Reed Exhibitions Limited has licensed Reed Exhibitions (Pty) Ltd as a sole service provider to organise the WTM Africa event in South Africa.	Reed Exhibitions	Sole Sourcing	9618	392,343.20

Ability Holdings 35 Cc is the sole provider of Convene licenses for the entity for the renewal of the Board Pack software annual licenses.	Ability Holdings 35	Sole Sourcing	9636	254,150.00
South African Tourism has appointed Synergy Business Events (Pty) Ltd as a sole service provider to plan and manage all elements of operations and logistics in the execution of Meetings Africa Travel Indaba 2024. Synergy Business Events (Pty) Ltd has supplied the entity with the floor space and exhibition stand.	Synergy Business Events	Sole Sourcing	9650	439,425.00
It was impractical to invite multiple service providers to assess, strip and quote hence the preference of the service provider that has installed the servers as they are familiar with the setup of the servers and storage devices.	Business Connexion	Sole Sourcing	9682	25,487.40
CaseWare Africa, a division of Adapt IT Holdings Ltd, is the sole distributors of CaseWare software products in South Africa and the license is expiring, need to be renewed.	Adapt IT (Pty) Ltd	Sole Sourcing	9703	122,452.07
The entity has collaborated with SABC for outside broadcast during the Provincial 2024 Spring Campaign Media Launch on the 22/08/2024. The SABC was approached to customized radio combo package designed to maximize reach within the province to cover the following languages, namely: Sepedi, Xitsonga and Tshivenda. SABC is only national broadcaster offering combo in the country to assist with the required services.	SABC	Sole Sourcing	9731	172,000.00
Participation of LTA's representative in SAT UK Bush Academy at Kruger National Park. SAT is the sole organiser	South African Tourism	Sole Sourcing	9748	25,000.00

of the event with exclusive rights.				
Renewal of membership of an official who is affiliated to this professional body which has exclusive rights on the membership of the body.	Association of Certified Fraud Examiners	Sole Sourcing	9843	3,900.00
Partnership with Polokwane Municipality regarding utilisation of the hospitality Suite during the home games of Limpopo-based clubs at Peter Mokaba stadium during 2024/2025 season. Polokwane Municipality is the sole owner of Peter Mokaba Stadium.	Polokwane Municipality	Sole Sourcing	9899	325,000.00
Marketing Partnership with SABC Mungana Lonene FM during the Marula Festival Media Launch on the 23 January 2025. SABC has exclusive rights.	SABC	Sole Sourcing	9903	138,000.00
South African Tourism has appointed Pomme Express as the sole service provider to plan and manage all elements of operations and logistics in the execution of Meetings Africa Travel Indaba 2025. The service provider has supplied the with the floor space and exhibition stand.	Pomme Express	Sole Sourcing	9914	299,979.96
Marketing Partnership Agreement with Reed Exhibitions to participate in the 2025 WTM Africa Travel. LTA's participation was to showcase Limpopo's tourism offerings to the international and domestic trade to position the province as a leading tourism destination in Southern Africa. The service provider has the sole rights to organize the WTM Africa Event.	Reed Exhibitions	Sole Sourcing	9959	522,120.93
There is only one Institute of Directors in Southern Africa, and it is only institute that represents directors, professionals, business leaders and those charged with governance duties in their individual capacities in Southern Africa. Corporate membership	Institute of Directors	Sole Sourcing	9973	43,500.00

renewal for Board members, Risk & Audit Committee and Executives for 2024/2025.				
Total				**R2, 775,658.56**

Contract variations and expansions.

Project description	Name of the supplier	Contract modification type (Expansion of Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s	Value of current contract expansion or variation
				R'000	R'000	R'000
Total				–	–	–

No contract variations and or expansions during the financial year.

PART F

ANNEXURES

6. Part F: FINANCIAL INFORMATION

6.1. Report of the External Auditor

This is the Audit Report as issued by the external auditors (AGSA)

Report of the auditor-general to Limpopo Provincial Legislature on Limpopo Tourism Agency

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Limpopo Tourism Agency set out on pages 89 to 135, 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, the financial statements present fairly, in all material respects, the financial position of the Limpopo Tourism Agency as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

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

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

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

Emphasis of matter

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

Restatement of corresponding figures

7. As disclosed in note 39 to the financial statements, some corresponding figures for 31 March 2024 were restated as a result of errors in the financial statements of the public entity at, and for the year ended, 31 March 2025.

Other matter

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

Unaudited supplementary schedules

9. The supplementary information set out on pages xx to xx does not form part of the financial statements and is presented as an additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting authority for the financial statements

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

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

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

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

13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 6, forms part of my auditor's report.

Report on the annual performance report

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

15. I selected the following material performance indicators related to programme 4: integrated destination marketing presented in the annual performance report for the year ended 31 March

2025. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

- Number of domestic campaigns implemented
- Number of marketing collaborations implemented
- Number of trade marketing platforms activated
- Number of SMMEs supported
- Number of impact assessment studies conducted

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

17. I performed procedures to test whether:

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

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

19. I did not identify any material findings on the reported performance information for the selected indicators.

Other matter

20. I draw attention to the matter below.

Achievement of planned targets

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

Report on compliance with legislation

22. 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.

23. 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.

24. 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.

25. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

26. The accounting authority is responsible for the other information included in the annual report which includes the audit committee's report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported on in this auditor's report.

27. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

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

29. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I

am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

30. 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.

31. I did not identify any significant deficiencies in internal control.

Auditor - General

Polokwane

31 July 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Section, regulation or paragraph
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b); 66(4)
Treasury Regulations, 2005	Regulation 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a) 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 31.1.2(c); 31.2.1; 31.2.5; 31.2.7(a); 31.3.3; 33.1.1; 33.1.3
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second Amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Paragraph 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Paragraph 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2

6.2. Annual Financial Statements

As per the applicable standards of GRAP issued by the Accounting Standards Board.

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Integrated Destination Marketing
Board members	Mr. Dipela K.A (Chairperson) Ms. Sibara L.G (Deputy Chairperson) *Ms. Boshielo M.J-Chairperson of Risk and Audit Committee Mr. Tseli R.M Mr. Kovani W.S **Ms. Tlouane K.C -LEDET Representative ***Mr. Masoga M.C (Cllr)-Representative of SALGA
Registered office	Southern Gateway Ext 4 N1 Main Road Polokwane 0699
Postal address	P O Box 2814 Polokwane 0700
Controlling entity	Limpopo Economic Development, Environment and Tourism
Bankers	Standard Bank of SA
Auditors	Auditor General of South Africa Registered Auditors
Company Secretary	Mr. Kotsedi T.G
Compiler	The annual financial statements were independently compiled by: Mr. Maila MP-Chief Financial Officer

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The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

Board Members' Responsibilities and Approval

The Board is required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the Board to ensure that the annual financial statements fairly represent the state of affairs of the entity as at the end of the financial year 2024/2025 and the results of its operations and cash flows for the said period. The external auditors are engaged to express an independent opinion on the annual financial statements and are given unrestricted access to all financial records and related data.

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

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

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

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

The Board has reviewed the entity’s cash flow forecast for the year to March 31, 2026 and, in the light of this review and the current financial position, they are satisfied that the entity has access to adequate resources to continue in operational existence for the foreseeable future.

The entity is wholly dependent on the department, LEDET for continued funding of operations. The annual financial statements are prepared on the basis that the entity is a going concern. This basis presumes that funds will be available to finance future operations of the entity, to such an extent, the Limpopo Economic Development, Environment and Tourism (LEDET) has confirmed the funding for Limpopo Tourism Agency for the foreseeable future and a letter to that effect has been received. The department has neither the intention nor the need to liquidate or curtail materially the scale of the entity.

The Board is responsible for the financial affairs of the entity.

The external auditors are responsible for independently reviewing and reporting on the entity's annual financial statements.

The annual financial statements set out on page 5-46 which have been prepared on the going concern basis, were approved by the Board on May 31, 2025 and were signed on its behalf by:

Mr. Dipela K.A (Chairperson)
Designation

Board Members' Report

The members submit their report for the year ended March 31, 2025.

1. Review of activities

Main business and operations

The entity is engaged in integrated destination marketing of the Limpopo Province. The operating results and state of affairs of the entity are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

2. 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 of the entity, to such an extent, the Limpopo Economic Development, Environment and Tourism (LEDET) has confirmed the funding for Limpopo Tourism Agency for the foreseeable future and a letter to that effect has been received.

3. Subsequent events

The Board is aware of the subsequent event which arose after the reporting period, before the annual financial statements were authorised for issuance. For details refer to note 40.

4. Accounting policies

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

5. Non current assets

No major changes in the nature of the non-current assets of the entity during the financial year under review and in the accounting policy relating to the use of non-current assets.

6. Board Members

The members of the board of the entity during the period under review are as follows:

Name	Nationality	Changes
Mr. Dipela K.A (Chairperson)	South African	Re- appointed 01 June 2023
Ms. Sibara L.G (Deputy Chairperson)	South African	Appointed 01 June 2023
*Ms. Boshielo M.J-Chairperson of Risk and Audit Committee	South African	Appointed 01 June 2023
Mr. Tseli R.M	South African	Re-appointed 01 June 2023
Mr. Kovani W.S	South African	Appointed 01 June 2023
**Ms. Tlouane K.C -LEDET Representative	South African	Re-appointed 01 June 2023
***Mr. Masoga M.C (Cllr)-Representative of SALGA	South African	Appointed 01 June 2023

* Chairperson of Risk and Audit Committee

** LEDET representative

*** Cllr- Councillor-SALGA representative

7. Bankers

The entity's initial bank was ABSA, until 2024. During June 2024, the entity moved to Standard Bank of South Africa participating in the Provincial Treasury transversal contract.

Statement of Financial Position as at March 31, 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Assets			
Current Assets			
Inventory	4	81,615	35,017
Receivables from exchange transactions	5	2,227	51,172
Prepayments	6	306,392	424,473
Cash and cash equivalents	7	5,952,453	9,597,855
		6,342,687	**10,108,517**
Non-Current Assets			
Property, plant and equipment	3	2,757,223	3,063,529
Total Assets		**9,099,910**	**13,172,046**
Liabilities			
Current Liabilities			
Unspent funds to surrender	8	-	704,800
Payables from exchange transactions	9	6,741,084	8,643,796
Revenue payable to provincial revenue fund	10	170,489	237,331
Unspent earmarked grant	11	281,443	1,363,355
Employee benefits	12	135,000	32,000
Unspent funds-NTCE	13	5,618	-
		7,333,634	**10,981,282**
Non-Current Liabilities			
Employee benefits	12	317,000	399,000
Leave liability	14	717,282	647,130
		1,034,282	**1,046,130**
Total Liabilities		**8,367,916**	**12,027,412**
Net Assets		**731,994**	**1,144,634**
Accumulated surplus		731,994	1,144,634
Total Net Assets		**731,994**	**1,144,634**

Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Other income	15	218,441	583,520
Interest received	16	459,860	731,919
Total revenue from exchange transactions		**678,301**	**1,315,439**
Revenue from non-exchange transactions			
Transfer revenue			
Government grant	17	58,228,000	55,944,000
National Tourism Careers Expo	18	11,142,416	-
Service in kind	19	3,202,257	3,206,410
Earmarked grant		26,854,557	24,897,645
Total revenue from non-exchange transactions		**99,427,230**	**84,048,055**
Total revenue	20	**100,105,531**	**85,363,494**
Expenditure			
Employee related costs	21	(43,257,574)	(41,719,981)
Board expenditure	22	(900,126)	(1,278,798)
Depreciation	3	(548,108)	(1,164,295)
Service in kind	23	(3,202,257)	(3,206,410)
National Tourism Careers Expo	24	(11,142,416)	-
Impairment loss		-	(17,908)
Repairs and maintenance		(300,355)	(260,994)
General Expenses	25	(40,450,182)	(38,358,533)
Total expenditure		**(99,801,018)**	**(86,006,919)**
Operating surplus (deficit)		**304,513**	**(643,425)**
Write offs/scrapping of assets		(158,143)	(14,059)
Acturial gain/(loss)-Employee benefits		103,585	45,726
Transfer of assets		-	(1,018,122)
Reversal of impairments	27	15,705	-
Inventories losses/write-off		-	(18,943)
		(38,853)	**(1,005,398)**
Surplus /(Deficit) for the year		**265,660**	**(1,648,823)**

Statement of Changes in Net Assets

Figures in Rand	Revaluation reserve	Accumulated surplus / deficit	Total net assets
Balance at April 1, 2023	**940,704**	**3,168,191**	**4,108,895**
Changes in net assets			
Realisation of revaluation surplus	(352,764)	352,764	-
Derecognition of revaluation surplus	(587,940)	587,940	-
Net income (losses) recognised directly in net assets	(940,704)	940,704	-
Surplus for the year	-	(1,648,823)	(1,648,823)
Net income (loss) recognised directly in the net asset	(940,704)	(708,119)	(1,648,823)
Movement during the year	-	(1,315,438)	(1,315,438)
Total changes	(940,704)	(2,023,557)	(2,964,261)
Restated* Balance at April 1, 2024	**-**	**1,144,634**	**1,144,634**
Changes in net assets			
Surplus for the year	-	265,660	265,660
Movement during the year	-	(678,300)	(678,300)
Total changes	-	(412,640)	(412,640)
Balance at March 31, 2025	**-**	**731,994**	**731,994**

Cash Flow Statement

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Grants		85,364,000	82,205,000
Interest income		495,776	731,919
Partners' contributions-National Tourism Careers Expo		11,106,500	-
Other receipts		218,441	548,881
		97,184,717	83,485,800
Payments			
Employee related costs		(41,688,944)	(41,760,218)
Suppliers		(55,074,808)	(35,852,391)
Board expenses		(900,126)	(1,334,844)
Funds surrendered to Provincial Treasury		(2,782,001)	(7,168,712)
		(100,445,879)	(86,116,165)
Net cash flows from operating activities	28	**(3,261,162)**	**(2,630,365)**
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(384,240)	(189,928)
Net increase/(decrease) in cash and cash equivalents		**(3,645,402)**	**(2,820,293)**
Cash and cash equivalents at the beginning of the year		9,597,855	12,418,148
Cash and cash equivalents at the end of the year	7	**5,952,453**	**9,597,855**

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Administration and management fees (NTCE)	-	456,000	**456,000**	-	**(456,000)**	37.1
Other income	-	-	**-**	218,441	**218,441**	37.2
Interest received	535,000	315,000	**850,000**	459,860	**(390,140)**	37.3
Total revenue from exchange transactions	**535,000**	**771,000**	**1,306,000**	**678,301**	**(627,699)**	
Revenue from non-exchange transactions						
Transfer revenue						
Government grants	59,078,000	(850,000)	**58,228,000**	58,228,000	**-**	
Earmarked grant	23,786,000	3,350,000	**27,136,000**	27,136,000	**-**	
Total revenue from non-exchange transactions	**82,864,000**	**2,500,000**	**85,364,000**	**85,364,000**	**-**	
Total revenue	**83,399,000**	**3,271,000**	**86,670,000**	**86,042,301**	**(627,699)**	
Expenditure						
Employee related costs	(45,662,000)	2,500,000	**(43,162,000)**	(42,718,409)	**443,591**	37.4
Board fees	(1,460,000)	559,668	**(900,332)**	(900,126)	**206**	
Repairs and maintenance	(250,000)	(50,361)	**(300,361)**	(300,355)	**6**	
General expenses	(11,470,000)	(2,009,307)	**(13,479,307)**	(13,595,622)	**(116,315)**	37.5
Earmarked grant	(23,786,000)	(3,350,000)	**(27,136,000)**	(26,854,557)	**281,443**	37.6
Total expenditure	**(82,628,000)**	**(2,350,000)**	**(84,978,000)**	**(84,369,069)**	**608,931**	
Surplus for the year	**771,000**	**921,000**	**1,692,000**	**1,673,232**	**(18,768)**	
Statement of Financial Position						
Assets						
Non-Current Assets						
Property, plant and equipment	(236,000)	(150,000)	**(386,000)**	(384,240)	**1,760**	37.7
Total Assets	**(236,000)**	**(150,000)**	**(386,000)**	**(384,240)**	**1,760**	

Accounting Policies

Figures in Rand	Note(s)	2025	2024

1. Significant accounting polices

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

1.1 Basis of preparations

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

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

A summary of significant accounting policies, has been consistently applied in the preparation of these annual financial statements.

1.2 Presentation currency

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

1.3 Going concern assumption

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

1.4 Materiality

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

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

1.5 Significant judgements and sources of estimation uncertainty

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

In the process of applying its accounting policies, and in preparing the annual financial statements, management is required to make various judgements, including estimates and assumptions, that may affect the determination of the reporting framework, affect amounts represented in the annual financial statements and as well as related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

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

Trade receivables, loans and other receivables

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

The impairment for trade receivables and loans and receivables is calculated on an individual basis, based on historical loss events, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the trade receivables.

Fair value estimation

The carrying value of trade receivables and payables are assumed to approximate their fair values. The short term receivables and payables are not discounted.

Accounting Policies

1.5 Significant judgements and sources of estimation uncertainty (continued)

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

Employee benefits

Employee benefits were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of employee benefits are included in note 12 - Employee benefits.

Allowance for doubtful debts

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

1.6 Property, plant and equipment

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

The cost of an item of property, plant and equipment is recognised as an asset when:
- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

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

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

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

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

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

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

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

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

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

Accounting Policies

1.6 Property, plant and equipment (continued)

Property, plant and equipment except for leasehold property is carried at cost less accumulated depreciation and any impairment losses. Leasehold property is carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation surplus of the same asset previously recognised in surplus or deficit. When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of revaluation will be eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The revaluation surplus in the statement of changes in net assets is related to a specific item of property, plant and equipment is transferred directly to retained income when the asset is derecognised.

Leasehold improvements are written off over the expected period of the relevant lease agreement or the useful life of the asset if it is shorter than the lease period.

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

Item	Depreciation method	Average useful life
Communication equipment	Straight-line	5-8 years
Leasehold property	Straight-line	10-20 years
Furniture and fixtures	Straight-line	5-15 years
Motor vehicles	Straight-line	5-10 years
Office equipment	Straight-line	5-12 years
IT equipment	Straight-line	5-8 years
Mobile offices and containers	Straight-line	10-15 years

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

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

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

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

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

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

1.7 Financial instruments

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

Classification

Accounting Policies

1.7 Financial instruments (continued)

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

Class	Category
Receivables from exchange transactions	Financial asset measured at amortised cost
Cash and cash equivalent	Financial asset measured at amortised cost
Prepayments	Financial asset measured at amortised cost

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

Initial recognition

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

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

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

Subsequent measurement of financial assets and financial liabilities

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

- Financial instruments at amortised cost.

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

Gains and losses

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

Accounting Policies

1.7 Financial instruments (continued)

Impairment and uncollectibility of financial assets

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

Financial assets measured at amortised cost:

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

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

Financial assets measured at cost:

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

1.7 Financial instruments (continued)

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

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

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

If the entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognises either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognise the new financial asset, financial liability or servicing liability at fair value.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit.

If a transfer does not result in derecognition because the entity has retained substantially all the risks and rewards of ownership of the transferred asset, the entity continues to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the entity recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

1.7 Financial instruments (continued)

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Presentation

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

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

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

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

1.8 Leases

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

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

Operating leases - lessee

Operating lease payments are recognised as an expense in the statement of financial performance.

1.9 Inventory

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

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

Inventory are measured at the lower of cost and current replacement cost where they are held for;
- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

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

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

The cost of inventory of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

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

Accounting Policies

1.9 Inventory (continued)

The expenses are recognised when goods are distributed, or related services are rendered. The amount of any write down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write down or loss occur. The amount of any reversal of any write-down of inventories, arising from increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventory recognised as an expense in the period in which the reversal occurs.

1.10 Impairment of non-cash-generating assets

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

Identification

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

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

Value in use

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

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the entity would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Restoration cost approach

Restoration cost is the cost of restoring the service potential of an asset to its pre-impaired level. The present value of the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment. The latter cost is determined as the depreciated reproduction or replacement cost of the asset, whichever is lower.

Service units approach

The present value of the remaining service potential of the asset is determined by reducing the current cost of the remaining service potential of the asset before impairment, to conform to the reduced number of service units expected from the asset in its impaired state. The current cost of replacing the remaining service potential of the asset before impairment is determined as the depreciated reproduction or replacement cost of the asset before impairment, whichever is lower.

Accounting Policies

1.10 Impairment of non-cash-generating assets (continued)

Recognition and measurement

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

An impairment loss is recognised immediately in surplus or deficit.

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

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

Reversal of an impairment loss

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

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

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

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

Redesignation

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

1.11 Compound instruments

Compulsory convertible preference shares [Compulsory convertible debentures] are compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the convertible instruments and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the entity, is included in equity.

Combined units are compound instruments, consisting of a debenture (liability) component and a share (equity) component. The debentures are carried at amortised cost, and any premium or discount on issue is written off over the redemption period using the effective interest rate method.

Issue costs are apportioned between the liability and equity components of the compound instruments based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly against equity.

1.12 Employee benefits

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

Accounting Policies

1.12 Employee benefits (continued)

Short-term employee benefits

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

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

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:
- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

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

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

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

Long service award obligations are measured on a basis that reflects:
- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
- those changes were enacted before the reporting date; or
- past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

1.13 Contingent liabilities

Contigent liability is a potential future obligation that may or may not arise depending on the outcome of an uncertain future events. It represents a possible, but not yet certain.

Accounting Policies

1.13 Contingent liabilities (continued)

The amount of a contingency is the best estimate of the expenditure expected to be required to settle the obligation.

The Contingent liabilities are disclosed in note 30.

1.14 Commitments

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

Disclosures are required in respect of unrecognised contractual commitments.

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

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

1.15 Revenue from exchange transactions

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

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

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

Measurement

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

1.16 Revenue from non-exchange transactions

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

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

Recognition

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

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

Measurement

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

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

1.16 Revenue from non-exchange transactions (continued)

Transfers

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

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

Services in-kind

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

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

1.17 Fruitless and wasteful expenditure

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

All expenditures relating to fruitless and wasteful expenditure are recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for in the statement of financial performance.

1.18 Irregular expenditure

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

a) this Act (PFMA)

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

c) any provincial legislation providing for procurement procedures in that provincial government;

National Treasury practice note no.4 of 2008/09 which was issued in terms of sections 76(1) to 76 (4) of the PFMA requires the following:

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

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

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

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

Accounting Policies

1.19 Budget information

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

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

The approved budget covers the fiscal period from 01-Apr-24 to 31-Mar-25.

The annual financial statements and the budget are not prepared on the same basis of accounting. The annual financial statements are prepared on an accrual basis using the classification based on the nature of expenses in the statement of financial performance.

The statement of comparison of budget and actual amount is prepared on cash basis using economic classifications. However, the presentation of goods and services is disaggregated into its budget sub-items on the budget statement, particularly earmarked grant.

The entity deams a 10% deviation on revenue and expenditure between budget and actual amount to be material. The percentage is based on management's estimate and are considered to be appropriate.

All material differences are explained in the note to the budget statement.

The reconcilation between the statement of cash flow and the statement comparison of budget and actual amounts have been disclosed in note 35.

1.20 Related parties

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

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

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

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

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

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

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed including outstanding balances and commitments.

1.21 Events after reporting date

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

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

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

Accounting Policies

1.21 Events after reporting date (continued)

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

1.22 Prior period error

Prior period error are omissions from and misstatements in the entity's financial statements for one or more periods arising from failure to use or misuse of reliable information that:

>was available when the financial statements for the period issued.

> that could have been reasonably expected to be taken into account in those financial statements.

During the financial year under review the entity has adjusted the financial statements due to errors in the prior year.Refer to disclosure note 39.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

In the financial year under review, the entity has not applied the standards and interpretations listed below, which have been published and are mandatory for the entity's accounting periods beginning on or after April 1, 2025 or later periods.

1. iGRAP 22 Foreign Currency transactions and advance consideration:

The Accounting Standards Board has issued iGRAP 22 standard which provides guidance on how to determine appropriate exchange rate when recognising expense related to foreign currency transactions involving advance payments.

The interpretation applies to a foreign currency transaction when an entity recognises a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration before the entity recognises the related assets, expense or revenue.

The interpretation does not apply when an entity measures the related assets, expense or revenue on initial recognition at:

(a) Fair value or

(b) the Fair value of the consideration paid or received at the date other than the date on initial recognition of the non-monetary asset or non-monetary liability arisng from advance consideration.

The effective date of the standard is for the year beginning on 01 April 2025. Therefore, the expected impact is unlikely to be material.

2. GRAP 104 (as revised) Financial Instruments:

The standard was originally issued by the Accounting Standards Board in October 2009. The standard has since been revised and amended by improvements to the standards of GRAP , issued by the Board in November 2013. The objective of the standard is to establish principles for recognising, measuring, presenting and disclosing financial instruments.

The effective date of the standard is for the year beginning on 01 April 2025. Therefore, the expected impact is unlikely to be material.

Standard/ Interpretation:	**Effective date: Years beginning on or after**	**Expected impact:**
• iGRAP 22 Foreign Currency Transactions and Advance Consideration	April 1, 2025	Unlikely there will be a material impact
• GRAP 104 (as revised): Financial Instruments	April 1, 2025	Unlikely there will be a material impact

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

3. Property, plant and equipment

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and fixtures	1,743,983	(1,400,527)	343,456	1,743,983	(1,321,446)	422,537
Motor vehicles	361,419	(335,436)	25,983	361,419	(295,339)	66,080
Office equipment	351,734	(230,844)	120,890	351,734	(209,142)	142,592
IT equipment	4,246,168	(2,105,863)	2,140,305	4,137,155	(1,869,892)	2,267,263
Mobile office and containers	34,555	(34,554)	1	34,555	(34,554)	1
Communication equipment	342,175	(215,587)	126,588	342,175	(177,119)	165,056
Total	**7,080,034**	**(4,322,811)**	**2,757,223**	**6,971,021**	**(3,907,492)**	**3,063,529**

Notes to the Annual Financial Statements

Figures in Rand

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Write offs	Depreciation	Impairment loss reversal	Total
Furniture and fixtures	422,537	-	-	(79,081)	-	343,456
Motor vehicles	66,080	-	-	(40,097)	-	25,983
Office equipment	142,592	-	-	(21,702)	-	120,890
IT equipment	2,267,263	384,240	(158,143)	(368,760)	15,705	2,140,305
Mobile office and containers	1	-	-	-	-	1
Communication equipment	165,056	-	-	(38,468)	-	126,588
	3,063,529	**384,240**	**(158,143)**	**(548,108)**	**15,705**	**2,757,223**

Notes to the Annual Financial Statements

Figures in Rand

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Transfers	Depreciation	Impairment loss	Total
Leasehold improvement	1,628,995	-	-	(1,018,122)	(610,873)	-	-
Furniture and fixtures	499,451	-	(1,008)	-	(75,906)	-	422,537
Motor vehicles	96,801	-	-	-	(30,721)	-	66,080
Office equipment	177,874	-	(10,176)	-	(25,106)	-	142,592
IT equipment	2,501,913	170,009	(2,874)	-	(383,877)	(17,908)	2,267,263
Mobile offices and containers	1	-	-	-	-	-	1
Communication equipment	182,950	19,919	-	-	(37,813)	-	165,056
	5,087,985	**189,928**	**(14,058)**	**(1,018,122)**	**(1,164,296)**	**(17,908)**	**3,063,529**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

4. Inventory

Stationery	49,181	16,230
Cleaning materials	32,434	18,787
	81,615	**35,017**

Reconciliation of Inventory		
Opening balance	35,017	95,709
Inventory purchased during the year	523,097	457,831
Inventory expensed during the year	(476,499)	(499,580)
Obsolete inventory written off	-	(18,943)
	81,615	**35,017**

The cost of inventory is assigned using first- in, first- out (FIFO) method in the distribution of the inventory. The expense is recognised when goods are distributed to the divisions within the entity.

5. Receivables from exchange transactions

Employee costs in advance	471	-
Other receivables	716	50,132
Study assistance	1,040	1,040
	2,227	**51,172**

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

6. Prepayments

The table below illustrates the break down of prepayments during the financial year under review.

Prepayments break down		
TV license	530	530
Renewal of Microsoft 365	-	45,357
Renewal of Mimecast license	131,711	131,711
Partnership with Polokwane City	-	246,875
Partnership with Sekhukhune FC	133,333	-
CaseWare licenses and cloud storage	40,818	-
	306,392	**424,473**

7. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	-	108
Bank balances	5,952,453	9,597,747
	5,952,453	**9,597,855**

The total Cash and cash equivalent includes a balance of R5 618 (2024:Rnil) relating to National Tourism Careers Expo.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

8. Unspent Funds to surrender

Unspent funds to surrender		
Unspent funds to surrender	-	704,800

Recalculation/calculation of unspent funds to surrender		
Cash and cash equivalents	5,946,835	9,597,855
Add current receivables	307,903	475,646
Less current liabilities	(7,328,016)	(10,276,482)
	(1,073,278)	**(202,981)**

Reconciliation of unspent funds to surrender		
Opening balance	704,800	4,149,857
Less amount surrendered	(704,800)	(3,445,057)
	-	**704,800**

The entity is required in terms of National Treasury Instruction No.12 of 2020/2021 to declare any surplus and pay over any unspent funds for the year to the Provincial Treasury. The declaration should be made between 01 August to 30 September annual and payment before 30 November of each year. The calculation of the unspent funds to be surrendered to the Provincial TReasury is based on surplus made/deficit rtecognised by the entity for the year as per the audited financial statements.

During the financial year under review the entity has recorded a cash deficit amounting to R1 073 278 (2023/24: R202 981). Consequently, no amount will be declared for surrender to the Provincial Treasury during the financial year under review.

The National Tourism Careers Expo amount is excluded from the calculation of the surrender amount due the fact that it is not part of the entity's budget allocation by the Provincial Treasury.

9. Payables from exchange transactions

Trade payables	2,606,851	5,859,474
Workmans' Compensation	209,211	-
Accrued staff S&T control account	77,720	83,916
Accrued-13th cheque	733,198	703,079
Leave accrual	2,341,756	1,997,327
Accrued -UIF	17,872	-
Accrued PAYE	754,476	-
	6,741,084	**8,643,796**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

10. Revenue payable to Provincial Revenue Fund

Revenue payable	170,489	237,331

Revenue collected

Opening balance	237,331	15,093
Revenue collected during the year	845,222	1,502,597
Revenue surrendered to Provincial Revenue Fund	(912,064)	(1,280,359)
	170,489	**237,331**

Revenue payable to Provincial Revenue Fund comprise of rental income from MTN, recoveries and interes received from the bank. The income is collected by the entity and surrendered to Provincial Revenue Fund through Limpopo Economic Development, Environment and Tourism.

11. Unspent Earmarked grant

Earmarked grant

Unspent earmarked grant	281,443	1,363,355

Movement during the year

Balance at the beginning of the year	1,363,355	2,596,645
Grant received during the year	27,136,000	26,261,000
Unspent grant surrendered	(1,363,355)	(2,596,645)
Recognised as revenue during the year	(26,854,557)	(24,897,645)
	281,443	**1,363,355**

The grant is earmarked for collaborative marketing of the Limpopo Province both locally and internationally. The grant is initially recognised as a liability in the statement of financial position and subsequently as revenue in the statement of financial performance as and when the conditions are met.

The unspent grant is surrendered to the Provincial Treasury through the Limpopo Economic Development, Environment and Tourism (LEDET).

12. Employee benefits

Reconciliation-employee benefits - 2025

	Opening Balance	Movement during the year	Amount paid	Total
Employee benefits-long service award	431,000	53,697	(32,697)	452,000

Reconciliation of Employee benefits - 2024

	Opening Balance	Movement during the year	Amount paid	Total
Employee benefits- long service	402,700	50,098	(21,798)	431,000

	2025	2024
Non-current liabilities	317,000	399,000
Current liabilities	135,000	32,000
	452,000	**431,000**

The long service awards represent the estimates of the entity's liabilities as valued by professional actuaries annually. ZAQEN Actuaries have been appointed to estimate the present value of long service awards liability in the financial year under review. The liabilities are classified between current and non-current and are accounted as such in the statement of financial position.

Methodology

The projected Unit Credit Method has been used to determine the past service liabilities at the valuation date and the projected annual expenses in the following year of the valuation date.

The long service benefits are awarded in the form of a certificate to those employees who completed 10 years of service and in the form of cash to employees who completed 20 to 40 years of uninterrupted service.

Valuation assumptions

In estimating the liability for long service award benefits a number of assumptions are required. GRAP 25 places the responsibility on management to set these assumptions as guided by the principles set out in GRAP standard and in discussion with an actuary.

Notes to the Annual Financial Statements

12. Employee benefits (continued)
Key assumptions used:

The assumptions used at the reporting date are as follows:

	2025	2024
a) Discount Rate	9.89%	11.57%
b) Consumer Price Inflation	4.97%	6.53%
c) Benefit Inflation Rate	4.97%	6.53%

The discount rate of 9.89% has been used. These yields were obtained by calculating the duration of the liability and then taking the yield from the yield curve at that duration using an iterative process, because the yield depends on the duration which in turn depends on the liability.

The assumptions reflect a net effective discount rates of 4.68%.

Sensitivity analysis

The following assumptions were used to calculate liabilities:

-20% increase/decrease on the assumed level of withdrawal rates.

-1% increase/decrease in the benefit inflation rate.

-1% increase/decrease in the assumed level of risk-free interest rates.

The table below illustrates the financial results as at 31 March 2025.

Financial Results-Employee benefits	**2025**	**2024**
Opening Net Liability	431,000	402,700
Current Service Cost	26,000	27,600
Interest Cost	50,000	41,600
Benefits paid	(32,697)	(21,798)
Actuarial loss	(22,303)	(19,102)
Accrued liability	**452,000**	**431,000**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

13. Other liability -NTCE

The Department of Tourism (DT), Limpopo Economic Development, Environment and Tourism (LEDET) and Culture Arts Tourism Hospitality and Sports Sector Education and Training Authority (CATHSSETA) partnerd to host National Tourism Careers Expo (NTCE) for three-year period (2024-2026). All partners have signed memorandum of agreement (MoA) to host the National Tourism Careers Expo for the period commencing July 2024 to July 2026.

The partners to the project collectively provided funding towards hosting of the event amounting to R11 106 500. The contributions by the partners as follows:

LEDET R3 982 500.

CATHSSETA R2 500 000.

DT R4 624 000.

As at year end, unspent funds related to the project amounts to R5 618, as per the recon below, which is disclosed as liability to the partners in the statement of financial position.

National Tourism Careers Expo reconciliation		
Partners contributions	11,106,500	-
Interest received	41,534	-
Less payments to service providers	(11,142,416)	-
	5,618	**-**

14. Leave liability

Capped leave liabilities

2025	Opening balance	Movement during the year	Amount paid	Total
Capped leave liability	647,130	82,654	(12,502)	717,282

2024	Opening balance	Movement during the year	Total
Capped leave lability	704,800	(57,670)	647,130

The accrued leave liability relates to the capped leave accumulated prior to 2014. Paragraph 4.2.7 of Chapter 3 of the HR manual, all accumulated leave prior to 2014 may be taken partially or in full at subsequent convenient time for Limpopo Tourism Agency. It further states that, in case of employee's termination of service, retirement, permanent disability or death, all accumulated leave at that date will be capitalised and be paid to the employee, or in case of death to his/her estate or to the designated dependent/s.

In estimating the liability, the number of assumptions are required in terms of GRAP standards. GRAP 25 places the responsibility on management to set the assumptions as quided by the principles set out in the standard and in discussion with the actuaries. Therefore, the entity has appointed ZAQEN Actuaries to estimate the present value of the accrued capped leave liability for the financial year under review.

The expected value of each employee's capped leave liability payment is determined as follows:

<> Gross salary at the time of payment multiplied by capped leave divided by 260 working days per annum.

During the financial year under review an amount of R12 502 was paid to the employee whose contract of employment came to an end in October 2024.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

14. Leave liability (continued)

The total estimated accrued leave liability classified as non-current and current liabilities. The portion of current liabilities is included in the leave accrual in note 9.

The table below illustrates the financial results as at 31 March 2025

Financial results-Capped leave liability		
Opening net liability	749,000	725,200
Interest Cost	87,000	79,400
Benefits paid	(18,718)	(28,976)
Acturial gain/(loss)	(81,282)	(26,624)
	736,000	**749,000**

15. Other income

Recoveries/re-imbursement	218,441	583,520

16. Interest received

Interest received	459,860	731,919

17. Government grant

Government grant (operating)	58,228,000	55,944,000

18. National Tourism Careers Expo

Revenue recognition	11,142,416	-

The Department of Tourism (DT), Limpopo Economic Development, Environment and Tourism (LEDET), and Culture Arts Tourism Hospitality and Sport Sector Education and Training Authority (CATHSSETA) partnered to host National Tourism Careers Expo for three year period (2024-2026). All partners agreed to make financial contributions annually towards the hosting of the Expo. A total of R11 106 500 has been received from the partners as a contribution for 2024 Expo event. These funds are deposited into the designated bank. The funds earned an interest to the amount of R41 534 during the year under review.

The funds received were initially recognised as a liability in the statement of financial position and subsequently as revenue from non-exchange transactions in the statement of financail performance as and when spent. The total revenue recognised amounts to R11 142 416.

19. Service in kind

Office rental	3,202,257	3,206,410

Service in kind-revenue

The entity received a service in kind from the Department of Public Works in the form of a free office rental. This arrangement constitutes a non-exchange transaction as defined in GRAP 23, as the entity did not provide any consideration in return. The service in kind is significant to the entity's operations or service delivery objectives.

The fair value office space has been determined vbased on prevailing market rental rates for similar properties in the area. The estimated fair value of the benefit received has been recognised in the statement of financial performance as revenue from non-exchange transactions.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

20. Total revenue

Other income	218,441	583,520
Interest received	459,860	731,919
Government grant	58,228,000	55,944,000
National Tourism Careers Expo	11,142,416	-
Service in kind	3,202,257	3,206,410
Earmarked grant	26,854,557	24,897,645
	100,105,531	**85,363,494**

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

Other income	218,441	583,520
Interest received	459,860	731,919
	678,301	**1,315,439**

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

Transfer revenue		
Government grant	58,228,000	55,944,000
National Tourism Careers Expo	11,142,416	-
Service in kind	3,202,257	3,206,410
Earmarked grant	26,854,557	24,897,645
	99,427,230	**84,048,055**

21. Employee related costs

Basic salary	26,990,070	25,055,153
Medical aid - company contributions	648,645	699,876
UIF	98,436	95,341
WCA	209,211	191,764
SDL	129,486	130,071
Leave provision charge	496,775	107,524
Provident fund contribution	2,900,651	2,948,219
Long-service awards	65,101	69,200
13th cheque	1,870,007	1,699,051
Housing and travel allowances	1,260,610	1,365,570
Internship stipend	584,064	579,844
Performance bonus	40,281	716,487
	35,293,337	**33,658,100**

Remuneration of Chief Executive Officer

Annual Remuneration	1,539,583	1,434,474
Housing/travel allowance	120,000	120,000
13th cheque	94,409	88,683
Contributions to UIF, Medical and Provident Funds	136,309	132,540
	1,890,301	**1,775,697**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

21. Employee related costs (continued)

Remuneration of Chief Financial Officer

Annual Remuneration	1,380,523	1,291,052
Housing/travel allowance	96,000	96,000
13th cheque	81,576	115,239
Contributions to UIF, Medical and Provident Funds	75,543	70,924
	1,633,642	**1,573,215**

Remuneration of Executive Managers

Annual Remuneration	3,570,092	3,888,288
Housing/travel allowance	175,800	223,800
13th cheque	234,483	273,976
Contributions to UIF, Medical and Provident Funds	284,705	326,905
Acting allowance-CCSO	11,545	-
Leave gratuity paid out	152,770	-
Long service benefit paid out	10,899	-
	4,440,294	**4,712,969**

Included in the remuneration of Executive Managers is an acting allowance for the position of Chief Corporate Services Officer (CCSO) to the amount of R11 545.

22. Board fees

Board fees	900,126	1,272,598
Cell phone allowances	-	6,200
	900,126	**1,278,798**

23. Service in-kind

The nature and type of major class of service in-kind received, is as follows:

Service in-kind that is significant to the entity's operations and/or service delivery objectives.		
Rental expense-service in kind The entity received a service in kind from the Department of Public Works in the form of free office space. This arrangement constitutes a non-exchange transaction as defined in GRAP 23, as the entity did not provide any consideration in return.	3,202,257	3,206,410
	3,202,257	**3,206,410**

24. National Tourism Careers Expo

National Tourism Careers Expo- expense recognition	11,142,416	-

Department of Tourism (DT), Limpopo Economic Development, Environment and Tourism (LEDET), and Culture Arts Tourism Hospitality and Sport Sector Education and Training Authority (CATHSSETA) partnered to host National Tourism Careers Expo for three period (2024-2026). All partners agreed to make financial contributions towards the hosting of the event. The total of R11 106 500 has been received from the partners as contribution for 2024 Expo event. These funds are deposited into the designated bank account. The funds earned an interest to the amount of R41 435 during the financial year under review.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

24. National Tourism Careers Expo (continued)

The funds were intially recognised as a liability in the statement of financial position and subsequently as an expenditure in the statement of financial performance as and when spent. The total expenditure recognised amounts to R11 142 416.

25. General expenses

Auditors remuneration	3,524,424	2,547,563
Bank charges	28,904	43,558
Cleaning	188,820	125,183
Computer expenses	1,529,215	1,599,168
Consulting and professional fees	1,137,447	916,263
Supplies and consumables	42,813	726,238
Interest, penalties and fines paid	-	5,876
Insurance	231,308	280,815
Accommodation, conferences and workshops	959,384	850,950
Fleet expenses	120,408	150,284
Marketing research, trade shows and events	8,109,460	6,959,511
Marketing campaigns and branding	18,622,542	17,708,964
Recruitment cost	50,156	120,408
Printing and stationery	520,182	511,272
Security costs	1,299,435	1,299,435
Staff welfare expenses	-	43,237
Subscriptions and membership fees	27,796	101,459
Telecommunication costs	788,011	758,482
Staff training expenses	170,545	212,592
Subsistence & travel expenses	1,283,316	1,548,200
Electricity expenses	742,912	539,457
Uniforms	19,440	-
Tourism information services & Regional activities	122,554	229,171
Study assistance	134,958	95,713
Employee wellness	97,690	103,622
Rental lease-copier machines	145,890	76,249
Public relations and communications	552,572	804,863
	40,450,182	**38,358,533**

26. Auditors' remuneration

Internal audit fees	638,987	94,745
External audit fees	2,885,437	2,452,817
	3,524,424	**2,547,562**

27. Impairment loss

Reversal of impairments		
Property, plant and equipment	(15,705)	-

During the current financial year, the entity reversed a previously recognised impairment loss amounting to R15 705. The impairment had been recognised in the prior financial year in relation to the laptop that was assessed as damaged and not capable of rendering full service potential. Subsequent to the impairment, the laptop was repaired and its service potential was restored. As a result, the recoverable service amount of asset has increased, leading to a reversal of the impairment. The reversal of the impairment was recognised in surplus or deficit in accordance with GRAP 21 -Impairment on Non-cash generating assets.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

28. Cash used in operations

Surplus (deficit)	265,660	(1,648,823)
Adjustments for:		
Depreciation and amortisation	548,108	1,164,295
Write offs/scrapping of assets	158,143	14,059
Transferred of assets	-	1,018,122
Impairment loss/(gain) reversal	-	17,908
Funds surrendered to Provincial Revenue Fund	(2,782,001)	(7,322,061)
Lease revenue-service in kind	3,202,257	3,206,410
Impairment reversals	(15,705)	-
National Tourism Careers Expo	11,142,416	-
Movement long term leave liability	70,152	(57,670)
Employee benefits- long service awards	21,000	28,300
Service in kind	(3,202,257)	(3,206,410)
Inventory losses or write-offs	-	18,943
Unspent earmarked grant	281,443	1,363,355
Unspent earmarked funds -surrendered	(11,142,416)	-
Non-cash items	43,511	(54,024)
Changes in working capital:		
Inventory	(48,945)	60,692
Receivables from exchange transactions	48,945	5,477
Prepayments	118,081	(22,559)
Payables from exchange transactions	(1,902,712)	2,561,383
Movement in revenue payable to Provincial Revenue Fund	(66,842)	222,238
	(3,261,162)	**(2,630,365)**

29. Commitments

Operating commitments

Outstanding orders per division as at 31 March 2025		
• CEO's office	2,651	-
• Corporate services	8,146	-
• Financial Management	-	27,194
• Integrated Destination Marketing	665,000	3,038,348
	675,797	**3,065,542**

Contractors already contracted for		
• Provision for hygiene	298,965	487,785
• Website development, design and hosting	312,690	511,590
• Vehicle tracking	4,559	6,686
• Provision for security services at Makhado office	-	327,435
• Provision for actuarial services	40,250	58,650
• BBBEE compliance verification	132,193	252,368
• Internet connection line	222,415	370,692
• Telephone system and IP phone	-	240,891
• Media intelligence services	-	14,375
• Mimecast license	-	225,790
• Provision for insurance services	236,126	467,434
• Provision for security services-Head office	810,000	1,782,000
• Provision for internal audit services	1,467,368	90,448
• Rental of two copier machines	233,721	410,454
• Southern Africa PGA Tour	-	7,000,000
• Hospitality suite	325,000	-
• Partnership-Polokwane City FC	200,000	-
	4,283,287	**12,246,598**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
29. Commitments (continued)		
Total operational commitments		
Already contracted for but not provided for	675,797	3,065,542
contracted for and authorized by members	4,283,287	12,246,598
	4,959,084	**15,312,140**

30. Contingent liabilities

1. LTA vs Mokgadi Reginah Ratlabala and 4 others, case number JR 559/2020.

The entity had a labour related matter concerning 5 employees, Ms Mokgadi Reginah Ratlabala and 4 others, under case number JR 559/2020. The case was heard on 8 August 2023. On January 2024 the Court issued a Court Order which pronounced and declared the affected employees' case withdrawn and archived. However, the applicants have lodged a review application at the Labour Court in Johannesburg, Gauteng Province.

2. **LTA vs Maureen Phalala.**
This matter (under case number LP3833/2024) is related to unfair labour practice in terms of section 186 (2) (a) of the Labour Relation Act 66 of 1995, as amended. The employee claimed that the employer failed to provide her with the entire cell phone benefit for the period July to November 2022 despite she is being entitled to as per the approved telecommunication policy. Furthermore, the employee claimed that the employer committed unfair labour practice by applying an incorrect regulatory framework when allocating the employee cell phone device. The arbitration proceedings were held on 05 and 06 November 2024, and finalised on 21 January 2025 at CCMA. Both the employer and employee were represented by their respective attorneys.

On the 10th February 2025 the CCMA issued an award in favour of the employee with compensation of 3 months' salary, equivalent to R183 304.97 payable by the employer not later than 10 March 2025. However, on the 26 March 2025, under case number JR 2025-041520, the employer took the matter on review with the Labour Court to challenge the CCMA's decision. The employee is also challenging the review application by the employer and has since filed her notice to oppose at the beginning of April 2025.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

31. Related parties

Relationships	
Parent Department	Limpopo Economic Development, Environment and Tourism
Free office rental-service in kind	Department of Public Works
Board members	
Chairperson	Mr. Dipela K.A
Deputy Chairperson	Ms. Sibara L.G
Member	Mr. Kovani W.S
Member and Chairperson of Risk & Audit committee	Ms. Boshielo M.J
Member	Mr. Tseli R.M
Member	Ms. Tlouane K.C
Member	Cllr. Masoga M.C
Members of key management	
Chief Executive Officer	Mr. Ngobeni M
Chief Financial Officer	Mr. Maila M.P
Chief Marketing Officer	Ms. Makoela M.A
Chief Corporate Services Officer-(Acting)	Mr. Ramoshaba M.C
Company Secretary	Mr. Kotsedi T.G

Related party transactions

Related party transactions		
Limpopo Economic Development, Environment and Tourism(grant)	58,228,000	55,944,000
Limpopo Economic Development, Environment and Tourism(Earmarked grant)	27,136,000	26,261,000
Department of Public Works (service in kind)	3,202,257	3,206,410
Limpopo Economic Development, Environment and Tourism-(Microsoft 365)	569,462	498,925
Boity Events Projects and Supplies-(close family member of key management)	-	33,066
Limpopo Economic Development, Environment and Tourism (NTCE)	3,982,500	-

The entity received grant from Limpopo Economic Development, Environment and Tourism (LEDET) comprising of equitable share and earmarked funding for marketing collaboration. In addition, the Department (LEDET) transferred an amount of R3 982 500 as contribution towards hosting of NTCE. The department further procured Microsoft 365 on behalf of Limpopo Tourism Agency (LTA) to the amount of R569 462 which was reimbursed. The entity entered into a free rental agreement for office accommodation(service in kind) with Department of Public Works. The service in kind amounts are accounted for in the statement of financial performance as revenue as well as expenditure.

Related party balances		
Payables		
Unspent earmarked grant (LEDET)	281,443	1,363,355
Collected revenue payable (LEDET)	170,489	237,331
Unspent grant surrendered (LEDET)	-	704,800

Related party balances-payables consist of unspent earmarked funds, and revenue collected to be surrendered to Provincial Revenue Fund.

Service in kind-Department of Public Works		
Service in kind-revenue	3,202,257	3,206,410
Service in kind-expenditure	(3,202,257)	(3,206,410)

The entity receives service in kind from Department of Public Works in the form of a free rental office. The entity has further recorded revenue and expenses in terms of GRAP 23, section 6.4 which states that an entity shall recognise service in kind that is significant to its operations and/or service delivery objectives. The said amounts are accounted for in the statement of financial performance as revenue as well as expenditure.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

31. Related parties (continued)

Remuneration of board members

Board members

2025

Name	Fees	Re-imbursement	Total
Mr Dipela K.A (Chairperson)	255,006	155,247	410,253
Ms. Sibara L.G (Deputy Chairperson)	135,229	16,229	151,458
Ms. Boshielo M.J	133,893	18,245	152,138
Mr. Tseli R.M	116,533	35,539	152,072
Mr. Kovani W.S	110,017	58,636	168,653
Cllr. Masoga M.C	-	14,930	14,930
	750,678	**298,826**	**1,049,504**

2024

Name	Fees	Re-imbursement	Total
Mr. Dipela K.A (Chairperson)	535,984	290,853	826,837
Ms. Sibara L.G (Deputy chairperson)	133,888	15,040	148,928
Ms. Boshielo M.J	114,908	10,900	125,808
Mr. Tseli R.M	159,973	55,273	215,246
Mr. Kovani W.S	114,361	56,807	171,168
Cllr. Masoga M.C	-	9,717	9,717
Mr. Chikane C.A	46,016	41,333	87,349
Ms. Moganedi M.O	23,345	8,843	32,188
	1,128,475	**488,766**	**1,617,241**

The board payments consist of sitting and retainer fees as well as re-imbursement on travelling costs.

Notes to the Annual Financial Statements

Figures in Rand

31. Related parties (continued)

Management class: Senior management

2025

Name	Basic salary/acting allowance	13th Cheque/performance bonus	Back pay	Housing/travel allowances	Non-pensionable salary	Leave gratuity/long service award	Medical contributions	Provident fund	UIF contributions	Total
Mr. Ngobeni M (CEO)	1,105,328	94,409	27,577	120,000	406,677	-	49,216	84,968	2,125	1,890,300
Mr. Maila M.P (CFO)	955,082	81,576	23,829	96,000	401,613	-	-	73,418	2,125	1,633,643
Mr. Kotsedi T.G (CS)	1,024,230	87,482	25,554	55,800	477,840	10,899	-	78,734	2,125	1,762,664
Ms. Makoela M.M (CMO)	923,899	78,912	23,051	72,000	361,514	-	47,852	71,021	2,125	1,580,374
Mr. Maleka T.P (former CCSO)	544,459	68,088	23,153	48,000	164,393	152,770	39,102	42,329	1,417	1,083,711
Mr. Ramoshaba M.C (ACCSO)	11,545	-	-	-	-	-	-	-	-	11,545
	4,564,543	**410,467**	**123,164**	**391,800**	**1,812,037**	**163,669**	**136,170**	**350,470**	**9,917**	**7,962,237**

2024

Name	Basic salary/acting allowance	13th Cheque/performance-bonus	Backpay	Housing/travel allowance	Non-pensionable salary	Medical contributions	Provident fund contributions	UIF contributions	Total
Mr. Ngobeni M (CEO)	1,045,107	88,683	19,087	120,000	370,280	50,685	79,815	2,040	1,775,697
Mr. Maila M.P (CFO)	897,138	76,628	21,318	96,000	372,596	-	68,884	2,040	1,534,604
Ms Lion N-former CFO	-	38,610	-	-	-	-	-	-	38,610
Mr. Kotsedi T.G (CS)	960,604	122,843	23,968	55,800	447,132	-	73,843	2,040	1,686,230
Ms. Makoela M.M(CMO)	872,754	74,126	16,763	72,000	334,339	45,832	66,714	2,040	1,484,568
Mr. Maleka T.P (CCSO)	901,591	77,007	21,400	96,000	309,737	65,172	69,224	2,040	1,542,171
	4,677,194	**477,897**	**102,536**	**439,800**	**1,834,084**	**161,689**	**358,480**	**10,200**	**8,061,880**

The total amount disclosed for executives includes 5 months acting allowance paid to Mr Ramoshaba M.C for serving as Chief Cooporate Services Officer.

32. Risk management

Financial risk management

Liquidity risk

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

Cash flow forecasts are prepared.

The information below analyses the entity’s financial liabilities which will be settled on a gross basis into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the below information are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At March 31, 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade payables	2,606,851	-	-	-
Accrued-UIF	17,872	-	-	-
Worksmans' compensation	209,211	-	-	-
PAYE	754,476	-	-	-

At March 31, 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade payables	5,859,474	-	-	-

Credit risk

Credit risk refers to the risk that counter party will default on its contractual obligations resulting in financial loss to the entity. Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Management evaluated credit risk relating to cash and cash equivalent and prepayments on an ongoing basis.

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

Financial instrument	2025	2024
Cash and cash equivalent	5,946,835	9,597,855
Receivables from exchange transactions	2,227	51,172
Prepayments	306,392	424,473

33. Going concern

The accounting authority remains confident that funds will be available to finance future operations of the entity, to such an extend, the Limpopo Economic Development, Environment and Tourism has confirmed the funding for Limpopo Tourism Agency for the foreseeable future and a letter to this effect has been received.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

34. Fruitless and wasteful expenditure

	2025	2024
Opening balance as previously reported	-	-
Add: Fruitless and wasteful expenditure identified - current	716	5,876
Closing balance	**716**	**5,876**

The entity has incurred fruitless and wasteful expenditure during the period under review as disclosed in the above table. The fruitless and wasteful expenditure is interest that was charged by ABSA bank due to dishonoured debit order and penalties charged by Polokwane Municipality because of incorrect reference number made when making payment.

35. Reconciliation between budget and cash flow statement

Reconciliation of budget surplus/deficit with the net cash generated from operating, investing and financing activities:

Operating activities		
Surplus as presented in the statement of comparison budget and actual amounts	1,672,515	1,987,968
Basis differences	(4,933,677)	(4,623,810)
Net cash flows from operating activities	**(3,261,162)**	**(2,635,842)**
Investing activities		
Purchase of property plant and equipment	(384,240)	(189,928)
Net cash generated from operating, investing and financing activities	**(3,645,402)**	**(2,825,770)**

36. Deviation from supply chain management regulations

Treasury Regulation 16A6.4 and PFMA instruction Note no.3 of 2021/22, section 4.1. prescribes that if in a specific case it is impractical to invite competitive bids, the accounting officer or accounting authority may procure the required goods or services by other means, provided that the reasons for deviating from inviting competitive bids are recorded and approved by the accounting officer or accounting authority. The Instruction note further states that all deviations must be reported to the Provincial Treasury as well as Auditor General of SA within 14 days.

The entity has during the financial year under review procured the required goods and services through deviation processes. A total of 14 bids to the value of R2 775 659 were procured by other means (deviation) and reported to the Provincial Treasury as well as Auditor General of SA in line with PFMA Instruction Note no 3 of 2021/22. Detailed information regarding the deviation will be included in the annual report under the section of Supply Chain Management, procurement by other means.

37. Budget differences

Material differences between budget and actual amounts

The budget covers the full year to 31 March 2025.The material differences between the budget and actual amounts are explained below as follows:

37.1. Administration and management fees (NTCE)

The entity erreneously captured an amount of R456 000 in the database submitted to Provincial Treasury during budget adjustment.

37.2. Other Income

The entity did not anticipate to other income, and was not budgeted for. The amount received is re-imbursement from the insurance claims for the lost laptop, 2 cell phones and damaged uninterrpted power supply(UPS).

37.3. Interest received

The interest received generated from credit balance in the bank. During financial year under review the entity did not have sufficient funds in the bank to generate an interest.

37.4. Compensation of Employees

The entity has a saving of R443 591 which represents 0.3 percent of the total allocated budget for Compensation of Employees due to vacant position of the Chief Corporate Services Officer since October 2024.

37.5. General expenses

The general expenses reflect an overspending of R117 032 which is equivalent to 1 percent.

37.6. Earmarked funding

The saving on earmarked funding amounts to R281 443 representing 1 percent of the total earmarked funds which is less than 5 percent.

37.7. Payment of capital assets

The entity has a saving under payment of capital expenditure to the amount of R 1 760.

The overall entity spending during the financial year under review is 99 percent of the total allocated budget.

37. Budget differences (continued)

Differences between budget and actual amounts basis of preparation and presentation

The budget and the accounting bases differ. The annual financial statements for the entity prepared on the accrual basis using the classification based on the nature of expenses in the statement of financial performance. The statement of financial performance differs from the statement of comparison of budget and actual amount, which is approved on the cash basis using the economic classifications. However, the presentation of goods and services is disaggregated into its sub-items on the budget statement.

Changes from the approved budget to the final budget

The entity's approved budget was R82 864 000 including the earmarked funding for collaborative marketing to the amount of R23 786 000 (for the period 1 April 2024 to 31 March 2025). During budget adjustment, the entity received additional funds to the amount of R5,000 000. However, the entity surrendered R2 500 000 from Cost of Employees budget allocation. The entity's final budget as at 31 March 2025 amounts to R85 364 000.

The changes between the approved and final budget are a consequence of additional funds during budget adjustment. For details on these changes please refer to Statement of Comparison of budget and actuals on page 9.

Over and above the appropriation approved by the legislature through provincial treasury, the entity received funds from NTCE partners in the amount of R11 106 500 as contributions for 2024/25 Expo event. The said funds are not accounted for in the statement of comparison of budget and actual amounts since does not form part of the entity's appropriation as approved by the legislature.

38. BBBEE Performance

Information on compliance with the BBBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

39. Prior period errors

Prior period error related to incorrect application of accounting standard (GRAP 104) in Risk managementt disclosure note as well as misclassification in the cash flow statement.

The entity has in the prior year incorrectly disclosed some of liabilities as financial liabilities in terms of GRAP 104. The financial liabilities incorrectly disclosed are as follows:

Accrued 13th cheque	R 703 079
Leave Accruals	R 1 997 327
Accrued staff S & T	R 83 916
Unspent earmarked grant	R 1 363 355
Employee benefit-long service award	R 32 000
Payables to provincial revenue fund	R 237 331

The discosure note has since adjusted. **Refer to note 32 above.**

Presented below represent the misclassifications of unspent funds surrendered to Provincial Treasury which were incorrectly accounted for as cash flow from financing activities instead of cash flow from operating activities. The cash flow statement has been adjusted accordingly in the prior year.

The misclassifications have been adjusted as follows:

Cash flow from operating activities	**As previously reported**	**Re-classification**	**Restated**
Unspent funds surrendered to provincial treasury	4,572,067	2,596,645	7,168,712

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

39. Prior period errors (continued)

Cash flow from financing activities	**As previously reported**	**Re-classification**	**Restated**
Unspent funds surrendered to provincial treasury	(2,596,645)	2,596,645	-

40. Events after the reporting date

There is an event which arose after the reporting dat, before the Board authorised the annual financial statements for issue.

- The nature of event is an adjusting event which is disclosed in the annual financial statements before the Board authorised for issue on 31 May 2025. The event is as follow:

1. Fruitless and wasteful expenditure.

- The entity has incurred a fruitless and wasteful expenditure to the amount of R716. The expenditure comprises of interest charged by ABSA due to dishonoured debit order and penalties charged by Polokwane Municipality due to incorrect reference number made when processing the payment.
- The investigation has been conducted and recommended for recovery from the responsible officials. The receivable equal to the amount has been raised during the financial year under review.

7.2 Annexure B: Report of the Audit Committee

6.2. Annual Financial Statements

7 Annexures

Annexure A:

7.1. Statement of responsibility and confirmation of accuracy:

Statement of responsibility and confirmation of accuracy for the annual report
To the best of my knowledge and belief, I confirm the following:
All information and amounts disclosed in the annual report is consistent with the annual financial statements audited by the Auditor General of South Africa. The annual report is complete, accurate and is free of 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 Generally Recognized Accounting Practice (GRAP) standards applicable to the public entity.

The accounting authority is responsible for the preparation of the annual financial statements and for the judgments made in this information.
The accounting authority is responsible for establishing and implementing a system of internal control, which 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 entity for the financial year ended 31 March 2025.

Yours faithfully

Chief Executive Officer
Mr. Ngobeni M
31 July 2025

Chairperson of LTA Board
Mr. Dipela KA
31 July 2025

VDC F02/V8

Amended COGP Generic Specialised Enterprise Overall Scorecard

JS BEE solutions

Overall Scorecard – Limpopo Tourism Agency – BEE Level Before Discount: 8, After Discount: NC

Verification Agency:	JS BEE Solutions
Analyst Name:	[illegible]
Date Completed:	[illegible]
Technical Signatory:	[illegible]
Date Signed Off:	[illegible] January 2024

Limpopo Tourism Agency qualifies as an Amended Local Generic Specialised Enterprise

Element Weight	Criteria	Indicators	Indicator Weight	Target	Actual	Score	Element Score	Min 40% achieved?
Management Control								
30	**Board Participation**	Exercisable Voting Rights of Black Board Members	2.00	50.00%	100.00%	2.00	[illegible]	
		Exercisable Voting Rights of Black Women Board Members	1.00	25.00%	50.00%	1.00		
	Executive Management	Black Exec. Directors as a % of all Exec. Directors	2.00	50.00%	100.00%	2.00		
		Black Women Exec. Directors as a % of all Exec. Directors	1.00	25.00%	0.00%	0.00		
		Black Exec. Management as a % of Other Executive Management	2.00	60.00%	100.00%	2.00		
		Black Women Exec. Management as a % of Other Executive Management	1.00	30.00%	[illegible]	1.00		
	Senior Management	Black employees in Senior Management	1.00	60.00%	[illegible]	[illegible]		
		Black Women employees in Senior Management	1.00	30.00%	[illegible]	[illegible]		
	Middle Management	Black employees in Middle Management	2.00	75.00%	[illegible]	[illegible]		
		Black Women employees in Middle Management	1.00	38.00%	[illegible]	[illegible]		
	Junior Management	Black employees in Junior Management	2.00	88.00%	[illegible]	[illegible]		
		Black Women employees in Junior Management	1.00	44.00%	[illegible]	[illegible]		
	Disabled Employees	Black Disabled employees	2.00	[illegible]	[illegible]	[illegible]		
Skills Development								
25	**Expenditure on any Learning Programme**	Expenditure on Learning Programmes for black people	8.00	6.00%	[illegible]	[illegible]	[illegible]	No
		Expenditure on Learning Programmes for disabled black employees	4.00	0.30%	0.00%	0.00		
	Learnerships	Number of black people participating in learnerships	4.00	2.50%	[illegible]	[illegible]		
		Number of black previously unemployed learners (UBL)	4.00	2.50%	0.00%	0.00		
	Bonus Points	Number of black people absorbed at the end of Learnerships	5.00	100.00%	0.00%	0.00		
Enterprise and Supplier Development								
50	**Preferential Procurement**	BEE Procurement Spend with Empowering Suppliers	5.00	80.00%	[illegible]	5.00	[illegible]	Yes
		Procurement spend with Empowering Suppliers qualifying as QSEs	4.00	15.00%	[illegible]	[illegible]		
		Procurement Spend with Exempted Micro-Enterprises (EMEs)	4.00	15.00%	[illegible]	[illegible]		
		BEE Procurement Spend with Empowering Suppliers Min 51% black owned	11.00	40.00%	[illegible]	11.00		
		Procurement Spend with Empowering Suppliers Min 30% black women owned	5.00	12.00%	[illegible]	[illegible]		
	Bonus Points	B-BBEE Procurement with Designated Group suppliers Min 51% black owned	2.00	2.00%	[illegible]	2.00		
	Supplier Development	Supplier Development contributions	10.00	[illegible]	0.00%	0.00		No
	Enterprise Development	Enterprise Development contributions and Sector Specific Programmes	5.00	[illegible]	0.00%	0.00		No
	Bonus Points	Graduation from Enterprise Development to Supplier Development beneficiary	1.00	Yes	No	0.00		
		Created jobs as a result of ED/SD initiatives	1.00	Yes	No	0.00		
Socio-Economic Development								
5	**Contributions**	Annual value of SED contributions	5.00	[illegible]	0.00%	0.00	0.00	
Total			[illegible]				[illegible]	
	YES Initiative	1.5 x YES Target and 1% Absorption	[illegible]	Yes	No	0.00	0.00	
Total			[illegible]				[illegible]	

Note: [illegible]

Comment:

	Before Discount	After BEE Level Discount & YES Enhancement
BEE Recognition Level	8	NC
% Recognition	10%	0%
Empowering Supplier Status		Yes

JS BEE solutions

BROAD-BASED BEE VERIFICATION CERTIFICATE

WE CERTIFY THAT

LIMPOPO TOURISM AGENCY

Southern Gateway Ext 4, N1 Main Road, Polokwane, 699

REG No: N/A | VAT No: N/A

Has been assessed and verified with the B-BBEE Act (No. 53 of 2003) and the Amended B-BBEE Codes of Good Practice, Gazette 36928, Specialised Enterprise and has achieved the following:

B-BBEE STATUS LEVEL: NC

B-BBEE PROCUREMENT RECOGNITION LEVEL: 0%

ELEMENT	WEIGHTING	ACHIEVED
OWNERSHIP	N/A	**N/A**
MANAGEMENT CONTROL	20.00	**15.74**
SKILLS DEVELOPMENT	25.00	**8.13**
ENTERPRISE & SUPPLIER DEV	50.00	**30.79**
SOCIO-ECONOMIC DEV	05.00	**0.00**
TOTAL	**100.00**	**54.66**

PARTICIPATED IN Y.E.S. INITIATIVE	**NO**
ACHIEVED Y.E.S. TARGET & 2.5% ABSORPTION	**NO**
ACHIEVED 1.5 X Y.E.S. TARGET & 5% ABSORPTION	**NO**
ACHIEVED DOUBLE Y.E.S TARGET & 5% ABSORPTION	**NO**

CERTIFICATE NUMBER	LTAGEN24JS
BLACK OWNERSHIP %	**N/A**
BLACK FEMALE OWNERSHIP %	**N/A**
BLACK DESIGNATED GROUP %	**N/A**
MODIFIED FLOW THROUGH PRINCIPLE	**NO**
EXCLUSION PRINCIPLE USED	**NO**
EMPOWERING SUPPLIER	**YES**
DISCOUNTING PRINCIPLE USED	**YES**
ALL PRIORITY ELEMENTS ACHIEVED	**NO**
EFFECTIVE DATE	**09 JAN 2024**
EXPIRY DATE	**08 JAN 2025**
BEE CATEGORY	**GENERAL- SPECIALISED GENERIC**
MEASUREMENT PERIOD	**01 APRIL 2022 – 31 MARCH 2023**

JOE SERETLOE

VERIFICATION MANAGER

sanas
B-BBEE Rating Agency
BVA 265

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