



Road Traffic
Management Corporation

20th

Anniversary

*Two decades of safer roads;
honouring the past, driving the future.*

ANNUAL REPORT
THE LEAD AGENCY ON ROAD SAFETY
2024 - 2025

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Notes



Road Traffic
Management Corporation



General Information





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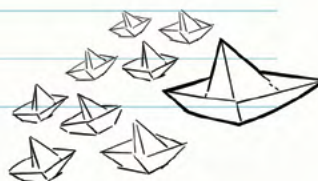


DAILY PLANNER

NOTES

Establishment of National
Traffic Police (NTP)

Our vision
The vision of the Road Traffic Management Corporation is:
"SAFE ROADS IN SOUTH AFRICA"



Part A: General Information

General Information

Registered Name	Road Traffic Management Corporation
Registered Office Address	146 Akkerboom Street Zwartkop, Centurion 0157
Postal Address	Private Bag X147 Pretoria 0001
Telephone Number	012 999 5200
Email Address	info@rtmc.co.za
Website Address	www.rtmc.co.za
External Auditors	The Auditor-General of South Africa Lynnwood Bridge Office Park The Auditor-General of South Africa Building 4 Daventry Road Lynnwood Manor 0181
Bankers	First National Bank, Standard Bank SA Reserve Bank
Company Secretary	Ms Sigidikazi Petse sigidikazi.petse@rtmc.co.za Qualifications: B Juris, LLB

Abbreviations and Acronyms

Abbreviation/Acronym	Meaning
AARTO	Administrative Adjudication of Road Traffic Offences
AD	Advanced Driving
ACSA	Airports Company South Africa
AGSA	Auditor-General of South Africa
AMDP	Advanced Management Development Programme
APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment
BPR	Business Process Re-engineering
CEO	Chief Executive Officer
CLLT	Computerised Learner’s Licence Testing
CoE	Compensation of Employees
COGTA	Co-operative Governance and Traditional Affairs
CPA	Criminal Procedures Act
CSOs	Civil Society Organisations
CSR	Corporate Social Responsibility
DLCA	Driving Licence Card Account
DoT	Department of Transport
DLTC	Driving Licence Testing Centre
EXCO	Executive Committee
EDWARD	Every Day Without A Road Death
EMDP	Emerging Management Development Programme
EMET	Energy Mobility Education Trust
ERM	Enterprise Risk Management
EDL	Examiner of Driving Licence
EoV	Examiner of Vehicles
GRAP	Generally Recognised Accounting Practice
ICT	Information Communication Technology
IT	Information Technology
IHCS	Integrated Human Capital Strategy
KM	Knowledge Module
KPI	Key Performance Indicator
MTDP	Medium-Term Development Plan
MEC	Member of the Executive Council
NDP	National Development Plan
NHBRC	National Home Builders Registration Council
NLTA	National Land Transport Act
NMT	Non-Motorised Transport
NRCS	National Regulator for Compulsory Specifications
NRSS	National Road Safety Strategy
NRTA	National Road Traffic Act
NRTLEC	National Road Traffic Law Enforcement Code
NTACU	National Traffic Anti-Corruption Unit

Abbreviation/Acronym	Meaning
NaTIS	National Traffic Information System
NTP	National Traffic Police
NQF	National Qualification Framework
OMVLU	Online Motor Vehicle Licensing Unit
PCoT	Parliamentary Committee on Transport
PET	Participatory Educational Techniques
PFMA	Public Finance Management Act
POPIA	Protection of Personal Information Act
PMDS	Performance Management Development System
PwD	People with Disabilities
QCTO	Quality Council for Trades and Occupations
RTTA	Road Traffic Training Academy
RTIA	Road Traffic Infringement Agency
RTI	Road Traffic Information
RTMC	Road Traffic Management Corporation
RTMCA	Road Traffic Management Corporation Act
SADC	South African Development Community
SAICA	South African Institute of Chartered Accountants
SALGA	South African Local Government Association
SASSETA	Safety and Security Sector Education and Training Authority
SAQA	South African Qualifications Authority
SBD	Standard Bidding Document
SCM	Supply Chain Management
SHC	Shareholders Committee
SDG	Sustainable Development Goals
SOEs	State-Owned Entities
SP	Strategic Plan
SPLUMA	Spatial Planning and Land Use Management Act
TLE	Traffic Law Enforcement
UNDA	United Nations Decade of Action
UNRSC	United Nations Road Safety Collaboration
VTSC	Vehicle Testing Centre
WEM	Work Experiential Module
WHO	World Health Organization

Table 1: Acronyms

Notes



Foreword from the Chairperson



Chairperson's Overview

On behalf of the Board, I welcome the opportunity to table the Road Traffic Management Corporation Annual Report for 2024 – 2025.

The Report provides insights into the performance of the RTMC in the final year of the sixth administration and provides a benchmark from which the coming years of the seventh administration can be assessed.

The report was prepared in accordance with the Department of Planning, Monitoring & Evaluation (DPME) Annual Report Guide for public entities and it provides an account of the RTMC's performance in terms of its operations, finances, governance, and sustainability, as well as its role as the country's lead entity on road safety.

Overview and performance

For the first time ever, the RTMC recorded 100 percent achievement of its performance targets which is a laudable achievement.

Despite intensified efforts to enforce law and promote road safety, road crashes and fatalities remain an Achilles heel for the country. In the period under review, the country recorded a 2.43 percent increase in road fatalities from 11 883 in 2023 to 12 172 in 2024.

Pedestrians continue to account for the highest number of road users who die on the roads. They accounted for 45 percent of road user fatalities in the year under review which is the same as in the previous year.

The RTMC hosted the Road Safety in Schools programme in September 2024 to promote road safety awareness, responsibility and leadership among the youth. It also implemented the drivers programme aimed at promoting good driving behaviour through targeted education and enforcement strategies. The programme focused on key risk factors that contribute to road crashes such as inattentive and distracted driving, drunken driving, driver fatigue, speeding, inconsiderate or reckless driving, load management, tyre safety and emergency stoppage procedures.

Law enforcement conducted 12 392 interventions in the year under review, exceeding their planned target. The National Traffic Anti-Corruption Unit also continued its relentless focus on fraud and corruption in the entities offering road traffic management services. It succeeded in investigating all cases referred to it achieving a 100 percent performance on its targets.

Strategic Relationships

The RTMC brought together civil society organisations, leading experts and technocrats in a Road Safety Summit to review the National Road Safety Strategy (NRSS) 2016 – 2030. The summit reaffirmed the country's commitment to the global goal of halving road traffic fatalities and injuries by 2030. A monitoring report on the implementation of the NRSS was compiled and approved by the Board in the period under review.

Challenges faced by the Board

The RTMC has adopted a zero-tolerance stance on corruption and resolved to uphold a culture of ethical leadership. During the period under review there were no internally reported cases of fraud and corruption reflecting strong internal controls and monitoring mechanisms to detect and prevent any form of unethical conduct.

Strategic matters in the medium to long term

The RTMC, in collaboration with the Department of Transport, is finalising the review of the National Road Safety Strategy 2016 – 2030 and aligning interventions across the country to achieve set goals.

- Prioritise the safety of vulnerable groups such as pedestrians and public transport users
- Use of technology real-time traffic monitoring and enforcement; and
- Phase in the implementation of the Road Traffic Law Enforcement Code to bring about uniform norms and standards within the sector.

The Board and Management have already developed a new five-year Strategic Plan which will address the gaps identified in the past five years and place the RTMC at a higher level of performance.

Acknowledgements

As the term of office of the Board is coming to an end, we wish to express our gratitude to the Honourable Minister and Shareholders Committee for entrusting us with the responsibility of exercising oversight. I wish to thank fellow Members of the Board for their relentless and outstanding contribution to the business of the RTMC.

Once more, a special word of appreciation goes to the Minister of Transport, Ms. Barbara Creecy, the Deputy Minister Mr. Mkhuleko Hlengwa and Shareholders for their robust and active commitment to improving road safety in the country.

We also wish to thank the Department of Transport, for leadership and strategic guidance, the Parliamentary Committee on Transport (PCoT), other government departments, state-owned entities (SOEs) and other stakeholders who are partners of the RTMC.

The Board’s sincere appreciation goes to the Executives, Management, and employees of the RTMC for their dedication to the cause.

Conclusion

The priority to lead South Africa to safer roads remain central to the work of the RTMC. The entity must pursue this goal relentlessly while ensuring the participation of all relevant stakeholders.



N. Mufamadi
Chairperson of the Board

The Board



Nomusa Mufamadi
Chairperson



Adv Makhosini Msibi
Chief Executive Officer



Adv Johannes Makgatho



Thandi Thankge
CD (SA)



Dr Eddie Thebe



Prof Maredi Mphahlele



Prof Chitja Twala



Lerato Magalo



Nkhumeleni Kudzingana



Adv Xola Stemela



Sigidikazi Petse
Company Secretary

Chief Executive Officer Overview



2024/25 is the year in which the Road Traffic Management Corporation (RTMC) has been able to demonstrate maturity, agility and ability to be a high performing organisation.

The Annual Report we are presenting provides a final chapter on the road that the RTMC has traversed in the sixth administration and provides strong evidence of its resilience as it prepares to celebrate 20 years of existence.

The RTMC's focus on being a high performing organisation has resulted in a strong implementation of its programmes, resulting in the 100 percent attainment of targets. A total of 23 performance targets were planned for the financial year and all were successfully achieved.

This is the highest performance attained in five years and represents a commendable nine percent performance improvement compared to the previous year. The lowest performance that the Corporation attained was in the 2020/21 financial year when performance was negatively impacted by the outbreak of COVID-19.

The development of smart technologies such as the smart enrolment units, the computerised learner licence technology, and digital test sheets for vehicle testing stations has proven that investing in new traffic management systems creates value for the wider community and the economy at large.

Above all the growth of the online services for the renewal of driving licence and registration of motor vehicle played a pivotal role in the introduction of cost-effective systems where efficiency meets the delivery of quality services.

General financial review

Innovations introduced by the RTMC have served to optimise revenue generation and contributed to the attainment of the revenue growth target of nine percent per annum which is the same as the previous financial year. This demonstrates stable financial performance.

Actual revenue collected in the period under review amounts to R1.68 billion which is above the R1.58 billion collected the previous year. The over collection can be attributed to collection from online vehicle licence renewal and other revenue items not budgeted for in the ordinary course of business.

The number of online vehicle licence renewal transactions has grown by more than 60% from the previous year to the year under review.

Spending Trends

Actual expenditure also showed an increase on the approved allocated budget as compared to the previous financial year. The RTMC spent R1.7 billion during the period under review as compared to R1.44 billion in the previous financial year. Over expenditure is attributed to mainly employee related costs.

Capacity Constraints and Challenges

The approval by the Board of the 50th and 75th salary scales has enabled the RTMC to recruit and fill various positions in Information Technology where scarce, specialised and critical skills were previously difficult to recruit and retain. However, challenges continue to be experienced in attracting women and people with diverse abilities.

Request for rollover of funds

The RTMC has not made a request for the roll-over of funds in the period under review.

Supply Chain Management

Further evidence of the RTMC's maturity is reflected in its compliance with the 30-day rule for the payment of service providers. The RTMC processed 2 446 invoices, which were duly paid within 30 days and achieved 100% compliance.

Compliance with Good Governance

The RTMC has established and operationalised ethics committees to promote a culture of ethical conduct, integrity and accountability across all levels of the organisation. The purpose of the committees is to monitor adherence to the RTMC's Code of Conduct, proactively address potential ethical risks, ensure compliance with governance frameworks and reinforce the RTMC's commitment to good corporate citizenship and public service excellence.

Two reports on the status and operations of the committees were completed in the period under review. This Annual Report shows that there were no internally reported cases of fraud and corruption which reflects a strong commitment to ethical conduct, transparency and the enforcement of anti-corruption measures.

Challenges and Resolution

The RTMC plays a pivotal role in leading South Africans to safe roads. The United Nations (UN) second Decade of Action for Road Safety binds us to reduce road injuries and deaths by 50% by the year 2030 using 2020 as a baseline year.

Progress in this regard continues to be a challenge. The number of road fatalities has increased in the year under review moving from 11 883 in the previous year to 12 172 in the year under review. A strong focus on improving road safety for high-risk groups such as pedestrians and public transport users would assist in accelerating progress towards the attainment of the 2030 UN goals.

A review of the National Road Safety Strategy will be conducted to strengthen its implementation and accelerate progress towards the attainment of the 2030 goals.

Resolution of Audit Findings

The RTMC was issued with a total of 39 audit findings for the year ending 31 March 2024. All audit findings were resolved.

In the year under review, the Auditor-General has issued the RTMC with an unqualified audit without findings (clean). This is the same outcome as in the previous year and the RTMC intends to sustain this positive outcome into the future.

Acknowledgement/s or Appreciation

We acknowledge the pivotal role played by the Shareholders Committee, the Minister of Transport, Ms. Barbara Creecy and Deputy Minister, Mr. Mkhuleko Hlengwa in guiding and supporting the RTMC to improve its performance.

We thank the Portfolio Committee on Transport for its oversight and valuable inputs during the year.

Our heartfelt appreciation also goes to the Board under the capable leadership of Mrs Nomusa Mufamadi. We pledge to continue working collaboratively with the Board to build the RTMC into a truly high-performance entity.

I also express my sincere gratitude to the Executive Management and staff for their continued diligence and loyalty towards the RTMC.

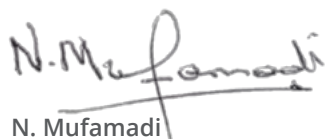
We reiterate our unwavering commitment to reducing road carnage in our country and ensuring safe, secure, and responsible use of the roads.



Ms Refilwe Mongale
Interim Chief Executive Officer

Statement of Responsibility and Accuracy of the Annual Report

The Board acknowledges its responsibility to ensure the integrity of the report. It has accordingly applied its mind to the report, and in the opinion of the Board, it addresses material issues and presents the performance of the RTMC fairly. The report has been prepared in keeping with best practices.



N. Mufamadi
Chairperson of the Board

Strategic Overview

Vision

The Road Traffic Management Corporation's vision is:

"SAFE ROADS IN SOUTH AFRICA"

Mission

"Provide an environment which promotes safe systems approach for secure and responsible use of roads and to continuously evolve services delivery with technological driven innovative solutions".

Values

The RTMC's values emanate from the Constitution of the Republic of South Africa. They emphasise the organisation's commitment to law and order and service delivery.

VALUES	MEANING
Integrity	The pledge to execute the RTMC's responsibilities in an ethical, truthful and accurate manner consistent with the professional discipline of law enforcement, order, discipline and mobility on our roads.
Accountability	Undertaking to be open, honest, and accountable as law enforcers and road safety champions.
Transparency	Subscribing to the principles of good governance and the facilitation of free and reasonable access to information within the confines of applicable prescripts
Excellence	A commitment to quality and outstanding service offering by applying thought leadership and teamwork
People Centred	To provide convenience and five-star service to South Africans, ensuring that all are treated with great care and dignity. To give service delivery a human face.

Table 2: RTMC Values

Legislative and Other Mandates

The RTMC is a Schedule 3A Public Entity with the mandate to perform a particular social or economic responsibility of government. The RTMC relies on government funding and public monies, a transfer from the Revenue Fund using statutory money.

Constitution of the Republic of South Africa, 1996

The Constitution is the supreme law of the Republic. The RTMC abides by the obligations imposed by the Constitution. The table below illustrates the RTMC’s constitutional mandate in relation to other spheres of government in the execution of its responsibilities.

Section	Implication
Schedule 4	Outlines the areas of provincial legislative authority. Schedule 4 Part A lists the functional areas of concurrent national and provincial competence as follows: <ul style="list-style-type: none">Public TransportRoad Traffic RegulationVehicle Licensing
Schedule 5	Provides for traffic management as a Schedule 5 functional area, However, the Constitution also provides for the national legislative authority over Schedule 5 matters under Section 44 (2). The provision of Section 76 (1) legislation, All of which fall under Section 44 (2) and the provision of Section 76 (1) legislation, all the legislative mandates of the RTMC are enacted in terms of Section 76 (5) of the Constitution.

Table 3: RTMC’s Constitutional Mandate

Road Traffic Management Corporation Act 20 of 1999 (RTMCA)

Parliament approved the RTMCA in 1999 in line with the provisions of Section 44(2) of the Constitution. In terms of the Act, the RTMC was established to consolidate powers and resources, and to eliminate the fragmentation of responsibilities for all aspects of road traffic management across various levels of government. The Act provides, in the public interest, for cooperative and coordinated strategic planning, regulation, facilitation and law enforcement in respect of road traffic matters by the national, provincial, and local spheres of government. The Act’s objectives include:

RTMC ACT OBJECTIVES

- To establish the RTMC as a partnership between national, provincial, and local spheres of government.
- To enhance the overall quality of road traffic service provision to ensure safety, security, order, discipline, and mobility on the roads.
- To protect road infrastructure and the environment through the adoption of innovative practices and the implementation of innovative technology.
- To phase out, where appropriate, public funding and phase in private sector investment in road traffic on a competitive basis.
- To introduce commercial management principles to inform and guide road traffic governance and decision-making in the interest of enhanced service provision.
- To optimise the utilisation of public funds by—
Limiting investment of public funds to road traffic services which meet a social or non-commercial strategic objective, and which have poor potential to generate a reasonable rate of return; and securing, where appropriate, full cost recovery based on the user-pays principle.
- To regulate, strengthen and monitor intergovernmental contact and cooperation in road traffic matters.
- To improve the exchange and dissemination of information on road traffic matters.
- To stimulate research in road traffic matters and effectively utilise the resources of existing institutes and research bodies; and
- To develop human resources in the public and private sectors that are involved in road traffic.

Section 18 (1) of the RTMCA stipulates that the Shareholders Committee (SHC) must, as part of the organisational structuring of the RTMC, establish as many functional units as required as per the business and financial plan to ensure effective management of at least the ten functional areas depicted in Figure 1:

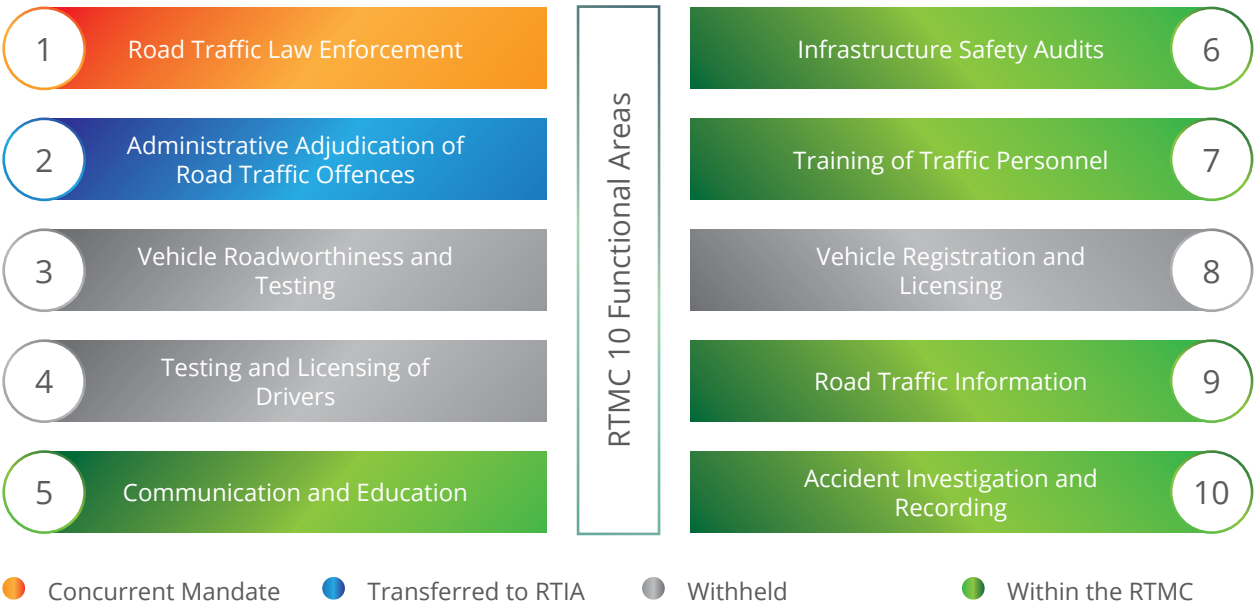


Figure 1: Functions of the RTMC as outlined in Section 18 of the RTMCA

The 10 functional areas are executed as follows:

Functional Area	Current Practice
Road Traffic Law Enforcement	Provincial and local authorities execute law enforcement operations, and the RTMC National Traffic Police (NTP) is created to conduct law enforcement operations in the nine provinces. Furthermore, the RTMC is responsible for thought leadership regarding law enforcement in the Republic.
Administrative Adjudication of Road Traffic Offences (AARTO)	<p>The AARTO Act established the Road Traffic Infringement Agency (RTIA) as the agency responsible for the rollout and implementation of the AARTO system. Therefore, the function was duly transferred to RTIA.</p> <p>As part of the implementation of AARTO, the RTMC is responsible for the training of traffic personnel and the development and maintenance of the National Contravention Register. The NTP already issues infringements in terms of the AARTO Act as part of the initial pilot of AARTO.</p>
Vehicle and Roadworthiness Testing	Function is not transferred to the RTMC. The function is conducted by the provinces or municipalities as delegated.
Testing and Licensing of Drivers	The function is a concurrent function of the National and Provincial Spheres of Government. In the 2021/22 financial year, the RTMC for the first time established two Driver Licence Testing Centres (DLTCs) which are operationalised through an agency agreement with the Gauteng Province. The DLTCs have been established to provide an improved service delivery model.
Communication and Education	The function was transferred to the RTMC and is fully executed in line with the National Road Safety Strategy (NRSS).
Infrastructure Safety Audits	The RTMC is the custodian of the Road Safety Audit Manual and is driving the professionalisation of the Road Safety Auditor career path. The conducting of the road infrastructure audits is intended to grade our roads and ensure that they comply with safety standards, and the roads are designed to promote safer roads.

Functional Area	Current Practice
Training of Traffic Personnel	As part of the professionalisation of the traffic personnel, the RTMC has established the Road Traffic Training Academy for the implementation of the NQF 6 traffic officer qualification. The training norms and standards function assists with the development and registration of the qualifications and monitors compliance with the training norms and standards.
Vehicle Registration and Licensing	The RTMC partially fulfils the function. The RTMC conducts online Vehicle Registration and Licensing services.
Road Traffic Information	The RTMC is the custodian of Road Traffic Information, which is housed in the National Road Traffic Information System and published periodically.
Accident investigation and recording	The RTMC is responsible for the investigation and recording of crashes, which are conducted in line with the defined criteria relating to major crashes.

Table 4: Status of the 10 Functional Areas

The functions of the CEO – Section 29 of the RTMCA:

- a) Manage and control the day-to-day operations of the RTMC in accordance with the business and financial plan.
- b) Undertake, as per this Act and any other legislation concerning road traffic matters, the provision and rendering of road traffic services.
- c) Execute any directive of the Shareholders Committee issued in terms of Section 13 and report to the committee on the implementation of the directive.
- d) Undertake research into road traffic matters.
- e) After consultation with the Minister of Finance and every MEC responsible for finance, draw up a governance agreement to be concluded between the Shareholders Committee and the Board on the appointment of the Board.
- f) Facilitate private sector investment by:
 - (i) Undertaking feasibility and investment studies to ascertain the technical, commercial and economic viability of projects.
 - (ii) Assisting the private sector in preparing business plans to provide equity and loan finance.
 - (iii) Assisting potential private investors to ensure compliance with any legal requirements.
 - (iv) Providing the private sector with advice
- g) Promote private sector investment in road traffic by:
 - (i) The establishment of investment helplines to assist potential investors.
 - (ii) The publication of investment-related publications
 - (iii) Holding national or localised conferences
 - (iv) Organising investment contact visits
 - (v) Initiating contacts with other ministries, departments, state-owned enterprises, investment promotion centres and related parties
 - (vi) Collecting, updating and disseminating appropriate promotional and facilitator information
 - (vii) Any other appropriate method
- h) Report to the Shareholders Committee: -
 - (i) On the level and scope of performance of the RTMC in terms of the business and financial plans
 - (ii) On the impact of investment contracts contemplated in Section 37 and performance contracts contemplated in Sections 15(4) and 19(4)
 - (iii) Subject to Section 38(2), on whether a private sector entity is better suited to perform the function envisaged in a public contract.
- i) Perform the functions assigned to him or her by the Shareholders Committee and the Board on its appointment.
- j) Assign functions to the managers of functional units if authorised thereto by the Shareholders Committee in terms of Section 28(2)(u)
- k) Exercise and perform all the powers and duties conferred or imposed by this Act or by any other law.
- l) Exercise and perform all the powers and duties incidental to the above-mentioned powers and duties.

National Road Traffic Act 93 of 1996 (NRTA)

The NRTA provides for road traffic and related matters that apply uniformly throughout the Republic. It prescribes national principles, requirements, guidelines, frameworks, and national norms and standards that must be applied uniformly in the provinces, as well as other matters contemplated in Section 146(2) of the Constitution. It facilitates the consolidation of land transport functions and locates them in the appropriate sphere of government.

Administrative Adjudication of Road Traffic Offences Act 46 of 1998 (AARTO)

The AARTO Act promotes road traffic quality by providing a scheme to discourage road traffic contraventions and to facilitate the adjudication of road traffic infringements. The RTMC is an issuing authority, and through the National Traffic Police, applies the AARTO infringement processes and procedures.

Criminal Procedures Act 51 of 1977 (CPA)

The purpose of the CPA is to regulate procedures and related matters in criminal proceedings. The Act governs the handling of criminal cases in courts of law by establishing due process in criminal prosecutions. A traffic officer is appointed as a peace officer as stipulated in Section 334(2) (A) of the CPA and contains schedules of offences a peace officer may impose.

Protection of Personal Information Act 4 of 2013 (POPIA)

The purpose of the POPIA is to promote the protection of personal information processed by public and private bodies and introduce certain conditions to establish minimum requirements for the processing of personal information.

Other Applicable Legislation

Legislation	Context
Public Finance Management Act, 1999 (No. 1) and applicable regulations (PFMA)	<p>The PFMA provides for reporting against predetermined measurable objectives contained in short and medium-term plans.</p> <ul style="list-style-type: none">• Section 27 (4) of the PFMA provides the basis for the development of measurable objectives, which must be included in national and provincial institutions' annual budgets.• Sections 40 (3) and 55 (2) provide the basis for reporting performance against predetermined objectives.• Section 38 (d) of the Act states that the accounting officer is responsible for managing, safeguarding, and maintaining a department or entity's assets and for managing its liabilities.• Sections 38 (a) (iv) and (c) (iii) provide the basis for systems that properly evaluate all major capital projects before a final decision on the project is made, and also manage available working capital efficiently and economically
Statistics Act, 1999	<p>The Statistics Act provides for the planning, production, analysis, documentation, storage, dissemination and use of official and other statistics. The purpose of these statistics is to assist organs of state, businesses, other organisations, and the public in planning, decision-making, and monitoring or assessing policies. Using official statistics strengthens the quality of government and institutional short- and medium-term plans.</p>
Promotion of Equality and Prevention of Unfair Discrimination Act, 2000	<p>The Act ensures the promotion of equality, non-racialism and non-sexism and unfair discrimination in line with Sections 9 and 10 of the Constitution.</p>

Table 5: Other applicable legislation

Institutional Policies and Strategies

The DoT provides direction for traffic and road safety policy and legislation. However, policy formulation is also carried out at the regional level and in accordance with global norms. Figure 2 below provides more information:



Figure 2: Road Safety Policies/Instruments

Global Policy Instruments

Sustainable Development Goals

The RTMC’s road safety responses are underpinned by two important global policy instruments: the Sustainable Development Goals (SDG) and the Global Plan for the Decade of Action for Road Safety. The SDGs were created in 2015 in Paris as a response to the development challenges facing the global community. There was acceptance globally that road safety is linked to poverty, education, and health goals. The inclusion of road safety in the Sustainable Development Goals (SDGs) in 2015 shows increased international attention to road safety challenges.



Figure 3: Sustainable Development Goals

Road Safety was included in the development agenda in 2015, following increased international attention to road safety challenges. The SDGs consist of 17 goals, two of which relate to road safety as depicted in the table below:

Goal	Road Safety Target
	Halve the number of global deaths and injuries from road traffic accidents by 2020.
	Provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons by 2030.

Table 6: Road Safety Sustainable Development Goals and Targets

As part of the process of intensifying South Africa’s participation in the global agenda, the RTMC was admitted as a member of the United Nations Road Safety Collaboration (UNRSC) in 2011, an association of lead agencies on Road Safety. As per the Global Plan for Road Safety, the RTMC, as the lead agency on road safety, has certain roles and responsibilities as outlined in the Global Plan for Road Safety, which are stated below:

- Develop a coherent national road safety strategy that responds to key national, regional and global priorities.
- Coordinate the planning and alignment of interventions nationwide to achieve the desired outcomes.
- Manage data through the collection, monitoring and evaluation of programmes to measure the performance and effectiveness of the implemented programmes.
- Enhance road safety research and development (develop capacity for multi-disciplinary research and knowledge transfer).
- Implement national campaigns to reach as many people as possible.
- Determine norms and standards for road safety and traffic personnel; and
- Increase private sector participation.

First Decade of Action for Road Safety

On 11 May 2011, the United Nations Decade of Action for Road Safety 2011-2020 (UNDA) was launched. The global plan laid out a programmatic action blueprint aimed at reducing road traffic fatalities. The Plan for the Decade of Action for Road Safety 2011-2020 provides guidelines on the approach that can be deployed to reduce road fatalities. The figure below outlines the pillars of the Decade of Action for Road Safety and activities that should be undertaken to reduce road crash fatalities and serious injuries.



Figure 4: First Decade of Action for Road Safety 2011-2020

Second Decade of Action for Road Safety (2021-2030)

Launched in August 2020 by the United Nations General Assembly, resolution 74/299, the second Decade of Action for Road Safety, builds on the gains of the previous decade to promote a coordinated effort towards sustaining the attainment of road safety goals. The decade seeks to reduce global injuries and deaths by at least 50% by 2030, using 2020 as a baseline year. The supporting global plan for road safety was launched in the 2021/2022 financial year and guides the implementation of plans towards the attainment of global road safety goals.



Figure 5: Second Decade of Action for Road Safety

Regional Policy Instruments – Africa Agenda 2063

Agenda 2063, published by the African Union Commission in 2015, is a strategic framework for Africa’s socio-economic transformation over the next 50 years. It builds on and aims to accelerate the implementation of past and existing continental initiatives for growth and sustainable development. Agenda 2063 has the following aspirations:

- An integrated continent, politically united and based on the ideals of Pan-Africanism and the vision of Africa’s renaissance.
- An Africa of good governance, democracy, respect for human rights, justice, and the rule of law; a peaceful and secure Africa; an Africa with a strong cultural identity, common heritage, shared values, and ethics; an Africa whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children.
- An Africa that is a strong, united, and influential global player and partner. These aspirations have priority areas aligned with the SDGs.

The 2007 Ministerial Round Table – African Road Safety Conference was held in Ghana. The conference declared road safety a priority for health, transportation, enforcement, education, and development, and encouraged member states to substantially reduce the causes and risk factors associated with road crashes. These include the non-usage of safety belts and child restraints; driving under the influence of alcohol and drugs; not using helmets; inappropriate and excessive speed; the lack of safe infrastructure, and the use of mobile phones, among other contributory factors. The Southern African Development Community (SADC) undertook to support the Moscow Declaration and adopt the Decade of Action Global Plan approach to address the increasing road trauma.

Local Policy Instruments

The development of the strategic imperatives of the RTMC is informed by the government’s key priorities adopted by the Cabinet through the National Road Safety Strategy (NRSS). These plans and frameworks apply:

National Development Plan (NDP)

The purpose of the NDP is to write a new story for South Africa by outlining the vision for 2030. The following priorities are closely linked to the mandate of the RTMC:

Priority 8 (Health Care for All)

The NDP sets out a target to reduce motor vehicle crashes, injuries and violence by 50% from 2010 levels, thus providing a clear direction on the need to focus on safety matters involving all road users. The NDP outlines the following factors for monitoring and control:



Figure 6: NDP Factors

The priorities aim to enhance the overall quality of road traffic service provision and ensure safety, security, order, discipline, and mobility on roads.

Priority 10 (Building Safer Communities)

The NDP outlines the key delivery for this priority as strengthening the criminal justice system by ensuring cooperation between all departments in the justice, crime prevention and security cluster.

Priority 12 (Fighting Corruption)

The NDP recognises corrupt practices as a phenomenon where clear and decisive action must be taken, and where the rule of law and compliance must be upheld. High levels of corruption, especially within the traffic fraternity, places a negative perception on the law enforcement fraternity. The RTMC combats fraud and corruption through an integrated approach and resilient anti-corruption strategy and structures.

Medium-Term Development Plan (MTDP)

The MTDP was introduced to ensure alignment with national imperatives, promote inclusivity, and align with international naming conventions. The MTDP has a greater emphasis on development outcomes and is primarily framed as an economic plan to address existing socio-economic challenges. As a result, the RTMC's Strategic Plan (SP) and Annual Performance Plan (APP) must be aligned with the MTDP to enable its implementation. Below are the three strategic priorities of the 7th administration that must be served for the realisation of a better life for all South Africans.



Figure 7: MTDP Priorities

Institutional policies and strategies over the five-year planning period

The following are some of the key policies and strategies that the RTMC subscribes to:

Department of Transport Key Priorities

The strategy of the Department of Transportation (DoT) has been guided by four strategic priorities that define the work of the Department and the political agenda for the term of this administration. The following five key priorities have been identified, which will guide the effort of the sector:



Figure 8: DoT Priorities

The RTMC aligned its key strategic deliverables to DoT priorities

RTMC alignment to DoT Priorities	
Priority 2: Stipulate the role of the National Road Safety Strategy, which aims to create alignment within the road traffic environment. The NRSS advocates for an integrated approach from all stakeholders to consolidate efforts to reduce road fatalities by 50% in 2030.	Priority 3: Fraud and Corruption are among the key elements that hinder progress towards safe roads in South Africa. The RTMC, through the National Traffic Anti-Corruption Unit, aims to curb this culture.

Table 7: RTMC Alignment with DoT Priorities

Organisational Structure

The RTMC organisational structure is designed to ensure a cohesive approach to reducing road accidents, enhancing traffic flow, and promoting road user safety. This structure also caters for anticipated future functions that may be transferred to the RTMC. The figure below depicts the organisational structure, highlighting filled and vacant positions.

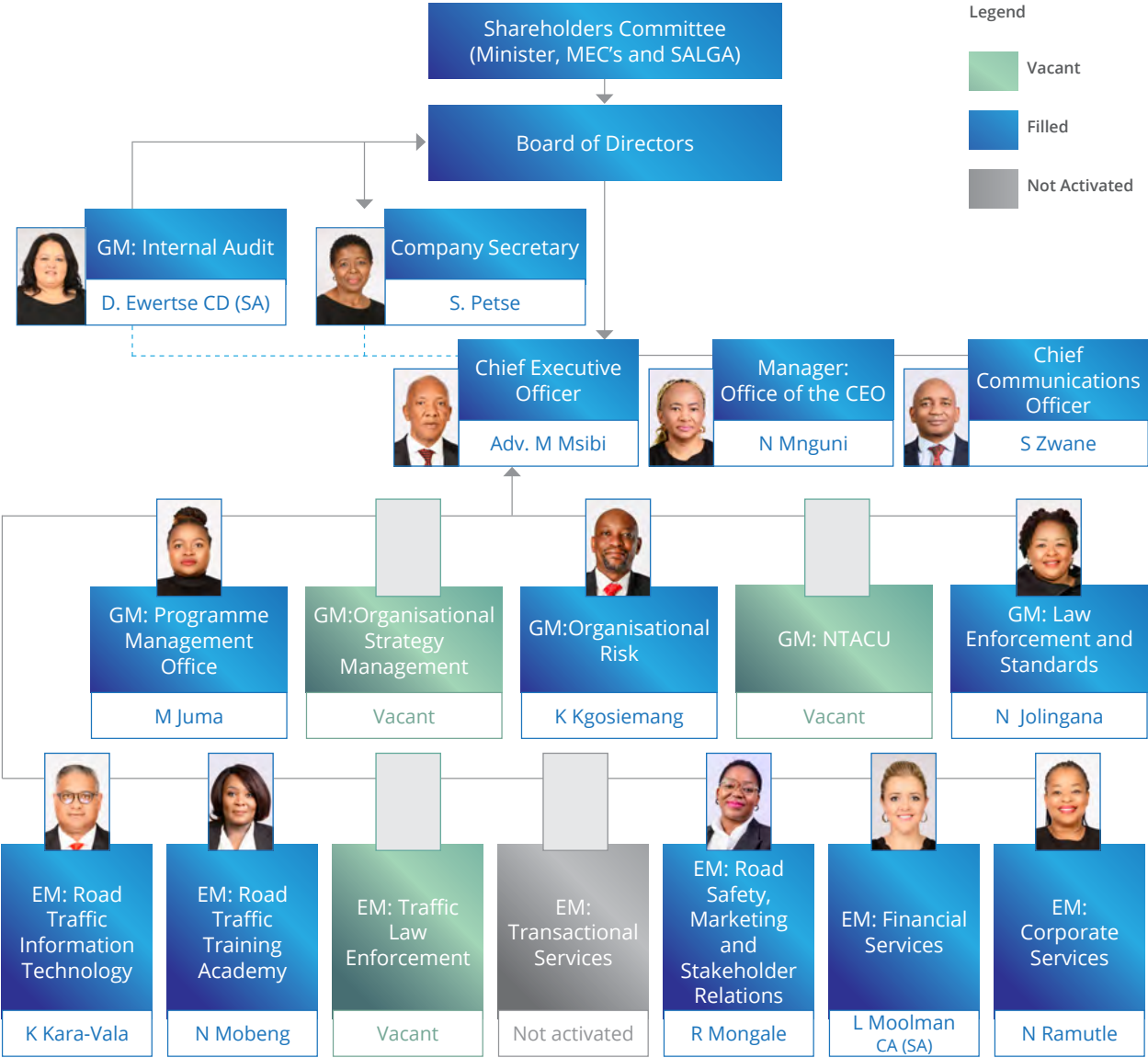


Figure 9: Organisational Structure

Vacant positions:

- *Executive Manager: Traffic Law Enforcement
- *General Manager: Organisational Strategy Management
- *General Manager: NTACU

Employees have been appointed to act in these positions as follows:

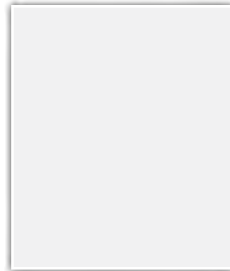
Employee	Acting position
Kopano Maponyane	Acting Executive Manager: Law Enforcement
Motselisi Juma	Acting General Manager: Organisational Strategy Management

Table 8: Acting employees

Executive Team



Adv Makhosini Msibi
Chief Executive Officer



Executive Manager:
Transactional services
(Not activated)



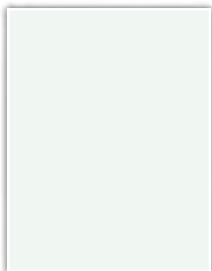
Kevin Kara-Vala
Executive Manager:
Road Traffic Information
and Technology



Liana Moolman
Executive Manager:
Financial Services



Refilwe Mongale**
Executive Manager:
Road Safety, Marketing and
Stakeholder Relations



Executive Manager:
Road Traffic
Law Enforcement
(Vacant)



Nompumelelo Ramutle
Executive Manager:
Corporate Services



Ntombizodwa Mobeng
Executive Manager:
Road Traffic Training
Academy

** Appointed as the interim Chief Executive Officer effective 1 July 2025.

Notes



Road Traffic
Management Corporation



Performance Information





December

2013

SU	MO	TU	WE	TH	FR	SA
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				



DAILY PLANNER

Our mission
The Corporation endeavours to ensure safe, secure
and responsible use of roads in South Africa

NOTES

*Appointment of
board members*



Auditor-General's Report: Pre-Determined Objectives

The CEO is responsible for establishing and implementing systems of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information.

The performance information fairly reflects the actual achievements against planned objectives, indicator and targets as per the Strategic Plan (2020-2025) and Annual Performance Plan 2024/25 for the RTMC for the year ending 31 March 2025.

The audit conclusion received from the Auditor-General of South Africa on the performance against predetermined objectives is included in the audit report under predetermined objectives of the audit report on page 110 and 112.



RTMC Traffic officer pass-out parade

Overview of Public Entity's Performance

Service Delivery Environment

Performance Summary for the 2024/2025 Financial Year

During the year under review, the Road Traffic Management Corporation (RTMC) implemented its 2024/25 Annual Performance Plan (APP), which was structured into six key programmes:

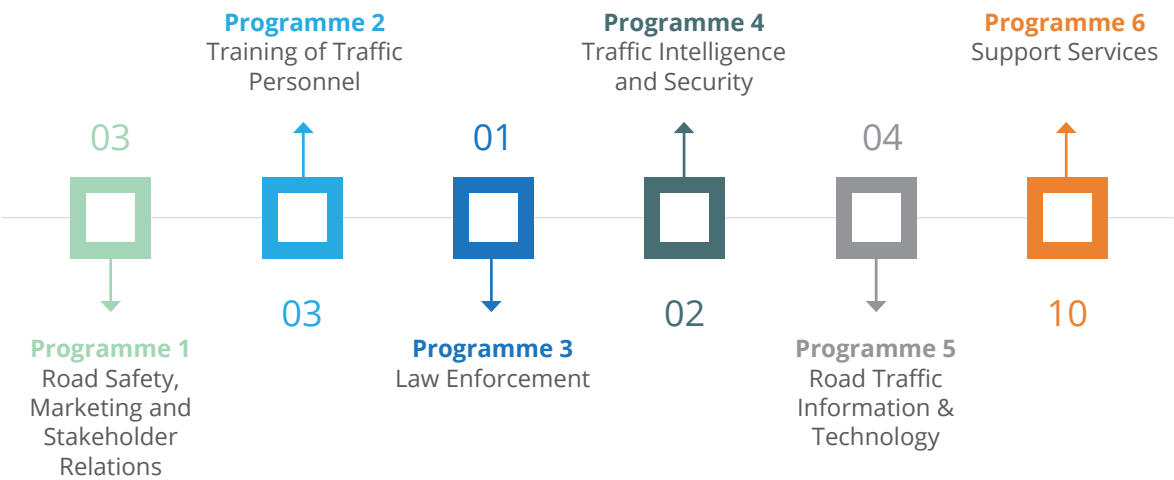


Figure 11: Programme Structure

A total of 23 performance targets were planned for the financial year. All 23 targets were successfully achieved, resulting in a 100% performance achievement rate. The detailed summary of performance for the 2024/2025 financial year is presented below.

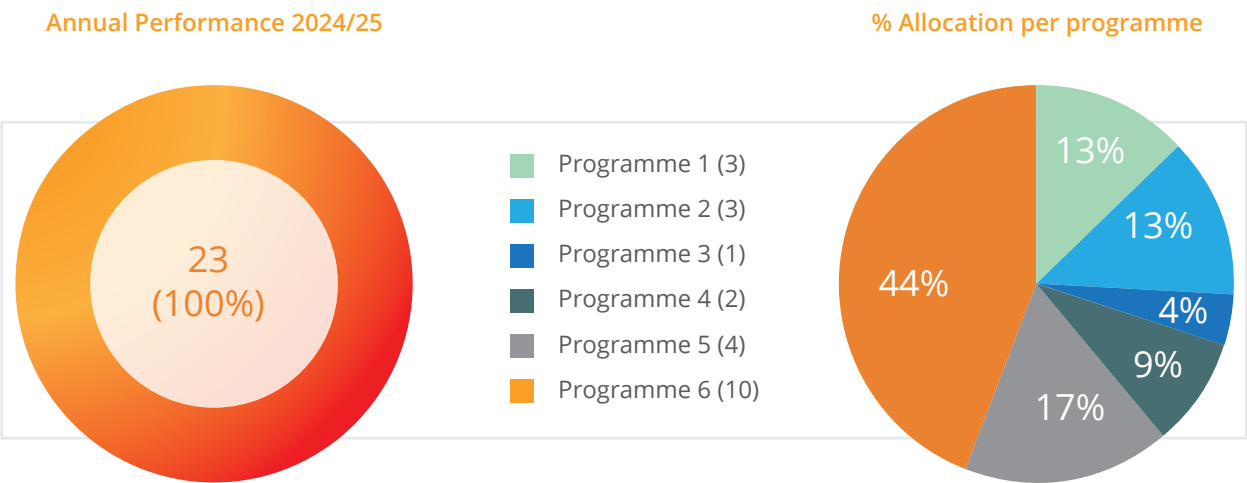


Figure 12: Annual performance 2024/25

Organisational Environment

The position of Executive Manager: Traffic Law Enforcement became vacant effective 1 December 2024.

Key Policy Developments and Legislative Changes

For the period under review, the RTMC did not have any policy development or legislative changes.

Progress Towards Achievement of Institutional Impacts and Outcomes

The table below depicts the outcome indicators of the RTMC as outlined in the Strategic Plan 2020-2025. The reporting on these outcome indicators reflects performance as of the 2024/2025 period:

Outcome	Outcome indicators	Baseline	Five-Year Target	Actual achievement	Comments
Reduced Road Fatalities	Number of Road Fatalities	12 921	9 960	12 217	Intensification of efforts to ensure the strategic target is met through collaborative implementation of the NRSS 2016-2030
High-Performance Organisation	External Stakeholder Satisfaction Survey	68%	80%+	71%	Development of an action plan to address the areas of concern to drive improvements within the RTMC
	Internal Stakeholder Satisfaction Survey	55%	80%+	61%	

Table 9: Outcome Indicator Development

Institutional Programme Performance Information

Programme 1: Road Safety, Marketing and Stakeholder Relations

The strategic focus of the Road Safety, Marketing, and Stakeholder Relations Programme is anchored in the collaborative execution of campaigns that align with the RTMC’s mandate. This mandate is fulfilled through partnerships among the three spheres of government, including collaborations with Civil Society Organisations (CSOs) and the Private Sector. The Programme’s core objective is to foster strategic relationships and directly respond to the national imperative of addressing road safety as a critical societal issue. The Programme is structured into the following sub-programmes:

Sub-programme	Purpose	Link to institutional outcomes
Road Safety programmes	To advocate, communicate and educate the public on road safety in the Republic	Reduced road fatalities
Marketing	To market road safety campaigns and the RTMC value offering to the public	High performing organisation
Stakeholder Management	To develop, maintain and monitor stakeholder relations in support of the mandate of the RTMC	

Table 10: Road Safety, Marketing and Stakeholder Relations Sub-programmes

Road Safety Educational Programmes

National Participatory Educational Techniques (PET) and Road Safety Debates Programme

This programme forms the core of the Road Safety in Schools initiative. It is implemented at the provincial level and culminates in a national competition hosted by the Road Traffic Management Corporation (RTMC). The Participatory Educational Techniques (PET) component involves multidisciplinary presentations that explore both road safety challenges and potential solutions, encouraging creative and critical thinking. The Road Safety Debates component requires learners to conduct in-depth research and engage in structured arguments on various road safety topics. Both aspects of the programme are specifically designed for Grade 10 and 11 learners, aiming to promote awareness, responsibility, and leadership among youth in the realm of road safety.

During the year under review, the RTMC successfully hosted the Road Safety in Schools Programmes from 24 to 27 September 2024. These events played a key role in the RTMC’s youth-focused road safety initiatives, showcasing both educational and advocacy components.

Participatory Educational Techniques

The PET presentations took place from 24 to 27 September 2024, and the component required participants to submit a project portfolio of evidence that illustrated a specific road safety problem along with proposed, practical solutions. The project encouraged critical thinking, creativity, and collaborative learning. A total of seven provinces participated as demonstrated in the following figure:



Figure 13: Province PET participation

Road Safety Debates

The debate component challenged learners to research and present arguments on contemporary road safety issues. The selected topics for the 2024 competition were:

- “The Global Plan for the Decade of Action for Road Safety 2011–2020 was a success in South Africa”
- “Community road safety outreach is the best approach to promoting road safety awareness”

These topics encouraged critical discourse, research-based advocacy, and public speaking skills among Grade 10 and 11 learners.

Implementation of the Driver Programme

The Driver Programme is implemented in collaboration with provincial authorities and focuses on promoting safer driving behaviour through targeted education and enforcement strategies. The programme addresses a range of critical risk factors contributing to road crashes, including:









Inattentive and distracted driving	Drunken driving	Driver fatigue	Speeding
			
Inconsiderate or reckless driving	Load management	Tyre safety	Emergency stoppage procedures
			

Table 11: Road crash contributory factors

By focusing on these key areas, the programme aims to reduce driver-related road incidents and enhance overall road safety awareness among motorists nationwide.

During the period under review, the RTMC implemented the Driver Programme using a mixed-method delivery approach to maximise reach and impact. The programme aimed to promote safe driving behaviour and address key risk factors among motorists across the country. Key elements of the programme included:

- Webinars focused on driver safety, offering educational content to a wide audience in a cost-effective, accessible format.
- Joint initiatives led by both the RTMC and provincial governments, reinforcing national and local collaboration.
- Inclusion of Civil Society Organisations (CSOs) in campaign execution, ensuring broader community involvement and grassroots support.
- Project EDWARD (Every Day Without A Road Death), which extended road user engagement and emphasised the importance of daily road safety awareness.
- Social media influencers, who played a crucial role in amplifying road safety messages and engaging with younger, digital-savvy audiences.

The programme was implemented through a combination of education, outreach, and strategic partnerships. 272 activations were implemented as follows:

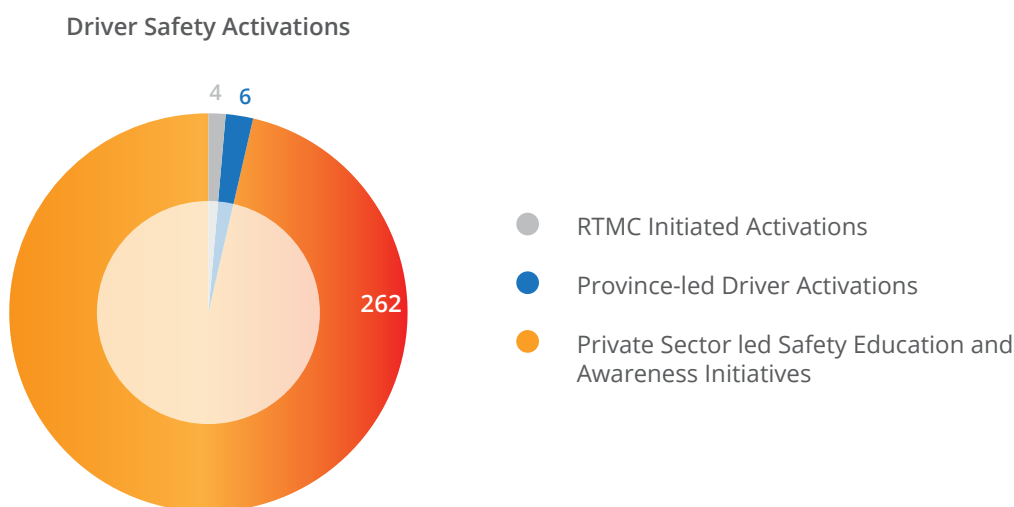


Figure 14: Driver programme initiatives

Implementation of the Youth Programme

The Youth Programme is a targeted initiative aimed at raising awareness among young road users about critical safety issues. The programme is conducted in collaboration with provincial partners and partnership with institutions of higher learning, it emphasises education and behaviour change as key tools in reducing youth-related road incidents.

Focus areas include:

- Vehicle safety features – Understanding the importance of modern safety systems and regular vehicle maintenance
- Drunk driving – Educating youth on the dangers and consequences of impaired driving
- Night driving – Highlighting the increased risks associated with reduced visibility and fatigue
- Speeding – Addressing the impact of excessive speed on road safety and crash severity

Through interactive engagement and awareness campaigns, the Youth Programme seeks to instil a culture of responsible driving among young South Africans and build a culture of long-term road safety behaviour.

During the period under review, the Youth Programme was successfully implemented in collaboration with provincial stakeholders and institutions of higher learning. The figure below outlines the 142 key activities undertaken:

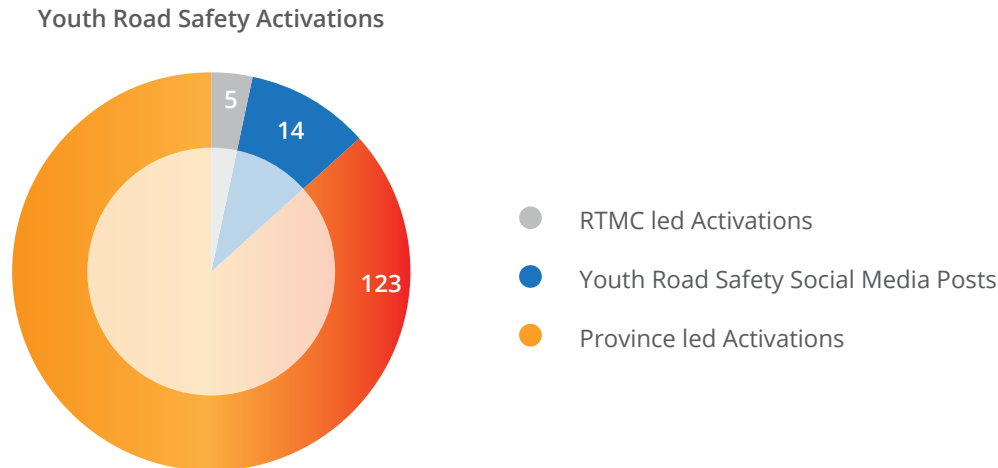


Figure 15: Youth programme initiatives

National Road Safety Summit

The 2024 Road Safety Summit was a landmark event held over two impactful days in Brixton, Johannesburg, from the 26th to the 27th of November 2024. Hosted in partnership with Uber as the official event sponsor, the summit adopted a participatory and collaborative approach, bringing together leading experts, policymakers, and technocrats from across the road safety ecosystem.

Community Engagement:

A Road Safety Walk through the Brixton community brought the summit’s discussions to life, bridging the gap between policy and practical, on-the-ground engagement.

The summit objectives were to:

- demonstrate actions being undertaken to enhance road safety by different players
- reflect on the NRSS with a view to implement and unlocking potential
- emerge with clear actions for solution creation and an accountability matrix
- Institutionalise the monitoring of road safety in the country

Key Highlights:

- Critical review of the National Road Safety Strategy 2016–2030, assessing progress and identifying gaps.
- Reaffirmed commitment to the global goal of halving road traffic fatalities and serious injuries by 2030.
- Engaging panel discussions that promoted multi-sectoral collaboration and innovation in road safety practices.

Thematic Streams:

The summit was divided into two focused streams, each diagnosing root causes, identifying systemic challenges, and recommending actionable solutions to enhance road safety in South Africa:

Slower and Safer Streets & Mobility Systems

Focused on infrastructure, urban design, speed management, and safer mobility planning—especially for vulnerable road users such as pedestrians and cyclists.

Participatory Approaches to Road Safety

Explored the value of inclusive community involvement, stakeholder collaboration, and behavioural change interventions in driving sustainable road safety outcomes.

Problem	Solution
Road Safety Management	
<ul style="list-style-type: none"> • Need to locate interventions in the local context • Need to embrace the component of Transport Justice • The role of government, its varied level of success and whether government, whilst leading, is also willing to be led, vs. road safety is everyone's responsibility, but must be led by government • Evaluation of the impact of the NRSS and call for collaboration. • Corruption across various levels of road safety and enforcement. 	<ul style="list-style-type: none"> • Establish a dedicated structure to oversee the implementation and tracking of summit resolutions, led by the RTMC and key stakeholders. • Improve coordination within civil society to support road safety initiatives. • Mobilise resources to enable collaboration and public-private partnerships. • Secure ring-fenced funding for road safety projects • Conduct a critical review of the NRSS, led by the RTMC and involving all stakeholders. • Ensure clear, effective communication and coordination of road safety initiatives. • Leverage stakeholder networks and resources to amplify road safety initiatives. • Unite stakeholders under common, agreed leadership. • Designate leaders for each pillar of the NRSS. • Identify impactful road safety programmes with data-backed outcomes and secure stakeholder buy-in. • Share data and map out and publicise danger hotspots. • Utilise technology to promote behaviour change and market road safety effectively. • Organise an RTMC-led roadshow to engage provinces.
Driver Licensing and Education	
<ul style="list-style-type: none"> • Systemic issues on Driver Licensing and Education, corruption and relevance. • Poor regulation of driving schools. • Lack of probationary driving periods and required hours of practical driving. • K53 and some of the gaps between theory and practice 	<ul style="list-style-type: none"> • Regulate and standardise driving school curricula and testing processes. • Establish a corruption-free unit dedicated to addressing licensing fraud. • Digitise the driver licensing process for improved transparency and efficiency
Vehicle Standards	
<ul style="list-style-type: none"> • Consideration to be given to aspects of tyre safety. • Coincidence of human behaviour and vehicle safety 	<ul style="list-style-type: none"> • Reassess and update vehicle standards. • Involve the National Regulator for Compulsory Specifications (NRCS) in reforming standards. • Reform vehicle insurance policies to align with updated safety and operational standards

Problem	Solution
Infrastructure	
<ul style="list-style-type: none"> Car-centric infrastructure and planning Public Safety and Crime - Unsafe Communities -last-mile and first-mile connectivity, lighting and visibility in urban areas, rest spaces and pedestrian bridges Infrastructure to support Non-Motorised Transport (NMT) Mixed-use and evolving urban demands require infrastructure. Ineffective integration of land-use and transportation planning Lack of road design that supports slower speeds and promotes safer streets. Spatial planning and universal access Cities are failing to implement and maintain road safety measures effectively. City infrastructure is unable to sustain the growing population and urban demands 	<ul style="list-style-type: none"> Mandate the inclusion of “Complete Streets” principles in all new developments. Require mandatory road safety audits for all municipal projects. Expand National Road Traffic Regulations to include the 2014 NMT (Non-Motorised Transport) guidelines, with a focus on universal accessibility. Enforce the implementation of the Spatial Planning and Land Use Management Act (SPLUMA) and encourage participatory approaches in planning
Data and Research	
<ul style="list-style-type: none"> Access to road safety data, including delays due to legal processes. Need to differentiate between hazardous locations as a point versus an area. Lack of research into human behaviour related to road use and the impact of different vehicle speeds, and the vulnerability of pedestrians 	<ul style="list-style-type: none"> Develop a coordinated database for sharing data between the RTMC and COGTA Consolidate research into a single database to identify gaps and direct further research efforts
Enforcement and Regulation	
<ul style="list-style-type: none"> Consistent and robust speed enforcement across all road types and enforcement of general road rules and bylaws Corruption across various levels of road safety and enforcement. Lack of enforcement around truck spillage and regulation of heavy vehicles, minibus taxis 	<ul style="list-style-type: none"> Implement strict enforcement measures, including the effective rollout of Administrative Adjudication of Road Traffic Offences (AARTO) Develop and enforce comprehensive regulations for trucks, freight, and truck stops

Table 12: Summit Problems and Solutions

Monitoring report on the implementation of the NRSS 2016-2030

The National Road Safety Strategy (NRSS) 2016–2030 serves as South Africa’s overarching roadmap for reducing road traffic fatalities and serious injuries. It aligns with the global Decade of Action for Road Safety and the United Nations Sustainable Development Goals (SDGs).

Key Objectives:

- Halve road traffic deaths and serious injuries by 2030
- Promote a safe systems approach to road safety
- Improve the management and coordination of road safety efforts across all spheres of government
- Enhance data-driven decision-making through improved crash reporting and analysis
- Foster a culture of responsible road use through education, enforcement, and community engagement
- Strengthen infrastructure design and maintenance to protect all road users, especially the most vulnerable

During the period under review, a monitoring report on the implementation of the National Road Safety Strategy (NRSS) 2016–2030 was compiled and formally approved by the Board. The primary purpose of the report is to:

- Evaluate progress made towards the achievement of strategic objectives outlined in the NRSS
- Identify existing gaps and challenges in implementation across various focus areas
- Provide evidence-based insights to guide decision-making and policy adjustments
- Support the continuous improvement of road safety interventions, ensuring alignment with national and international road safety targets

Traffic officer modules delivered to existing traffic officers

The upskilling programme for existing Traffic Officers is designed to enhance their knowledge and skill levels, ensuring they remain effective and competent in their roles. As part of this initiative, the academy offered three modules in the year as outlined below:

Module	Number of Traffic Officers Assessed	Competent	Not competent	% Competence
Examiner for Driving Licence (EDL)	59	59	0	100%
Examiner of Vehicle (EoV)	53	50	3	94%
Advanced Driving (AD)	15	15	0	100%

Table 15: Existing Traffic Officers Modules

Modules on NQF level 6 Traffic Officer Qualification completed for traffic trainees

The Academy offers training on the NQF Level 6 Traffic Officer Qualification, a comprehensive three-year programme. During the reporting period, the modules were presented as follows:

Module	Number of Trainees	Competent	Not competent	% Competence
KM 01 - General Orientation	558	558	0	100%
KM 02 - English Communication	557	557	0	100%
KM 03 - Professionalism	558	556	2	99%
KM 07 - Other Relevant Legislation	549	440	109	80%
KM 10 - Introduction to Traffic Criminology	558	557	1	99%
KM 13 - Firearm Control Act	549	530	19	96%
KM 15 - Anti-Corruption	556	523	33	94%

Table 16: Traffic Trainees Modules

Modules on NQF level 6 road traffic safety officer qualification completed for road safety practitioners

The Academy presented a total of nine (9) modules to enrolled Road Safety Practitioners. These included six (6) Knowledge Modules and three (3) Workplace Experiential Modules. The modules were presented as follows:

Module	Number of Trainees	Competent	Not competent	% Competence
KM 01 - Road Safety Education and Road Safety Systems	2	1	1	50%
KM 03 - Introduction to Criminology	2	1	1	50%
KM 04 - Project and Programme Management	1	1	0	100%
KM 05 - Introduction to Information Technology	3	1	2	33%
KM 07 - Public Sector Management	3	3	0	100%
KM 09 - Introduction to Ad maintenance, design and related principles	2	2	0	100%

Module	Number of Trainees	Competent	Not competent	% Competence
WEM 01 - Processes and Procedures of Designing and Implementing a Road Safety Plan	18	18	0	100%
WEM 02 - Processes of Conducting Research and Generating an Abstract	18	18	0	100%
WEM 03 - Processes of Assessing/Auditing Road Related Infrastructure	15	14	1	93%

Table 17: Road Safety Practitioners Modules

Training Development Outputs, Output Indicators, Targets and Actual Achievement

Programme 2: Training of Traffic Personnel Sub Programme: Training Development Outcome: High-performing organisation							
Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from the planned target to Actual Achievement 2024/25	Reasons for deviations
Professionalisation of the Road Traffic Safety Fraternity	Number of traffic officer modules delivered to existing traffic officers	3	3	3	3	-	-
	Number of modules on NQF Level 6 Traffic Officer qualification completed for traffic trainees	10	7	7	7	-	-
	Number of modules on the NQF Level 6 Road Traffic Safety Officer qualification completed for road safety practitioners	9	9	9	9	-	-

Table 18: Training Development Performance

Programme 3: Law Enforcement

The National Traffic Police was established based on Section 18 (1)(a) of the Road Traffic Management Corporation Act 20 of 1999 which provides Traffic Law enforcement as part of the ten functional units of the RTMC. As espoused in Section 2(a) (i) of the objectives of the RTMC Act, the primary function is to provide for the coordination, planning, regulation and facilitation of traffic law enforcement concerning road traffic matters by national, provincial and local spheres of government. The national Minister harnesses his support team as well as every Member of the Executive (MECs) and the resources of the national and provincial spheres of government responsible for traffic management to ensure that road safety remains a priority.

The Traffic Law Enforcement Unit is divided into five sub-units: Operations, Planning, Coordination and Administration, Crash Investigation, and Administration. The business unit is also responsible for the Driver Learner Testing Station Services and Centres. The programme comprises the following sub-programmes:

Sub Programme	Purpose	Link to Institutional Outcomes
Operations	<p>To enforce various applicable pieces of legislation through the issuing of citations or arrests, which include but are not limited to the following:</p> <ul style="list-style-type: none">• The National Road Traffic Act of 1996, as amended (NRTA) deals with offences related to the fitness of the driver and the roadworthiness of the vehicle• The National Land Transport Act of 1998 (NLTA) deals with public transport infringements, such as operating a public vehicle for a reward without the necessary permits• The Administrative, Adjudication of Road Traffic Offences of 1998 is responsible for the administration, collection, adjudication and the point demerit system of fines related to road traffic, which is set to replace Section 56 of the Criminal Procedure Act of 1977 which provided for dealing with road traffic offences through the criminal court system.	Reduced road fatalities
Planning, Coordination and Administration	The back end of the business unit comprises the administration clerk team, the back office, which deals with capturing citations and facilitating interaction with the Court system, and the Control room, which is the central nerve centre for radio control communications.	
Crash investigations	The crash unit is established as one of the 10 legislated RTMC functional units as per Section 18 of the RTMC Act as a highly specialised unit whose mandate in the main is to record and investigate crashes where five or more individuals have died through road crashes, or any (high profile) crash as may be determined by the Accounting Officer.	
Driver Learner Testing Centre	<p>Driving Licence Testing Centres (DLTCs) are established with the primary objective of professional service delivery and customer care, rendering services which include:</p> <ul style="list-style-type: none">• Appointment for Learner Licence Tests• Renewal of Driving Licences• Issuing of Temporary Driving Licences• Issuing of Learner Licences• Issuing of Duplicate Learner Licences• Renewal and issue of Professional Driving Permits	High-performing organisations

Table 19: Law Enforcement Sub-programmes

Law Enforcement Interventions

Traffic Law Enforcement interventions are critical to the RTMC’s mandate of promoting compliance, reducing road fatalities, and enhancing the safety of all road users. These interventions focus on both high-visibility enforcement and targeted operations based on data-driven insights.

During the reporting period, Law Enforcement conducted a total of 12 392 interventions, exceeding the planned target of 12 050 by 342 interventions. This achievement reflects a proactive approach to road safety enforcement and a strong commitment to reducing road traffic violations and fatalities. The table below provides a breakdown of actual interventions per sub-category:

Drunken driving	Loads Management	Roadworthiness	Moving Violations
			
1 954	1 763	2 576	2 222
Public Transport	Pedestrian	Speed	Total
			
2 420	711	746	12 392

Table 20: Law Enforcement Sub-interventions

Law Enforcement Outputs, Output Indicators, Targets and Actual Achievement

The below table provides Law Enforcement outputs, output Indicators, targets and actual achievement. The programme had one output indicator for the year under review and this was overachieved.

Programme 2: Law Enforcement Sub Programme: Law Enforcement Operations Outcome: Reduced road fatalities									
Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Initial Annual Target 2024/25	Revised Annual Target 2024/25	Actual Achievement against revised target 2024/25	Deviation from the planned target to Actual Achievement 2024/25	Reasons for deviations	Reasons for revisions to the Annual Targets
Enhanced law enforcement	Number of targeted law enforcement interventions	3 186	3 280	7 665	12 050	12 392	342	Intensification of NTP interventions at hazardous locations and secondary routes resulted in more interventions being undertaken.	The target was revised from 7 665 to 12 050 due to the need to incorporate the additional workforce appointed within the National Traffic Police as part of the intensification of the deployment model.

Table 21: Law Enforcement Performance

Programme 4: Traffic Intelligence and Security

This programme incorporates a proactive and reactive approach to corruption and fraud-related incidents associated with providing road traffic services. The proactive element involves the application of intelligence tools to identify and investigate corruption and fraudulent incidents at the initiation of the RTMC, whereas the reactive element entails incidents reported to the RTMC. This work is undertaken collaboratively with other law enforcement authorities to ensure the successful prosecution of offenders.

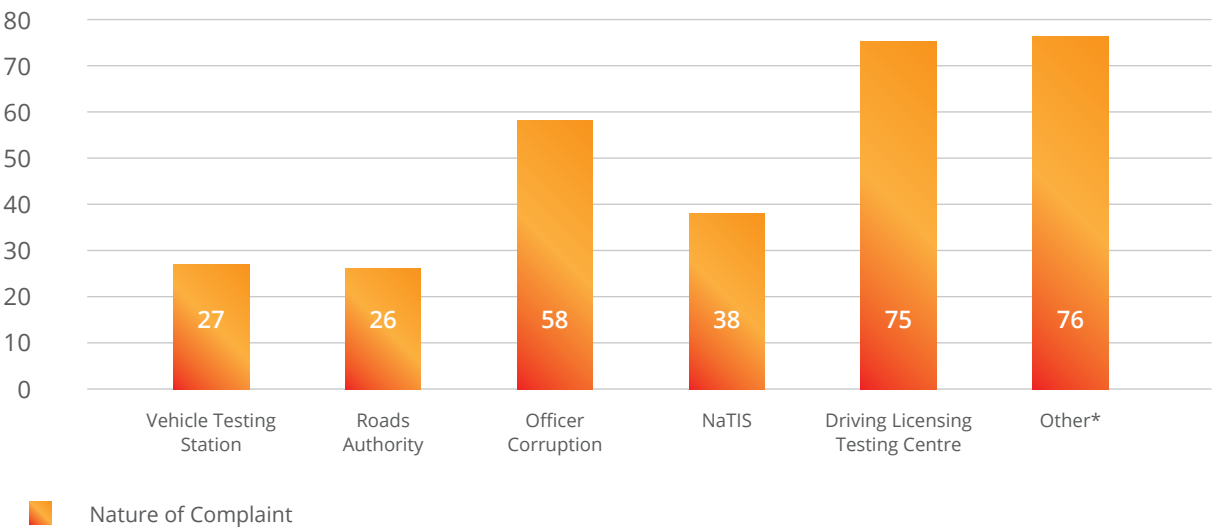
The programme is responsive to the functional areas relating to Road Traffic Law Enforcement, Administrative Adjudication of Road Traffic Offences, Vehicle and Roadworthiness Testing, Communication and Education, and Vehicle Registration and Licensing.

Sub Programme	Purpose	Link to Institutional Outcomes
National Traffic Anti-Corruption Unit (NTACU)	To provide education, training and conducting investigations into all matters related to fraud and corruption. This includes a proactive and reactive approach to investigating cases of fraud and corruption.	Reduced fraud and corruption

Table 22: NTACU Sub-programme

Reported fraud and corruption complaints investigated

The National Traffic Anti-Corruption Unit (NTACU), tasked with combating fraud and corruption within traffic law enforcement, is mandated to investigate suspected cases reported by members of the public. During the period under review, NTACU investigated all 300 cases. The figure below outlines the details of the cases investigated:



*These are cases reported which are not in the purview of NTACU

Figure 16: Fraud and corruption complaints

Self-initiated fraud and corruption cases investigated

In addition to the reported fraud and corruption cases, NTACU also undertakes self-initiated investigations through proactive intelligence gathering. During the period under review, one hundred and ninety (190) fraud and corruption cases were investigated, resulting 100% achievement of the target. The figure below details the self-initiated cases:

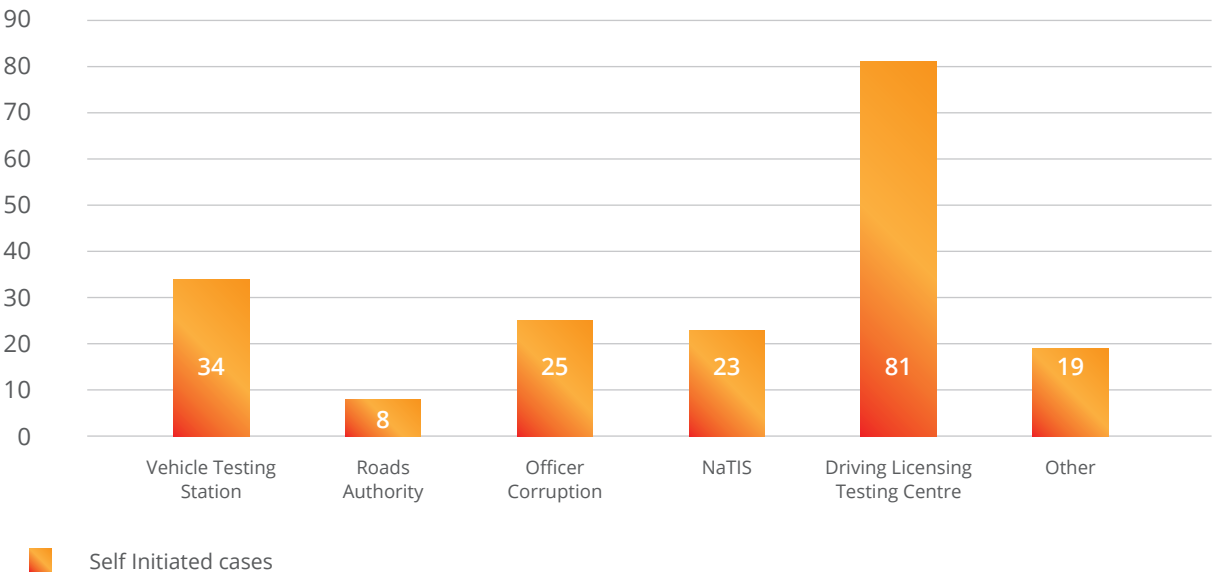


Figure 17: Self-initiated fraud and corruption cases

NTACU Outputs, Output Indicators, Targets and Actual Achievement

Programme 4: Traffic Intelligence and Security Sub-Programme: National Traffic Anti-Corruption Outcome: Reduced road fatalities							
Output	Output Indicator	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from the planned target to Actual Achievement 2024/25	Reasons for Deviations
Reduced fraud and corruption	Percentage of reported fraud and corruption complaints investigated	100%	100%	100%	100%	-	-
	Number of self-initiated fraud and corruption cases investigated	190	232	190	190	-	-

Table 23: NTACU performance

Programme 5: Road Traffic Information and Technology

The Road Traffic Information and Technology Programme is responsible for managing and modernising the technological backbone of South Africa’s road traffic systems. This includes the operation and protection of the National Traffic Information System (NaTIS), which is classified as a National Key Point due to its critical role in national mobility and security.

The programme also focuses on the production of road traffic information, data analytics, research, and the deployment of innovative digital solutions to enhance the efficiency, security, and accessibility of road traffic services. The programme encompasses the following sub-programmes:

Sub-Programme	Purpose	Link to Institutional Outcomes
Information Governance and Security	To protect the confidentiality of data, preserve the integrity of data and promote the availability of data for authorised use.	High performing organisation Reduced road fatalities
Road Traffic Management Infrastructure	To provide the IT Infrastructure operations and to ensure that an effective, efficient, and best-value IT service is provided.	
Road Traffic Management Systems	To ensure that support is provided for all ICT architecture, infrastructure, hardware, and software, and to deliver high-quality systems by providing strong management controls over projects and maximising the productivity of the systems staff.	
Road Traffic Management Systems Support	To facilitate and address various ICT operational and technical issues within a service management culture.	
Road Traffic Information	To collate and analyse road traffic crash data required for planning, decision making and publication of road safety reports.	
Research, Innovation and Engineering	To stimulate road safety-related matters and to ensure effective coordination of road traffic and safety engineering across all spheres of government, in line with the safe system approach.	

Table 24: Road Traffic Information and Technology Sub-programmes

Publication of a road safety report

The RTMC has published the 2023 State of Road Safety Report, which presents a comprehensive analysis of fatal road crash data, highlights key road safety initiatives, details law enforcement interventions, and tracks progress on implementing the NRSS.

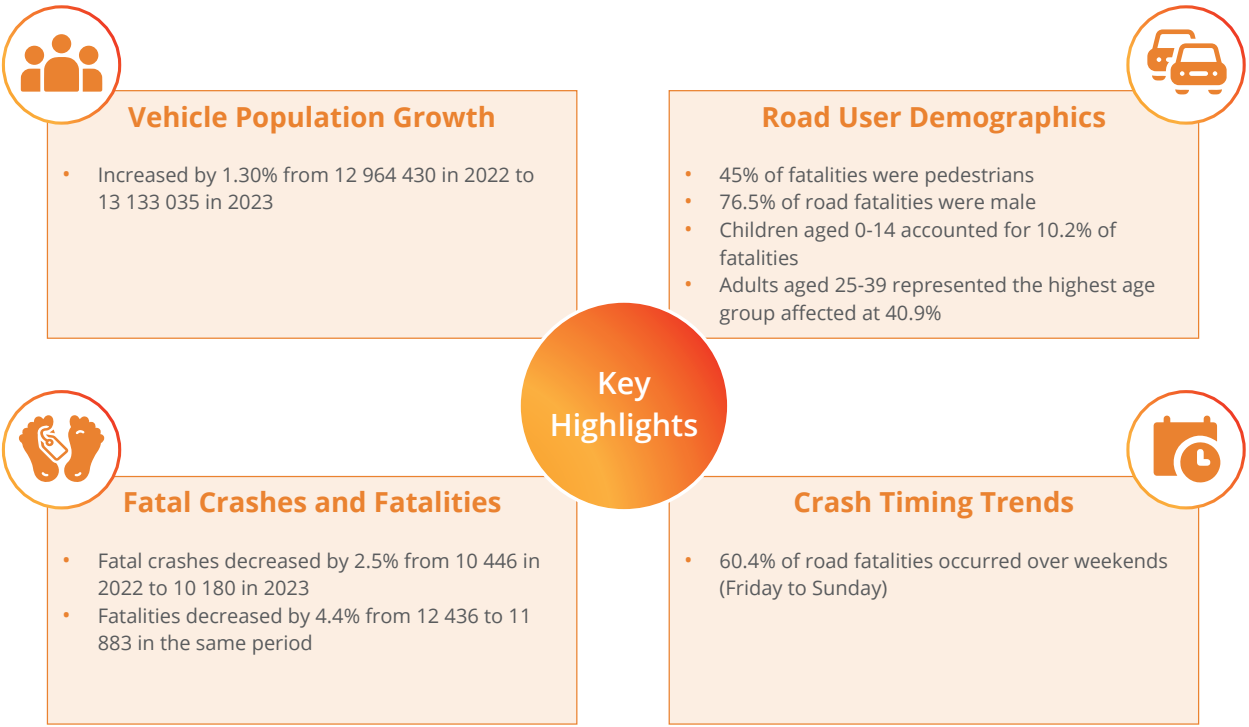


Figure 18: Road Safety Report Key Highlights

The full State of Road Safety Report has been published and is available on the RTMC website, and can be accessed through the website below:

<https://www.rtmc.co.za/images/rtmc/docs/CalendarReports/STATE-OF-ROAD-SAFETY-REPORT-2023.pdf>

Publication of a research study

A research study titled “*The Role of Seatbelts in Preventing Fatalities and Serious Injuries in Long-Distance Bus Crashes in South Africa*” was published during the period under review. The study involved a desktop review and analysis of existing crash data to understand better the impact of seatbelt use in long-distance passenger buses. The key findings show that fatigue, speed too high for circumstances, overcrowding, roadworthiness of buses, roadway and environmental factors are key contributors to bus crashes. These findings aim to support informed policy and regulatory decisions to reduce injuries and fatalities in such crashes. The research study was published on the RTMC website and can be accessed through the link provided below:

https://www.rtmc.co.za/images/rtmc/docs/research_dev_rep/Research---Seatbelts-in-Buses---March-2025.pdf

Computerisation of Learner’s Licence Testing Centres

The RTMC has been rolling out the Computerisation of Learner’s Licence Testing Centres (CLLTCs) across the Country. The aim is to enhance the integrity, efficiency, and standardisation of the learner’s licence testing process. This introduces digital systems, aiming to reduce human error, minimise opportunities for fraud and corruption, and ensure that all candidates are assessed fairly and consistently.

During the period under review, the RTMC successfully computerised sixty-five (65) Learner Licence Testing Centres, surpassing the set target of sixty-four (64) by an overachievement of one (1). The graph below provides the deployment details per province:

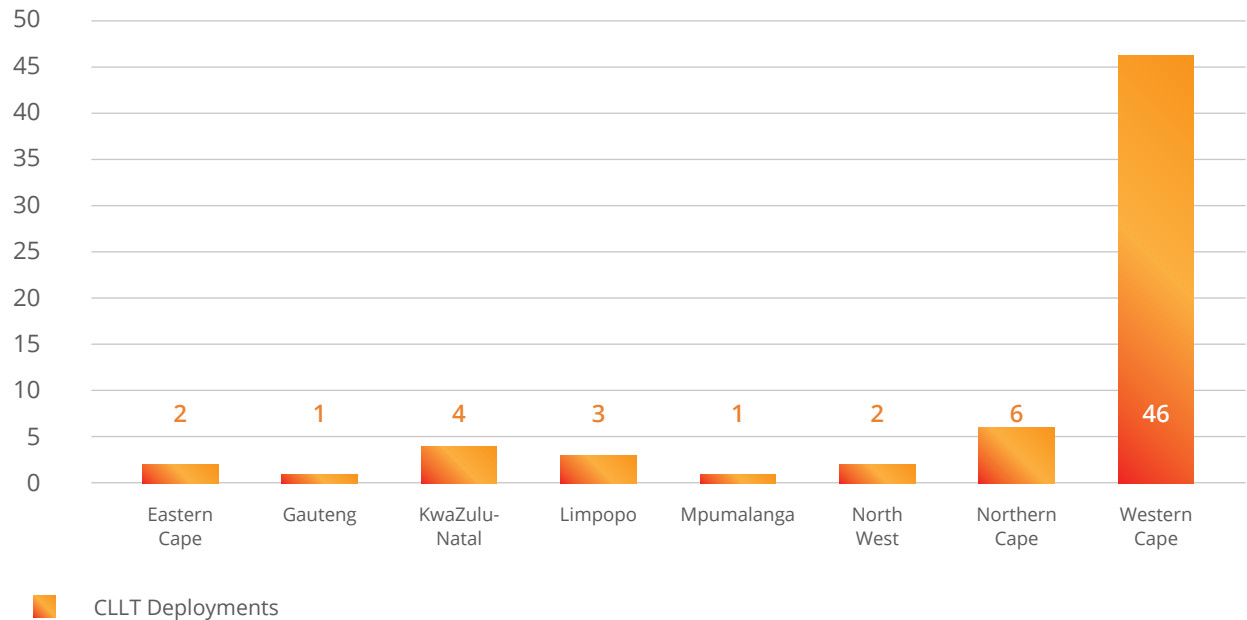


Figure 19: CLLT Deployments per Province

Digitisation of vehicle testing stations

A total of one hundred and twenty-one (121) vehicle testing stations were deployed with the digitised roadworthiness testing sheet forms during the reporting period, against a set annual target of one hundred and twenty (120). This resulted in an overachievement of one (1) site. This initiative forms part of the broader effort to enhance efficiency and transparency in vehicle testing processes. The graph below provides the deployment details per province:

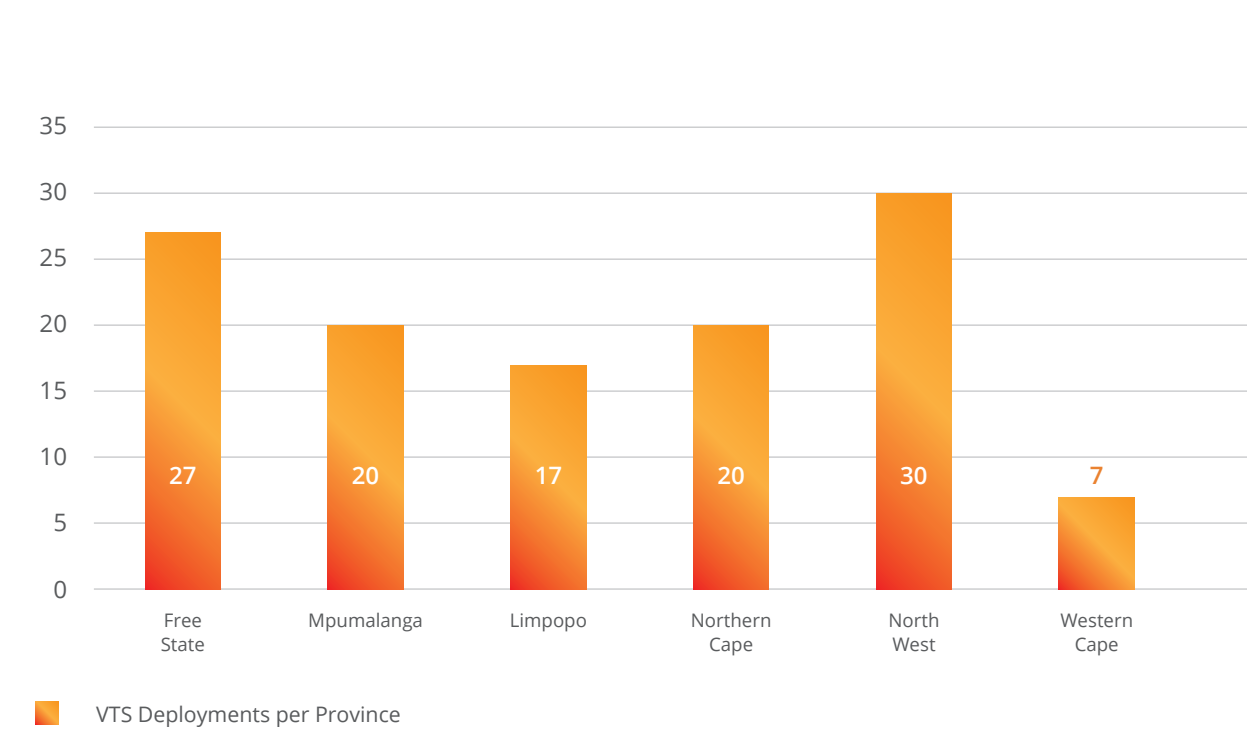


Figure 20: VTS Deployments per Province

Road Traffic Information, Research and Engineering Outputs, Output Indicators, Targets and Actual Achievement

Programme 5: Road Traffic Information and Technology Sub-Programme: Road Traffic Information, Research and Engineering Outcome: Reduced road fatalities							
Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from the planned target to Actual Achievement 2024/25	Reasons for Deviations
Improved intelligence on the road traffic environment	Number of state road safety reports published	1	1	1	1	-	-
	Number of research studies published	1	1	1	1	-	-

Table 25: Road Traffic Information, Research and Engineering Performance

Approved APP for Information Communication Technology Outputs, Output Indicators, Targets and Actual Achievement

Programme 5: Road Traffic Information and Technology Sub-Programme: Information Communication Technology Outcome: Reduced road fatalities							
Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from the planned target to Actual Achievement 2024/25	Reasons for Deviations
Improved intelligence on the road traffic environment	Number of learner's licence testing centres computerised	42	49	64	65	1	The deployment of some centres simultaneously resulted in an over-achievement.
	Number of vehicle testing stations utilising digitised roadworthiness testing sheet form	81	76	120	121	1	

Table 26: Information Communication Technology Performance

Programme 6: Support Services

Support Services houses functions related to the Office of the CEO, Financial Services and Corporate Services.

Sub-programme: Corporate Services

The sub-programme comprises the following:

Sub-Programme	Purpose	Link to Institutional Outcomes
Organisational Development and Human Resources Operations	To build a high-performing organisation through the implementation of talent management initiatives	High performing organisation
Transformation and Employee Relations	To manage the transformation agenda, employee relations matters, and programmes within the RTMC.	
Legal and Compliance	To ensure the establishment of systems and processes to deliver effective legal services to all stakeholders.	
Training Norms and Standards	To ensure that all qualifications and training curricula for the fraternity are developed in conjunction with the QCTO and SAQA. All Traffic Training Colleges are properly registered, and their training programmes are aligned with the relevant qualifications and curriculum.	
Facilities Management	The sub-programme is inclusive of overall facility management, fleet management, security-related services and knowledge management within the RTMC and aims to create an enabling workplace environment for all staff to be effective, efficient and productive in discharging their duties.	

Table 27: Corporate Services Sub-programmes

Implementation of talent management initiatives

Talent management is a conscious and deliberate approach to attracting, leading, developing, engaging, and retaining employees with the aptitude and abilities to meet current and future organisational needs. It is a continuous process to plan talent needs, establish a brand that attracts the best, ensure recruits are immediately productive, help retain talent, and facilitate the constant movement of talent to where it can have the most impact within RTMC.

The unit aims to implement effective and efficient talent management solutions, enabling RTMC to deliver on its mandate. In terms of the approved integrated talent management strategy, the RTMC talent management strategic intent and vision are:

“To develop a high-performing organisation and an engaged workforce, supported by an environment that values and engages talent.”

During the period under review, four (4) talent management initiatives were implemented as depicted below:

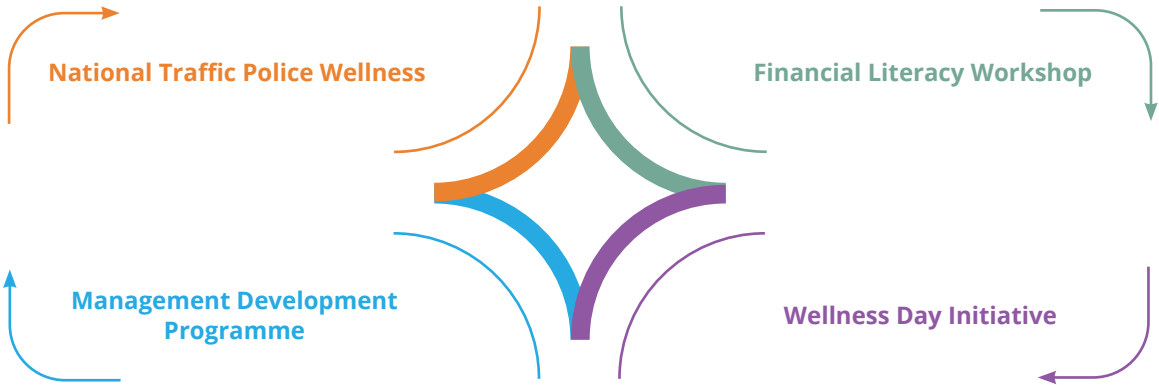


Figure 21: Talent Management Initiatives

Investigation of internally reported incidents of corruption

The investigation of internally reported incidents of corruption at the RTMC serves to uphold the organisation’s commitment to ethical governance, transparency, and accountability. These investigations are essential for identifying and addressing any instances of misconduct or unethical behaviour within the RTMC. They help protect the integrity of the RTMC’s operations, ensure compliance with applicable legislation, and foster a culture of honesty and responsibility. The thorough investigation of such reports reinforces the RTMC’s zero-tolerance stance on corruption, strengthens internal controls, and builds public trust in its mandate to promote road safety and law enforcement excellence. This reflects the organisation’s continued commitment to ethical conduct, transparency, and the enforcement of anti-corruption measures. Although no cases were reported through the Ethics hotline, cases were reported through the whistleblowing letters and investigated during the year under review. Internal controls and monitoring mechanisms remain in place to detect and prevent any form of unethical behaviour, and staff are continuously encouraged to report any suspicious activities through the established Ethics Hotline.

Ethics committees established and operationalised

The establishment and operationalisation of Ethics Committees within the RTMC aims to promote and institutionalise a culture of ethical conduct, integrity, and accountability across all levels of the organisation. These committees serve as oversight structures that guide ethical decision-making, monitor adherence to the RTMC’s Code of Conduct, and provide advisory support on complex ethical matters. Their purpose is also to proactively address potential ethical risks, ensure compliance with governance frameworks, and reinforce the RTMC’s commitment to good corporate citizenship and public service excellence. Two reports detailing the status and operations of the Ethics Management Committee were completed during the review period. The reports provide insights into the functioning, effectiveness, and key activities of the ethics committees over the reporting period. It also highlights progress made in promoting ethical governance, addressing ethical concerns, and ensuring compliance with relevant codes of conduct across the organisation.

Corporate Services Outputs, Output Indicators, Targets and Actual Achievement

The table below shows that all the targets were achieved:

Programme: Support Services							
Sub-Programme: Corporate Services							
Outcome: Reduced road fatalities							
Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from the planned target to Actual Achievement 2024/25	Reasons for Deviations
An employer of choice	Number of talent management initiatives implemented	4	4	4	4	-	-
Investigation of reported incidents of corruption	Percentage investigation of internally reported incidents of corruption	100%	100%	100%	100%	-	-

Programme: Support Services Sub-Programme: Corporate Services Outcome: Reduced road fatalities							
Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from the planned target to Actual Achievement 2024/25	Reasons for Deviations
Functionality of ethics structures	Ethics Management Committee established and operationalised	2 reports on the status and operations of the Ethics Management Committee	2 Reports on the status and operations of the Ethics Management Committee	2 reports on the status and operations of the Ethics Management Committee	2 reports on the status and operations of the Ethics Management Committee completed.	-	-

Table 28: Corporate Services Performance

Sub-programme: Financial Services

The sub-programme includes the following services:

- Improving financial performance, practice, compliance with Generally Recognised Accounting Practice (GRAP) and the PFMA and overall fiscal discipline
- Managing and executing financial management
- Ensuring unqualified annual financial statements
- Executing risk management and internal control systems
- Managing and executing supply chain management
- Executing revenue management
- Managing and executing asset management
- Providing budget management

The sub-programme encompasses of the following:

Sub-Programme	Purpose	Link to Institutional Outcomes
Supply Chain Management	Ensuring the procurement of goods and services required by the RTMC are in line with the PFMA and Treasury Regulations. SCM is also responsible for asset management.	High performing organisation
Financial Accounting	Ensuring the application of sound financial practice and compliance with GRAP standards and the PFMA. Regular reporting of accurate financial information, including the Annual Financial Statements, to all governance bodies.	
Management Accounting	Developing and managing the RTMC’s budget in compliance with the PFMA. Ensuring that budget analysis and reporting are regularly reported to all governance bodies.	
Revenue Management	The execution of revenue management and the optimisation of revenue streams. Providing strategic inputs to management to optimise revenue streams and introduce new revenue generation initiatives.	

Table 29: Financial Services Sub-programme

Revenue change

The purpose of measuring the percentage change in revenue from the previous year is to evaluate the financial performance and sustainability of the RTMC over time. This indicator provides insight into growth trends, revenue stability, or declines, and helps assess the effectiveness of revenue-generating strategies. It also enables informed decision-making in budgeting, planning, and resource allocation, while ensuring transparency and accountability in financial reporting. Tracking year-on-year revenue change supports the RTMC in aligning its financial trajectory with strategic goals and operational demands.

The revenue target for the year was set at 9%. Actual revenue growth matched this target, reaching exactly 9%. This demonstrates stable financial performance and effective revenue management.

Compliance with the 30-day payment window

The percentage compliance to the 30-day payment metric reflects the commitment to prompt financial accountability and ethical supplier management. This measure tracks the proportion of valid invoices settled within 30 days, as required by the PFMA. The RTMC processed a total of 2 446 invoices which were duly paid within 30 days.

Good Governance

The RTMC remains committed to the principles of good governance, aligning with the Medium-Term Development Plan (MTDP) priority of building a capable, ethical, and developmental state. This commitment is operationalised through the implementation of robust governance policies, internal controls, and financial oversight mechanisms, aimed at preventing wasteful, fruitless, and irregular expenditure, ultimately contributing to achieving clean audit outcomes.

During the period under review, the RTMC submitted a comprehensive governance report to the Department of Transport, which detailed progress against three interlinked governance targets:

Elimination of Wasteful and Fruitless Expenditure

No cases of wasteful and fruitless expenditure were reported during the period under review. This reflects a continued commitment to fiscal discipline, accountability, and transparency in the management of public funds.

Reduction of Irregular Expenditure

One case of irregular expenditure was reported during the review period, indicating strong financial oversight and adherence to budgeting and procurement procedures.

Unqualified Audit Report with No Significant Findings

The RTMC attained a clean audit outcome for the 2023/24 financial year, reflecting strong financial management and regulatory compliance. These achievements underscore the RTMC's dedication to sound governance, transparency, and the responsible use of public resources.

Financial Services Outputs, Output Indicators, Targets and Actual Achievement

Programme: Support Services Sub-Programme: Financial Services Outcome: High-Performing Organisation							
Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from the planned target to Actual Achievement 2024/25	Reasons for deviations
Enhanced corporate sustainability	Percentage revenue change from previous year	17%	19%	9%	9%	-	-
Reduction of qualified audits	Regulatory audit outcome by the Auditor-General of South Africa (AGSA)	-	Annual Report on the efforts taken to achieve an unqualified audit report with no significant findings submitted to EXCO and DoT	Annual Report on the efforts taken to achieve an unqualified audit report with no significant findings submitted to EXCO and DoT	Annual Report on the efforts taken to achieve an unqualified audit report with no significant findings submitted to EXCO and DoT	-	-
Elimination of wasteful and fruitless expenditure	Monitoring of reduction cases of wasteful and fruitless expenditure	-	2 reports on the management of wasteful and fruitless expenditure submitted to the DoT	2 reports on the management of wasteful and fruitless expenditure submitted to the DoT	2 reports on the management of wasteful and fruitless expenditure submitted to the DoT	-	-
Reduction of irregular expenditure	Monitoring reduction of cases of irregular expenditure	-	2 reports on the management of irregular expenditure submitted to the DoT	2 reports on the management of irregular expenditure submitted to the DoT	2 reports on the management of irregular expenditure submitted to the DoT	-	-
Compliance with the 30-day payment requirement	Percentage compliance to 30-day payment requirement	100%	100%	100%	100%	-	-

Table 30: Financial Services Performance



Sub-programme: Office of the CEO

The sub-programme encompasses of the following:

Sub-Programme	Purpose	Link to Institutional Outcomes
Organisational Strategy Management	To facilitate the development of the RTMC Strategy and Annual Performance Plans, and periodically report on organisational performance in line with the PFMA and RTMCA	High performing organisation
Programme Management Office	Responsible for managing the Programme Management Unit and ensuring that programmes and projects are developed and managed according to set methodologies and frameworks.	
Organisational Risk Management	To facilitate a risk assessment in the determination of material risks to which the institution may be exposed and to evaluate the strategy for managing these risks.	
Office of the Company Secretary	To ensure the effectiveness of the Board and its Committees through the provision of advisory, facilitating good governance and administrative support.	
Internal Audit	Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve the RTMC's operations. It supports the RTMC in accomplishing its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes.	
Law Enforcement Norms and Standards	To ensure provision for the integrated and coordinated development and implementation of law enforcement norms and standards through improved coordination with stakeholders, promoting standardisation and harmonisation within the traffic fraternity.	
Communication	Facilitate interaction between RTMC, the media, and other external audiences, and manage internal communications within the RTMC to safeguard the RTMC's reputation.	

Table 31: Office of the CEO Sub-programmes

Percentage response to Parliamentary questions

The RTMC is tasked with responding to Parliamentary questions, which serve as a critical oversight tool through which elected representatives hold public entities accountable for their operations, decisions, and use of public resources. For the RTMC, responding to these questions ensures transparency, promotes responsiveness to public concerns, and reinforces the RTMC's commitment to good governance. They provide an opportunity to clarify policies, report on progress, and address any issues raised by the legislature. Timely and accurate responses also contribute to strengthening public trust and upholding the principles of a democratic and accountable state.

During the period under review, the RTMC received a total of 22 parliamentary questions and responded to them within the stipulated timeframes, translating to a 100% response rate.

Implementation of the audit findings’ action plans

The RTMC places a strong emphasis on monitoring and implementing action plans to address audit findings, as part of its broader commitment to continuous improvement and sound financial governance. Action plans are developed in response to findings from both internal and external audits, including those from the Auditor-General. The RTMC ensures that these plans are tracked regularly, with progress reports submitted to relevant oversight structures to facilitate accountability, ensure timely resolution, and prevent recurrence of issues. This proactive approach supports the RTMC’s objective of maintaining clean audits and enhancing operational efficiency.

An Annual Report on the progress of implementing action plans to address audit findings for the 2023/24 financial year was submitted to the DoT.

Office of the CEO Outputs, Output Indicators, Targets and Actual Achievement

Programme: Support Services Sub-Programme: Office of the CEO Outcome: High-performing organisation							
Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from the planned target to Actual Achievement 2024/25	Reasons for deviations
Adequacy of responses to Parliamentary questions	Percentage responses to Parliamentary questions within stipulated timelines	100%	100%	100%	100%	-	-
Implementation of an action plan to address audit findings	Monitoring of the implementation of action plans to address audit findings	An action plan to address audit findings was developed and monitored	An action plan to address audit findings was developed and monitored	An action plan to address audit findings was developed and monitored	An action plan to address audit findings was developed and monitored	-	-

Table 32: Office of the CEO Performance

Linking Performance with budgets

A year-on-year expenditure comparison reflects an increase compared to the previous year. The RTMC spent R1.80 billion during the 2024/25 financial year compared to R1.57 billion spent in the 2023/24 financial year. The RTMC spent 110% of the approved, allocated, and adjusted budget during the 2024/25 financial year. Table 30 below depicts the financial performance during the year under review.

Programme	2024/2025				2023/2024			
	Approved Budget Allocation R'000	Approved Adjusted Budget Allocation R'000	Actual Expend-iture R'000	Under/ (Over) Expend-iture R'000	Annual Spent as % of Allocated Budget	Approved Budget Allocation R'000	Actual Expend-iture 2023/24 R'000	Under/ (Over) Expend-iture R'000
Road Safety, Marketing & Stakeholder Relations	28 505	33 134	28 147	4 987	85%	31 611	26 101	5 509
Law Enforcement	373 354	414 946	463 607	(48 660)	112%	298 099	277 880	20 219
Traffic Intelligence & Security	21 663	23 942	23 418	523	98%	25 627	23 070	2 557
Road Traffic Information & Technology	429 383	293 688	302 257	(8 569)	103%	284 048	297 955	(13 907)
Support Services	700 261	719 195	831 039	(111 845)	116%	670 797	791 508	(120 711)
Training of Traffic Personnel	177 762	157 745	152 718	5 027	97%	163 370	160 172	3 198
Total Expenditure	1 730 928	1 642 650	1 801 188	(158 538)	110%	1 473 552	1 576 685	(103 133)

Table 33: Linking performance with budgets.

The analysis of the performance is provided below:

- **Road Safety, Marketing & Stakeholder Management** underspent by 15% against the approved adjusted budget for the year under review, compared to an underspend of 17% in the previous year. The reason for the underspend was attributed to the shift in the implementation model of programmes using social media platforms, online platforms and other cost-saving mechanisms.
- **Law Enforcement** overspent by 12% against the approved adjusted budget for the year under review in comparison with a 7% underspend in the previous financial year. The overspend was mainly attributable to the deployment during the festive season.
- **Traffic Intelligence and Security** underspent by 2% against the approved allocated adjusted budget for the year in comparison to an underspent of 10% in the previous year.
- **Road Traffic Information & Technology** overspent by 3% against the approved adjusted budget for the year in comparison to an overspend of 6% in the previous year. The software licence fees remain the most significant cost drivers for the budget sub-programme, along with the CLLT project.
- **Support Services** overspent by 16% against the approved adjusted budget under review in comparison with 18% overspend in the previous financial year. The overspend can be attributed to the expenditure incurred on non-cash items, i.e. depreciation and provisions.
- **Training of Traffic Personnel** underspent by 3% against the approved adjusted budget for the year in comparison to an underspend of 2% in the previous year. The variance can mainly be attributed to the conclusion of the second cohort of the traffic trainees.

A further analysis of the expenditure as per economic classification per programme has been provided in the table below:

Programme	2024/2025					2023/2024			
	Approved Budget Allocation R'000	Approved Adjusted Budget Allocation R'000	Actual Expend-iture R'000	Under/ (Over) Expendi- ture R'000	Annual Spent as % of Allocat- ed Budget R'000	Approved Budget Allocation R'000	Actual Expend- iture R'000	Under/ (Over) Expend- iture R'000	Annual Spent as % of Allocat- ed Budget R'000
Road Safety, Marketing and Stakeholder	28 505	33 134	28 147	4 987	85%	31 611	26 101	5 509	83%
Cost of Employees	17 990	21 990	21 447	544	98%	25 375	21 320	4 055	84%
Operating Expenditure	10 514	11 144	6 701	4 443	60%	6 236	4 782	1 454	77%
Law Enforcement	373 354	414 946	463 607	(48 660)	112%	298 099	277 880	20 219	93%
Cost of Employees	347 844	384 710	419 642	(34 932)	109%	284 651	265 820	18 831	93%
Operating Expenditure	25 510	30 236	43 964	(13 728)	145%	13 448	12 060	1 388	90%
Traffic Intelligence and Security	21 663	23 942	23 418	523	98%	25 627	23 070	2 557	90%
Cost of Employees	20 537	22 430	21 920	511	98%	24 213	21 566	2 647	89%
Operating Expenditure	1 126	1 512	1 499	13	99%	1 414	1 504	(90)	106%
Road Traffic Information & Technology	429 383	293 688	302 257	(8 569)	103%	284 048	297 955	(13 907)	105%
Cost of Employees	335 600	160 084	163 566	(3 481)	102%	168 830	157 838	10 992	93%
Operating Expenditure	93 784	133 604	138 691	(5 088)	104%	115 218	140 117	(24 899)	122%
Support Services	700 261	719 195	831 039	(111 845)	116%	670 797	791 508	(120 711)	117%
Cost of Employees	156 686	169 821	170 206	(385)	100%	165 352	165 588	(236)	100%
Operating Expenditure	274 176	429 808	568 665	(138 857)	132%	367 665	489 960	(122 295)	133%
Capital Expenditure	269 399	119 566	92 169	27 397	77%	137 780	135 960	1 820	97%
Training of Traffic Personnel	177 762	157 745	152 718	5 027	97%	163 370	160 172	3 198	98%
Cost of Employees	62 107	70 675	70 566	110	100%	67 786	62 586	5 201	92%
Operating Expenditure	115 655	87 070	82 152	4 918	94%	95 584	97 587	(2 003)	102%
Total Expenditure	1 730 928	1 642 650	1 801 188	(158 538)	110%	1 473 552	1 576 685	(103 133)	107%

Table 34: Expenditure as per economic classification per programme

Expenditure per Economic Classification

The expenditure per economic classification shows that 105% of the adjusted budget for Compensation of Employees (CoE) was spent, compared to the previous financial year, in which 89% of the budget for CoE was utilised. During the year under review, 125% of the adjusted budget for operating expenditure was spent in comparison to the 134% paid in the previous financial year. The RTMC spent 77% of the capital adjusted budget, which was mainly utilised for the CLLT project and NaTIS deployment.

Programme	2024/2025			Under/ (Over) Expenditure R'000	Annual Spent as % of Allocated Budget R'000	2023/2024			Under/ (Over) Expenditure R'000	Annual Spent as % of Allocated Budget
	Approved Budget Allocation R'000	Adjusted Budget Allocation R'000	Actual Expenditure R'000			Approved Budget Allocation R'000	Adjusted Budget Allocation R'000	Actual Expenditure R'000		
Cost of Employees	798 512	829 711	867 348	(37 636)	105%	746 823	778 823	694 717	84 106	89%
Operating Expenditure	663 018	693 373	841 672	(148 299)	121%	469 449	556 949	746 007	(189 059)	134%
Capital Expenditure	269 399	119 566	92 169	27 397	77%	257 280	137 780	135 960	1 820	97%
Total Expenditure	1 730 928	1 642 650	1 801 188	(158 538)	110%	1 473 552	1 473 552	1 576 685	(103 133)	107%

Table 35: Expenditure per economic classification

The graph below depicts the year-on-year comparison by economic classification segment:

Expenditure per Economic Classification

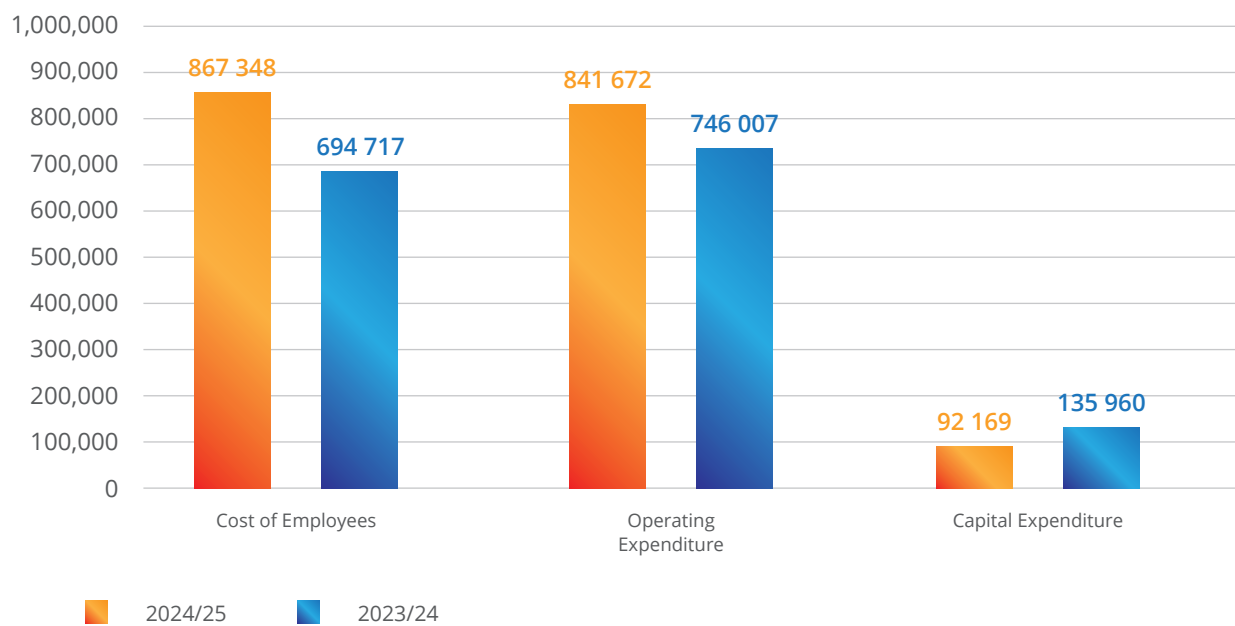


Figure 22: Economic classification Segment

Compensation of Employees

Spending on compensation of employees increased by R16 million from R724 million to R740 million. The staff complement of the RTMC decreased from 1 855 in 2022/23 to 1 741 in 2023/24. The increase in compensation of employees can be attributed to the additional provision made for performance bonuses and leave pay in the current year.

Operating Expenditure

The overspend of R148 million in operating expenditure is mainly attributed to expenditure incurred towards non-cash items, such as provisions for bad debts, depreciation, and losses on the disposal of assets. Other items contributing to overspending include computer expenses related to the procurement of software licences for the various computer packages used by the RTMC.

Capital Expenditure

The RTMC spent R 92 million on the procurement of assets, with the cost drivers being, among others, the procurement of:

- Computer hardware for the Computerised Learner’s Licence Testing (CLLT) at the testing station
- Computer hardware for NaTIS deployment
- Leasehold improvements for the new leased office building

Strategy to overcome areas of underperformance

The RTMC did not have any underperformance. The RTMC achieved 100% of its targets.

Revenue Collection

The RTMC derived its revenue from among others, the following sources:

- Grant Income from the National Department of Transport
- Transaction fees from the renewal of motor vehicle licences
- Infringement fees from issued (AARTO, Section 56)
- Interest received from investments
- NaTIS-related revenue, such as access to data
- Online licence renewals
- DLTC administration
- Sponsorship income

The table below depicts that the actual revenue collected for 2023/24 amounted to R1.58 billion and R1.68 billion was collected in 2024/25, increasing the collection amount to R41 million. The over-collection can be attributed mainly to the revenue collection for online licence renewals, as well as other revenue items not budgeted for in the ordinary course of business.

Source of Revenue	2024/25				2023/24			Annual Collection as % of annual budget
	Approved Estimate R'000	Adjusted Estimate R'000	Actual Amount Collected R'000	Over/ (Under) Collection R'000	Approved Estimate R'000	Actual Amount Collected R'000	Over/ (Under) Collection R'000	
Grant Allocation	196 991	196 991	196 991	-	220 104	220 104	-	100%
Transaction fees - Provincial	856 519	817 099	818 888	1 789	904 136	948 691	44 555	104%
AARTO Infringements	72 206	115 887	109 783	(6 104)	41 308	90 892	49 583	221%
Training, provisioning and facilities	8 745	8 745	7 956	(790)	4 997	47 010	42 013	93%
Section 56 revenue	62 181	5 500	2 208	(3 292)	70 856	7 559	(63 297)	0%
eNaTIS data access	306	306	214	(92)	-	247	247	0%
Transaction fees - Online	65 700	136 656	146 017	9 361	104 974	178 342	73 368	-
Online licence renewal revenue	94 377	122 690	150 891	28 201				3%
Online delivery fees	98 641	128 233	145 302	17 069				0%
Online - MV Registrations	38 773	38 773	25 945	(12 827)	68 981	646	(68 336)	0%
Special Project Income	-	-	349	349	-	2 480	2 480	0%
Sponsorships & donations	-	-	7 864	7 864	-	5 165	5 165	-
Impound fees	-	-	135	135	-	317	317	12%
Other Income	-	-	5 423	5 423	-	20 513	20 513	0%
Interest Received	-	19 394	20 625	1 232	-	13 528	13 528	0%
DLTC's revenue	52 376	52 376	44 847	(7 529)	58 195	50 223	(7 973)	-
DLCA revenue	184 113	-	-	-	-	-	-	-
Total revenue collected	1 730 928	1 642 650	1 683 439	40 788	1 473 552	1 585 717	112 165	0%

Table 36: Revenue Collection

Capital Investment Finance

There was none in the year under review.

	2024/2025			2023/24		
Infrastructure Projects	Budget	Actual Expenditure	(Over)/under Expenditure	Budget	Actual Expenditure	(Over)/under Expenditure
N/A	R'000	R'000	R'000	R'000	R'000	R'000

Table 37: Capital Investment Finance

Notes



Road Traffic
Management Corporation



Governance





March

2017



SU	MO	TU	WE	TH	FR	SA
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	



DAILY PLANNER

NOTES

Approval of the National
Road Safety Strategy
(NRSS)

Our values

The values of the Corporation emanate from the Constitution of the Republic of South Africa and place emphasis on the commitment to upholding the law and advancing service delivery.

Introduction

Corporate governance embodies processes and systems by which public entities are directed, controlled and held accountable. This is also linked to the principles outlined in the King IV Report on Corporate Governance for South Africa (2016) (King IV) and other related governance prescripts. Parliament, the Executive Authority/ Shareholders Committee and the Board of the RTMC are responsible for corporate governance.

Portfolio Committee

Parliament exercises its role through the performance of the public entity by scrutinising its annual financial statements and other relevant documents that must be tabled occasionally. The Portfolio Committee exercises oversight over service delivery and contributes to economic growth. During the period under review, the RTMC appeared before the Portfolio Committee on Transport to account for the delivery of its mandate on 10 October 2024.

Executive Authority/Shareholders Committee

The RTMCA provides for the establishment of the Shareholders Committee, comprising the Minister, each MEC, and two representatives nominated by the South African Local Government Association (SALGA). The Shareholders Committee is responsible for directing and guiding the proper functioning of the RTMC in the public interest and for reflecting, in its decision-making procedures, the spirit of cooperation and mutual trust contemplated in Section 41(1)(h) of the Constitution. The Executive Authority, as per the RTMC Act, is the Shareholders Committee, represented by the Chairperson, who is the Minister of Transport.

Name	Portfolio	Jurisdiction
Ms Sindisiwe Chikunga Chairperson*	Minister of Transport	National
Ms Barbara Creecy** Chairperson		
Mr Mkhuleko Hlengwa** Chairperson by Proxy		
Ms Faith Mazibuko*	MEC: Community Safety	Gauteng***
Office of the Premier**	Community Safety	
Ms Kedibone Diale-Tlabela	MEC: Public Transport and Logistics	
Mr Xolile Nqatha	MEC: Transport, Safety and Liaison	Eastern Cape
Ms Maqueen Letsoha-Mathae *	MEC: Community Safety, Roads and Transport	Free State
Mr Jabu Mbalula**		
Mr Vusi Shongwe*	MEC: Community Safety, Security and Liaison	
Mr Jackie Macie**		Mpumalanga ***
Mr Mandla Ndlovu*	MEC: Public Works, Roads and Transport	
Mr Thulasizwe Thomo**		
Ms Florence Radzilani*	MEC: Transport and Community Safety	Limpopo
Ms Susani Violet Mathye**		
Mr Sipho Hlomuka*	MEC: Transport, Community Safety and Liaison	
Office of the Premier**	Community Safety	KwaZulu-Natal***
Mr Siboniso Duma**	MEC: Transport & Human Settlements	
Ms Nomandla Bloem*	MEC: Transport, Safety and Liaison	
Mr Bentle Vaas*	MEC: Coghsta, Transport, Safety and Liaison	Northern Cape
Ms Limakatso Koloi **	MEC: Transport, Safety & Liaison	

Name	Portfolio	Jurisdiction
Mr Sello Lehari*	MEC: Community Safety and Transport Management	North West ***
Mr Wessels Morweng**		
Mr Gaoqe Oageng Molapisi*	MEC: Public Works and Roads	
Mr Ricardo Mackenzie*	MEC: Mobility	Western Cape
Mr Isaac Sileku**		
Mr Sebang Motlhabi	SALGA nominee	National

Table 38: Shareholders Committee Members

* Served as a member during the year under review and is no longer an MEC for the portfolio.
 ** Member as at the end of the financial year under review.
 *** Province has dual membership.

The Act acknowledges that some of the provinces may have more than one MEC as Members of the Shareholders Committee, as shown in the table above. In such instances, the MEC whose portfolio is mainly connected to the function with respect to which a decision is to be taken has veto powers. In terms of the RTMCA, the Shareholders Committee must be convened at least four (4) times a year. During the year under review, the Shareholders Committee held two (2) meetings, which included the Annual General Meeting held on 27 September 2024.

The Board

The Board is accountable to the Shareholders Committee in terms of the RTMCA, PFMA, and the Performance Agreement entered into between the Board and the Shareholders Committee. The role and responsibilities of the Board as outlined in the Board Charter include:

- Providing effective leadership and control in terms of RTMC Strategy and ensuring control over its operational implementation.
- Ensuring that RTMC continues to operate as a viable, sustainable going concern.
- Ensuring that the Shareholders’ performance objectives are achieved and timeously providing all statutory reports.
- Ensuring that RTMC complies with applicable laws, regulations and policies.
- Providing oversight on the human, operational and financial resources available in RTMC to achieve the strategic objectives.
- Ensuring effective communication between the RTMC and its internal and external stakeholders.
- Ensuring that appropriate governance structures are in place.
- Ensuring the delegation of authority for the day-to-day management of the RTMC and its operations
- Review the Board Charter and Terms of Reference of Board Committees annually, in line with good governance practices.
- Striving to ensure RTMC’s integrity and independence from any vested interest.

The Board performed its duties in accordance with the provisions of the Board Charter and discharged its responsibilities as outlined therein. Key amongst others is the annual review and approval of the Charter and Terms of Reference of all Board Committees on 29 January 2024.

Composition of the Board

The RTMCA provides that the RTMC Board shall be comprised of –

- Eight (8) independent Non-Executive Members appointed by the Shareholders Committee;
- One (1) Official from the Department of Transport appointed by the Minister; and
- the Chief Executive Officer

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of expertise	Board Directorships (list of Entities)	Other Committees (within the RTMC)	No. of Meetings Attended
Ms Nomusa Mufamadi	Chairperson	1 November 2022	n/a	Postgraduate Diploma in Financial Accounting BSc in Accounting Diploma Industrial Relations	Finance, Auditing	National Home Builders Registration Council (NHBRC)*	-	11
Prof Maredi Mphahlele	Non-Executive	1 November 2022 (re-appointed)	n/a	DTech Computer Science MSc Computer Science BSc Hons Computer Science BSc Computer Science and Mathematics Teacher's Diploma in Science and Mathematics	Information Technology	-	Strategy, Monitoring & Evaluation Committee Information Technology Governance Committee	11
Ms Thandi Thankge	Non-Executive	1 November 2022 (re-appointed)	n/a	MCom Business Management BA Industrial Psychology BA Hons Industrial Psychology Diploma Library & Information Services	Human Resources	Masana Petroleum Solutions Masana Employee Share Trust South African Institute of Chartered Accountants (SAICA) Energy Mobility Education Trust (EMET)	Remuneration Committee Audit & Risk Committee	11
Dr Eddie Thebe	Non-Executive	1 November 2022	n/a	DTech Road Safety MTech Public Relations Management BA Comm Hons BA Comm Road Traffic Diploma	Road Safety	-	Social & Ethics Committee Strategy, Monitoring & Evaluation Committee	8

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of expertise	Board Directorships (list of Entities)	Other Committees (within the RTMC)	No. of Meetings Attended
Prof Chitja Twala	Non-Executive	1 November 2022	n/a	PhD History MA BA Hons BA	Research, Governance and Transformation; Quality Assurance	-	Social & Ethics Committee Strategy, Monitoring & Evaluation Committee	11
Ms Lerato Magalo	Non-Executive	1 November 2022	n/a	MBA Postgraduate Diploma General Management B. Tech Civil Engineering (Environmental) Postgraduate Diploma in Business Administration National Diploma Civil Engineering	Strategy development and execution Sustainability Reporting Governance Engineering	Momentous Foundation	Social & Ethics Committee Strategy, Monitoring & Evaluation Committee	11
Adv Xola Stemela	Non-Executive	1 November 2022	n/a	LLB BJuris Advocate (Member of the Chamber)	Legal	-	Remuneration Committee Audit & Risk Committee	9
Mr Nkhumeleni Kudzingana	Non-Executive	1 November 2022	n/a	National Diploma Information & Technology	Information Technology	-	IT Governance Committee Remuneration Committee	10
Adv Johannes Makgatho	DoT Representative	1 November 2022	n/a	LLB BProc	Legal Transport Regulations	-	Strategy, Monitoring & Evaluation Committee	8
Adv Makhosini Msibi	Chief Executive Officer	1 January 2024 re-appointed	n/a	LLB BJuris	CEO	Vaal Central Water Board	-	11

Table 39: Composition of the Board

NOTE:

The Board had ten (10) meetings, however, the meeting in January 2025 had to sit for two days (30 January 2025 and 21 February 2025) to consider all matters on the agenda hence eleven (11) meetings are recorded. The additional six (6) special Board meetings considered the following items: Draft Annual Financial Statements, Annual Report, Audited Annual Financial statements 2023/24, Annual General meeting preparation, Approval of procurement related matters with the delegation authority of the Board, Review of the APP 2024/25, Review of Festive and Easter Plan, Cost of living increases and Performance bonus and AG-Audit strategy.

Committees

The Board delegates powers to Committees, of which Committee Members are specialists in their respective fields and areas of governance. To assist with the effective discharge of its duties, the Board established the following Committees in line with the Board Charter –



Table 40: Committee Members

Committee	Number of meetings held	No of members	Name of Members
Audit & Risk Committee	9	5	Ms Dineo Maithufi (Chairperson) Ms Noronte Jaxa Ms Mashamaite Ramutsheli Ms Thandi Thankge Adv Xola Stemela
Strategy Monitoring & Evaluation Committee	12	5	Prof Maredi Mphahlele (Chairperson) Dr Eddie Thebe Prof Chitja Twala Ms Lerato Magalo Adv Johannes Makgatho
Information & Technology Governance Committee	5	3	Mr Nkhumeleni Kudzingana (Chairperson) Prof Maredi Mphahlele Adv Johannes Makgatho
Remuneration Committee	7	3	Ms Thandi Thankge (Chairperson) Mr Nkhumeleni Kudzingana Adv Xola Stemela
Social & Ethics Committee	4	3	Prof Chitja Twala (Chairperson) Ms Lerato Magalo Dr Eddie Thebe

Table 48: Members of the Committees

Remuneration of Board Members

The Shareholders Committee determines the remuneration of the Board Members. The total amount of remuneration paid to the Members includes a monthly retainer as well as attendance at meetings, and no other expenses are paid. Board members are remunerated for four scheduled quarterly meetings. The annual retainer also covers participation in special board meetings and attendance at official events. The official appointed by the Minister from the Department of Transport to serve on the Board is not remunerated.

The table below details Board members’ remuneration for the period under review:

Name	Remuneration: (Retainer and meeting attendance fees)	Other allowance	Other reimbursement	Total
Ms N Mufamadi	R 968 098	n/a	n/a	R 968 098
Prof M Mphahlele	R 779 122	n/a	n/a	R 779 122
Ms T Thankge	R 779 122	n/a	n/a	R 779 122
Dr E Thebe	R 645 396	n/a	n/a	R 645 396
Prof C Twala	R 779 122	n/a	n/a	R 779 122
Ms L Magalo	R 645 396	n/a	n/a	R 645 396
Mr N Kudzingana	R 779 122	n/a	n/a	R 779 122
Adv X Stemela	R 618 504	n/a	n/a	R 618 504

Table 41: Remuneration of Board Members

Risk Management

Operating in a dynamic environment, the RTMC has implemented a comprehensive Enterprise Risk Management (ERM) Framework and a Risk Management Policy to identify, assess, and mitigate the diverse risks that could impact performance and the achievement of strategic objectives. The RTMC made significant advancements in its risk management approach during the 2024/25 financial year, with the approval of the new Risk Appetite and Tolerance Framework. The Framework is designed to help define the levels of risk that the Board is willing to accept in the context of setting and pursuing its strategic objectives.

The RTMC’s risk management approach is grounded in the principles of Enterprise Risk Management (ERM), which enables a holistic and integrated view of the risks and emerging risks faced by the RTMC through annual and quarterly risk assessments. Once new and emerging risks are identified, management is required to design mitigation strategies to minimise the potential impact that may result in organisational goals not being achieved. The framework allows the RTMC to proactively address both internal and external factors that could pose threats, while also identifying potential opportunities that can be leveraged to the RTMC’s advantage.

The Board, through the Audit & Risk Committee, provides independent oversight in respect of Risk Management, guides the strategic intent of risk management and monitors the activities of the function.

The following strategic risks were duly identified and measured, and the RTMC continues to monitor the implementation of agreed risk mitigation periodically.

LIKELIHOOD	RESIDUAL RISK RATING				
5 Almost certain	5	10	15 6 4	20 1 2 3 5 7	25
4 Highly probable	4	8	12	16	20
3 Possible	3	6	9	12	15
2 Unlikely	2	4	6	8	10
1 Rarely	1	2	3	4	5
IMPACT	1 Negligible	2 Minor	3 Moderate	4 Major	5 Critical

Table 42: Strategic Risks

Strategic Risks:

1. Inability to execute RTMC-linked KPIs of the National Road Safety Strategy (NRSS)
2. Insufficient resources for the execution of law enforcement duties.
3. Limited ability and capacity to curb fraud and corruption externally (Road Traffic fraternity)
4. Limited ability and capacity to curb fraud and corruption (internally) (RTMC)
5. Increased risk of cyber attacks
6. Structure not fully supporting recent growth within the Corporation
7. Inadequate cash flow

Internal Control Unit

The RTMC Management and employees enable the Board to meet its responsibility of ensuring that there are adequate and effective internal controls within the RTMC by implementing standards and systems of internal control that provide reasonable assurance in terms of:

- Integrity and reliability of financial and operational information, in line with applicable standards.
- The efficiency and effectiveness of controls in safeguarding assets.
- Compliance with applicable policies, procedures, laws and regulations.

The internal control unit is responsible for the following:

- Coordinating the development, reviewing and implementation of internal financial control systems, policies and procedures.
- Identifying, mitigating and managing control risks which may hamper the achievement of the unit’s objective to manage its financial and related resources effectively, efficiently and economically.
- Monitoring and evaluating the effectiveness of the entity’s established controls and ensuring that they are functioning as intended.

Internal Audit & Risk Committee

Audit & Risk Committee

The Committee comprised of five (5) independent Non-Executive Members as stated on page 74 of the Report. The appointment of the Members of the Audit & Risk Committee is confirmed annually by the Shareholders at the Annual General Meeting. Three of the members of the Committee are external independent non-executive members to augment the expertise required of an Audit Committee and are remunerated only for attendance of meetings.

Name	Qualifications	Internal /External	If internal, position in the Entity	Date Appointed	Date resigned / Term expired	Number of meetings attended
Ms D Maithufi * Chairperson	Chartered Accountant (CA(SA)) BCom Hons Accounting BCom Accounting	External	n/a	01 July 2023	n/a	9/9
Ms N Jaxa *	BCom Accounting BCompt. Hons MBA	External	n/a	1 October 2023 Re-appointed	n/a	9/9
Ms M Ramutsheli *	MPhil Internal Auditing BTech Internal Auditing	External	n/a	1 October 2023	n/a	8/9
Ms T Thankge	M.Com in Business Management BA in Industrial Psychology BA Hons in Industrial Psychology Dip in Library & Information Services	Non-Executive	n/a	01 January 2023	n/a	8/9
Adv X Stemela	LLB BJuris	Non-Executive	n/a	01 January 2023	n/a	9/9

Table 43: Audit & Risk Committee members

* External independent non-executive member

Remuneration of the Audit & Risk Committee external Members

Name	Remuneration: Meeting attendance fees	Other allowance(kms)	Other reimbursement	Total
Ms D Maithufi	R 519 414	R1957	n/a	R 521 372
Ms N Jaxa	R 268 912	R 902	n/a	R 269 814
Ms M Ramutsheli	R 161 348	R 427	n/a	R 161 775

Table 44: Audit & Risk Committee external members remuneration

Internal Audit Unit

Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve the RTMC’s operations. It supports the RTMC in accomplishing its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes.

The Board is ultimately responsible for overseeing the establishment of effective internal control systems to provide reasonable assurance that the RTMC’s financial and non-financial objectives are achieved. Executing this responsibility includes the establishment of an Internal Audit function under the PFMA.



Internal Audit is understood to mean the processes aimed at achieving reasonable assurance about the realisation of the following objectives:

- Effectiveness and efficiency of operations;
- The reliability and integrity of financial and operational information;
- Compliance with relevant policies, procedures, laws and regulations; and
- Safeguarding of assets.

The audit activities undertaken were implemented on a risk-based approach. During the year under review the Internal Audit Unit undertook 38 assignments.

Internal Audit Assignments

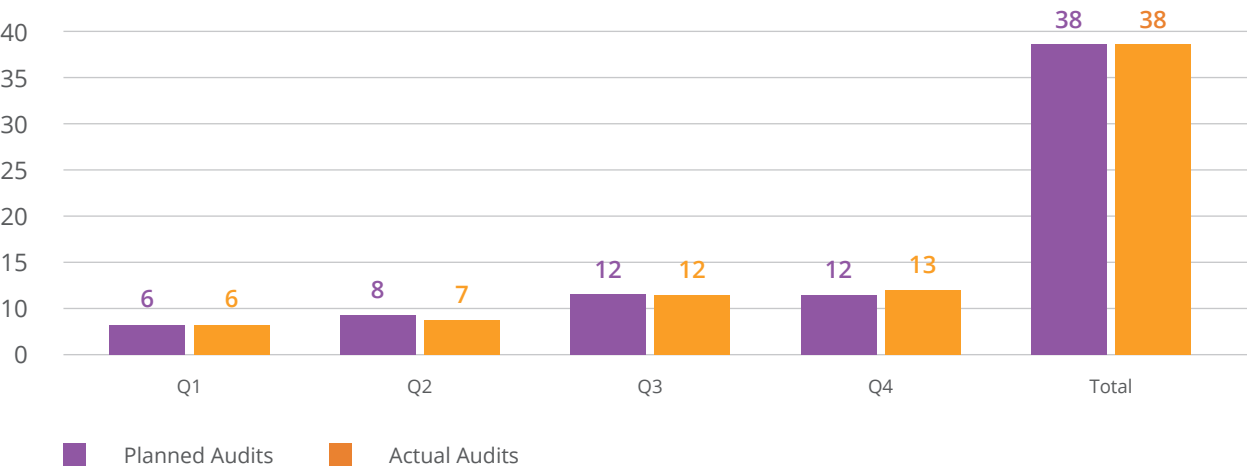


Figure 24: Internal Audit Assignments

The details of the assignments undertaken is as follows:

Quarter 1

April 2024 to June 2024

- Road Traffic Information & Technology - Crash Data Statistics Audit
- Performance Information audit (Q4 of 2023/24)
- Q4 AFS review of file and year-end Audit
- DLTC Audit
- OMVLU Audit
- Leave Management Audit

Quarter 2

July 2024 to September 2024

- Traffic Law Enforcement Operations Audit
- Supply Chain Management - Quotations and Contract Management
- Data Analytics Audit
- Performance Information audit (Q1 of 2024/25)
- QFS1 Audit
- Crash investigations Reporting Audit
- Leave Management Audit

Quarter 3

October 2024 to December 2024

- Compliance and Ethics Audit
- Payroll Management Audit
- Performance Information Audit (Q2 of 2024/25)
- Performance Management Development System (PMDS) Audit
- QFS2 Audit
- HR Operations Audit incl. Recruitment and terminations, Training and Employee Wellness
- Follow up Audit on AG Application Controls Review (NATIS & Oracle)
- Follow - up Audit on the AG general control review
- Leave Management Audit
- NTACU Operations Audit
- Data Centre Audit
- Traffic Law Enforcement Norms and Standards

Quarter 4

January 2025 to March 2025

- NaTIS Data Analytics
- Supply Chain Management- Quotations and Contract Management
- Revenue audit on all streams - implementation of new revenue generation model incl
- RTTA Audit
- Performance Information Audit (Q3 of 2024/25)
- QFS3 Audit
- Business Continuity Management Audit
- Scholar Patrol Audit
- Assets Management Audit
- Corporate Governance Audit
- Fleet Management Audit
- Leave Management Audit
- Summary of Board and Board Sub-Committees outstanding resolutions report

Figure 25: Internal Audit Assignments Details

In addition to these assignments, the unit also undertook the following assignments:

- Management Initiated Activities/Consulting Assignments:
 - Review of the Recruitment process of Traffic Trainees
 - Road Safety PET & Debates assistance
- Bid – Pre-Awards Reviews

The Internal Audit unit also provided direct assistance to the Auditor-General by assigning two resources to the AG during the external audit.

Compliance with Laws and Regulations

During the period under review, the Board approved a compliance policy for the RTMC. The policy introduces a risk-based approach to managing compliance and annual monitoring to assess compliance levels within the RTMC.

The RTMC operates in a complex, continually evolving compliance and regulatory environment. A compliance universe has been developed, which classifies statutory requirements as follows:

- Core statutory requirements: legislation underpinning the core business of the RTMC.
- Secondary statutory requirements: legislation secondary to the core business of the RTMC.
- Topical statutory requirements: legislation on a particular subject or area of interest at a given time.

RTMC reports to the Board quarterly to indicate its level of compliance with all statutory requirements.

Fraud and Corruption

The RTMC has, to enable employees to provide information in a safe and secure environment, appointed a service provider to administer an anonymous fraud reporting facility for the RTMC, which includes the following reporting channels:

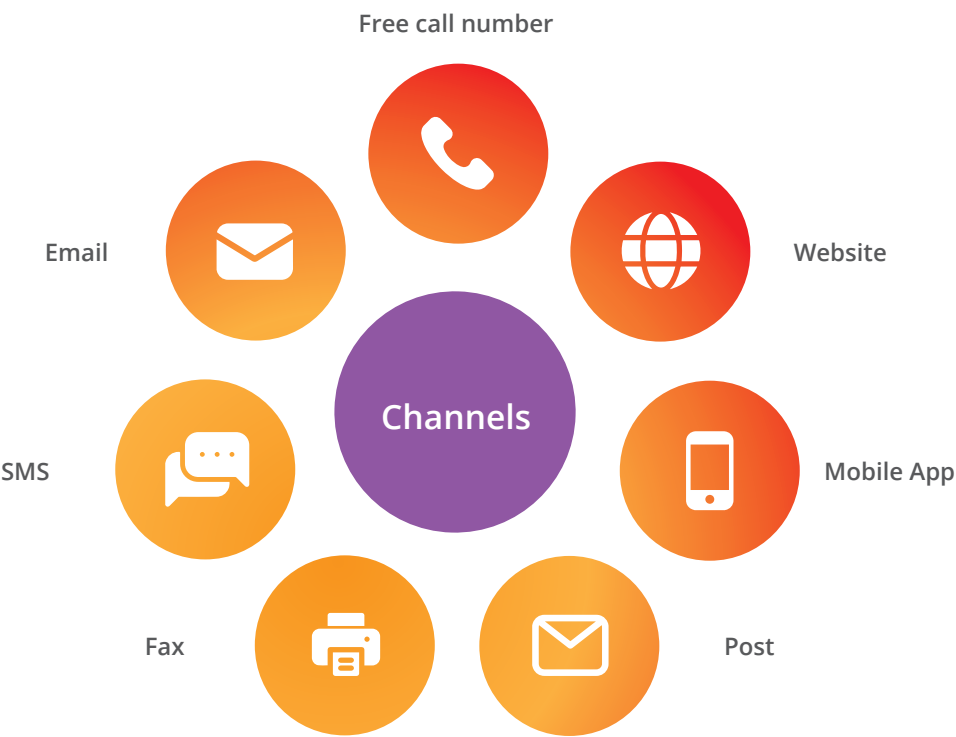


Figure 26: Channels Minimising Conflict of Interest

Minimising Conflict of Interest

The Supply Chain Management (SCM) has a Code of Conduct for SCM Practitioners to promote mutual trust, respect and an environment where business can be conducted with integrity, fairness and in a responsible manner. Internally, there are levels of segregation of duties from the preparer, reviewer and approver. This process also helps ensure that the process is foolproof. It is also expected of an SCM Practitioner or other role players that are involved in SCM to, amongst others:

- Maintain a high level of integrity at all times.
- Reject any business practices which might be deemed to be improper.
- Never use authority or position for your gain.
- Declare any personal interest that might affect or be seen by others to affect impartiality and decision-making; and
- Remain impartial in all dealings and not be influenced by any circumstances.

Members of the Bid Committees are also expected to carry out their roles in a manner that is honest, fair, impartial, transparent, cost-effective, and to maintain the highest level of integrity. The Bid Committees require that all members declare their interests, and where a potential conflict exists, such members recuse themselves from participating in the evaluation and adjudication process.

There are mandatory documents that bidders must complete in the bidding process, and failure to complete these mandatory documents results in bidder disqualification. These documents include:

- Standard bidding document 4 (SBD 4) - to declare interest and relationship with any other persons employed by the State. This declaration ensures that officials who are related to a specific bidder do not participate in the evaluation and adjudication process.

The RTMC also requires all employees to submit and declare their business interests annually. Employees are also required to obtain approval from the Accounting Officer to conduct other businesses or perform other remunerative work.

Code of Conduct

The RTMC has a code of ethics that outlines the expected ethical conduct of RTMC employees and consistently promotes and encourages ethical behaviour.

Health, Safety, and Environmental Issues

Workplace incidents are handled in accordance with the Compensation for Occupational Injuries and Diseases Act, No. 130 of 1993. The RTMC remains in Good Standing with the Department of Employment and Labour, with the certificate valid until 30 April 2025.

The total number of incidents reported during the year under review is seventy-two (72), compared to thirty-one (31) incidents reported during the previous year. The incidents reported during this financial year increased by 50%. The increase was due to injuries during physical training for traffic trainees.

Company Secretary

The roles and responsibilities of the Company Secretary are outlined in the Board Charter, read with King IV. The Company Secretary is a source of guidance to the Board on matters of good governance. Members of the Board have full access to the services of the Company Secretary as well as access to information and records necessary to discharge their duties. The Company Secretary is empowered with the authority and support needed to carry out duties, which include, amongst others:

- Development of systems and processes that enable the Board to discharge its functions effectively and efficiently.
- Ensuring that the Board receives adequate information to make informed decisions.
- Reviewing the Board Charter and Committees’ Terms of Reference annually.
- Development of Board and Board Committees’ annual work plans.
- Maintaining all statutory records.
- Ensuring Board induction, training and development of Members of the Board.

Corporate Social Responsibility

The RTMC is involved in several projects aimed at improving the well-being of children and youth, as well as indigent and vulnerable citizens from disadvantaged communities, through social welfare and community outreach programmes. Its primary goal is to support sustainable Corporate Social Responsibility (CSR) initiatives, inspired by the United Nations Sustainable Development Goals (UN SDGs). The RTMC focuses on public health, education, road safety, disaster relief, environmental sustainability programmes, vulnerable children, orphans, youth, and pensioners from disadvantaged communities.

Initiative 1: Education and Learner Support Project

Stakeholder	Beneficiaries	Objectives of the Initiative
On May 15th, 2024, RTMC fulfilled its Education and Learner support (CSR) project at Dr Mathole Motshekga Primary School in Rabie Ridge, Midrand. The project handover was supported by the UN Secretary General's Special Envoy for Road Safety, Jean Todt.	The initiative benefited over 202 primary school learners from disadvantaged backgrounds, impoverished homes, and child-headed households. Beneficiaries ranged between the ages of 6 and 14 years, hailing from Rabie Ridge, Tembisa and outlying informal settlement communities in and around Midrand.	<p>This initiative is in line with the United Nations' Sustainable Development Goals 1 and 3:</p> <ul style="list-style-type: none">No povertyGood Health and Well-being <p>The RTMC's contribution aimed to reduce absenteeism from school and ease the burden the school faced in supporting children from destitute homes, whose parents and guardians could not afford warm school uniforms and basic hygiene care.</p> <p>The project handover presented an opportunity to integrate road safety awareness, raising awareness and promoting safety measures for young pedestrians to reduce road crashes among vulnerable road users.</p>

Table 45: Education and Learner Support Project

Initiative 2: Mandela Month Drive CSR Project - Acts of Kindness and Generosity

Stakeholder	Beneficiaries	Objectives of the Initiative
Dr Mathole Motshekga Primary School is in Rabie Ridge, Midrand. The school is in a previously disadvantaged community within the borders of Tembisa Township and is situated near the RTMC. The school is presently operating out of temporary facilities, utilising steel containers as classrooms, housing 2,300 learners in grades R-7.	The school is comprised of Black learners from impoverished, child-headed and orphaned households. Beneficiaries included over 1 200 learners in the Foundation Phase (grades R-5) who received a hearty lunch prepared by RTMC volunteers. Painting the exterior walls of the classrooms significantly improved the learning and working conditions at the school, benefiting all 2 300 learners and staff members.	<p>SDG 2: Zero Hunger, Goal 3: Good Health and Well-Being and Goal 4: Quality Education</p> <p>The International Mandela Day CSR project, conducted by the RTMC, aimed to address social challenges faced by the South African education system, particularly poverty, unemployment, and orphaned or child-headed households.</p> <p>Goal 17: Partnership for the Goals</p> <p>During the project, employees were invited to volunteer and serve as RTMC ambassadors, promoting a corporate culture of employee volunteerism and acts of kindness, focusing on road safety for our most vulnerable road users, with a focus on road safety for our most vulnerable road users: children. The RTMC employees partnered with the school management team to implement the project.</p>

Table 46: Mandela Month Drive CSR Project

Initiative 3: Festive Season - Act of Kindness CSR Project

Stakeholder	Beneficiaries	Objectives of the Initiative
<p>The project benefited the Siyazigabisa Home of Hope in Tembisa township, East of Johannesburg. The centre provides shelter and a sense of security for displaced women and children, who are victims of gender-based violence.</p> <p>The centre is facing a bleak future due to financial constraints, which make it difficult to keep its doors open and support the residents.</p>	<p>The centre provides shelter to over forty women and children from one of the populous townships with a high unemployment rate in South Africa. The RTMC handed over perishable and non-perishable grocery items, as well as hygiene care hampers, to assist the centre in providing meals and maintaining a clean facility for the beneficiaries.</p>	<p>The CSR project rollout is in line with the Sustainable Development Goals:</p> <p>Goal 1: No Poverty Goal 2: Zero Hunger Goal 5: Gender Equality</p> <p>The project aimed at alleviating the plight of the indigent members of society and empowering women with a sense of dignity and purpose beyond the abuse.</p> <p>The RTMC used the event to promote and share Road Safety Education awareness tips and information for vulnerable road users, emphasising pedestrians.</p>

Table 47: Act of Kindness CSR Project

Audit and Risk Committee Report



The Audit and Risk Committee (“the Committee”) hereby presents its report for the financial year ended 31 March 2025.

Audit and Risk Committee Responsibility

The Audit and Risk Committee has complied with its responsibilities arising from Section 51(1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 27.1 and has discharged all its responsibilities as contained in its Terms of Reference, which were duly approved by the Board.

In-Year Management and Quarterly Reports

The Road Traffic Management Corporation (“the RTMC”) has submitted in-year Management and Quarterly reports to the National Treasury and Department of Transport in line with the PFMA.

The Effectiveness of Internal Control and Risk Management

The Committee is responsible for ensuring that the Internal Audit function is independent and has the necessary resources, standing and authority to perform its duties effectively.

The Committee is satisfied with the effectiveness and efficiency of the internal audit function and has approved the Internal Audit Charter as well as the risk based three-year rolling and annual Internal Audit Plans. Internal

audit activities were executed in alignment with the approved plan (refer to page 78 for details), with the function also undertaking additional responsibilities as necessary. The Committee is satisfied that the Internal Audit function remains independent and effective.

The Committee continued to monitor the resolution of internal and external audit findings. While progress has been noted, the Committee is concerned about repeat findings—some of which are attributable to external dependencies, while others highlight weaknesses in the timely and effective implementation of internal controls. In several cases, implementation progress has been unacceptably slow.

Furthermore, the Committee provided oversight on the management of strategic risks. Quarterly updates were received on the mitigation of key strategic risks. A significant milestone during the year was the development and Board approval of the Risk Appetite and Tolerance Framework, which provides a structured approach to setting acceptable risk levels in alignment with RTMC’s strategic objectives. This marks a critical step in advancing the RTMC’s risk maturity.

Financial Sustainability

The Committee notes with concern the financial deficit reported for the year under review and has urged management to adopt robust financial management practices, including the implementation of cost-containment measures and strict adherence to the approved budget. The Committee is of the view that the current financial trajectory is unsustainable and poses a significant risk to the corporation’s long-term viability. Enhanced oversight measures have been implemented to monitor financial performance until the situation stabilises.

Evaluation of Financial Statements

The Committee reviewed the Annual Financial Statements prepared by Management.

Auditor-General’s Report

The Committee has reviewed the RTMC implementation plan on external audit findings raised in the previous year and is satisfied that the matters have been adequately resolved.

The Committee concurs and accepts the conclusion of the Audit Report on the Annual Financial Statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

Conclusion

The Committee is committed to fulfilling its oversight responsibilities and will continue to monitor the RTMC’s control environment, risk management processes, and financial sustainability. Strengthening accountability and governance remains a priority.



Ms Dineo Maithufi
Chairperson: Audit & Risk Committee

B-BBEE Compliance Performance Information

The RTMC is a level 2 B-BBEE contributor, as indicated in the table below:

Scorecard Information	Score	Target Score
Management Control	7.93	10.00
Employment Equity	13.75	15.00
Skills Development	18.85	25.00
Preferential Procurement	30.00	30.00
Enterprise Development	15.00	15.00
Socio-Economic Development	3.34	5.00

Table 48: B-BBEE Scorecard Elements

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Determining qualification criteria for the issuing of licenses, concessions or other authorisations in respect of economic activity in terms of any law?	No	The RTMC does not issue any licences.
Developing and implementing a preferential procurement policy?	Yes	The RTMC has an approved policy that complies with the preferential procurement regulations.
Determining qualification criteria for the sale of state-owned enterprises?	No	The RTMC does not have any other enterprises.
Developing criteria for entering into partnerships with the private sector?	No	The RTMC does not have criteria for entering into partnerships with the private sector.
Determining criteria for awarding incentives, grants, and investment schemes in support of Broad-Based Black Economic Empowerment?	No	The RTMC does not have criteria for awarding incentives, grants, and investment schemes in support of Broad-Based Black Economic Empowerment.

Table 49: B-BBEE Compliance

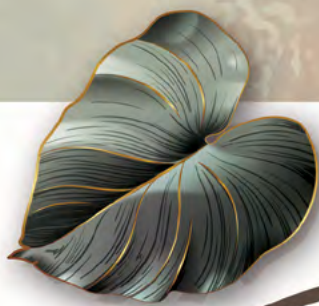


Road Traffic
Management Corporation



Human Resources Management





April

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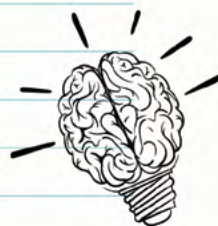
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DAILY PLANNER

NOTES

Transfer of eNatIS back
to Government (RTMC)



The establishment of the RTMC

The RTMC was established in terms of the RTMCA. It is further governed, inter alia, by the provisions of the National Land Transport Act 5 of 2009 (NLTA), the National Road Traffic Act 93 of 1996 (NRTA), the PFMA, the Companies Act 71 of 2008 (CA) and the Criminal Procedure Act 51 of 1997 (CPA).

Human Resource Management

Overview of Human Resources Matters

The Human Resources Management Unit ensures the optimum and efficient use and development of human capital. It provides advisory services on organisational effectiveness and development, individual performance management, sound employee relations, employee health and wellness, effective and efficient recruitment, selection, and placement services, such as benchmarking, and developing human resource policies and practices.

Following the approved structure, the human resource function comprises organisational development, human resource operations, transformation, and employee relations. In its efforts to become a high-performing and sustainable organisation, the Road Traffic Management Corporation (RTMC) believes in attracting and retaining its most important resource: people. To achieve this, various processes are in place: talent recruitment, performance management, reward and recognition, remuneration practices, and learning and development-related procedures.

HR Priorities for the Year and the Impact of These Priorities

The External and Internal Stakeholder Satisfaction Index was introduced as a strategic outcome indicator in the 2020/21 – 2024/25 strategic plan. To establish a baseline for improving or maintaining stakeholder satisfaction levels, the RTMC conducted its first stakeholder satisfaction survey in 2022. This survey provided valuable insights, which have since informed strategic planning, implementation, and performance monitoring.

As part of its ongoing commitment to stakeholder engagement, the RTMC undertook a 2025 follow-up survey to assess changes in stakeholder satisfaction levels over time. This survey will measure improvements or regressions since 2022, evaluate the effectiveness of interventions, and identify areas requiring further attention.

The survey was launched during the 2024/2025 financial year. The survey outcomes for 2022 and 2025 indicate improvements in both the Management Survey and Staff Survey results over the three years.

The Management Survey increased from 56% in 2022 to 64% in 2025 (+8% improvement) whilst the Staff Survey increased from 53% in 2022 to 58% in 2025 (+5% improvement).

The overall average survey outcome rose from 55% in 2022 to 61% in 2025 (+6% improvement).

Workforce Planning Framework

The Human Resource Plan is developed annually to ensure that the RTMC has the right number of employees, with the right composition (representativeness) and competencies, in the appropriate positions to deliver on its mandate and achieve its strategic goals and objectives.

The HR Plan assesses the human resources required to deliver on the RTMC’s strategic objectives, followed by a gap analysis indicating the current human resource needs.

Employee Performance Management Framework

The Performance Management Development System (PMDS) policy is a critical framework for evaluating employee performance, aligning individual objectives with organisational goals, and fostering continuous professional development. Compliance with this policy ensures that performance is measured, feedback is provided, and development plans are implemented on time.

Over the past months, the Human Capital unit has consistently encouraged all departments to complete performance assessments. These efforts have included:

- Regular reminders via email and official communications
- One-on-one assistance to units struggling with the PMDS system

A Financial wellness programme to be implemented during the 2025/2026 financial year has been developed, covering the following aspects:

- Financial Literacy
- Debt Management
- Credit management
- Budgeting
- Gambling
- Saving and Investing

Policy Development

The following policies were reviewed during the 2024/2025 financial year:

- Recruitment Policy
- Conditions of Service

The Succession Planning Policy was developed during the 2024/2025 financial year. The Standard Operating Policy and Tools have also been developed, and succession plans for critical and core skills and leadership positions will be developed during the 2025/2026 financial year.

HR Achievements

Recruitment of traffic trainees

In 2024, six hundred (600) traffic trainees were enrolled in the traffic trainee programme following an extensive recruitment drive from nine (9) Provinces.

Recruitment of Interns

During the year under review, forty-nine (49) interns were appointed in various business units within the RTMC. Of the forty-nine (49) interns appointed, two (2) are people with disabilities. Safety and Security Sector Education and Training Authority (SASSETA) fully funds the internship programme.

Recruitment of scarce, specialised, and critical skills in Information Technology

The Board approved the 50th and 75th percentile salary scales for the 2024/2025 financial year. The 75th percentile salary scale is meant for the RTMC to attract scarce, specialised, and critical skills. Various positions in this category were recruited during this period.

Productivity Study

The project was aimed at re-engineering business processes for the Road Traffic Training Academy (RTTA) and Traffic Law Enforcement (TLE) using Business Process Re-engineering (BPR) methodologies to optimise efficiency, integrate advanced technologies, and improve overall performance. The focus was on introducing digital technologies, enhancing productivity with current staffing levels, addressing existing operational inefficiencies, and optimising service delivery to match global best practices.

Management Development Programme

The Management Development programmes, namely the Advanced Management Development Programme (AMDP) and Emerging Management Development Programme (EMDP), were implemented to equip employees with the skills to lead teams effectively, make informed decisions, improve their performance, and advance their careers. This leads to increased employee satisfaction, retention, and overall organisational success.

A total of forty (40) employees attended the programmes respectively. These were identified during the personal development planning process.

HR Challenges

The RTMC is struggling to attract women and people with diverse abilities, as such, RTMC has not met its targets for females and people with diverse skills. To address the gaps, inclusive recruitment and staffing will be implemented in collaboration with organisations of people with diverse abilities, women’s forums, and institutions of higher learning during the 2025/2026 financial year. A targeted internship programme specifically for women and people with disabilities pursuing careers in traffic law enforcement will also be implemented.

Future HR Plans and Goals

The RTMC has developed three HR goals that, if realised, will directly impact organisational success and mission achievement. The overarching outcome measure is the high-performing organisation outlined in the RTMC’s strategic outcomes from the 2020/21 to 2024/25 Strategic Plan. The figure below shows the three HR goals and the RTMC commitments:

High Performing Organisation		
Leadership	People	Human Capital
Leaders inspire dedication to the achievement of RTMC objectives by building trust, developing employees and demonstrating integrity.	Employees are supported effectively by well-integrated human capital services relevant to their needs.	Human Capital delivers effective operational and strategic services and greater efficiency.

Table 50: HC Outcomes

The three supporting goals are summarised below:

- We will improve leadership competency, strengthen accountability for achieving mission results, improve executive hiring and onboarding processes, and prepare the workforce for future RTMC needs.
- We will hire the best talent, develop our employees, and optimise performance with a renewed emphasis on employee engagement, workplace improvement, and flexibility.
- We will enhance HC competency, processes, and systems to deliver effective, efficient results and excellent customer service to RTMC employees.

Human Resources Oversight Statistics

Personnel-related expenditure

Personnel Cost by programme/activity/objective

Programme/activity/objectives/	Total expenditure for the entity (R'000)	Personnel expenditure (R'000)	Personnel expenditure as a % of total expenditure (R'000)	Number of employees	Average personnel cost per employee (R'000)
Road Safety, Marketing and Stakeholder	28 148	21 448	76%	14	1 532
Training of Traffic Personnel	152 718	70 566	46%	70	1 008
Law Enforcement	463 607	419 642	91%	1 127	372
Traffic Intelligence and Security	23 418.00	21 920	94%	23	953
Road Traffic Information and Technology	302 257.00	163 566	54%	242	676
Support Services	831 039.00	170 206	20%	230	740
Total	1 801 187.00	867 348	48%	1 706	508

Table 51: Personnel Cost by Programme

Personnel cost by salary band

Level	Personnel expenditure (R000)	% of personnel expenditure to total personnel cost (R000)	Number of employees	Average personnel cost per employee (R000)
Top Management	7 665 428	1%	1	7 665 428
Senior Management	69 363 211	9%	26	2 667 816
Professional qualified	131 644 450	17%	99	1 329 742
Skilled	320 705 684	41%	473	678 025
Semi-skilled	249 815 110	32%	1 041	239 976
Unskilled	9 428 120	1%	66	142 850
Total	788 622 003	100%	1 706	462 264

Table 52: Personnel cost by salary band

Performance Rewards

No performance rewards were paid during this financial year. However, R157 028 was paid retrospectively to the CEO to rectify the performance bonus payout for the 2022/23 financial year.

Training Costs

Programme/activity/objective	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Avg training cost per employee
Top Management	7 665 428	-	0%	0	0.00
Senior Management	69 363 211	-	0%	1	0.00
Professional qualified	131 644 450	139 514.21	0%	24	5 813.09
Skilled	320 705 684	974 799.11	0%	467	2 087.36
Semi-skilled	249 815 110	1 302 364.74	1%	1 055	1 234.47
Unskilled	9 428 120	378 152.97	4%	170	2 224.43
Total	788 622 003	2 794 831.03	0.35%	1 717	1 627.74

Table 53: Training Cost by Salary Band

Employment and Vacancies

Programme/activity/objective	2023/2024 No. of Employees	2024/2025 Approved Posts	2024/2025 No. of Employees	2024/2025 Vacancies	% of vacancies
Road Safety, Marketing, and Stakeholder Management	17	15	13	2	13%
Training of Traffic Personnel	72	73	72	1	1%
Law Enforcement	613	1 134	1126	8	1%
Traffic Intelligence and Security	12	24	23	1	4%
Road Traffic Information and Technology	227	277	242	35	13%
Support Services	211	277	230	47	17%
Total	1 152	1800	1706	94	5%

Table 54: Employment and Vacancies

Programme/activity/objective	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	29	36	26	10	28%
Professional qualified	99	122	99	23	19%
Skilled	488	520	473	47	9%
Semi-skilled	480	1047	1041	6	1%
Unskilled	55	74	66	8	11%
Total	1152	1800	1706	94	5%

Table 55: Employment Changes

Eight senior management positions have been vacant for more than twelve (12) months, and two positions have been vacant for less than four (4) months. The senior management positions were not filled as the RTMC reviewed its strategic direction, given that this financial year was the last year of the strategic cycle.

A succession planning policy, standard operating procedure, and tools have been developed. These initiatives will be implemented in the 2025/2026 financial year to ensure that the RTMC develops its internal skills to fill future vacancies for senior management and critical roles.

The retention rate for the RTMC is 92%.

The 75th percentile salary scale is meant for the RTMC to attract scarce, specialised, and critical skills.

Employment changes

The turnover rate for the period under review is 8%. The acceptable norm for a turnover rate range between 4% and 12%, so 8% is within the acceptable norm. The turnover rate for this financial year has decreased compared to the turnover rate of the previous year, which was 16%.

Salary Band	Employment at the beginning of the period	Appointments	Terminations	Employment at the end of the period
Top Management	1	0	0	1
Senior Management	29	0	3	26
Professional qualified	99	5	7	97
Skilled	488	6	22	472
Semi-skilled	480	591	26	1 045
Unskilled	55	59	49	65
Total	1 152	661	107	1 706

Table 56: Employment Changes

Reason for Staff Leaving

Reason	Number	% of the total number of staff leaving
Death	7	6%
Resignation	46	43%
Dismissal	6	6%
Retirement	4	4%
Ill health	0	0%
Expiry of contract	44	41%
Total	107	100%

Table 57: Reason for Staff Leaving

Understanding the factors that influencing employee turnover and overall satisfaction is critical to informing personnel management strategies at the RTMC. During the period under review, termination data showed that 43% of employees resigned, 41% left due to contract expiry, 6% were deceased, 5% were dismissed, and 4% retired. Voluntary exit interviews with resigning employees revealed that many cited multiple reasons for leaving.

The most common reasons included dissatisfaction with salary, lack of recognition, limited career growth opportunities, employee benefits, and personal circumstances such as family responsibilities, further study, and better job offers.

These reasons closely align with the outcomes of the staff satisfaction survey, which identified compensation, work-life balance, work environment, and personal growth as the areas requiring the most attention. The overlap, particularly in areas such as compensation and personal development, highlights recurring employee sentiments that directly impact engagement and retention.

Labour Relations: Misconduct and disciplinary action

Nature of Disciplinary Action	Number
Verbal Warning	0
Written Warning	8
Final Written Warning	3
Dismissal	5
Suspension Without Pay	4

Table 58: Labour Relations: Misconduct and Disciplinary Action

Equity Target and Employment Equity Status

Levels	Male							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	1	0	0	0	0	0	0
Senior Management	9	9	2	2	0	1	2	2
Professional qualified	38	15	4	4	5	5	9	6
Skilled	247	215	8	10	7	10	11	13
Semi-skilled	687	653	31	31	2	4	1	4
Unskilled	36	1	1	1	0	5	0	5
Total	1018	894	46	48	14	25	23	30

Table 59: Employee Equity Target and Employment Equity Status: Males

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	11	14	1	4	0	1	1	3
Professional qualified	36	39	0	23	2	5	5	9
Skilled	183	192	6	22	4	9	7	21
Semi-skilled	310	300	6	25	3	9	1	24
Unskilled	29	39	0	25	0	8	0	30
Total	569	592	13	99	9	32	14	87

Table 60: Employee Equity Target and Employment Equity Status: Females

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	1	0	1
Professional qualified	1	2	1	2
Skilled	3	4	2	3
Semi-skilled	2	10	1	10
Unskilled	0	2	0	2
Total	6	19	4	18

Table 61: Employee Equity Target and Employment Equity Status: People with Disability (PWD)

Notes

Lined area for notes.





Road Traffic
Management Corporation



Performance Compliance Report







October

2021

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24	25	26	27	28	29	30

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DAILY PLANNER

NOTES

Implementation of the DLTC
service improvement model



Constitution of the Republic of South Africa, 1996

The Constitution is the supreme law of the Republic of South Africa. The following table reflects the constitutional mandate of the RTMC in relation to other spheres of government.

PTMA Compliance Report

Information on Irregular, Fruitless, and Wasteful Expenditure and Material Losses

Irregular Expenditure

Reconciliation of irregular expenditure

Description	2024/25	2023/24
	R'000	R'000
Opening Balance	0	0
Adjustment of opening balance	0	0
Opening balance reinstated	0	0
Add: irregular expenditure confirmed	121,4	0
Less: irregular expenditure condoned	(121,4)	0
Less: Irregular expenditure not condoned and removed	0	0
Less: Irregular expenditure recoverable	0	0
Less: Irregular expenditure not recoverable and written off	0	0
Closing balance	0	0

Table 62: Reconciliation of irregular expenditure

An administrative error occurred during the preparation of a submission that sought approval for the extension of a lease agreement for an office building. The leased area was erroneously captured as 903m² instead of the correct 1 123m².

As a result, payments for the period from 1 December 2024 to 31 March 2025, to the value of R121 440, were processed based on the inaccurately stated square meterage in the approved submission. No further payments have been processed since the administrative error was identified.

The Chief Executive Officer has, since, through the Loss and Disposal Committee's recommendation, approved the condonation of the irregular expenditure in line with the Framework.

Reconciling notes

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure that was under assessment op	0	0
Irregular expenditure that relates to the prior year and is identified in the current year	0	0
Irregular expenditure for the current year	121,4	0
Total	0	0

Table 63: Reconciling notes

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

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure under assessment	0	0
Irregular expenditure underdetermination	0	0
Irregular expenditure under investigation	0	0
Total	0	0

Table 64: Irregular expenditure details

Details of irregular expenditure condoned.

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure condoned	121,4	0
Total	121,4	0

Table 65: Irregular expenditure condoned details

Details of irregular expenditure recoverable

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

Table 66: Irregular expenditure recoverable details

Details of irregular expenditure not recoverable

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure is not recoverable	0	0
Total	0	0

Table 67: Irregular expenditure not recoverable details

Additional disclosure relating to inter-institutional arrangements.

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

Description	2024/25	2023/24
Not Applicable	0	0
Total	0	0

Table 68: Non-compliance cases details

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

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

Table 69: Irregular expenditure details

There is currently no irregular expenditure identified.

Details of disciplinary or criminal steps taken because of irregular expenditure

Fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful

Description	2024/25	2023/24
	R'000	R'000
Opening Balance	3 483	3 394
Adjustment of opening balance	0	0
Opening balance reinstated		3 394
Add: fruitless and wasteful confirmed		89
Less: fruitless and wasteful condoned	0	0
Less: fruitless and wasteful, not condoned and removed	0	0
Less: fruitless and wasteful recoverable	(89)	0
Less: fruitless and wasteful, not recoverable and written off	0	0
Closing balance	3 394	3 483

Table 70: Reconciliation of fruitless and wasteful

Reconciling notes

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful, that was under assessment	0	0
Fruitless and wasteful activities that relate to the prior year and are identified in the current year	0	0
Fruitless and wasteful for the current year	0	89
Total	0	89

Table 71: Reconciling notes

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

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful under assessment	0	0
Fruitless and wasteful underdetermination	0	0
Fruitless and wasteful under investigation	3 394	3 483
Total	3 394	3 483

Table 72: Irregular expenditure (under assessment, determination, and investigation)

Details of fruitless and wasteful condoned.

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful not condoned and removed	0	0
Total	0	0

Table 73: Details of irregular expenditure condoned

Details of fruitless and wasteful expenditure recoverable

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure recoverable	89	0
Total	89	0

Table 74: Details of fruitless and wasteful recoverable

Details of fruitless and wasteful expenditure not recoverable

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure not recoverable	0	0
Total	0	0

Table 75: Details of fruitless and wasteful expenditure not recoverable

Additional disclosure relating to inter-institutional arrangements.

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

Description	2024/25	2023/24
Not Applicable		
Total		

Table 76: Details of non-compliance cases

Details of fruitless and wasteful arrangements where an institution is involved in inter-institutional arrangements (where such institution is responsible for the non-compliance)

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

Table 77: Details of fruitless and wasteful expenditure

Details of disciplinary or criminal steps taken because of fruitless and wasteful.

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

Description	2024/25	2023/24
	R'000	R'000
Theft	0	0
Other material losses	0	0
Less: recoverable	0	0
Less: not recoverable	0	0
Total	0	0

Table 78: Additional disclosures relating to material losses.

Details of other material losses

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

Table 79: Details of other material losses

Other material losses recoverable

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

Table 80: Other material losses recoverable

Other material losses are not recoverable and are written off.

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

Table 81: Other material losses not recoverable and written off

Information on Late and/or non-payment of suppliers

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	2 448	674 125
Invoices paid within 30 days or the agreed period	2 343	569 186
Invoices paid after 30 days or the agreed period	105	104 939
Invoices older than 30 days or the agreed period (unpaid and without dispute)	0	0
Invoices older than 30 days or the agreed period (unpaid and in dispute)	0	0
Total	2 448	674 125

Table 82: Information on late and/or non-payment of suppliers

Reasons for the late and or non-payment of invoices

- Delays in invoice authorisation by end users
- Invoices omitted from the invoice register

Reasons that the invoices are in dispute

- Incorrect billing/billing for services not rendered
- Invoice items outside the contract period

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
Office Space Accommodation to allow for additional tenant installation work required.	The Facilities Company	Limited bidding	CONTR-00330	29 876 310
Additional tenant Installation cost required for office space accommodation	The Facilities Company	Limited bidding	CONTR-00330	5 195 748
Accommodation at Waterfall Edge Building in Midrand	Axis Commercial Property	Limited bidding	CONTR – 00173-b	10 531 757
Additional parking at Howick Close South in Midrand	Mowana Properties	Limited bidding	CONTR – 00173-a	1 092 468
Total				46 696 283

Table 83: Procurement by other means

Contract variations and expansions.

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Variation for extension of Airports Company South Africa (ACSA) and Denel contracts for the provision of office space, accommodation, and a classroom at the current Denel Kempton Park Campus on a month-to-month for a period not exceeding six (6) months	ACSA and DENEL	Variation	CONTR - 00187	113 020 633	70 629 584,00	31 881 946
Request to extend the existing lease contracts for office accommodation from 01st July 2024 to 30 November	Mowana Properties, Axis Commercial Property, Capital Propfund JR 209 Investments (Pty) Ltd	Variation	CONTR - 00173 -a CONTR - 00173 -b CONTR - 00008 CONTR - 00083	25 248 409,40	6 361 805,28	11 590 649
Total				138 269 042	76 991 389	43 472 595

Table 84: Contract variations and expansions



Road Traffic
Management Corporation



Financial Information





March

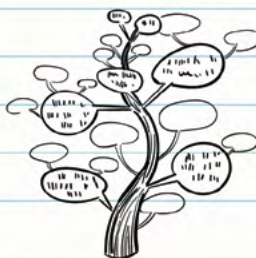
2023

SU	MO	TU	WE	TH	FR	SA
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	



NOTES

Graduation and pass out parade of
the 21st Century Traffic Officers



DAILY PLANNER

Our legislative mandate

The values of the Corporation emanate from the Constitution of the Republic of South Africa and place emphasis on the commitment to upholding the law and advancing service delivery.

Report of the auditor-general to Parliament on the Road Traffic Management Corporation

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Road Traffic Management Corporation set out on pages 118 to 194, which comprise the statement of financial position as at 31 March 2025 statement of financial performance, statement of changes in net assets, the cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Road Traffic Management Corporation as at 31 March 2025 and financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of 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 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.

Responsibilities of the accounting authority for the financial statements

6. 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 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.

7. In preparing the financial statements, the accounting authority is responsible for assessing the 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 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

8. 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.
9. 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 113, forms part of my auditor's report.

Report on the audit of the annual performance report

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

Annual Financial Statements

year ended 31 March 2025 for auditing. I selected programmes that measure the entity's performance on its primary mandated functions

and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Road Safety, Marketing and Stakeholder Relations	34 - 41	The purpose of the programme is to ensure provision of a safe environment through road safety education.
Training of Traffic Personnel	41 - 43	The purpose of the programme is to provide the requisite training for road traffic personnel through curriculum implementation and specialist courses for new and existing road traffic personnel.
Law Enforcement	44 - 46	The programme has both an internal and external outlook and provides strategic services to the Corporation.

12. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the entity's planning and delivery on its mandate and objectives.
 13. I performed procedures to test whether:
 - the indicators used for planning and reporting on performance can be linked directly to the entity's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the entity's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
 14. There is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets
 15. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
 16. I did not identify any material findings on the reported performance information for the selected programmes.

Report on compliance with legislation

 17. 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 entity's compliance with legislation.
 18. 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.
 19. 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 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.

Report on compliance with legislation

16. 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 entity's compliance with legislation.
17. 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.
18. 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 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.

Annual Financial Statements

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

Other information in the annual report

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

21. 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.

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

23. The other information I obtained prior to the date of this auditor's report is the PFMA Compliance report. The Executive authority's report/overview (Minister), Accounting Authority's report (Board), Report of the Audit and Risk Committee, Chief Executive Officer Report, Governance Information and Human Resource Management report are expected to be made available to us after 30 July 2025.

24. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

25. When I do receive and read the Executive authority's report/ overview (Minister), Accounting Authority's report (Board), Report of the Audit and Risk Committee, Chief Executive Officer Report, Governance Information and Human Resource Management report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be 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

26. 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.

27. I did not identify any significant deficiencies in internal controls.

Auditor General

Pretoria

30 July 2025



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Annual Financial Statements

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 51(1)(a)(iv); 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii) Section 53(4) Section 54(2)(c); 54(2)(d) Section 55(1)(a); 55(1)(b); 55(1)(c)(i) Section 56(1); 56(2) Section 57(b);
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury Regulation 8.2.1; 8.2.2 Treasury Regulation 16A 6.1; 16A6.2(a) & (b); 16A6.2(e);16A 6.3(a); 16A 6.3(b); 16A 6.3(c); 16A 6.3(d); 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; TR 16A.7.1; 16A.7.3; 16A.7.6; 16A.7.7; 16A 8.2(1); 16A 8.2(2); 16A 8.3; 16A 8.3(d); 16A 8.4; 16A9.1 16A9; 16A9.1(b)(ii); 16A9.1(c); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A 9.2; 16A 9.2(a)(ii); TR 16A 9.2(a)(iii) Treasury Regulation 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1 Treasury Regulation 31.1.2(c) Treasury Regulation 31.2.1 Treasury Regulation 31.3.3 Treasury Regulation 33.1.1; 33.1.3
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
CIDB Regulations	CIDB regulation 17 & 25(7A)
Preferential Procurement Policy Framework Act (PPPFA)	Section 1(i); 2.1(a); 2.1(b); 2.1(f)
Preferential Procurement Regulations (PPR) 2017	Regulation 4.1; 4.2 Regulation 5.1; 5.3; 5.6; 5.7 Regulation 6.1; 6.2; 6.3; 6.5; 6.6; Regulation 7.1; 7.2; 7.3; 7.5; 7.6; Regulation 8.2; 8.5 Regulation 9.1; 9.2 Regulation 11.2 Regulation 12.1 and 12.2
Preferential Procurement Regulations (PPR) 2022	Regulation 4.1; 4.2; 4.3; 4.4 Regulation 5.1; 5.2; 5.3; 5.4
National Treasury Instruction No.1 of 2015/16	National Treasury Instruction No.1 of 2015/16 par 3.1 National Treasury Instruction No.1 of 2015/16 par 4.1 & 4.2
NT SCM Instruction Note 03 2021/22	Paragraph. 4.3; 4.4; 4.4 (a); 4.4 (c) -(d);
NT SCM Instruction Note 11 2020/21	IN 3.1; 3.4(b); 3.9
NT SCM Instruction note 2 of 2021/22	IN 3.2.1; 3.2.4(a); 3.3.1;
NT Instruction note 4 of 2015/16	NT Instruction note 4 of 2015/16 Par 3.4

Annual Financial Statements

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Road Safety
Business address	Centurion Gate Business Park 146 Akkerboom street Zwartkop Centurion 0157
Postal address	Private Bag X147 Pretoria 0001
Bankers Bank	First National Bank, Standard Bank and SA Reserve
Auditors	Auditor-General of South Africa

Annual Financial Statements

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Accounting Authority's Responsibilities and Approval

The Accounting Authority 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 Accounting Authority to ensure that the annual financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was 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 Accounting Authority acknowledges that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the Accounting Authority to meet these responsibilities, the Accounting Authority 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 the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Accounting Authority 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.

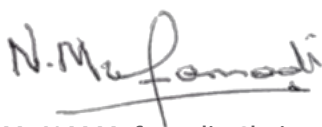
The Accounting Authority has reviewed the entity's cash flow forecast for the year to 31 March 2026 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable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

The annual financial statements are prepared on the basis that the entity is a going concern and that the National Department of Transport has neither the intention nor the need to liquidate or curtail materially the scale of the entity.

Although the Accounting Authority is primarily responsible for the financial affairs of the entity, it is supported by the entity's external and internal auditors.

The internal as well as external auditors are responsible for independently reviewing and reporting on the entity's annual financial statements. The annual financial statements have been examined by the entity's external auditors and their report is presented on page 110.

The annual financial statements set out herein after, which have been prepared on the going concern basis, was approved by the Accounting Authority on 29 May 2025 and was signed on its behalf by:



Ms N.M Mufamadi - Chairperson
Thursday, 31 July 2025

Annual Financial Statements

Statement of Financial Position as at 31 March 2025

	Note(s)	2025	2024 Restated*
Assets			
Current Assets			
Receivables from exchange transactions	2	77 382 411	70 334 309
Receivables from non-exchange transactions	3	89 826 841	83 349 486
Cash and cash equivalents	4	178 625 659	214 483 331
Inventories	5	3 728 095	2 314 798
		349 563 006	370 481 924
Non-Current Assets			
Property, plant and equipment	6	887 184 399	816 210 945
Intangible assets	7	352 562 762	352 825 669
		1 239 747 161	1 169 036 614
Total Assets		1 589 310 167	1 539 518 538
Liabilities			
Current Liabilities			
Finance lease - as lessee	8	2 199 563	35 422 674
Operating lease liability	9	2 362 506	-
Payables from exchange transactions	10	274 907 672	273 537 945
Provisions	11	94 377 500	74 220 258
		373 847 241	383 180 877
Non-Current Liabilities			
Finance lease - as lessee	8	1 132 526	810 584
Provisions	11	544 081	518 173
		1 676 607	1 328 757
Total Liabilities		375 523 848	384 509 634
Net Assets		1 213 786 319	1 155 008 904
Reserves			
Revaluation reserve		140 837 246	55 699 990
Accumulated surplus		1 072 949 073	1 099 308 914
Total Net Assets		1 213 786 319	1 155 008 904

Annual Financial Statements

Statement of Financial Performance

		2025	2024
	Note(s)		Restated*
Revenue			
Revenue from exchange transactions			
NaTIS online motor vehicle registration and change of ownership		25 945 272	645 810
Special project income		348 877	2 480 496
RTIA - Aarto infringement collection fees		1 053 402	357 529
NaTIS data charge		214 391	246 998
Training provisioning and facilities		7 955 865	47 010 279
Revenue from previously written off assets		370 547	302 819
Secondment income		3 702 240	1 966 782
Courier fees		145 302 498	91 027 728
NaTIS online motor vehicle licence renewal - collection agency fee		150 891 314	87 314 464
Sundry income		219 891	3 401 489
Project income - Sponsorship		7 399 904	11 536 007
Insurance reimbursements		8 253	108 841
Interest received	12	20 625 472	13 528 320
Total revenue from exchange transactions		364 037 926	259 927 562
Revenue from non-exchange transactions			
Sponsorship in-kind		463 950	1 574 327
Impound fees		134 500	316 702
DLTC management		43 793 492	49 865 124
Penalties charged		-	4 144 360
Government grant		196 991 000	220 104 000
Unclaimed liabilities		1 121 925	2 643 929
Infringement fees (AARTO)		109 782 563	90 891 522
Transaction fees		964 904 976	948 690 714
NRTA section 56 Infringement		2 208 200	7 558 585
Total revenue from non-exchange transactions		1 319 400 606	1 325 789 263
Total revenue	13	1 683 438 532	1 585 716 825
Expenditure			
Employee related costs	14	(907 118 403)	(733 082 186)
Depreciation and amortisation	15	(92 493 644)	(78 792 422)
Impairments loss	16	(7 034 586)	-
Finance costs	17	(999 338)	(2 613 708)
Lease rentals on operating lease	18	(37 297 320)	(32 502 271)
Debt Impairment	19	(112 365 278)	(103 163 710)
Gain or loss on disposal of assets		(5 048 767)	(7 848 629)
Operating expenditure	20	(547 441 032)	(482 721 861)
Total expenditure		(1 709 798 368)	1 440 724 787)
(Deficit) surplus for the year		(26 359 836)	144 992 038

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Statement of Changes in Net Assets

	Revaluation reserve	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	55 699 990	944 875 774	1 000 575 764
Adjustments			
Prior year adjustments	-	6 147 253	6 147 253
Balance at 01 April 2023 as restated*	55 699 990	951 023 027	1 006 723 017
Changes in net assets			
Transfer of assets to Cross Border Road Transport Agency"	-	3 293 849	3 293 849
Net income (losses) recognised directly in net assets	-	3 293 849	3 293 849
Surplus for the year	-	144 992 038	144 992 038
Total recognised income and expenses for the year	-	148 285 887	148 285 887
Total changes	-	148 285 887	148 285 887
Restated* Balance at 01 April 2024	55 699 990	1 099 308 909	1 155 008 899
Changes in net assets			
Revaluation of Leasehold property (Land)	140 837 246	-	140 837 246
Impairment of Leasehold property (Building)	(55 699 990)	-	(55 699 990)
Net income (losses) recognised directly in net assets	85 137 256	-	85 137 256
Deficit for the year	-	(26 359 836)	(26 359 836)
Total recognised income and expenses for the year	85 137 256	(26 359 836)	58 777 420
Total changes	85 137 256	(26 359 836)	58 777 420
Balance at 31 March 2025	140 837 246	1 072 949 073	1 213 786 319

Annual Financial Statements

Cash Flow Statement

		2025	2024
	Note(s)		Restated*
Cash flows from operating activities			
Receipts			
Receipts from RTIA		9 099 775	3 095 341
Grants		196 991 000	220 104 000
Interest Income		20 606 665	13 531 741
NaTIS online services		2 224 212 543	1 273 026 831
Training provisioning facilities		12 594 163	42 837 082
DLTC management		56 297 683	58 875 155
NRTA Section 56 infringement		268 850	1 742 942
Special deployment		13 449 082	6 445 940
Special project receipts		1 163 970	5 909 461
Other cash items		15 081 292	15 590 855
Transaction fees		805 790 906	853 299 945
		3 355 555 929	2 494 459 293
Payments			
Employee costs		(884 254 760)	(735 011 595)
Suppliers		(645 819 249)	(486 897 997)
RTIA payments		(33 028 670)	(13 040 214)
NaTIS online payments		(1 704 102 674)	(921 217 555)
		(3 267 205 353)	(2 156 167 361)
Net cash flows from operating activities	21	88 350 576	338 291 932
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(86 683 402)	(133 689 519)
Proceeds from sale of property, plant and equipment	6	-	2 509 196
Purchase of other intangible assets	7	(701 500)	-
Net cash flows from investing activities		(87 384 902)	(131 180 323)
Cash flows from financing activities			
Finance lease payments		(36 823 346)	(47 928 676)
Net increase/(decrease) in cash and cash equivalents		(35 857 672)	159 182 933
Cash and cash equivalents at the beginning of the year		214 483 331	55 300 398
Cash and cash equivalents at the end of the year	4	178 625 659	214 483 331

Annual Financial Statements

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Note
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Statement of Financial Performance

Revenue

Revenue from exchange transactions

NaTIS online motor vehicle registration and change of ownership	38 772 514	-	38 772 514	25 945 272	(12 827 242)	30a
Special project income	-	-	-	348 877	348 877	30b
RTI - Aarto infringement collection fees	-	-	-	1 053 402	1 053 402	30b
NaTIS data charge	306 083	-	306 083	214 391	(91 692)	30c
Training provision and facilities	8 745 454	-	8 745 454	7 955 865	(789 589)	30d
Revenue from previously written	-	-	-	370 547	370 547	30b
Secondment income	-	-	-	3 702 240	3 702 240	30b
Courier fees	98 641 073	29 592 322	128 233 395	145 302 498	17 069 103	30e
NaTIS online motor vehicle licence renewal - collection agency fee	94 376 954	28 313 086	122 690 040	150 891 314	28 201 274	30f
Sundry income	-	-	-	219 891	219 891	30b
Project income - Sponsorship	-	-	-	7 399 904	7 399 904	30b
Insurance reimbursements	-	-	-	8 253	8 253	30b
Interest received	-	19 393 895	19 393 895	20 625 472	1 231 577	30g
Driving licence card sales	174 045 288	(174 045 288)	-	-	-	
Interest received/DLCA	10 048 249	(10 048 249)	-	-	-	
Total revenue from exchange transactions	424 935 615	(106 794 234)	318 141 381	364 037 926	45 896 545	

Annual Financial Statements

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Note
Revenue from non-exchange transactions						
Sponsorship in-kind	-	-	-	463 950	463 950	30b
Impound fees	-	-	-	134 500	134 500	30b
DLTC management	52 375 921	-	52 375 921	43 793 492	(8 582 429)	30h
Late licence application fees	19 962	(19 962)	-	-	-	
Government grants	196 991 000	-	196 991 000	196 991 000	-	
Unclaimed liabilities	-	-	-	1 121 925	1 121 925	30b
Infringement fees (AARTO)	72 205 758	43 681 284	115 887 042	109 782 563	(6 104 479)	30i
Transaction fees	922 218 853	31 536 000	953 754 853	964 904 976	11 150 123	30j
NRTA Section 56 infringement	62 181 284	(56 681 284)	5 500 000	2 208 200	(3 291 800)	30k
Total revenue from non-exchange transactions	1 305 992 778	18 516 038	1 324 508 816	1 319 400 606	(5 108 210)	
Total revenue	1 730 928 393	(88 278 196)	1 642 650 197	1 683 438 532	40 788 335	
Expenditure						
Employee related cost	(833 941 709)	(28 739 164)	(862 680 873)	(907 118 403)	(44 437 530)	30l
Depreciation and amortisation	(94 782 350)	2 895 652	(91 886 698)	(92 493 644)	(606 946)	
Impairment loss	-	-	-	(7 034 586)	(7 034 586)	30m
Finance costs	(76 679)	(1 126 748)	(1 203 427)	(999 338)	204 089	30n
Lease rentals on operating lease	(37 846 528)	(181 398)	(38 027 926)	(37 297 320)	730 606	
Debt impairment	-	-	-	(112 365 278)	(112 365 278)	30m
Operating expenditure	(494 882 607)	(34 402 981)	(529 285 588)	(547 441 032)	(18 155 444)	30o
Total expenditure	(1 461 529 873)	(61 554 639)	(1 523 084 512)	(1 704 749 601)	(181 665 089)	
Operating deficit	269 398 520	(149 832 835)	119 565 685	(21 311 069)	(140 876 754)	
Gain or loss on disposal of assets	-	-	-	(5 048 767)	(5 048 767)	30m
Surplus before capital expenditure	269 398 520	(149 832 835)	119 565 685	(26 359 836)	(145 925 521)	
Capital expenditure	269 398 520	(149 832 835)	119 565 685	92 168 420	(27 397 265)	30p
Budget surplus/(deficit) for the year	-	-	-	(118 528 256)	(118 528 256)	

The accounting policies and the notes form an integral part of the annual financial statements.



Annual Financial Statements

Significant Accounting Policies

1. Significant accounting policies

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

1.1 Basis of preparation

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

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. They are presented in South African Rand.

These accounting policies are consistent with the previous period.

1.2 Presentation currency

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

1.3 Going concern assumption

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

1.4 Comparative figures

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

Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as is practical and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practical and the prior year comparatives are restated accordingly.

The presentation and classification of items in the current year is consistent with prior periods except for the transactions disclosed in the prior period note.

1.5 Property, plant and equipment

Property, Plant and Equipment (PPE) are tangible non-current assets (including infrastructure assets) that are held for the use in the supply of services or supply of goods and/or for administrative purposes and are expected to be used for more than one accounting 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.

An item of property, plant and equipment that qualifies for recognition as an asset, shall be measured at its cost. Where an asset is acquired through a non-exchange transaction, its cost shall be measured at its fair value as at the date of such acquisition.

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.

Significant Accounting Policies

Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost where acquired through an exchange transaction. However, when property, plant and equipment are acquired through non exchange transactions, those items are initially measured at their fair value or carrying value, based on the applicability of GRAP106 and GRAP105 respectively, as at date of acquisition.

Assets under work in progress (WIP) are recognised initially at cost, which is the fair value of the consideration paid to acquire the asset. These assets are not depreciated as they have not yet reached the condition of operating as intended by management. Once the asset is finished, it is transferred to the applicable classification where it will be depreciated in accordance with the useful life of that classification, as per the applicable accounting policy.

Derecognition of an item of property, plant and equipment occurs when the item is no longer capable of operating in the manner intended by management and no economic benefits are expected to flow to the Corporation as a result of its use.

Property, plant and equipment, with the exception of land and buildings is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value. Where useful life expectations differ from previous estimates, the changes are accounted for as a change in accounting estimates.

Leasehold Land and Buildings are carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. On an annual basis, the land and buildings are assessed for any significant changes that could lead to a significant change in the carrying value. Should there be no significant changes the land and buildings are only revalued every 5 years. Land and buildings are valued by independent valuers. The accumulated depreciation on leasehold building is reversed to the cost at revaluation date.

The useful lives and residual values of the assets are considered and evaluated at the end of each financial year and redetermined where necessary.

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

Item	Depreciation method	Average useful life
Buildings	Straight-line	0-99 years
Machinery and equipment	Straight-line	05-20 years
Furniture and fittings	Straight-line	02-30 years
Motor vehicles	Straight-line	05-20 years
Office equipment	Straight-line	02-30 years
Computer equipment	Straight-line	03-30 years
Leasehold improvements	Straight-line	As per lease term / remainder of the lease term or asset's useful life whichever comes first
Parkhomes and containers	Straight-line	05-20 years
Communication devices	Straight-line	02-06 years
Fire arms	Straight-line	10-20 years
Road Upgrade	Straight-line	As per lease term / remainder of the lease term or asset's useful life whichever comes first
Sewage Plant	Straight-line	30-60 years
Borehole Pumpstation	Straight-line	10-60 years
Fencing	Straight-line	10-20 years
Tools	Straight-line	01-05 years

Annual Financial Statements

Significant Accounting Policies

Land has an unlimited useful life and therefore is not depreciated. Assets under work in progress (WIP) are also not depreciated as they are not yet at the condition of operating as intended by management.

Depreciation of an asset commences when the asset recognised is in an operating condition and manner intended by management. Such depreciation is expensed in the statement of financial performance from the date it is brought into use, until it is disposed or derecognised. The accumulated depreciation is recognised in the statement of financial position and deducted from cost price to determine the Net Book Value or carrying amount of such an asset.

Property, plant and equipment assets are derecognised:

- When it is no longer operating in the manner intended by management; or
- When no future economic benefits or service potential are expected from its use.

The resulting gain or loss is recognised in the statement of financial performance in the period such disposal occurred. Where the proceeds and the disposal do not take place in the same financial period, they are recognised separately as an income and expense in the period it incurs.

In exceptional circumstances, to achieve fair presentation, some assets may exceed their average useful lives as documented above, as the asset management policy is only reviewed at least every 3 years.

Assets purchases with a value of less than R5000 and/or a useful life of less than 12 months are expensed as minor assets in the Statement of Financial Performance.

1.6 Intangible assets

An intangible asset is identifiable if it either:

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

An intangible asset is recognised when:

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

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

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

An item of intangible assets that qualifies for recognition as an asset, shall be measured at its cost. Where an intangible asset is acquired through a non-exchange transaction, its cost at shall be measured at its fair value as at the date of such acquisition.

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

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.

Significant Accounting Policies

- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributed to the asset during its development can be measured reliably.

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

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

The amortisation period, amortisation method and residual values for intangible assets are reviewed at each reporting date.

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

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

Useful lives of intangible assets have been re-assessed, revised and changed as follows:

Item	Depreciation method	Average useful life 2024/25
Computer software	Straight-line	01-08 years
NaTIS system	Straight-line	Indefinite useful life

Intangible assets with an indefinite useful life are not amortised however, assessed for impairment at least annually. As part of computer software of the RTMC, is NaTIS assets. These assets are assets classified with an indefinite useful life.

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements.

Amortisation of an intangible asset commences when the asset recognised is in an operating condition and manner intended by management. Such amortisation is expensed in the statement of financial performance from the date it is brought into use, until it is disposed or derecognised. The accumulated amortisation is recognised in the statement of financial position and deducted from cost price to determine the Net Book Value or carrying amount of such an asset.

Intangible assets are derecognised:

- On disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.
- when it is no longer operating in the manner intended by management.

The resulting gain or loss is recognised in the statement of financial performance in the period such disposal occurred. Where the proceeds and disposal do not take place in the same financial period, they are recognised seperately as an income or expense in the period it incurs.

Impairment of assets

At each reporting date, the Corporation assesses whether there is any indication that any asset of property, plant and equipment and intangible assets may be impaired. If there is an indication of possible impairment, the recoverable amount of the affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Annual Financial Statements

Significant Accounting Policies

If an impairment loss subsequently reverses, the carrying amount of the asset(or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

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.

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

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

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when, and only when the entity becomes a party to the contractual provisions of the instrument. This is achieved through the application of trade date accounting.

Upon initial recognition the entity classifies financial instruments or their component parts as financial liabilities, financial assets or residual interests in conformity with the substance of the contractual arrangement and to the extent that the instrument satisfies the definitions of a financial liability, a financial asset or a residual interest.

Initial measurement of financial assets and financial liabilities

When a financial instrument is recognised, the entity measures its fair value plus, in the case of a financial asset or a financial liability transaction costs that are directly attributed to the acquisition or issue of the financial asset or a financial liability not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement of financial assets and financial liabilities

Subsequent to initial recognition, financial assets and financial liabilities are measured at fair value, amortised cost or cost.

All financial assets and financial liabilities are measured after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

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

Reclassification

The entity does not reclassify a financial instrument while it is issued or held unless it is:

- Combined instrument that is required to be measured at fair value; or
- An investment in a residual interest that meets the requirements for reclassification..

Gains and losses

For financial assets and financial liabilities measured at amortised cost or cost, 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.

Significant Accounting Policies

Offsetting

The entity does not offset financial assets and financial liabilities in the Statement of Financial Position unless a legal right of setoff exists, and the parties intend to settle on a net basis.

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 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 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.

Policies relating to specific financial instruments

Cash and cash equivalents

Cash and cash equivalents are measured at amortised cost.

Cash includes cash on hand and cash with banks. Cash equivalents are short term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand and deposits held on call with banks.

Trade and other receivables

Trade and other receivables are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition and subsequently stated at amortised cost, less provision for impairment. All trade and other receivables are assessed at least annually for possible impairment. Impairments of trade and other receivables are determined in accordance with the accounting policy for impairments. Impairment adjustments are made through the use of an allowance account. Bad debts are written off in the year in which they are identified as irrecoverable. Amounts receivable within 12 months from the reporting date are classified as current.

Trade and other payables

Trade payables are initially measured at fair value plus transaction costs that are directly attributable to the acquisition and are subsequently measured at amortised cost using the effective interest method.

Significant Accounting Policies

Liability Online Motor Vehicle Licence Renewal

Liability to provinces is recognised on the online renewal of motor vehicle licence.

It is measured at net of the service fee payable by RTMC (92%) of all baseline fees and penalties collected on behalf of the provinces.

Liabilty on Change of Ownership

Liability on change of ownership to provinces is recognised when the transaction of online incur.

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, are settled or waived
- The entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- The entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - Derecognise the asset; and
 - Derecognise 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

Significant Accounting Policies

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.

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.

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 Employee benefits

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; and
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related services.

When an employee has rendered services 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 of GRAP requires or permits the inclusion of the benefits in the cost of an asset.

Annual Financial Statements

Significant Accounting Policies

Defined contribution plans

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

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, 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 contribution in the cost of an asset.

1.9 Leases

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

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

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the implicit rate in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

The finance lease liabilities are derecognised when the entity's obligation to settle the liability is extinguished. The assets capitalised under the finance lease are derecognised when the entity no longer expects any economic benefits or service potential to flow from the asset.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

Significant Accounting Policies

Operating leases - lessee

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

The operating lease liability is derecognised when the entity's obligation to settle the liability is extinguished. The operating lease asset is derecognised when the other entity no longer anticipates economic benefits to flow from the asset.

1.10 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.

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

Aarto infringement collection fee

As a collecting authority for AARTO infringements, 3% of the value of every infringement collected by the RTMC is due to the RTMC as a collection fee. This in terms of the AARTO Act.

NaTIS data charge

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Training provisioning and facilities

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

Significant Accounting Policies

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

Online motor vehicle licence renewal

a.) Collection agency fee:

Revenue arising from the use of online motor vehicle licence renewal system is recognised when there is an online renewal of motor vehicle licence through the RTMC online platform.

It is measured at 8% of all baseline fees collected on behalf of the provinces in line with the respective agreements with provinces.

b.) Courier fee

Online motor vehicle licence renewal courier fee revenue is recognised when there is an online renewal of motor vehicle licence and payment of non-refundable delivery fee. A maximum of 200 licences can be delivered in one parcel of door to door delivery.

It is measured at R99 for door-to-door delivery and R72 for registered mail.

Online motor vehicle registration and change of ownership

Revenue arising from the use of online motor vehicle registration and change of ownership platform is recognised when there is an online registration or change in ownership.

It is measured at R330 in line with the RTMC Regulations of 2022.

Secondment Income

Secondment Income is the secondment of employees to departments or public entities. The recipient department or public entity shall bear the total cost to company of the seconded employee unless otherwise agreed upon by both parties. The RTMC recognises revenue from secondment income at cost in terms of the agreement concluded.

Special NTP deployment

National Traffic Police (NTP) Deployment of traffic law enforcement officers is the rendering of road traffic law enforcement services on national, provincial and local government road at the request of national, provincial and local government. The recipient department or public entity or local authority shall bear certain costs as agreed by both parties. The RTMC recognises revenue from deployments at cost in terms of the agreement concluded.

Insurance reimbursement

Insurance income is derived from insurance claims raised in terms of loss of assets or damaged assets during a specific financial year. The RTMC recognises revenue from insurance claims at fair value in terms of the acknowledgement of loss received from the relevant insurance provider.

Sundry Income

Sundry income is any other income that is derived from ad hoc transactions. The RTMC recognises revenue from ad hoc transactions at fair value.

Significant Accounting Policies

Fraudulent MVL recovery (Special project income)

The RTMC entered into an agreement with the Gauteng Department of Roads and Transport to recover monies lost through fraudulent renewal of motor vehicle licenses. Revenue is recognised upon successful recovery and in terms of percentage agreed upon in the agreement between the two parties.

Sponsorships

The RTMC recognises assets and revenue arising from sponsorship transactions in the period in which the sponsorship arrangement becomes binding. These are measured at fair value in line with the agreement.

Revenue from previously written off assets

The RTMC recognises revenue from assets previously written off through disposal by means of sale. This is measured at the fair value.

Interest received

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

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

Interest is recognised in the surplus or deficit using the effective interest rate method.

1.11 Revenue from non-exchange transactions

Non-exchange transactions are defined as transactions where the entity receives value from another entity without directly giving approximately equal value in exchange.

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.

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.

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

All infringement fees

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

As part of the RTMC's legislative mandate, it is required to issue fines. Due to the legal obligation at play, revenue is recognised even though there may be uncertainty of whether the revenue will ultimately be collected.

a) Initial recognition

At the time of initial recognition of infringement fees, the full amount that is collectable by the RTMC is recognized as revenue on the date the infringement is issued.

b) Subsequent recognition

Subsequent to the initial recognition of the revenue, the revenue is assessed for impairment. The probability of collecting revenue is assessed when the accounts fall into arrears and is impaired in accordance with past experience.

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Significant Accounting Policies

Government grants

Government grants are recognised as revenue when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity,
- the amount of the revenue can be measured reliably, and
- to the extent that there has been compliance with any restrictions associated with the grant.

The entity assesses the degree of certainty attached to the flow of future economic benefits or service potential on the basis of the available evidence. Certain grants payable by one level of government to another are subject to the availability of funds. Revenue from these grants is only recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the entity. An announcement at the beginning of a financial year that grants may be available for qualifying entities in accordance with an agreed programme may not be sufficient evidence of the probability of the flow. Revenue is then only recognised once evidence of the probability of the flow becomes available.

Transaction fees

Transaction fees are recognised when there is a renewal of motor vehicle licence.

Unclaimed liabilities

Liabilities that are unclaimed for a period of 3 years are written off and recognised as revenue.

Sponsorships in-kind

Assets and revenue arising from sponsorship transactions are recognised in the period in which the sponsorship arrangement becomes binding, except for some services received in-kind. The RTMC only recognises those services received in-kind for which fair value can be accurately determined by reference to the market rates. Other or immaterial services in-kind are only disclosed in the notes to the annual financial statements and not recognised.

DLTC Management

RTMC has been appointed as a Grade F DLTC in accordance with Gauteng Road Traffic Act and was appointed by Gauteng Department of Roads and Transport to perform DLTC management functions. As a compensation for the DLTC management function, the full value of the collected fees is retained by the RTMC. Revenue is recognised on collection of the fees in line with the Memorandum of Understanding signed by the two parties.

Impoundment revenue

The RTMC, at the behest of the provincial traffic authorities provide administration of impound facilities in the province.

Revenue recognition is at fair value as determined by the agreement concluded.

Penalties charged/Penalty income

The RTMC recognises penalty income where a contractor fails to bring works or sections thereof to practical completion on the date or dates agreed upon, the contractor shall be liable for penalty per calendar day for non-completion of the works or each section thereof. The penalty due shall be calculated from date of practical completion of the works or section thereof in line with the agreement.

1.12 Irregular expenditure

Irregular expenditure as defined in section 1 of the Public Finance Management Act (PFMA) is expenditure other than unauthorised expenditure, incurred in contravention of the entity's supply chain management prescripts.

Significant Accounting Policies

The Irregular expenditure framework issued by National Treasury in terms of Sections 76(1) to 76(4) of the PFMA requires the following:

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

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

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

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

1.13 Fruitless and wasteful expenditure

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

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

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the 12 months that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.14 Budget information

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

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

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

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

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

Significant Accounting Policies

1.15 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 relationships where control exists are disclosed regardless of whether any transactions took place between the parties during the reporting period.

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.

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the entity is exempt from the disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.16 Provisions and contingencies

Provisions are recognised when:

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

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

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

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

Contingent assets and contingent liabilities are not recognised but disclosed in the notes, unless the possibility of flow of resources is remote. If the disclosures of contingencies may seriously prejudice the entity, then the general nature of the contingency is disclosed, together with the reason as to why further information is not disclosed.

An assessment of the Corporation's litigations is conducted on a quarterly basis to determine whether there are any dormant cases. A case is considered dormant if it has been stagnated for a period of 12 months or more. Such cases are closed for reporting purposes. Dormant cases older than 3 years are considered prescribed and are automatically removed from the contingent liability register.

All cases, however, are discussed with Legal to identify any possible risks or probabilities that would require cases as set out in the afore-mentioned paragraph to be disclosed. Management's professional judgement, as well as the materiality framework, is applied when disclosing cases that deviate from the above.

Significant Accounting Policies

1.17 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.

In the process of applying the entity's accounting policies the following estimates, were made:

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.

The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. They are significantly affected by a number of factors including, among others, environmental conditions, together with economic factors such as inflation interest etc.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 11 - Provisions.

Taxation

The RTMC is exempt from income tax as an institution established by Law for the purpose of section 10 1(cA)(i) of the Income Tax Act

Annual returns of income together with supporting documentation, such as financial statements must be submitted to the Tax Exemption Unit. The institution must also adhere to the following requirements, i.e. no profits or gains will be distributed to any person, the funds will be utilised solely for investment or object for which it was established and on dissolution of the institution the remaining assets must be transferred to anybody with objects similar to those of the institution and which is itself exempt from income tax in terms of Section 10(1)(cA) (i) of the Act or the State.

Allowance for doubtful debts

The measurement of receivables is derived after consideration of the allowance for doubtful debts. Management makes certain assumptions regarding the categorisation of debtors into groups with similar risk profiles so that the effect of any impairment on a group of receivables would not differ materially from the impairment that would have been determined had each debtor been assessed for impairment on an individual basis. Where an individual consideration is regarded practical, it is applied. The determination of this allowance is predisposed to the utilisation of estimates, assumptions, and management judgements. In determining this allowance, the estimates are made about the probability of recovery of the debtors based on their past payment history and risk profile.

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Significant Accounting Policies

Accounting by principals and agent

The entity makes assessments on whether it is the principal or agent in principal-agent relationships. Significant judgements applied are disclosed in accounting policy 1.25.

Additional information is disclosed in Note 29.

Impairment of statutory receivables

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the entity measures and impairment loss. The impairment loss is measured as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, are reduced, either directly or through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

In estimating the future cash flows, the entity considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable are revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Accounting for adjustments to revenue

Determining whether an adjustment to revenue charged in terms of legislation or similar means is a correction of an error or a change in an accounting estimate requires the application of judgement by management. When adjustments to revenue already recognised arise from new information that becomes known to the entity, the following considerations are applied to determine whether the adjustment to revenue already recognised is a correction of an error or a change in an accounting estimate:

- (a) If information becomes known to the entity, and the entity could reasonably have been expected to know of the information and/or the information used was incorrect, the adjustment to revenue is likely to be a correction of an error.
- (b) If information becomes known to the entity, but the entity could not reasonably have been expected to know of this information when the revenue was charged, the adjustment to revenue is likely to be a change in an accounting estimate.

Accounting for adjustments to revenue that correct an error or prior period error

Following the outcome of the determination processes noted above, and assessing whether this is new information that becomes known to the entity, the entity accounts for an adjustment to revenue already recognised, including interest and penalties, as the correction of an error or prior period error where the entity:

- (a) has not followed a proper due process to promulgate the tariff, basis, percentage or formula to charge the revenue; and/or
- (b) incorrectly applied the tariff, basis, percentage or formula in charging revenue.

Errors discovered within the reporting period which relates to that period are corrected before the annual financial statements are authorised for issue. The principles in GRAP 3 are applied to account for the adjustment to revenue already recognised as a result of the correction of a prior period error.

Significant Accounting Policies

Accounting for adjustments to revenue as a change in an accounting estimate

Following the outcome of the determination processes noted above, and assessing whether this is new information that becomes known to the entity, the entity accounts for any adjustment to revenue already recognised, including interest and penalties, as a change in an accounting estimate if changes occur in the circumstances that led to the recognition of the revenue.

The principles in GRAP 3 are applied to account for a change in an accounting estimate.

Other provisions

Provisions are measured as the present value of the estimated future outflows required to settle the obligation. In the process of determining the best estimate of the amounts that will be required in future to settle the provision management considers the weighted average probability of the potential outcomes of the provisions raised. This measurement entails determining what the different potential outcomes are for a provision as well as the financial impact of each of those potential outcomes. Management then assigns a weighting factor to each of these outcomes based on the probability that the outcome will materialise in future. The factor is then applied to each of the potential outcomes and the factored outcomes are then added together to arrive at the weighted average value of the provisions.

Depreciation and amortisation

Depreciation and amortisation recognised on property, plant and equipment and intangible assets are determined with reference to the useful lives and residual values of the underlying items. The useful lives and residual values of assets are based on management's estimation of the asset's condition, expected condition at the end of the period of use, its current use, and expected future use and the entity's expectations for the year ended 31 March 2025 availability of finance to replace the asset at the end of its useful life.

In evaluating how the condition and use of the asset informs the useful life and residual value management considers the impact of technology and minimum service requirements of the assets.

1.18 Inventories

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

Subsequently inventories are measured at weighted average cost. The net replacement value does not apply as the Corporation does not sell any of its inventory items.

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

The cost of inventories is assigned using the weighted average cost. The same cost formula is used for all inventories having a similar nature and use to the entity.

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 occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

In line with GRAP 12.18 inventories shall be measured at the lower of cost and current replacement cost where they are held for distribution at no cost.

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Significant Accounting Policies

1.19 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

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

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

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

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

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

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

Useful life is either:

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

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:

- 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.

Significant Accounting Policies

- 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.

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.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

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.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

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

1.20 Commitments

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

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

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- 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.

1.21 Transfer of functions between entities under common control

Definitions

Transfers of functions between entities under common control are accounted for by the transferor by derecognising assets and liabilities at their carrying amounts at the date of transfer. Any difference between the assets and liabilities derecognised and consideration paid, if any, is recognised in accumulated surplus or deficit.

1.22 Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

Recognition

The entity recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Initial measurement

The entity initially measures statutory receivables at their transaction amount. The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Subsequent measurement

The entity measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Derecognition

The entity derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the entity, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable 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 receivable; and
 - recognise separately any rights and obligations created or retained in the transfer.

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The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP.

Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.23 Distribution of accumulated surplus

The distribution of accumulated surplus is recognised and disclosed upon on declaration by the Shareholders Committee.

Management decides on the implementation date.

1.24 Accounting by principals and agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the entity is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether an entity is a principal or an agent requires the entity to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The entity assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Assessing which entity benefits from the transactions with third parties

When the entity in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the entity concludes that it is not the agent, then it is the principal in the transactions.

The entity is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

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Where the entity has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that is an agent. The entity applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the entity is an agent.

Recognition

The entity, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The entity, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The entity recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.25 Materiality

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

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

1.26 Events after reporting date

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

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

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

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

Notes to the Annual Financial Statements

	2025	2024
2. Receivables from exchange transactions		
Staff advance	352 294	434 858
Prepayments (*)	54 396 403	40 570 370
Deposits	1 024 741	1 567 729
Staff debtors	691 474	681 884
Online service receivable (**)	14 710 944	7 312 020
Receivable - Other	7 687 175	8 357 039
Training provisioning and facilities (***)	1 974 667	11 637 605
	80 837 698	70 561 505
Reconciliation of provision for impairment of trade and other receivables		
Opening balance	(227 196)	(637 474)
Amounts written off as uncollectible	-	410 278
Provision for impairment	(3 228 090)	-
	(3 455 286)	(227 196)
Receivables from exchange transactions after impairment		
Staff advance	352 294	434 858
Prepayments (*)	54 396 403	40 570 370
Deposits	1 024 741	1 567 729
Staff debtors	688 606	679 016
Online services receivable (**)	14 710 944	7 312 020
Receivable - Other	5 239 801	8 132 711
Training provisioning and facilities (***)	969 622	11 637 605
	77 382 411	70 334 309

- * Prepayments can mainly be attributed to software licence payments made in line with Service Level Agreements. Included in this amount is R5 970 800 as the deposit for 2 Mobile Vehicle Testing Stations (MVTs) to be donated to the Western Cape in line with a Shareholders resolution. The prepayment is in line with the Service Level Agreement. For further details refer to note 28.
- ** The significant increase in online motor vehicle registrations are due to the fact that the OMVR was only operational for 6 months with only two dealerships in the previous financial year, whilst nine dealership are operating in the current financial year and the rise in the up-take of the online services.
- *** The decrease in training provisioning and facilities is mainly attributed to the settling of a debt by the Department of Agriculture and Land Reform amounting to R 9 174 750 relating to the learners licence training project.

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Notes to the Annual Financial Statements

	2025	2024
3. Receivables from non-exchange transactions		
AARTO - Infringements	314 079 115	213 396 327
Receivables other	4 793 745	4 898 260
NaTIS Transaction Fees	119 004 218	105 907 301
NRTA Section 56 Infringement	47 684 204	45 744 854
	485 561 282	369 946 742
Reconciliation of provision for impairment of receivables from non-exchange transactions		
Opening balance	(286 597 255)	(183 668 541)
Provision for impairment	(109 137 186)	(102 944 577)
Amounts written off as uncollectible	-	15 863
	(395 734 441)	(286 597 255)
Receivables from non-exchange transactions after impairment		
Receivable other	4 793 745	4 898 260
NaTIS Transaction Fees	85 033 096	78 451 226
	89 826 841	83 349 486

Statutory receivables general information

a.) Transactions arising from statute

AARTO fines

In implementing the law enforcement function Section 31 of the AARTO Act of 2008 and schedule 2 of the AARTO regulations, requires law enforcement officers to impose infringements to motorists who contravene the provisions of the AARTO Act. Thus, statutory receivables consist of infringements issued but not yet paid by the motorists.

AARTO collection fee

In terms of the AARTO Act, all collecting authorities are entitled to 3% of the AARTO infringements collected.

Transaction fees

Section 24 of the RTMC Act prescribe that the RTMC is funded from:

- monies prescribed, subject to section 48(1)(b) which must include transaction fees charged by the Corporation for the rendering of services.

The collection of transaction fees is in terms of Government Gazette No. 29852 dated 30 April 2007, where the terms and conditions of this arrangement are clearly stipulated.

NRTA Section 56

These infringements are issued in terms of Section 56 of the Criminal Procedure Act of 1977. A written notice is a method of securing attendance of the accused in the magistrate's court.

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If an accused is alleged to have committed an offence and a peace officer on reasonable grounds believes that a magistrate’s court, on convicting such accused of that offence, will not impose a fine exceeding the amount determined by the Minister from time to time by notice in the Gazette, such peace officer may, whether or not the accused is in custody, hand to the accused a written notice which shall:

- specify the name, the residential address and the occupation or status of the accused;
- call upon the accused to appear at a place and on a date and at a time specified in the written notice to answer a charge of having committed the offence in question;
- contain an endorsement in terms of section 57 that the accused may admit his guilt in respect of the offence in question
- and that he/she may pay a stipulated fine in respect thereof without appearing in court; and
- contain a certificate under the hand of the peace officer that he/she has handed the original of such written notice to the accused and that he/she has explained to the accused the importance thereof.

b.) Determination of transaction amount

AARTO - Infringements

In terms of the AARTO Act and regulations, the AARTO National task team determines the fines to be imposed. The fine list is then gazetted as Schedule 3 of the AARTO Regulations.

AARTO - collection fee

RTMC is entitled to 3% of all fines collected as collecting fee, inline with the AARTO Act. As at year end, the receivable is zero.

Transaction fees

RTMC receives R72 per transaction on all motor vehicle licence registrations and renewals from all the provinces as approved by the Minister of Transport (Government Gazette number 40523 dated 28 December 2016) effective from 1 February 2017.

NRTA Section 56

The amount of a fine imposed is proposed by the issuing authority (RTMC) and the fine list is approved by the magistrate’s court within the jurisdiction where the offence was committed.

c.) Interest or other charges levied/charged

AARTO - Infringements

Interest is not charged on outstanding fines.

AARTO - collection fee

Interest is not charged on outstanding balance.

Transaction fees

Interest is not charged on outstanding balance.

NRTA Section 56

Interest is not charged on outstanding fines.

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3. Receivables from non-exchange transactions (continued)

d.) Basis used to assess and test whether a statutory receivable is impaired

At each financial year-end, the entity assesses the appropriateness and recoverability of the carrying amount of statutory receivables. As a result, assessment is made as to any indication that a statutory receivable, or a group of statutory receivables, may be impaired. In doing so, the following indicators are considered:

AARTO - Infringements

- The probability of assessing each infringer individually
- The practicability of an overall assessment.
- The collection rate in the year under review and the average collection rate over the past 5 years.
- Considering the aforementioned history, all outstanding fines are provided for due to the poor collection rate.

Transaction fees

- The collection rate in the year under review and the average collection rate over the past 10 years.
- The probability to recover the long outstanding debt.
- Consideration of disputes on cancelled transaction fees.

NRTA Section 56

- The probability of assessing each infringer individually
- The practicability of an overall assessment.

Statutory receivables past due but not impaired

As of 31 March 2025, statutory receivables were R480 767 538 (2024: R365 048 482), the amount of the provision was R395 734 443 as of 31 March 2025 (2024: R286 597 256).

The ageing of these statutory receivables is as follows:

Statutory receivables - 2025

	Neither past nor impaired	1-3 months	3-5 months	More than 5 months	Impaired statutory receivables	Total
NaTIS Transaction Fees	62 297 640	24 411 315	6 043 979	26 251 284	(33 971 123)	85 033 095
AARTO - Infringements	-	25 686 614	13 613 733	274 778 769	(314 079 116)	-
NRTA Section 56 Infringement	-	750	1 124 825	46 558 629	(47 684 204)	-
	62 297 640	50 098 679	20 782 537	347 588 682	(395 734 443)	85 033 095

Statutory receivables - 2024

	Neither past nor impaired	1-3 months	3-5 months	More than 5 months	Impaired statutory receivables	Total
NaTIS Transaction Fees	60 331 536	18 697 232	515 012	26 363 521	(27 456 075)	78 451 226
AARTO - Infringements	-	28 170 400	27 199 535	158 026 392	(213 396 327)	-
NRTA Section 56 Infringement	-	1 981 581	741 300	43 021 973	(45 744 854)	-
	60 331 536	48 849 213	28 455 847	227 411 886	(286 597 256)	78 451 226

Statutory receivables past due but not impaired

Statutory receivables which are less than 1 month past due are not considered to be impaired. At 31 March 2025 R22 735 456, (March 2024: R1 920 214) were impaired.

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				2025	2024
The ageing of amounts past due but not impaired is as follows:					
2025	2 months past due		3 months past due	Over 3 months past due	Total
NaTIS Transaction Fees	22 052 496	333 983	348 977	22 735 456	
2024	2 months past due		3 months past due	Over 3 months past due	Total
NaTIS Transaction Fees	1 920 214	-	-	1 920 214	

Statutory receivables impaired

As of 31 March 2025, Statutory receivables of R395 734 442 (2024: R288 899 071) were impaired and provided for.

The ageing of these statutory receivables is as follows:

2025	0-3 months	3-6 months	Over 6 months	Total
NaTIS Transaction Fees	-	-	33 971 123	33 971 123
AARTO - Infringements	25 686 614	22 830 061	265 562 440	314 079 115
NRTA Section 56 Infringements	750	297 125	47 386 329	47 684 204
	25 687 364	23 127 186	346 919 892	395 734 442
2024	0-3 months	3-6 months	Over 6 months	Total
NaTIS Transaction Fees	2 879 357	515 012	26 363 521	29 757 890
AARTO - Infringements	28 170 400	27 199 535	158 026 392	213 396 327
NRTA Section 56 Infringements	1 353 181	1 369 700	43 021 973	45 744 854
	32 402 938	29 084 247	227 411 886	288 899 071

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	5 243	4 607
Current accounts	17 161 921	32 603 622
Call accounts	161 458 495	181 875 102
	178 625 659	214 483 331

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Notes to the Annual Financial Statements

	2025	2024
5. Inventories		
Ammunition	698 055	1 008 679
Consumable stores	491 301	194 241
Office refreshments	1 960	1 680
Personal protective equipment	16 560	63 480
Printing and stationery	1 263 791	942 390
Roadblock essentials	-	104 328
Medical supplies	343 244	-
Perishable and non-perishable	506 992	-
Face value documents	406 192	-
	3 728 095	2 314 798

Inventory pledged as security

None of the above inventory have been pledged as security/surety for liabilities.

6. Property, plant and equipment

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Leasehold property (Land)	140 838 246	-	140 838 246	-	-	-
Leasehold property (Buildings)	121 345 035	-	121 345 035	55 700 000	(3 938 384)	51 761 616
Machinery and equipment	4 204 282	(2 092 751)	2 111 531	4 204 282	(1 860 315)	2 343 967
Furniture and fittings	10 493 802	(5 030 860)	5 462 942	7 791 417	(4 666 159)	3 125 258
Motor vehicles	199 380 041	(134 830 310)	64 549 731	202 313 365	(122 854 132)	79 459 233
Office equipment	106 995 243	(50 186 973)	56 808 270	93 724 754	(41 164 938)	52 559 816
Computer equipment	481 765 604	(195 177 705)	286 587 899	417 720 533	(143 857 704)	273 862 829
Leasehold improvements	36 193 884	(4 517 723)	31 676 161	9 408 740	(8 633 082)	775 658
Traffic training college - Work in progress	-	-	-	250 218 114	-	250 218 114
Computer equipment - Work in progress	-	-	-	45 648 685	-	45 648 685
Parkhomes and containers	123 409 724	(1 636 819)	121 772 905	768 627	(103 281)	665 346

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	2025			2024		
	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Parkhomes and containers - Work in progress	-	-	-	47 511 683	-	47 511 683
Communication devices	3 639 417	(2 776 631)	862 786	3 743 374	(2 105 092)	1 638 282
Road upgrade	17 558 130	(52 624)	17 505 506	-	-	-
Sewerage pumpstation	12 335 095	(66 293)	12 268 802	-	-	-
Borehole pumpstation	12 410 383	(104 022)	12 306 361	-	-	-
Fencing	3 660 705	(59 507)	3 601 198	-	-	-
Office equipment - Work in progress	-	-	-	1 879 630	-	1 879 630
Tools	535 225	(23 755)	511 470	-	-	-
Firearms	13 067 059	(4 091 503)	8 975 556	8 376 447	(3 615 619)	4 760 828
Total	1 287 831 875	(400 647 476)	887 184 399	1 149 009 651	(332 798 706)	816 210 945

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Notes to the Annual Financial Statements

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Completed project during the year	Reclassification of land and buildings	Disposals	Revaluations	Depreciation	Impairment loss	Total
Leasehold property (Land)	-	-	-	1 000	-	-	140 837 246	-	140 838 246
Leasehold property (Buildings)	51 761 616	-	133 236 123	(1 000)	-	(917 128)	(55 699 990)	(7 034 586)	121 345 035
Machinery and equipment	2 343 967	-	-	-	-	(232 436)	-	-	2 111 531
Furniture and fittings	3 125 258	2 902 701	-	-	(63 764)	(501 253)	-	-	5 462 942
Motor vehicles	79 459 233	525 274	-	-	(872 008)	(14 562 768)	-	-	64 549 731
Office equipment	52 559 816	12 550 713	6 682 777	-	(2 718 677)	(12 266 359)	-	-	56 808 270
Computer equipment	273 862 829	26 863 126	45 706 185	-	(3 329 759)	(56 514 482)	-	-	286 587 899
Leasehold improvements	775 658	-	35 072 059	-	-	(4 171 556)	-	-	31 676 161
Traffic training college - Work in progress	250 218 114	4 111 736	(254 329 850)	-	-	-	-	-	-
Computer equipment - Work in progress	45 648 685	57 500	(45 706 185)	-	-	-	-	-	-
Parkhomes and containers	665 346	-	122 641 097	-	-	(1 533 538)	-	-	121 772 905
Parkhome and containers - Work in progress	47 511 683	-	(47 511 683)	-	-	-	-	-	-
Communication devices	1 638 282	-	-	-	(51 522)	(723 974)	-	-	862 786
Road upgrade	-	-	17 558 130	-	-	(52 624)	-	-	17 505 506
Sewerage pumpstation	-	-	12 335 095	-	-	(66 293)	-	-	12 268 802
Borehole Pumpstation	-	-	12 410 383	-	-	(104 022)	-	-	12 306 361
Fencing	-	-	3 660 705	-	-	(59 507)	-	-	3 601 198
Leasehold improvement - Work in progress	-	35 072 059	(35 072 059)	-	-	-	-	-	-
Office equipment - Work in progress	1 879 630	4 803 147	(6 682 777)	-	-	-	-	-	-
Tools	-	535 225	-	-	-	(23 755)	-	-	511 470
Fire arms	4 760 828	4 746 939	-	-	(31 169)	(501 042)	-	-	8 975 556
	816 210 945	92 168 420	-	-	(7 066 899)	(92 230 737)	85 137 256	(7 034 586)	887 184 399

Notes to the Annual Financial Statements

					2025	2024
Reconciliation of property, plant and equipment - 2024						
	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Leasehold property (Buildings)	52 324 242	-	-	-	(562 626)	51 761 616
Machinery and equipment	2 576 430	-	-	-	(232 463)	2 343 967
Furniture and fittings	3 969 476	10 293	(298 493)	(160 151)	(395 867)	3 125 258
Motor vehicles	85 492 248	10 376 894	(2 388 671)	(124 938)	(13 896 300)	79 459 233
Office equipment	56 878 768	8 590 874	(3 213 912)	(139 175)	(9 556 739)	52 559 816
Computer equipment	282 505 921	44 109 034	(4 264 039)	(518 256)	(47 969 831)	273 862 829
Leasehold improvements	3 901 716	-	-	(23 036)	(3 103 022)	775 658
Traffic training college - Work in progress	180 985 130	69 232 984	-	-	-	250 218 114
Computer equipment - Work in progress	44 354 513	1 294 172	-	-	-	45 648 685
Parkhomes and containers	646 957	54 995	-	-	(36 606)	665 346
Parkhome sand containers - Work in progress	47 511 683	-	-	-	-	47 511 683
Communication devices	2 291 325	401 081	(191 997)	(104 876)	(757 251)	1 638 282
Office equipment - Work in progress	-	1 879 630	-	-	-	1 879 630
Fire arms	5 079 490	-	(9 509)	-	(309 153)	4 760 828
	768 517 899	135 949 957	(10 366 621)	(1 070 432)	(76 819 858)	816 210 945

Traffic training college and park homes - Work in progress

Construction and installation of parkhomes at Boekehoutkloof traffic college was completed and the construction and other related costs were capitalised.

Assets subject to finance lease (Net carrying amount)

Leasehold property - Land (a)	140 838 246	-
Leasehold property - Buildings (a)	121 345 035	51 761 616
Computer equipment (b)	3 640 681	114 821 374
Communication devices (c)	88 606	403 394
	265 912 568	166 986 384

Finance lease assets

- (a) The Leasehold Property consists of Land and Buildings of the Boekenhoutkloof Traffic College that was leased to the RTMC under a 99-year lease at R1 per year, with an option to extend. The lease commenced on 01 April 2017. The property was valued by an independent valuer at the end of the 2024/25 financial year in line with the Accounting Policy.
- The independent valuer utilised a Cost Method Approach or as alternatively described a Replacement Cost Less Depreciation / Plus Appreciation Approach in carrying out the valuation assessment. The applicable assessment and assignment included and recorded a separate estimate pertaining Building Insurance Replacement Valuations, as well as the probable market values based upon a Capitalised first year Net Annual Rental Income Analyses Valuation approach.

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Notes to the Annual Financial Statements

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6. Property, plant and equipment (continued)

The related revaluation surplus and/ or impairment is recorded in the above accompanying reconciliation of Property, Plant and Equipment and in the Statement of Net Assets.

- (b) During the 2021/22 financial year, the NaTIS infrastructure was upgraded. Part of the infrastructure refresh was procured through a finance lease. In the year under review, computer equipment for the digitization of road worthiness testing forms for Vehicle Testing Stations (VTS) was acquired through a finance lease over a period of three years. The finance lease came to an end as at 31 December 2024.

Computer equipment also includes rugged tablets that were acquired through finance lease over a period of two years.

- (c) Communication devices were acquired through a finance lease over a period of two years. None of the above assets have been pledged as security / surety. Repairs and maintenance on assets amounted to R27 382 025 of which majority was for motor vehicles. The loss on disposal of assets is disclosed on the face of the Statement of Financial Performance.

7. Intangible assets

	2025			2024		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	370 712 415	(18 149 654)	352 562 761	370 712 415	(17 886 747)	352 825 668
Intangible assets under development	12 860 940	(12 860 939)	1	12 860 940	(12 860 939)	1
Total	383 573 355	(31 010 593)	352 562 762	383 573 355	(30 747 686)	352 825 669

Reconciliation of intangible assets - 2025

	Opening balance	Amortisation	Total
Computer software	352 825 668	(262 907)	352 562 761
Intangible assets under development	1	-	1
	352 825 669	(262 907)	352 562 762

The intangible asset under development will be evaluated for disposal in the next financial year.

Reconciliation of intangible assets - 2024

	Opening balance	Additions	Amortisation	Total
Computer software	354 096 732	701 500	(1 972 564)	352 825 668
Intangible assets under development	1	-	-	1
	354 096 733	701 500	(1 972 564)	352 825 669

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Included in Computer software is NaTIS assets with an indefinite useful life

The asset was evaluated for possible impairment and the following are some of the factors considered in the process:

- The system infrastructure was upgraded during the 2021/22 financial year as part of continuous service delivery improvement and new revenue streams implemented;
- Negotiations are underway to implement NaTIS in SADC countries in the near future;
- Online platforms are being implemented, through the use of NaTIS, for online renewal of licence discs, motor vehicle registration and change of ownership;
- Several future revenue streams, fully dependent on NaTIS, have been identified and will be implemented in the foreseeable future.

Based on the aforementioned, it was concluded that no impairment is necessary in the current financial year as the system is deemed to produce future economic benefits for the Corporation for an indefinite period as it is continuously evolving.

8. Finance lease - as lessee

Minimum lease payments due

- within one year	2 835 912	36 183 359
- in second to fifth year inclusive	1 280 000	915 900
	4 115 912	37 099 259
less: future finance charges	(783 823)	(866 001)
Present value of minimum lease payments	3 332 089	36 233 258

Present value of minimum lease payments due

- within one year	2 199 563	35 422 674
- in second to fifth year inclusive	1 132 526	810 584
	3 332 089	36 233 258

Non-current liabilities	1 132 526	810 584
Current liabilities	2 199 563	35 422 674
	3 332 089	36 233 258

- On 1 April 2017, Boekenhoutkloof Traffic College was acquired under a finance lease of 99 years at R1 per year. The initial recognition of the lease liability and asset, determining the present value of the minimum lease payments, was determined using the prime rate of 10.50% as at 1 April 2017.
- The infrastructure refresh was partially financed through a finance lease over a three year period. The commencement date of the finance lease was 01 January 2022 at an interest rate of 4.9%. The finance lease has come to an end as at 31 December 2024.
- Communication devices and certain computer equipment were acquired through a finance lease over a period of two years. The devices were acquired at different dates during the previous and current financial year. The initial commencement date of the finance lease in the current year is 04 July 2024 at an interest rate of 2%.

Interest rates are linked to prime at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

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Notes to the Annual Financial Statements

	2025	2024
9. Operating lease asset (liability)		
Operating lease smoothing liability	2 362 506	-

The operating lease liability is as a result of the lease smoothing in line with the respective lease agreement of two main offices and one office parking situated in Centurion Gate Business Park and Waterfall. The initial commencement date of the operating lease in the current year is 01 April 2024.

The lease agreement is for a period of five years, a return notice must be provided within six months prior to termination date. The lease agreement imposes no restrictions, however a written consent is required before subleasing. For further details of future periods refer to note 22 (d).

10. Payables from exchange transactions

Trade payables (*)	45 362 296	89 366 033
Income received in advance (**)	1 000 557	5 749 413
RTIA - Aarto infringements (collecting authority capacity)	1 393 415	416 571
Accrued employee costs	13 852 095	12 770 407
Accrued expenses	21 327 725	22 395 363
Online motor vehicle licence renewal (***)	188 214 814	140 486 550
NaTIS online motor vehicle registration and change of ownership (****)	2 011 595	164 706
Unallocated /unidentified receipts	1 738 026	2 159 902
CBRTA transitional arrangement liability	7 149	29 000
	274 907 672	273 537 945

- * The significant decrease in trade payables is due to decrease in training provisioning payables, there was a delay in the invoicing in the prior period.
- ** Income received in advance in the prior year mainly consisted of receipts for training provisioning and facilities, which were not recurring in the current financial year.
- *** Increase in Online service liability is due to the rise in the up-take of the Online services.
- **** The significant increase in online motor vehicle registrations are due to the fact that the OMVR was only operational for 6 months with only two dealerships in the previous financial year, whilst nine dealership are operating in the current financial year.

11. Provisions

Reconciliation of provisions - 2025

	Opening Balance	Additions	Utilised	Total
Provision for performance bonus	50 737 334	14 092 288	-	64 829 622
Provision for leave	23 482 924	66 452 781	(60 551 027)	29 384 678
Provision for expenditure	-	15 165 577	(15 002 377)	163 200
Provision for capped leave (non-current)	518 173	25 908	-	544 081
	74 738 431	95 736 554	(75 553 404)	94 921 581

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Notes to the Annual Financial Statements

	2025		2024	
Reconciliation of provisions - 2024				
	Opening Balance	Additions	Utilised	Total
Provision for performance bonus	46 458 033	39 946 939	(35 667 638)	50 737 334
Provision for leave	30 418 230	56 790 075	(63 725 381)	23 482 924
Provision for traffic training expenditure	7 839 492	-	(7 839 492)	-
Provision for capped leave (non-current)	473 217	44 956	-	518 173
	85 188 972	96 781 970	(107 232 511)	74 738 431
Non-current liabilities			544 081	518 173
Current liabilities			94 377 500	74 220 258
			94 921 581	74 738 431

Performance bonus provision

The provision for performance bonus is calculated based on the prior periods' Board approval as a percentage per grade of employees. The provision becomes due after the entity's performance exceeds 90% whereafter an employee qualifies for performance bonus as a result of the performance measurement tool applied or based on a methodology approved by the Board.

Due to financial constraints, no bonuses were declared for the 2023/2024 financial year. As a result the entire opening balance for performance bonus provisions was reversed and the provision was raised for the performance relating to the 2024/2025 financial year.

Leave provision

Employees' entitlement to annual leave is recognised when it accrues from 1 January to 31 December and will be forfeited on 30 June the following year. A provision is made on the estimated liability for annual leave as a result of services rendered by employees up to the amount of the obligation.

Expenditure provision

Provision for expenditure that is not yet billed.

Capped leave provision

Capped leave is only paid upon death or retirement of an employee. Employees will forfeit capped leave upon resignation. The increase disclosed under additions is due to the rate increase as a result of the salary increase.

12. Finance income

Interest revenue

Interest received	20 625 472	13 528 320
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	2025	2024
13. Revenue		
NaTIS online motor vehicle registration and change of ownership (13.1)	25 945 272	645 810
Special project income (13.2)	348 877	2 480 496
RTIA - Aarto infringement collection fees (13.3)	1 053 402	357 529
NaTIS data charge	214 391	246 998
Training provisioning and facilities	7 955 865	47 010 279
Revenue from previously written off assets (13.4)	370 547	302 819
Secondment income	3 702 240	1 966 782
Courier fees (13.5)	145 302 498	91 027 728
NaTIS online motor vehicle licence renewal - collection agency fee (13.5)	150 891 314	87 314 464
Sundry income	219 891	3 401 489
Project income - sponsorships (13.6)	7 399 904	11 536 007
Insurance reimbursements	8 253	108 841
Interest received	20 625 472	13 528 320
Sponsorship in Kind	463 950	1 574 327
Impound fees	134 500	316 702
DLTC management	43 793 492	49 865 124
Penalties charged	-	4 144 360
Government grant	196 991 000	220 104 000
Unclaimed liabilities	1 121 925	2 643 929
Infringement fees (AARTO income) (13.7)	109 782 563	90 891 522
Transaction fees	964 904 976	948 690 714
NRTA section 56 infringement fees (13.8)	2 208 200	7 558 585
	1 683 438 532	1 585 716 825

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

NaTIS online motor vehicle registration and change of ownership (13.1)	25 945 272	645 810
Special project income (13.2)	348 877	2 480 496
RTIA - Aarto Infringement collection fees (13.3)	1 053 402	357 529
NaTIS data charge	214 391	246 998
Training provisioning and facilities (13.4)	7 955 865	47 010 279
Revenue from previously written off assets	370 547	302 819
Secondment income	3 702 240	1 966 782
Courier fees (13.5)	145 302 498	91 027 728
NaTIS online motor vehicle licence renewal - collection agency fee (13.5)	150 891 314	87 314 464
Sundry income	219 891	3 401 489
Project income - sponsorships (13.6)	7 399 904	11 536 007
Insurance reimbursements	8 253	108 841
Interest received	20 625 472	13 528 320
	364 037 926	259 927 562

Notes to the Annual Financial Statements

	2025	2024
The amount included in revenue arising from non-exchange transactions is as follows:		
Sponsorship in Kind	463 950	1 574 327
Impound fees	134 500	316 702
DLTC management	43 793 492	49 865 124
Penalties charged	-	4 144 360
Government grant	196 991 000	220 104 000
Unclaimed liabilities	1 121 925	2 643 929
Infringement fees (AARTO income) (13.7)	109 782 563	90 891 522
Transaction fees	964 904 976	948 690 714
NRTA Section 56 infringement fees (13.8)	2 208 200	7 558 585
	1 319 400 606	1 325 789 263

13.1 NaTIS online motor vehicle registration and change of ownership

The significant increase in online motor vehicle registrations (OMVR) was due to the launching of the services only taking place halfway through the 2023/2024 financial year with only 2 clients being on boarded at year end. During the 2024/2025 financial year an additional 7 clients were on boarded to utilise the service and the service ran for an entire 12 months. The service is rapidly picking up pace.

13.2 Special project income

Special project income refers to fraudulent transactions processed and detected on NaTIS. In collaboration with provinces, collection of these amounts are pursued through the civil legal route. During the current financial year collections were only done in collaboration with the Free State Province. In 2023/24, collections also made in collaboration with the Gauteng Province.

13.3 RTIA - Aarto infringement collection fees

In line with the AARTO Act, a collecting authority is entitled to 3% of the value of the fines collected by them. During the period under review there was a special operation run to collect fines across Gauteng in particular. The RTMC has also created more gateways to pay fines through its online platform as well as at its 2 DLTC's.

13.4 Training provisioning and facilities

The significant decrease in training revenue generated is due to the fact that the RTMC had trained a large number of trainees from the Border Management Authority as well as the Department of Agriculture and Land Reform, (NARYSEC) which did resume in the current financial year.

13.5 Courier fees and NaTIS online motor vehicle licence renewal (collection agency fee)

Revenue generated from courier fees and collection agency fees are directly linked to the number of online motor vehicle renewal transactions for the year. The number of transactions has grown with more than 60% from 2023/2024 to 2024/2025. The influx is directly related to the continuous growth of the service. This increase has direct link to the increase in interest revenue (note 12).

13.6 Project income - sponsorships

The income derived from sponsorships are mainly from SASSETA which are payments for students and interns currently in the employ of the RTMC.

13.7 Infringement fees (AARTO income)

The RTMC had more than 500 traffic officers added to its law enforcement unit through the pass out of its training cohort which resulted in more citations being issued to infringers than in the previous financial year, which resulted in the significant increase in revenue.

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13. Revenue (continued)

13.8 NRTA Section 56 infringement fees

Officers are only allowed to issue Section 56 notices in certain areas i.e. where AARTO does not yet apply and where the courts will allow these citations.

14. Employee related costs

Basic salaries	599 907 655	476 634 160
Bonus provision	14 092 288	39 948 939
UIF	3 185 471	2 313 124
SDL	7 380 260	6 030 869
Leave gratuity	1 624 941	1 007 502
Retirement funds	55 032 843	43 215 125
Travel, motor car, accommodation, subsistence and other allowances	11 762 831	3 642 124
Overtime payments	6 779 498	3 087 708
Long-service awards	160 000	317 500
Acting allowances	7 466 155	1 549 611
Car allowance	5 346 871	5 574 104
Housing benefits and allowances	20 660 151	21 934 726
Non pensionable and allowances	153 490 259	109 619 022
Services bonus (13th cheque)	20 229 180	18 207 672
	907 118 403	733 082 186

Employee related cost includes:

- Board and its committee members.
- An amount of R2 362 099 paid to interns as internship stipend from April 2024 to March 2025. The amount was paid on behalf of SASSETA as their payments to interns were delayed. After payment was made to the interns, SASSETA would reimburse the Corporation. This amount is included as part of sponsorship income.

Contract employees are utilised on an adhoc basis when needed.

Staff Complement

Permanent employees	1 620	1 073
Contract employees	128	104
Traffic trainees	546	526
Interns	70	38
	2 364	1 741

15. Depreciation and amortisation

Property, plant and equipment	92 230 737	76 819 858
Intangible assets	262 907	1 972 564
	92 493 644	78 792 422

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	2025	2024
16. Impairment loss		
Impairments		
Property, plant and equipment	7 034 586	-
The leasehold building was valuated as at the 31 March 2025 which resulted in a net impairment of R7 034 586.		
Aggregate impairment loss	62 734 576	-
Reversal of previous reserve	(55 699 990)	-
	7 034 586	-
17. Finance costs		
Finance leases	999 338	2 613 708
18. Lease rentals on operating lease		
Office buildings		
Contractual amounts	35 109 470	31 979 344
Equipment		
Contractual amounts	2 187 850	522 927
	37 297 320	32 502 271
19. Debt impairment		
Contributions to debt impairment provision	112 365 278	102 944 577
Bad debts written off	-	219 133
	112 365 278	103 163 710

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	2025	2024
20. Operating expenditure		
Advertising (a)	797 954	1 030 942
Ammunition (b)	684 253	1 966 926
Auditors remuneration (c)	7 820 755	8 662 669
Bank charges (d)	27 602 339	20 099 673
Catering (e)	1 828 127	990 377
Cleaning (f)	1 612 317	718 612
Compensation commissioner (g)	3 996 460	3 458 989
Consumables (h)	78 780 688	81 855 345
Computer expenses	2 084 627	1 848 678
Consulting and professional fees (i)	2 297 623	1 026 966
Corporate gifts, donations (j)	38 425	4 101
Corporate social responsibility (k)	235 276	950 204
Employee wellness programme	1 671 041	1 559 971
Fuel and oil	22 740 096	23 820 446
Insurance (l)	6 853 284	5 155 854
Labour relations	3 673 260	3 493 976
Leased office restoration (m)	7 078 725	-
Lease operating costs (n)	3 625 316	1 106 445
Legal fees	7 174 093	6 936 848
Minor assets (o)	3 553 818	1 196
Motor vehicle expenses (p)	4 339 136	4 402 787
Postage and courier (q)	101 781 823	69 734 627
Printing and stationery	24 938 876	23 902 726
Projects- Annual Performance Plan (r)	60 671 657	66 686 212
Recruitment cost (s)	981 944	33 628 992
Relocation cost (m)	3 560 070	-
Repairs and maintenance (t)	31 906 116	23 875 448
SAPO Truebill (u)	3 444 734	2 509 952
Security (v)	13 325 852	11 206 711
Staff welfare	1 786 758	1 882 058
Storage and warehouse (w)	305 828	386 775
Subscriptions and membership fees (x)	432 783	190 341
Telephone and datalines	48 379 867	47 536 092
Training	3 830 038	3 640 459
Travel - local (y)	35 467 888	15 146 623
Travel - overseas (z)	351 389	248 920
Uniforms (aa)	12 176 561	17 246
Utilities (bb)	9 246 143	10 162 107
Venue expenses (cc)	6 365 092	2 875 567
	547 441 032	482 721 861

a) Advertising

The decrease in advertising is mainly attributed to less media buying and branding.

b) Ammunition

In the financial year under review, Traffic Trainees have not yet undergone the firearm training as compared to the previous financial year. This resulted in a decrease on ammunition cost.

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c) Auditor’s remuneration

The decrease in audit fees is mainly attributed to the audit scope and utilisation of internal auditors of RTMC.

d) Bank charges

During the current financial year, an increase in transactions on the online platform is directly related to an increase in online bank charges.

e) Catering

An increase in catering costs is mainly attributed to the pass-out parade, graduation and welcome ceremony of the Traffic Trainees.

f) Cleaning

The increase in cleaning costs is mainly attributed to grass cutting at the Boekenhoutkloof Traffic College in preparation of the welcome ceremony and the orientation for the new Traffic Trainees.

g) Compensation commissioner

The increase in Compensation commissioner costs is mainly attributed to the appointment of Traffic Officers that passed out resulting in a higher staff complement.

h) Consumables

During the financial year under review, the Traffic Training college relocated to Boekenhoutkloof Traffic Training College. This resulted in an increase in consumables costs in preparation to host the Traffic Trainees at the college.

i) Corporate Gifts, Donations

The increase in corporate gifts is mainly attributed to the visit of the Road Safety Council of Namibia and Eswatini.

j) Consulting and professional fees

During the current financial year the Corporation utilised the meeting recording services as well as the increase in nursing services. This resulted in an increase in consulting fees.

k) Corporate social responsibility

During the year under review, the Corporation participated in lesser CSR project initiatives.

l) Insurance

During the year under review there was an increase in insurance premiums. This is mainly attributed to an increase in insured assets mainly computer equipment and the Boekenhoutkloof Traffic College upgrade.

m) Leased office restoration and relocation cost

During the current financial year, the Corporation relocated to new office building. The old office buildings were restored as per the lease agreements in the form of settlement cost.

n) Lease Operating Costs

The Corporation entered into a new lease agreement during the current financial year. This resulted in an increase in operating lease costs as per the lease agreement in the form of settlement cost.

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20. Operating expenditure (continued)

o) Minor assets

During the financial year under review, the Corporation procured student chairs and tables for the traffic trainees at the college.

p) Motor vehicle expense

The increase in motor vehicle expense is mainly attributed to the spare parts procured for the mechanic workshop based in Boekenhoutkloof Traffic College.

q) Postage and courier

The courier fees associated with the renewal of motor vehicle licences has been increasing in line with the growth rate of online services.

r) Projects - Annual Performance Plan

During the current financial year, the Corporation managed to obtain sponsorships with various stakeholders, this resulted in a decrease in projects costs.

s) Recruitment cost

Prior year recruitment cost included traffic trainee recruitment.

t) Repairs and maintenance

The increase in repairs and maintenance costs can be attributed mainly to the aging fleet of the Corporation which requires more maintenance and repairs. This resulted in an increase in repairs and maintenance costs.

u) SAPO Truebill

During the financial year under review, the printing and postage of traffic fines led to an increase in South African Post Office Truebill costs.

v) Security

The increase in security costs is mainly attributed to the inflationary increase in costs in the current financial year.

w) Storage and warehouse

There was a decrease in storage and warehouse costs due to less off-site storage for records and rotation of data tapes during the current financial year.

x) Subscription and membership fees

In the financial year under review more employees subscribed to professional bodies.

y) Travel – Local

The Corporation incurred an increase in travel costs, this is mainly attributed to the festive season deployment of traffic officers throughout the country.

Notes to the Annual Financial Statements

	2025	2024
z) Travel – Overseas		
The increase in foreign travel is mainly attributed to SADC countries and certain International Road Safety summits.		
aa) Uniforms		
The Corporation procured combat uniform for the newly appointed Traffic officers that passed out and additional uniform for existing Traffic officers, resulting in an increase in uniform costs.		
bb) Utilities		
The Corporation utilised less electricity for the current financial year. This is a result of the moving of offices as employees were working remotely.		
cc) Venue expenses		
During the financial year under review, pass-out parades and graduation ceremonies of the traffic trainees were held. This resulted in an increase in venues expenditure.		

21. Cash generated from operations

(Deficit) surplus	(26 359 836)	144 992 038
Adjustments for:		
Depreciation and amortisation	92 493 644	78 792 422
Gain on sale of assets and liabilities	5 048 767	7 848 629
Finance costs - Finance leases	999 338	2 613 708
Impairment deficit	7 034 586	-
Provision for debt impairment	112 365 278	103 163 710
Movements in operating lease assets and accruals	2 362 506	(768 377)
Movements in provisions	20 183 150	(10 450 541)
CBRTA Section 42 Transfer	-	4 298 398
Changes in working capital:		
Inventories	(1 413 297)	543 069
Receivables from exchange transactions	(7 048 102)	(18 947 507)
Provision for bad debt impairment	(112 365 278)	(103 163 710)
Receivables from non-exchange transactions	(6 477 355)	2 832 215
Payables from exchange transactions	1 527 175	126 537 878
	88 350 576	338 291 932

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	2025	2024
22. Commitments		
a) Authorised capital expenditure		
Contract commitments		
• Property, plant and equipment	78 482 486	97 991 552
Purchase order commitments		
• Property, plant and equipment	4 804 934	6 855 242
Total capital commitments		
Contract commitments	78 482 486	97 991 552
Purchase order commitments	4 804 934	6 855 242
	83 287 420	104 846 794
b) Authorised operational expenditure		
Contract commitments		
• Operating expenditure (*)	373 346 060	211 322 230
Purchase order commitments		
• Operating expenditure	12 575 472	14 769 413
Total operational commitments		
Contract commitments	373 346 060	211 322 230
Purchase order commitments	12 575 472	14 769 413
	385 921 532	226 091 643
Total commitments		
Total commitments		
Authorised capital expenditure	83 287 420	104 846 794
Authorised operational expenditure	385 921 532	226 091 643
	469 208 952	330 938 437
c) Commitments beyond 12 months		
Commitments	313 537 939	192 125 396

* Included in this amount is R23 883 200 as an order for Mobile Vehicle Testing Stations (MVTs) to be donated to the Western Cape in line with a Shareholders resolution. See note 28.

* Included in commitments for operating expenditure is an estimated cost of courier service. This is demand driven cost and it highly dependent on the online customer renewals. The budget is adjusted to align with this demand from time to time.

Notes to the Annual Financial Statements

	2025	2024
d) Below are operating lease included in the above total commitment. See note 9.		

Operating leases - as lessee (expense)

Minimum lease payments due - office space		
- within one year	27 531 282	-
- in second to fifth year inclusive	91 770 938	-
	119 302 220	-

The lease relates to two office properties and one office parking situated in Centurion and Waterfall. The lease term is 01 April 2024 to 31 July 2029. No arrangement have been entered into for contingent rent.

Minimum lease payments due - office equipment		
- within one year	2 237 864	397 094
- in second to fifth year inclusive	1 997 772	4 784 271
	4 235 636	5 181 365

The lease relates to thirty five photocopy machines and ninety water dispensers situated in various offices. The lease term is 01 September 2021 to 30 June 2027 .No arrangements have been entered into for contingent rent.

e) Below are finance leases included in the above total commitments. See note 8.

Minimum lease payments due		
- within one year	2 835 912	36 183 674
- in second to fifth year inclusive	1 280 000	915 900
	4 115 912	37 099 574

23. Contingencies

Contingent liabilities

The general nature of the contingency is disclosed, the entity could be prejudiced should further information be disclosed.

Tasima (Pty) Ltd vs RTMC Labour Matters: Steenkamp Order

- In April 2017 Tasima lodged an urgent application for a declaratory order that the Tasima employees must transfer to the RTMC in terms of Section 197 of the Labour Relations Act.
- On 25 May 2017, Steenkamp J ordered amongst others that, with effect from 5 April 2017, the contracts of employment of the Tasima employees transferred automatically from Tasima to the RTMC.
- On 21 December 2018 the Labour Appeal Court upheld the Order of Steenkamp J but upheld the appeal of the RTMC re- interim payments
- The RTMC appealed to the Constitutional Court. The matter was heard in the Constitutional Court on 13 August 2019 and judgement was reserved.
- On 4 August 2020 the Constitutional Court ordered the transfer of the employees to RTMC in terms of Section 197 of the LRA. The RTMC duly complied, and the employees were transferred to the RTMC.
- The Corporation appointed a legal team to oppose the application.
- It appears as if Tasima has abandoned the litigation.
- Financial exposure with regards to the backpay is still to be calculated however, estimated at R32 454 578.60 plus legal fees.
- The Contingency amount includes claim from:
 - Roets vs RTMC
 - Solidarity ABO vs RTMC.
 - Joao Lobo & 83 Others vs RTMC

Notes to the Annual Financial Statements

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23. Contingencies (continued)

Special Investigating Unit (SIU)

- The SIU is claiming an amount of R18 547 788.75 for investigations conducted on behalf of the Department of Transport. RTMC is disputing the obligation to pay as the proclamation deals with DLTC’s, which falls outside of the RTMC’s mandate.

Claasens vs RTMC

- Civil Claim for damages suffered as result of shooting.
- RTMC defended the matter and filed its plea.
- Financial exposure is determined at R7 266 046 plus cost in the event that the plaintiff is successful.

Skosana vs Minister of Police and RTMC, M Tlou vs RTMC, T Potwana vs RTMC

- Claim for unlawful arrest for contravention of the Disaster Management Act, COVID19 curfew.
- RTMC is defended the matter.
- Financial exposure is determined at R400 000 for Skosana and R100 000 per claim for Tlou and Potwana plus legal cost in the event that the plaintiffs are successful.

Nevhulaudzi vs RTMC

- Claim for unlawful arrest arising from reckless and negligent driving.
- Financial exposure is determined at R400 000 plus legal cost in the event that the plaintiffs are successful.

Maleka vs RTMC

- Claim for unlawful arrest arising from driving under the influence of alcohol.
- Financial exposure is determined at R400 000 plus legal cost in the event that the plaintiffs are successful.

Liquid Telecommunication vs RTMC

- Claims for Services rendered.
- Financial exposure is determined at R651 308 plus legal cost in the event that the plaintiff is successful.

Madona, Thenga, Maphohosha, Mashimbye, Ngaka, Mchaka, Khewsa, Maqhayiya, Sehapi vs RTMC

- Civil claim for damages as a result of NTACU arrest.
- Litigation is ongoing.
- Financial exposure is determined at R2 810 000 per claim and R4 000 100 for Thenga.

DNRS vs RTMC

- Claim for services rendered.
- Litigation is ongoing.
- Financial exposure is determined at R414 920.

Datacentrix storage upgrade

- During previous financial years, the NaTIS infrastructure was upgraded. A contract was entered into with Datacentrix to procure data storage. An amount of R90 205 189 was set aside to be utilised when there is a need for additional data storage.
- During previous financial years, the Corporation utilised R3 261 487 of this amount and the remaining uncommitted amount is R86 943 702 as it is unclear when the entity will require the data storage.

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Contingent assets

Construction guarantee

- As per the construction contract of the construction of the Traffic Training College, the Contractor shall upon the date of issue of the final payment certificate submit an expense account to the RTMC showing how all monies received in terms of the construction guarantee have been expended and shall refund to the Guarantor any resulting surplus. The construction of the Traffic Training College is at a stage of practical completion and the guarantee amount is now at 4% of the contract value (R8 416 257).

Reimbursement of legal fees

- The Public Protector pursuant to complaints lodged with her office, investigated and decided against the CEO. The decision of the Public Protector was successfully reviewed by the CEO through the Court. The CEO's legal fees in the amount of R1 506 006 incurred was subsequently reimbursed. Upon taxation and payment of the costs by the Public Protector to the CEO, the CEO will be liable to repay the Corporation the taxed costs. The amount is unknown at this stage.

24. Related parties

24.1. Related party relationships

The RTMC was established in terms of Section 3 of the RTMC Act of 1999 and is ultimately controlled by the National Department of Transport and is therefore related to all other entities under common control. The RTMC pulls together the powers of National, Provincial and Local spheres of Government and is thus related to all institutions within National Government.

The governance structures of the RTMC comprise of the Shareholders Committee and the Board of Directors. The RTMC ACT provides that the Shareholders Committee consist of the Minister of Transport as the Chairperson, every MEC of Provincial Transport and two representatives nominated by the South African Local Government Association (SALGA)

During the year under review, the Shareholders Committee comprised of the following members:

Name	Designation
Ms Barbara Creecy	Minister of Transport
Mr Xolile Nqatha	MEC: Transport and Community Safety and Liaison, Eastern Cape
Mr Jabu Mbalula	MEC: Community Safety, Roads and Transport, Free State
Mr Panyaza Lesufi	MEC: Community Safety, Gauteng (Office of the Premier)
Ms Kedibone Diale-Tlabela	MEC: Public Transport and Logistics, Gauteng
Mr Thami Ntuli	MEC: Community Safety, KwaZulu-Natal (Office of the Premier)
Mr Siboniso Duma	MEC: Transport and Human Settlements, KwaZulu-Natal
Ms Susani Violet Mathye	MEC: Transport and Community Safety, Limpopo
Mr Jackie Macie	MEC: Community Safety, Security and Liaison, Mpumalanga
Mr Thulasizwe Thomo	MEC: Public Works, Roads and Transport, Mpumalanga
Ms Limakatso Koloi	MEC: Department of Transport, Safety and Liaison, Northern Cape
Mr Wessels Morweng	MEC: Community Safety and Transport Management, North-West
Mr Isaac Sileku	MEC: Mobility, Western Cape
Mr Sebang Motlhabi	SALGA Representative

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24. Related parties (continued)

Members of key management

Key management personnel are defined as executive and non-executive management of RTMC. Related-party relationships exist between RTMC, its directors, key management personnel and parties within the national sphere of government

Transactions and balance with related parties

The transactions with all related parties are consistent with normal operating relationships between the entities and are undertaken on terms and conditions that are normal for such transactions. Where there were transactions and balances arising due to the movement of funds between entities under the common control of the Department, these were undertaken at arms lengths.

24.2. Related party balances

a.) Balances with controlling entity

Amounts included in Trade receivable (Trade Payables) regarding related parties

Department of Transport (DoT)	1 358 693	550 889
NDOT DLCA Secondment	107 835	-

b.) Balances with other related parties

Amounts included in Trade receivable (Trade Payable) regarding related parties

Road Traffic Infringement Agency (RTIA) - Administration of Aarto infringements	314 079 115	213 396 327
Road Traffic Infringement Agency (RTIA) - Collection of Aarto Infringements	(1 393 415)	(416 571)
Gauteng Department of Roads and Transport (Driver licence cards)	(4 393 495)	(4 379 749)
Airport Company South Africa (ACSA)	(3 107 496)	(47 547 638)
Safety and Security Sector Education and Training Authority (SASSETA)	(48 000)	-
Safety and Security Sector Education and Training Authority (SASSETA)	1 503 500	291 778
Telkom SA	(2 462 173)	(2 677 611)
Department of Agriculture, Land Reformed and Rural Development	-	9 174 750
Border Management Authority	-	(5 103 962)
Border Management Authority	-	231 976
CBRTA transitional arrangement receivable	1 040 210	1 080 731
CBRTA transitional arrangement liability	(7 149)	(29 000)
Service rendered by RTMC:		
• Free State	133 754	133 754
• Gauteng	90 573	-
Training provisioning and facilities		
• Mpumalanga Department of Community Safety, security and Liaison	-	26 314
• Gauteng Department of Roads and Transport	7 941	7 941
• Limpopo Provincial Department of Transport	-	(179 529)
Deployment		
• Gauteng Department of Roads and Transport	470 252	-

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	2025	2024
Online motor vehicle licence renewal:		
• Eastern Cape	(23 323 184)	(21 953 693)
• Free State	(5 793 457)	(4 050 312)
• Gauteng	(57 086 448)	(34 554 582)
• KwaZulu-Natal	(15 357 127)	(12 426 867)
• Limpopo	(5 421 357)	(11 533 306)
• Mpumalanga	(23 261 260)	(11 265 148)
• North West	(5 355 476)	(3 381 322)
• Northern Cape	(37 090 922)	(30 023 054)
• Western Cape	(15 525 576)	(11 298 258)
Transaction fees:		
• Eastern Cape	11 415 421	11 766 291
• Free State	3 015 720	2 843 640
• Gauteng	23 715 360	23 144 400
• KwaZulu-Natal	17 727 819	8 343 410
• Limpopo	4 742 345	6 302 124
• Mpumalanga	4 072 464	4 288 408
• North West	3 266 712	3 021 768
• Northern Cape	35 041 453	29 255 208
• Western Cape	16 006 924	16 941 977
NaTIS online motor vehicle registration and change of ownership		
• Gauteng	(1 982 483)	(32 769)
• KwaZulu-Natal	(28 980)	(131 968)
• Free State	(132)	-
Learner licences		
• Mpumalanga - Community Safety, Security and Liaison	-	1 090
• Gauteng Department of Roads and Transport	-	13 236
Special project		
• Free State	(523 315)	-
• Gauteng	523 315	(218 833)

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24. Related parties (continued)

c.) Balances with exempt entities

By virtue of being considered a related party to all institutions of National Government, the below outlines the nature and outstanding balances at financial year end for all institutions of National Government that are exempt from the normal related party disclosure requirements.

Department of Labour	(3 996 460)	(3 458 989)
• Provides services for occupational injuries and diseases (Compensation Commissioner).		
Government Printing Works	-	(542 939)
• Supplies sensitive stationery and gazetting.		
National Metrology Institute	-	(69 226)
• Provides calibration services.		
Auditor General	(787 178)	(847 566)
• Provides external audit services.		
South African Post Office	(231 003)	(283 072)
• Provides mandatory postage services.		

Department of Correctional Services supplied venues and catering services with no balance at year end.

Denel SOC Ltd supplied rental and student accommodation with no balance at year end.

Quality Council for Trades and Occupation supplied qualification accreditation with no balance at year end.

SANRAL provision of e-toll services as well as parking space services at no cost, no balance at year end.

d.) Commitments

Western Cape Provincial Department of Transport	(29 854 000)	-
Telkom SA	(36 145 352)	(59 516 390)

e.) Provision for doubtful debts related to outstanding balances with related parties

Road Traffic Infringement Agency (RTIA)	(314 079 115)	(213 396 327)
Provinces (Transaction fees)		
• KwaZulu-Natal	(9 555)	(61 683)
• Limpopo	-	(440 990)
• Northern Cape	(32 423 367)	(26 953 402)
• Eastern Cape	(1 538 201)	-

24.3. Related party transactions

a.) Transactions with controlling entity

Government grants received		
Department of Transport (DoT)	196 991 000	220 104 000
Secondments		
National Department of Transport (DLCA)	2 424 175	1 112 085
Department of Transport	807 804	421 139

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b.) Transactions with other related parties		
Services rendered on behalf of RTMC by:		
RTIA - Collection of AARTO infringements	1 053 402	357 529
Online services - collection agency fee:		
• Eastern Cape	12 644 686	8 996 145
• Free State	6 440 112	3 670 875
• Gauteng	62 320 540	33 598 345
• KwaZulu-Natal	17 835 685	13 717 863
• Limpopo	4 915 874	2 311 804
• Mpumalanga	19 806 422	9 539 812
• North West	5 445 883	3 171 726
• Northern Cape	3 720 990	2 106 724
• Western Cape	17 761 120	10 231 169
NaTIS online motor vehicle registration and change of ownership		
• Gauteng	25 439 370	523 050
• KwaZulu-Natal	504 240	122 760
• North West	330	-
• Western Cape	990	-
• Free State	330	-
Gauteng Department of Roads and Transport		
• DLTC Management	43 791 024	49 865 124
Special project		
• Free State	348 877	-
• Gauteng	-	2 480 495
Impoundment of vehicles		
• Free State	134 500	-
Deployment		
• Gauteng Department of Roads and Transport	470 252	-
Discretionary grant		
• Safety and Security Sector Education and Training Authority (SASSETA)	7 399 904	11 536 007
Service rendered on behalf of:		
RTIA - Administration of AARTO fines	109 782 563	90 891 522

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Notes to the Annual Financial Statements

	2025	2024
24. Related parties (continued)		
Collection of transaction fees:		
• Eastern Cape	49 148 640	51 915 240
• Free State	39 936 600	42 419 664
• Gauteng	307 583 424	323 992 296
• KwaZulu-Natal	115 260 696	116 614 290
• Limpopo	52 111 728	53 129 736
• Mpumalanga	54 588 888	59 861 016
• North West	41 225 184	43 305 912
• Northern Cape	17 850 528	18 934 128
• Western Cape	141 182 136	145 561 608
Training provisioning and facilities		
Gauteng Department of Community Safety - Peace Officer course	-	2 521 776
Gautrain Management Agency	14 892	-
Gauteng Department of Roads and Transport	513 037	-
Department of Agriculture, Land Reformed and Rural Development	-	9 174 750
Border Management Authority	5 103 962	34 118 322
Provision for debt impairment		
Road Traffic Infringement Agency (RTIA)	(100 682 788)	(87 793 426)
Transaction fees (Provinces)		
• KwaZulu-Natal	52 128	12 135
• Limpopo	440 990	(440 990)
• Northern Cape	(5 469 965)	(8 923 054)
• Eastern Cape	(1 538 201)	-
Expenditure		
Gauteng Department of Roads and Transport (Driver licence cards)	(12 693 325)	(14 430 298)
Airport Company South Africa (ACSA) - Classroom rental, accommodation and meal	(41 490 191)	(66 659 082)
Government Communications	(684 555)	(506 093)
National School of Governance	(1 575 840)	-
Telkom SA	(23 849 486)	(26 707 582)
Leaner licences		
Gauteng Department of Roads and Transport (Drivers licence cards)	-	8 268
Mpumalanga - Community Safety, Security and Liaison	-	4 580
Transfer of function between entities under common control occurring during the previous financial year.		
Cross Border Road Transport Agency (CBRTA)		
Assets transferred		
• Property, Plant and equipment	-	1 070 820
• Receivables from exchange transactions (Operating lease deposit)	-	106 823
	-	1 177 643

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	2025	2024
Liabilities		
• Operating lease liability	-	84 371
• Finance lease liability	-	66 269
• Provisions	-	4 320 850
	-	4 471 490
Difference between net assets and the consideration paid	-	3 293 847

24.4. Key management

Non-executive members

2025

	Retainer and meeting fees	Total
Name		
NN Mufamadi - Chairperson	968 098	968 098
K.J. Kudzingana	779 122	779 122
L.M.E. Magalo	645 396	645 396
Prof. M.I. Mphahlele	779 122	779 122
X.C . Stemela	618 504	618 504
C.T. Thankge	779 122	779 122
Dr. E.M. Thebe	645 396	645 396
Prof. C.M. Twala	779 122	779 122
	5 993 882	5 993 882

2024

	Retainer and meeting fees	Total
Name		
NN Mufamadi - Chairperson appointed 01 November 2022	968 098	968 098
K.J. Kudzingana appointed 01 November 2022	746 658	746 658
L.M.E. Magalo appointed 01 November 2022	591 613	591 613
Prof. M.I. Mphahlele	779 122	779 122
X.C. Stemela appointed 01 November 2022	618 504	618 504
C.T. Thankge	779 122	779 122
Dr. E.M. Thebe	645 396	645 396
Prof. C.M. Twala appointed 01 November 2022	779 122	779 122
	5 907 635	5 907 635

Board members’ remuneration is structured into two elements consisting of a monthly retainer and meeting fees capped at their specific packages.

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2025

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24. Related parties (continued)

Executive management

2025

Name	Basic salary	Other short-term employee benefits	Acting allowance	Total
Adv. M Msibi (CEO)	4 504 441	3 003 960	-	7 508 401
D. Ewertse	1 500 652	1 000 435	-	2 501 087
N.J. Jolingana	1 683 424	716 457	-	2 399 881
M.P Juma (Acting GM Organisational Strategy Management from 01 March 2024)	1 500 652	997 458	248 564	2 746 674
K. Kara-Vala	1 986 630	1 324 420	-	3 311 050
K.K. Kgosiemang	1 500 652	1 000 435	-	2 501 087
D.N Mobeng	2 759 141	919 714	-	3 678 855
R. Mongale	1 902 192	1 268 128	-	3 170 320
L. Moolman	2 091 700	1 394 466	-	3 486 166
P. K Maponyane (Acting EM Law Enforcement from 01 December 2024)	480 978	280 652	124 525	886 155
S. Petse	1 660 948	707 070	-	2 368 018
S. Podile	1 440 636	702 499	-	2 143 135
N.V Ramutle	2 317 735	993 315	-	3 311 050
O.P Legoale (Acting GM from 01 April 2024 to June 2024, and 12 July 2024 to 11 January 2025, and 10 March 2025 to 15 April 2025)	815 095	553 217	222 564	1 590 876
L.G Mbanjwa (Acting EM Financial Services from 31 October 2024 and 23 December 2024)	183 566	128 496	64 139	376 201
	26 328 442	14 990 722	659 792	41 978 956

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	2025		2024		
2024					
Name	Basic salary	Bonuses and performance related payments	Other employee benefits	Acting allowance	Total
Adv. M Msibi (CEO)	3 737 941	3 925 691	2 491 961	-	10 155 593
D. Ewertse	1 429 193	221 949	952 795	-	2 603 937
N.J. Jolingana	1 603 261	212 661	678 418	-	2 494 340
M.P Juma (Acting GM Organisational Strategy Management from 01 March 2024)	1 429 193	222 991	947 629	22 231	2 622 044
K. Kara-Vala	1 892 029	475 600	1 321 348	-	3 688 977
K.K. Kgosiemang	1 429 193	226 508	952 795	-	2 608 496
D.N Mobeng	2 627 754	-	875 918	-	3 503 672
R. Mongale (Acting EM Road Safety Stakeholder Relations Management from 01 June until 30 November 2023 - appointed 01 December 2023)	1 556 666	228 202	1 037 777	181 160	3 003 805
L. Moolman	1 992 095	503 629	1 328 063	-	3 823 787
T. Ndebele - until 31 May 2023	313 250	-	252 272	-	565 522
S. Petse	1 521 275	200 598	649 225	-	2 371 098
S. Podile	2 058 052	-	882 022	-	2 940 074
N.V Ramutle (Acting EM Corporate Services from 01 July 2022 until 31 December 2022 - Appointed 01 January 2023)	2 207 367	248 716	946 014	-	3 402 097
O.P Legoale (Acting GM from 01 April 2023 until 30 June 2023)	210 371	-	122 717	66 694	399 782
	24 007 640	6 466 545	13 438 954	270 085	44 183 224

Audit and Risk Committee members

2025

Name	Meeting attendance	Total
H.N. Jaxa	268 912	268 912
D. Maithufi	519 414	519 414
M. Ramutsheli	161 348	161 348
	949 674	949 674

2024

Name	Meeting attendance	Total
R. Cuna (Appointed 01 August 2020 until 31 July 2023)	64 927	64 927
H.N. Jaxa (Appointed 01 August 2020)	267 112	267 112
D. Maithufi (Appointed 01 July 2023)	248 563	248 563
M. Ramutsheli (Appointed 01 October 2023)	80 674	80 674
	661 276	661 276

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25. Prior period errors

The correction of the error(s) results in adjustments as follows:

Statement of Financial Position

Decrease in receivables from exchange transactions	(a & m)	(1 797 470)
Increase in receivables from non-exchange transactions	(b & m)	4 395 840
Increase in property, plant and equipment	(c)	8 670 461
Increase in payables from exchange	(d)	(2 040 467)
Increase in opening accumulated surplus	(e)	(6 147 253)
		3 081 111

Statement of Financial Performance

Increase in revenue from exchange transactions	(f)	(3 527 797)
Decrease in revenue from non-exchange transactions	(g)	3 527 797
Decrease in finance cost	(h)	(2 436)
Increase in employee related cost	(i)	522 002
Decrease in depreciation and amortisation	(j)	(529 804)
Decrease in loss on disposal of asset	(k)	(8 796)
Decrease operating expenditure	(l)	(3 062 077)
		(3 081 111)

a) Receivables from exchange transaction

- Understatement - Late receipt of credit notes resulting in an understatement of accrued income (R1 177 160); Computer expense was erroneously classified as WIP computer equipment resulting in an understatement of prepayment (R349 803). Direct deposits for online motor vehicle licensing were not licensed in the 2023/24 financial year (R645 451).
- Overstatement - VAT on self-insurance expenditure was erroneously omitted during the 2020/2021 financial year resulting in an overstatement of prepayment (R67 285); Amount due for non-delivery of services was erroneously classified as receivables from exchange transactions (R3 825 612); Learner was erroneously charged for incorrect examiner of driving licence course (R22 343); Municipality was erroneously over-charged during the 2022/2023 financial year (R28 796); Computer expense was erroneously omitted as a result of incorrect classification as WIP computer equipment resulting in an overstatement of prepayment (R25 847).

b) Receivables from non-exchange transaction

- Understatement - Amount due for non-delivery of services was erroneously classified as receivables from exchange transactions (R3 825 612); Claim for cellphone expense were erroneously omitted resulting in understatement of project - APP account (R570 229).

c) Property, plant and equipment

- Understatement - Computer equipment not available for use was erroneously depreciated (R173 302); A communication device replaced by insurance was erroneously omitted during the 2023/2024 financial year (R8 796); Computer equipment was erroneously classified as computer expense (R9 985 445); Computer equipment was erroneously capitalised as WIP: computer equipment (R6 956 781). Take-on (Section 42) of generators relating to 2017/18 financial year (R4 004 838).
- Overstatement - Depreciation relating to the omitted asset amounted to (R1 030). General expense was erroneously capitalised as WIP parkhomes resulting in an overstatement of WIP parkhomes (R537 165); Computer expense was erroneously classified as WIP computer equipment resulting in an overstatement of WIP computer equipment (R1 022 353); Depreciation for computer equipment was

Notes to the Annual Financial Statements

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	<p>erroneously recognised into computer expense account resulting in an overstatement of accumulated depreciation (R2 105 464); Consumables was erroneously classified at WIP: office equipment (R635 382). Computer equipment was erroneously capitalised as WIP: computer equipment (R6 376 758). Accumulated depreciation of take-on (Section 42) of generators relating to 2017/18 financial year (R1 780 538).</p>	
d) Payables from exchange transactions	<ul style="list-style-type: none">Understatement - Late receipt of invoice resulting in an understatement of advertising expenditure (R353 038); Late submission of overtime incurred during Easter deployment resulted in an understatement of employee costs (R272 806); Late approval of an employee salary increase relating to 2021/2022 to 2023/2024 financial years (R861 376). resulting in understatement of employee cost. Direct deposits for online motor vehicle licensing were not licensed in the 2023/24 financial year (R645 451).Overstatement - Lease operating cost was erroneously overstated during the 2023/2024 financial year (R92 204).	
e) Accumulated surplus	<ul style="list-style-type: none">Understatement - Late receipt of credit notes resulting in an understatement of retained earnings (R160 267); Computer equipment was erroneously classified as computer expense (R7 266 477). Take-on (Section 42) of generators relating to 2017/18 financial year (R4 004 838).Overstatement - VAT on self- insurance expenditure was erroneously omitted during the 2020/2021 financial year resulting in an understatement of insurance expenditure (R67 285); Late receipt of invoice resulting in an understatement of advertising expenditure (R353 038); Late approval of an employee salary increase relating to 2021/2022 to 2022/2023 financial years (R612 180); Learner was erroneously charged for incorrect examiner of driving licence course (R22 343); Municipality was erroneously over-charged during the 2022/2023 financial year (R28 796); General expense was erroneously capitalised as WIP parkhomes resulting in an overstatement of computer expense (R537 165); Depreciation for computer equipment was erroneously recognised into computer expense account resulting in an overstatement of depreciation (R2 105 464). Accumulated depreciation take-on (Section 42) of generators relating to 2017/18 financial year (R1 558 047).	
f) Revenue from exchange transactions	<ul style="list-style-type: none">Understatement - Project income - sponsorship was erroneously classified as sponsorship in-kind (R3 527 797).	
g) Revenue from non-exchange transaction	<ul style="list-style-type: none">Overstatement - Project income - sponsorship was erroneously classified as sponsorship in-kind (R3 527 797).	
h) Finance cost	<ul style="list-style-type: none">Overstatement - Reclassification of bank charges from interest expense (R2 436).	
i) Employee related cost	<ul style="list-style-type: none">Understatement- Late submission of overtime incurred during Easter deployment resulted in an understatement of employee costs (R272 806); Late approval of an employee salary increase relating to 2021/2022 to 2023/2024 financial years (R249 196).	

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25. Prior period errors (continued)

j) Depreciation and amortisation

- Understatement - Depreciation for communication device replaced by insurance was erroneously omitted during the 2023/2024 financial year resulting in an understatement of depreciation (R1 030). Depreciation of take-on (Section 42) of generators relating to 2017/18 financial year (R222 491).
- Overstatement - Computer equipment not available for use was erroneously depreciated (R173 302); Computer equipment was erroneously capitalised as WIP: computer equipment (R580 023).

k) Loss on disposal of assets

- Overstatement - A communication device provided by insurance as a replacement of lost device was erroneously omitted from proceeds on disposal (R8 796).

l) Operating expenditure

- Understatement - Reclassification of bank charges from interest expense (R2 436); Computer expense was erroneously classified as WIP computer equipment resulting in an understatement of computer expense (R672 551); Computer expense was erroneously omitted as a result of incorrect classification as WIP computer equipment resulting in an understatement of computer expense (R25 847); Consumables was erroneously classified at WIP: office equipment (R635 382).
- Overstatement - Late receipt of credit notes resulting in an overstatement of postage and courier expense (R207 638); Late receipt of credit notes resulting in overstatement of telephone expense (R809 255); Lease operating cost was erroneously overstated during the 2023/2024 financial year (R92 204); Claim for cellphone expense were erroneously omitted resulting in understatement of project - APP account (R570 229). computer equipment was erroneously recognised into computer expense account resulting in an overstatement of accumulated depreciation (R2 718 968).

m) Reclassification

- Amount due for non-delivery of services was erroneously classified as receivables from exchange transactions (R3 825 612).
- Computer equipment not available for use was erroneously classified as computer equipment available for use (R1 294 270).
- Reclassification of lease operating costs from utilities operating expenditure (R1 106 445).
- Reclassification of repairs and maintenance from motor vehicle expense (R16 165 488).
- Reclassification of project - annual performance plan from telephone and fax (R570 228).
- Project income - sponsorship was erroneously classified as sponsorship in-kind (R3 527 797).
- Reclassification of bank charges from interest expense (R2 436).
- Office equipment erroneously classified as computer equipment (R5 877 329).
- Accumulated depreciation for Office equipment erroneously classified as computer equipment (R2 408 064).

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n) Disclosures

1. During the previous financial year the following were erroneously omitted from the related party disclosure note

Related party balances

- CBRTA transitional arrangement receivable (R578 229).
- Free State Provincial Department of Roads and Transport (R133 754).
- Free State Transaction fees receivable (R133 754).
- Department of Agriculture, Land Reformed and Rural Development (R9 174 750).
- Safety and Security Sector Education and Training Authority (SASSETA) receivable (R291 778).
- Border Management Authority payables (R5 103 963).
- Border Management Authority receivables (R231 976).
- Telkom SA (R2 677 611).

Related party transactions.

- Department of Agriculture, Land Reformed and Rural Development (R9 174 750).
- Safety and Security Sector Education and Training Authority (SASSETA) (R11 536 007).
- Border Management Authority services rendered by RTMC (R34 118 322).
- Government Communications expenditure (R506 096).
- Telkom SA trade (R26 707 582).

Related party commitments

- Telkom SA (R59 516 390).

2. During the previous financial year the following were erroneously included in the risk management disclosure note:

- Decrease in prepayment (R4 403 301).
- Increase in receivables other (R5 573 000).
- Decrease in training provisioning (R51 139).
- Increase in online receivables (R645 451).

Related party balances - exempt entities

- Department of Labour (R3 458 989).
- Government Printing Works (R542 939).
- National Metrology Institute (R69 226).
- Auditor General (R847 566).
- South African Post Office (R283 073).

3. During the previous financial year the following were erroneously omitted from the Principal - Agent note:

Resources under custodianship of Agent

- Banks - (R3 770 643)

4. During the previous financial year the following was disclosed as a separate note on the Statement of Financial Position:

- CBRTA transitional arrangement liability (R29 000).

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26. Risk management

Capital risk management

The RTMC is exposed to financial risk through its financial assets and financial liabilities. The Accounting Authority has overall responsibility for the establishment and oversight of the RTMC’s risk management framework. The Accounting Authority has established the Audit and Risk Committee, which is responsible for developing and monitoring the RTMC’s risk management policies. The committee reports regularly to the Accounting Authority on its activities.

The RTMC’s risk management policies are established to identify and analyse the risks faced by the RTMC, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Corporation’s activities. The RTMC, through its training and management standard and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The RTMC’s Audit and Risk Committee oversees how management monitors compliance with the RTMC’s risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the RTMC. The RTMC’s Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit and Risk Committee.

The RTMCs exposure to risk, its objectives, policies and processes for managing the risk arising from its financial instruments and methods used to measure the RTMC’s exposure to these risks, have not changed significantly from the prior year.

The RTMC does not have major exposure to credit, liquidity and market risk, which is described in more detail below.

The RTMC’s cash and short-term deposits are placed with high quality financial institutions as well as the South African Reserve Bank.

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 and credit facilities.

Financial liabilities - 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Finance lease obligation	2 199 563	1 132 526	-	-
Payables from exchange transactions	273 907 115	-	-	-
	276 106 678	1 132 526	-	-

Financial liabilities - 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Finance lease obligation	35 422 674	810 584	-	-
Payables from exchange transactions	266 364 518	-	-	-
	301 787 192	810 584	-	-

All the financial liabilities are measured at amortised cost.

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Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as outstanding receivables and committed transactions. For banks and financial institutions, only highly reputable financial institutions are used.

Trade and other receivables

The Corporation's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base.

Due to the nature and mandate of the RTMC's activities, and the sector in which the RTMC operates, the RTMC works in an environment that deals mainly with the Department of Transport. There are no external sales value contracts.

The Corporation does establish an allowance for impairment. The Corporation has no collateral held as security.

Movement in allowance for impairment - 2025	Opening balance	Movement for the period	Amounts written off	Closing balance
Provision for trade receivables	227 196	3 228 091	-	3 455 287
Movement in allowance for impairment - 2024	Opening balance	Movement for the period	Amounts written off	Closing balance
Provision for trade receivables	637 474	-	(410 278)	227 196

Credit risk exposure

The gross carrying amount of the receivables for 2024/25: R30 882 746 and 2023/24: R34 454 536 and represents the maximum credit exposure at the reporting date.

Concentration of credit risk

The concentrations of credit risk for trade and other receivables are as follows:

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

Financial instruments		
Cash and cash equivalents	178 625 659	214 483 331
Deposits	1 024 741	1 567 729
Receivables - Other	10 033 546	13 030 971
Training provisioning	969 622	11 637 605
Staff debtors	688 606	679 016
Online service receivables	14 710 944	7 312 020
	206 053 118	248 710 672

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26. Risk management (continued)		

Financial assets that are past due but not impaired - 2025	Neither past nor impaired	1 - 2 months	3 - 5 months	More than 5 months	Impaired financial assets	Total
Trade and other receivables	23 896 065	563 601	756 320	4 642 019	(3 455 287)	26 402 718
Cash and cash equivalents	178 625 659	-	-	-	-	178 625 659
Deposits	1 024 741	-	-	-	-	1 024 741
	203 546 465	563 601	756 320	4 642 019	(3 455 287)	206 053 118

Financial assets that are past due but not impaired - 2024	Neither past nor impaired	1 - 2 months	3 - 5 months	More than 5 months	Impaired financial assets	Total
Trade and other receivables	19 721 201	2 148 361	2 108 092	8 909 153	(227 195)	32 659 612
Cash and cash equivalents	214 483 331	-	-	-	-	214 483 331
Deposits	1 567 729	-	-	-	-	1 567 729
	235 772 261	2 148 361	2 108 092	8 909 153	(227 195)	248 710 672

All the financial assets are measured at amortised cost.

Market risk

Market risk is the risk that changes in the market prices, such as interest rates, foreign exchange rates and equity prices will affect the value of the Corporation`s financial assets and the amount of the Corporation`s liabilities.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk. The nature of the Corporation`s exposure to market risk and its objectives, policies and procedures for managing market risks have not changed significantly from the prior period.

Interest rate risk

The Corporation has limited exposure to interest risk. Cash and cash equivalents carry interest at a variable rate. The RTMC is not allowed to have an overdraft facility, in terms of the PFMA.

27. Irregular and Fruitless and Wasteful Expenditure

Irregular expenditure	121 440	-
Fruitless and wasteful expenditure	-	88 955
Amount condoned	(121 440)	-
Closing balance	-	88 955

*Refer to reconciling notes in the annual report

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Additional Narratives

Administrative error on leased agreement

An administrative error occurred during the preparation of a deviation submission that sought approval for the lease agreement for a building occupied by the Corporation. The leased area was erroneously captured as 903m² instead of the correct 1123m².

As a result, the payments for the period 01 December 2024 to 31 March 2025 to the value of R121 440, for the 220m² omitted, were processed based on the 1123m² of which only 903m² was duly approved.

The Chief Executive Officer has since, through the Loss and Disposal Committee’s recommendation, approved the condonement of the irregular expenditure in line with the Irregular Expenditure Framework.

Fraudulent salary payment

The prior year R88 955 that resulted in fraudulent salary payment was recovered from employee through acknowledgement of debt in the current financial year.

28. Events after the reporting date

Adjusting events

a.) Nkwatsi, Oliphant, Ntombela, Likhoele, Meje, Kokozela vs RTMC

Respective plaintiffs issued summons for unlawful arrest against the RTMC. RTMC has defended the matters and filed its plea. Judgement was handed down in favour of complainants, RTMC legally and truly acknowledges that it is indebted to the plaintiffs for the collective amount in the sum of R200 000 with interest thereon at the prime rate of 10.5% from 26 April 2024 to date upon which the sum of the indebted amount is paid by the RTMC. RTMC paid an amount of R220 549.43 on 15 April 2025.

b.) Administrative error on lease agreement and irregular expenditure

An administrative error occurred during the preparation of a deviation submission that sought approval for the lease agreement for a building occupied by the Corporation. The leased area was erroneously captured as 903m² in the approval submission instead of the correct 1123m².

This was ratified by the Chief Executive Officer, through the Bid Adjudication Committee’s recommendation, subsequent to year end. Due to the existence and inclusion of the lease at year end, the commitment and operating lease amounts reflect the correct leased area.

Non-adjusting events

a.) Mobile testing stations

Having acknowledged that Provinces are confronted with road crashes and fatalities, the probability of RTMC assisting provinces with funding in ensuring law enforcement and deployment of more resources in hazardous locations is imminent.

RTMC is in the process to procure five (5) Mobile Testing Stations for the Western Cape province, two were delivered in April 2025 amounting to R11 941 600, the rest are yet to be delivered.

A shareholders resolution was taken to donate 5 MVTs units to Western Cape. The deposit of R5 970 800 was paid as at year end however delivery taken in April 2025. The total amount for the units is R29 854 000.

Notes to the Annual Financial Statements

2025	2024
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29. Accounting by principals and agents

The entity is a party to a principal-agent arrangement(s).

Details of the arrangements are as follows:

RTMC acts as an agent to:

1.) RTIA - infringement collection

In terms of the appointment as DLTC by Gauteng Department of Roads and Transport, RTMC is eligible to collect any other fee owed to the Department and other Road Traffic Agencies as prescribed in the applicable legislation, section 17 of the AARTO Act. The RTMC also collects the fees from infringement payments as part of the online renewal offering and track-and trace operations in terms of the aforementioned legislation.

Based on the above, RTMC is empowered in terms of the AARTO Act to collect outstanding infringements as a collecting agency on behalf of RTIA. The purpose of the relationship from a Law Enforcement point of view is for the motorists to acknowledge and rectify traffic infringements.

RTMC will accept all payments or part thereof, made by the infringer in respect of settlement of an infringement notice issued in terms of section 17 of the AARTO Act.

The Collecting Authority will retain 3% of the total amount collected which is VAT exempt and transfer the balance to the dedicated AARTO account.

2.) Online renewal of motor vehicle licences

During February 2022 financial year, RTMC and the Provincial departments of Transport entered into an agreement whereby RTMC provides online renewal of motor vehicle licences services on behalf of provinces.

RTMC is an agent to the arrangement and the assessment is that the provinces remain responsible for the management of vehicles licensing. Further, only the provinces have the power to determine the minimum service performance of the RTMC.

The risks associated with the execution of the function remains with the provinces.

As a compensation for the services performed, the RTMC retains 8% of all the baseline fees and penalties collected on behalf of the provinces. This arrangement is still in place.

3.) Online motor vehicle registration and change of ownership

In February 2022, the RTMC regulations for 2022 which includes Online Motor Vehicle Registration and Change of Ownership came into effect. These regulations as made by the Minister of Transport allows the RTMC to collect registration and change of ownership fees as gazetted by the different MEC's in their respective provinces.

The online vehicle registration fee will be levied on all registrations performed by Financial Institutions, Motor Dealers, Insurance Companies and Large Fleet Operators. The online registration function will allow an approved entity the ability to register a vehicle to themselves as title holder.

The fee collected will include both the Convenience fee for the RTMC which is R330 and registration or change of ownership fee as determined by the MEC's in the different provinces. RTMC as an agent, will therefore collect the registration and change of ownership fee on behalf of the Provincial Department of Transport.

The risks associated with the execution of the function remains with the provinces. This arrangement is still in place.

Notes to the Annual Financial Statements

20252024

4.) Special project income

The National Road Traffic Act 1996 Act No 93, provides that the registration and licensing system of motor vehicles for the province shall b as prescribed by the Member of the Executive Council of the Province.

The MEC of the Province may prescribe fees and penalties, relating to the application for the registration or licensing of a motor vehicle or licencing of a motor trade number. Failure to pay the prescribed fees and penalties timeously shall constitute debts, due to the province by the title holder, owner or holder, as the case may be.

In terms of an agreement between the RTMC and Gauteng Department of Roads and Transport as well as the RTMC and the Free State Community Safety Roads and Transport, the provinces ceded its rights to recover the debt from debtors to the RTMC to enable the RTMC to pursue recovery of the debt upon recovery of such debt by the RTMC, will share the recovered amounts with the province on a recovered revenue sharing basis which RTMC, 40%, is to retain of any recovered revenue and will pay over 60% of such to the province.

The risks associated with execution of the function remains with the province. This arrangement is still in place.

Payments are made monthly inline with the agreement between the parties.

5.) Professional Driver Permit (PrDP)

In terms of the appointment as DLTC by Gauteng Department of Roads and Transport, RTMC is eligible to collect any other fee owed to the Department and other Road Traffic Agencies as prescribed in the applicable legislation. RTMC also collects the fees from the renewal of PrDP licenses and in the process, as required by legislation, request police clearance on the fingerprints taken from the applicant. The RTMC will retain R3 per transaction of the application for police clearance on the fingerprints and remit the remainder amount to Afiswitch.

Entity as agent

Revenue recognised

The aggregate amount of revenue that the entity recognised as compensation for the transactions carried out on behalf of the principal is R178 241 333; (31 March 2024:R90 798 299).

Revenue		
RTIA - Aarto Infringements	1 053 402	357 529
Online Motor Vehicle licence renewal - Collection agency fee	150 891 314	87 314 464
Online registration and change of ownership	25 945 272	645 810
Special project income	348 877	2 480 496
Professional Driver Permit (PrDP) police clearance (DLTC)	2 468	-
	178 241 333	90 798 299

Cost incurred in the provision of the services	Marketing	Bank charges	Bulk Printing and Dispatch	Total
Online Motor Vehicle Licence Renewal - Collection Agency Fee	-	(26 064 450)	(98 546 443)	(124 610 893)

Resources held on behalf of the principal(s), but recognised in the entity's own financial statements.

Annual Financial Statements

Notes to the Annual Financial Statements

	2025	2024
29. Accounting by principals and agents (continued)		

	Assets	Liabilities
RTIA - Aarto Infringements (collecting authority capacity)	1 393 415	(1 393 415)
Online motor vehicle licence renewal - Collection agency fee	188 214 814	(188 214 814)
Online registration and transfer of ownership	2 011 595	(2 011 595)
Professional Driver Permit (PrDP)	66 476	(66 476)
Special project income	523 315	(523 315)
	192 209 615	(192 209 615)

* Assets under the custodianship of the RTMC comprises of receivables from exchange transactions and cash & cash equivalents.

Payments are made within 21 days in line with the service level agreement between the RTMC, RTIA, Gauteng Department of Roads and Transport, and the provinces.

Receivables and/or payables recognised based on the rights and obligations established in the binding agreements.

	Opening balance	Amounts collected on behalf of the principal	Amounts remitted during period to the principal	Total
RTIA - Aarto Infringements (collecting authority capacity)	416 571	34 000 983	(33 024 140)	1 393 414
Online motor vehicle licence renewal - Collection agency fee	140 486 550	1 735 250 108	(1 687 521 844)	188 214 814
Online registration and transfer of ownership	164 706	17 225 231	(15 378 313)	2 011 624
Special project income	218 833	523 315	(218 833)	523 315
Professional Driver Permit (PrDP)	-	79 786	(13 309)	66 477
	141 286 660	1 787 079 423	(1 736 156 439)	192 209 644

Entity as principal

RTMC acts as a principal to:

1.) RTIA - Aarto Infringements

RTMC is a principal to RTIA for the purposes of collection of AARTO penalties, this is in terms of Section 13 of the AARTO Act, 2008. The terms and conditions of this arrangement is clearly stipulated in the AARTO Act.

2.) Provinces - Transaction fees

RTMC is a principal to the provincial Departments of Transport for the purposes of collection of transaction fees, this is in terms of the RTMC Regulation, 2022 of the RTMC Act, 2022. The terms and conditions of this arrangement is clearly stipulated in the 2022 RTMC Regulations.

Payments are made within 30 days in accordance with 2022 RTMC Regulation.

3.) Bank agents - Online Motor Vehicle Licence renewal

RTMC is a principal to FNB Online (FNBNAV), Capitec Online & Nedbank Online for the purpose of collecting fees, this is in terms of a Service Level Agreement with the aforementioned banks. These banks do not retain any of the amount for online renewals nor does the RTMC pay any fees to the banks for collection of fees. The terms and conditions of this agreement are clearly stipulated in the said Service Level Agreements.

Notes to the Annual Financial Statements

	2025	2024
Fee paid		
RTIA - Aarto Infringements	272 993	92 943

RTMC pays 3% of the transaction fee as compensation for services performed.

Payments are made within 21 days in line with the service level agreement between the RTMC and RTIA.

Resources under custodianship of agent - assets and liabilities	Opening balance	Amounts collected on behalf of the principal	Resources remitted by agent	Closing balance
RTIA - Aarto Infringements	213 396 327	109 782 563	(9 099 775)	314 079 115
Transaction fees				
• Eastern Cape	11 766 471	49 148 640	(49 499 551)	11 415 560
• Free State	2 843 640	39 936 600	(39 764 520)	3 015 720
• Gauteng	23 144 400	307 583 424	(307 012 464)	23 715 360
• KwaZulu-Natal	8 343 410	115 260 696	(105 876 288)	17 727 818
• Limpopo	6 302 124	52 111 728	(53 671 506)	4 742 346
• Mpumalanga	4 288 408	54 588 888	(54 804 852)	4 072 444
• North West	3 021 768	41 225 184	(40 980 240)	3 266 712
• Northern Cape	29 255 208	17 850 528	(12 064 292)	35 041 444
• Western Cape	16 941 977	141 182 136	(142 117 193)	16 006 920
Banks				
• Capitec	2 947 928	313 651 544	(314 106 969)	2 492 503
• Nedbank	-	43 870 772	(43 635 589)	235 183
• FNB Nav	822 715	142 715 845	(143 288 057)	250 503
	323 074 376	1 428 908 548	(1 315 921 296)	436 061 628

These principal-agent arrangements are still in place.

30. Budget differences

Material differences between budget and actual amounts

Reasons for material variances between the Final Approved Budget and Actual Amounts on the various items disclosed in the Statement of Comparison of Budget and Actual Amounts are explained below:

Included in the RTMC’s budget was the transfer of the Drivers Card Licence Management (DLCM), however during the financial year the transfer did not materialise. Despite the increase in revenue for NaTIS online services, the non-transfer resulted in a decrease in the total revenue. A budget adjustment was thus eminent and duly approved.

a.) NaTIS online motor vehicle registration and change of ownership

The Corporation introduced a convenience service during the 2022/23 financial year which enables motor dealerships and banks to register and change ownership of motor vehicles online. Revenue generation is driven by the number of dealerships’ uptake of the service. Even though there was a slow uptake of the service with an upward budget adjustment during the year, the uptake was not as speedy as anticipated. The anticipated revenue generated was lower resulting in an under-recovery of revenue.

Notes to the Annual Financial Statements

2025	2024
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30. Budget differences (continued)

b.) Revenue items that are not budgeted for under normal operations.

Some revenue items are incidental to the normal operations of the Corporations and as a result not budgeted for. These include:

- Special project income
- RTIA – Aarto infringement collection fees – revenue generated as a result of Aarto infringement payments at the RTMC DLTC’s.
- Revenue from previously written off assets
- Secondment income
- Sundry income
- Project income – Sponsorship
- Sponsorship-in-kind
- Insurance reimbursement
- Impound fees
- Unclaimed liabilities

c.) NaTIS data charge

The Corporation anticipated services to be rendered to motor manufacturers for safety recall campaigns. The revenue generated was lower than anticipated, resulting in an under-recovery. The budget used was based on the prior year’s income in this regard.

d.) Training provisioning and facilities

The Corporation’s training was delayed due to the move from Denel to Boekenhoutkloof Traffic Training College which left the Corporation unable to take on additional training initiatives for the current financial year. This resulted in an underrecovery of revenue.

e.) Courier fees

Revenue generated from courier fees associated with the renewal of motor vehicle licences have been increasing in line with the growth rate of online services. The revenue generated exceeded the anticipated targets, resulting in an overrecovery.

f.) NaTIS online motor vehicle licence renewal

Revenue generation is driven by the public up take of the services which exceeded the anticipated targets, resulting in an over-recovery of revenue.

g.) Interest received

The interest earned is driven by positive bank balances due to an increase in NaTIS online services. An over-recovery was reflected at year-end.

h.) DLTC Management

The Corporation’s generation of revenue from this function is driven by the rate of public take-on. All functions have also not been activated as anticipated. The RTMC reflected an under-recovery at year-end.

i.) Infringement fees (AARTO income)

The appointment of the second cohort of 21st century cadre traffic officers contributed to the significant increase in AARTO fines, this resulted in an upward budget adjustment. However, during the festive period, the traffic officers were deployed to provinces where AARTO fines are restricted. This restriction is attributable to the under-recovery of the revenue.

Notes to the Annual Financial Statements

2025	2024
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j.) Transaction fees

Revenue generation includes online transaction fees which are driven by the public up take of the service. The revenue generation exceeds the anticipated targets, resulting in an over-recovery.

k.) NRTA Section 56 infringement fees

The NTP unit has invested its time and resources on AARTO jurisdictions as there are less restrictions when compared to Section 56 notices. Section 56 fines can only be issued in the jurisdictions where court approvals have been obtained. This resulted in an under-recovery of revenue.

l.) Employee related cost

The Compensation of employees budget excluded the provision for performance bonuses, new appointments made during the financial year and the increase of overtime and subsistence allowances for the festive season deployment of traffic officers. This resulted in an over-expenditure.

m.) Expense items not included for under normal operations.

Some expenses are not incidental to the normal operations of the Corporation and as a result not budgeted for. These include:

- Provision for debt impairment.
- Gain or loss on disposal of assets
- Impairment loss

n.) Finance cost

The Corporation anticipated for a finance lease cost which did not materialise during the financial year, this resulted in an underspend.

o.) Operating expenditure

During the financial the year the Corporation realised an overspend in total operating expenditure. It should be noted that the Corporation implemented a budget adjustment during the 4th quarter. The budget adjustment was tabled at Board and was henceforth approved. The budget adjustment resulted in an adjustment due to an anticipated decrease in revenue. The adjustment additionally included a budget shift between Capital Expenditure, Compensation of Employees, Operating Expenditure and budget programmes and sub-programmes. The budget intended to eliminate over and underspend, detected during the budget monitoring process. Further analysis of the main contributors to the overspend is given below:

- **Travel - local:** This expenditure is due the unanticipated festive season deployment of traffic officers throughout the country which resulted in an overspend on budget.
- **Relocation cost:** During the financial year under review, the Corporation relocated to new offices premises. The Corporation under projected on this cost resulting in an overspend.
- **Lease office restoration:** As per the lease agreement, offices needed to be restored to original conditions before it is vacated. This resulted in an overspend in the current financial year.
- **Bank charges:** The expenditure is driven by the number of transactions through public up take of the online services which was higher than anticipated, this resulted in an overspend in the current financial year.
- **Computer expenses:** During the financial year under review, the Corporation procured equipment relating to the CLLT project and an increase in software licences which contributed mainly to the overspend.
- **Courier fees:** Courier fees are paid in relation to the delivery of motor vehicle licence discs that are renewed online as part of the new online services. The number of deliveries increased in the current financial year leading to a higher spend than anticipated.
- **Motor vehicle repairs and maintenance:** The aging fleet of the Corporation requires more frequent maintenance which results in an overspend on budget.

p.) Capital expenditure

During the year under review the Corporation postponed the purchase of capital expenditure to outer financial years.

Notes to the Annual Financial Statements

2025	2024
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31. New standards and interpretations

31.1 Standards and interpretations issued, but not yet effective

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

GRAP 104 (as revised): Financial Instruments

Following the global financial crisis, a number of concerns were raised about the accounting for financial instruments. This included that (a) information on credit losses and defaults on financial assets was received too late to enable proper decision-making, (b) using fair value in certain instances was inappropriate, and (c) some of the existing accounting requirements were seen as too rules based. As a result, the International Accounting Standards Board® amended its existing Standards to deal with these issues. The IASB issued IFRS® Standard on Financial Instruments (IFRS 9) in 2009 to address many of the concerns raised. Revisions were also made to IAS® on Financial Instruments: Presentation and the IFRS Standard® on Financial Instruments: Disclosures. The IPSASB issued revised International Public Sector Accounting Standards in June 2018 so as to align them with the equivalent IFRS Standards.

The revisions better align the Standards of GRAP with recent international developments. The amendments result in better information available to make decisions about financial assets and their recoverability, and more transparent information on financial liabilities.

The most significant changes to the Standard affect:

- Financial guarantee contracts issued
- Loan commitments issued
- Classification of financial assets
- Amortised cost of financial assets
- Impairment of financial assets
- Disclosures

The effective date of the revisions is 01 April 2025.

The entity expects to adopt the revisions for the first time in 01 April 2025.

It is unlikely that the standard will have a material impact on the entity's annual financial statements.



April

2025

SU	MO	TU	WE	TH	FR	SA
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			



NOTES

No fatalities on the N1 North
during easter 2025



DAILY PLANNER

Our legislative mandate

The values of the Corporation emanate from the Constitution of the Republic of South Africa and place emphasis on the commitment to upholding the law and advancing service delivery.

Notes

Lined area for notes.



Road Traffic
Management Corporation

Physical Address

Centurion Gate Business Park
Block A to D
146 Akkerboom Street
Zwartkop 0157
Gauteng, South Africa

Email: Info@rtmc.co.za

Tel: (012) 999-5200

Fax: (012) 991-0371

ISBN Number:

978-1-83491-081-9

Postal Address

Private Bag X147
Pretoria, 0001

RP Number:

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The Road Traffic Management Corporation (RTMC)
is an Agency of The Department of Transport and a
Member of the United Nations Road Safety Collaboration



A proud initiative of
The Department of Transport

